

 **DELTA** *MAGNETS LIMITED*



33rd Annual Report 2014-15

THE BOARD OF DIRECTORS

Mr. Jaydev Mody Chairman
Dr. Ram H. Shroff Managing Director
Ms. Ambika Kothari
Mr. Darius Khambatta
Mr. Javed Tapia
Mr. Rajesh Jaggi
Mr. Samir Chinai
Dr. Vrajesh Udani

COMPANY SECRETARY & COMPLIANCE OFFICER

Ms. Snehal Oak

REGISTERED OFFICE

B-87, MIDC, Ambad,
Nasik - 422 010, Maharashtra.

PLANT LOCATION

B-87, MIDC, Ambad,
Nasik - 422 010, Maharashtra.

STATUTORY AUDITORS

M/s. Amit Desai & Co
Chartered Accountants

BANKERS

RBL Bank Limited

SHARE TRANSFER AGENTS

Freedom Registry Limited
Plot No. 101/102, MIDC, 19th Street,
Satpur, Nasik - 422 007, Maharashtra.
Phone : (0253) 2354032, 2363372
Facsimile : (0253) 2351126
e-mail : support@freedomregistry.in

SHARES LISTED ON

BSE Limited
National Stock Exchange of India Limited

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NOTICE

Notice is hereby given that the 33rd Annual General Meeting (AGM) of Members of Delta Magnets Limited will be held on Monday, 7th day of September, 2015 at 2.00 p.m. at Hotel Express Inn, Nashik Pathardi Phata, Ambad, Mumbai Agra Road, Nashik – 422 010, Maharashtra to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Statement of Profit and Loss for the year ended 31st March, 2015 and the Balance Sheet as at that date together with the reports of the Board of Directors and the Auditors thereon.
2. To consider to appoint a Director in place of Mr. Darius Khambatta (DIN: 00520338), who retires by rotation and being eligible, offers himself for re-appointment.
3. To consider and if thought fit, to pass, with or without modification(s), the following Resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to provisions of Section 139, 142 and any other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the Rules made thereunder (including any statutory modification(s), clarifications, exemptions or re-enactments thereof for the time being in force), pursuant to recommendations of the Audit Committee and Board of Directors of the Company and pursuant to resolution passed by the members of the Company at the AGM of the Company held on 25th September, 2014, the appointment of M/s. Amit Desai & Co., Chartered Accountants (Firms Registration No.: 130710W) as Statutory Auditors of the Company, to hold office from the conclusion of this AGM till the conclusion of the 34th AGM of the Company, be and is hereby ratified.

RESOLVED FURTHER THAT the Board of Directors of the Company, be and are hereby authorised to decide and finalise the terms and conditions of appointment, including the remuneration of the Statutory Auditors.”

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF ONLY ON A POLL AND A PROXY NEED NOT BE A MEMBER. THE INSTRUMENT APPOINTING A PROXY SHOULD HOWEVER BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
2. A person shall not act as a Proxy for more than 50 members and holding in the aggregate not more than ten percent of the total voting share capital of the Company. However, a single person may act as a proxy for a member holding more than ten percent of the total voting share capital of the Company provided that such person shall not act as a proxy for any other person.
3. Corporate members intending to send their authorised representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting.
4. In terms of Section 152 of the Companies Act, 2013, Mr. Darius Khambatta, Director, retire by rotation at the ensuing AGM. Mr. Darius Khambatta, being eligible, offers himself for re-appointment.

The Board of Directors of the Company recommends re-appointment of Mr. Darius Khambatta.
5. Details of Mr. Darius Khambatta, Director, proposed to be re-appointed at the forthcoming AGM as required by Clause 49 of the Listing Agreement with the Stock Exchanges and Secretarial Standards on General Meetings (SS – 2) is forming a part of this Notice.

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6. Members are requested to bring their attendance slip duly completed and signed along with their copy of annual report to the Meeting.
 7. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
 8. The Register of Beneficial Owners, Register of Members and Share Transfer Books of the Company will remain closed from Tuesday, 1st September, 2015 to Monday, 7th September, 2015, (both days inclusive), for the purpose of the AGM of the Company.
 9. Members are requested to:
 - (a) intimate to the Company's Share Transfer Agents (STA), changes, if any, in their registered addresses at an early date, in case of shares held in physical form;
 - (b) intimate to the respective Depository Participant (DP), changes, if any, in their registered addresses/email ID or bank mandates to their DP with whom they are maintaining their demat accounts.
 - (c) quote their Folio Numbers/Client ID/DP ID in all correspondence; and
 - (d) consolidate their holdings into one Folio in case they hold shares under multiple Folios in the identical order of names.
 10. Members may please note that, Securities and Exchange Board of India (SEBI) has made Permanent Account Number (PAN) as the sole identification number for all participants transacting in the securities market, irrespective of the amount of such transactions. SEBI has also mandated that for securities market transactions and off market/private transactions involving transfer of shares in physical form, it shall be necessary for the transferee(s) to furnish copy of PAN card to the Company/ STA for registration of such transfer of shares.

Members may please note that, SEBI has also made it mandatory for submission of PAN in the following cases viz., (i) Deletion of name of the deceased shareholder(s) (ii) Transmission of shares to the legal heir(s) and (iii) Transposition of shares.

11. Pursuant to sections 101 and 136 of the Companies Act, 2013 read with the Rules made thereunder, the Notice calling the AGM along with the Annual Report 2014-15 would be sent by electronic mode to those Members whose e-mail addresses are registered with the Depository or the Company's STA, unless the Members have requested for a physical copy of the same. For Members who have not registered their e-mail addresses, physical copies would be sent by the permitted mode. However, in case a Member wishes to receive a physical copy of the Annual Report, he is requested to send an email to secretarial@deltamagnets.com and/or support@freedomregistry.in duly quoting his/her DP ID and Client ID or the Folio number, as the case may be.

Members are requested to register/update their e-mail addresses with the DP (in case of shares held in dematerialised form) or with STA (in case of shares held in physical form) which will help us in prompt sending of notices, annual reports and other shareholder communications in electronic form.

12. Members holding shares in physical form are advised to avail the Nomination facility in respect of their shares by filling the prescribed form. Members holding shares in electronic form may contact their DP for recording their Nomination.
13. Voting through electronic means:

Pursuant to provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended by the Companies (Management and Administration) Amendment Rules, 2015 (including any statutory modification(s), clarifications, exemptions or re-enactments thereof for the time being in force), Clause 35B of the Listing Agreement entered with the Stock Exchanges and Secretarial

Standards on General Meetings (SS – 2), the Company is providing to its Members with the facility to cast their vote electronically from a place other than venue of the AGM (“remote e-voting”) using an electronic voting system provided by Central Depository Services (India) Limited (“CDSL”), on all the business items set forth in the Notice of AGM and the business may be transacted through such remote e-voting. The instructions to e-voting explain the process and manner for generating/receiving the password, and for casting of vote(s) in a secure manner. However, the Members are requested to take note of the following items:

- a. The remote e-voting period will commence on Thursday, 3rd September, 2015 (9.00 am IST) and will end on Sunday, 6th September, 2015 (5.00 pm IST). During this period members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of Monday, 31st August, 2015, may cast their votes through remote e-voting. The remote e-voting module shall be disabled by CDSL for voting after 5.00 pm (IST) on Sunday, 6th September, 2015 and remote e-voting shall not be allowed beyond the said time.
- b. The voting rights of the Members shall be in proportion to their shares in the paid-up share capital of the Company as on the cut-off date, being Monday, 31st August, 2015.
- c. Once the vote on a resolution is cast by a Member through remote e-voting, he/she/it shall not be allowed to change it subsequently.
- d. Any person, who acquires shares of the Company and becomes Member of the Company after dispatch of AGM Notice and holding shares as of the cut-off date, i.e. Monday, 31st August, 2015, may refer to this Notice of the AGM of the Company, posted on Company’s website www.deltamagnets.com for detailed procedure with regard to remote e-voting. The Notice shall also be available at www.cdslindia.com. Any person who ceases to be the member of the Company as on the cut-off date and is in receipt of this Notice, shall treat this Notice for information purpose only.
- e. In terms of provisions of Section 107 of the Companies Act, 2013, since the Company is providing the facility of remote e-voting to the members, there shall be no voting by show of hands at the AGM. The Company is offering facility for voting by way of polling papers at the AGM for the Members attending the meeting who has not cast their vote by remote e-voting.
- f. A member may participate in the AGM even after exercising his right to vote through remote e-voting, but cannot vote again at the AGM.
- g. If a Member cast votes by both modes i.e. remote e-voting and polling papers at the AGM, then voting done through remote e-voting shall prevail and polling paper shall be treated as invalid.
- h. The Company has appointed Mr. Ashish Kumar Jain, Practicing Company Secretary (membership no. 6058) from M/s A. K. Jain and Co., Company Secretaries in Practice, as the Scrutinizer to scrutinize the voting and remote e-voting process in a fair and transparent manner.
- i. The Scrutinizer shall, immediately after the conclusion of AGM, count the votes cast at the AGM and thereafter, unblock the votes cast through remote e-voting in the presence of at least two witnesses not in employment of the Company. The Scrutinizer shall submit a consolidated Scrutinizer’s Report of the total votes cast in favour of or against, if any, not later than 48 hours after the conclusion of the AGM to the Chairman or a person authorised by him. The Chairman, or any other person authorised by the Chairman, shall declare the result of the voting forthwith.
- j. The resolution will be deemed to be passed on the AGM date subject to receipt of the requisite number of votes in favour of the resolutions. The results declared along with the scrutinizers report shall be placed on the Company’s website www.deltamagnets.com and on the website of CDSL immediately after the result is declared by the Chairman.

The instructions for remote e-voting are as under:

- (i) The shareholders should log on to the e-voting website www.evotingindia.com.
- (ii) Click on Shareholders.
- (iii) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (iv) Next enter the Image Verification 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) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN*	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none">• Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.• In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none">• If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iii).

- (vii) After entering these details appropriately, click on "SUBMIT" tab.
- (viii) Members holding shares in physical form will then directly reach the Company 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. 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.
- (ix) For Members holding shares in physical form, the details can be used only for remote e-voting on the resolutions contained in this Notice.

- (x) Click on the EVSN for the relevant DELTA MAGNETS LIMITED on which you choose to vote.
- (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 Resolution details.
- (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 votes cast by clicking on “Click here to print” option on the Voting page.
- (xvi) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvii) Note for Non – Individual Shareholders and Custodians
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com 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 a Compliance User should be created 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 linked in the login 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.

In case you have any queries or issues or grievances regarding remote e-voting, you may refer the Frequently Asked Questions (“FAQs”) and remote e-voting manual available at www.evotingindia.com, under help section or write an email/contact the following :

A. E-voting Helpdesk

Central Depository Services (India) Limited
Email : helpdesk.evoting@cdslindia.com
Phone : 1800-200-55-33

B. Ms. Snehal Oak, Company Secretary

Delta Magnets Limited
Corporate Office : Bayside Mall, 2nd Floor,
Tardeo Road, Haji Ali, Mumbai – 400 034
Email : secretarial@deltamagnets.com
Phone : 022-40794700

C. Mr. Bhushan Chandratre

Freedom Registry Limited
Registered Office : Plot No. 101 / 102,
19th Street, MIDC, Satpur, Nasik - 422 007
Email : support@freedomregistry.in
Phone : 0253-2354032, 2363372

In case of members receiving the physical copy:

Please follow all steps from sl. no. (i) to sl. no. (xvii) above to cast vote.

14. Members desirous of asking any questions at the AGM are requested to send in their questions so as to reach the Company at least 10 days before the AGM, so that the same can be suitably replied.

By Order of the Board of Directors,

**SNEHAL OAK
Company Secretary**

Mumbai, 27th July, 2015

Registered Office:

B-87, MIDC, Ambad,
Nashik-422 010, Maharashtra

CIN : L32109MH1982PLC028280
Email ID : secretarial@deltamagnets.com
Website : www.deltamagnets.com
Tel No : 91-253-2382238
Fax No : 91-253-2382926

DETAILS OF DIRECTOR PROPOSED TO BE RE-APPOINTED AT THE FORTHCOMING AGM AS REQUIRED BY CLAUSE 49 OF THE LISTING AGREEMENT WITH THE STOCK EXCHANGES AND SECRETARIAL STANDARDS ON GENERAL MEETINGS (SS – 2)



Name of Director

Mr. Darius Khambatta

Date of Birth

20th March, 1958

Date of 1st Appointment

1st October, 2012

Qualification

Chartered Accountant

Profile and Expertise

Mr. Darius Khambatta, age 57, is a Chartered Accountant with over 29 years experience. Mr. Khambatta is currently working with Delta Corp Limited as a Vice President (Projects) looking after the real estate developments.

Terms and conditions of re-appointment along with details of remuneration sought to be paid

Retirement by rotation

Remuneration last drawn

₹ 8,000/- (Sitting Fees)

Relationship with other Directors, Manager and Key Managerial Personnel

None

No. of Board Meetings attended during the year

4

Number of shares held in the Company, Individually or Jointly.

Mr. Khambatta is not holding any shares in the Company

Directorship and Committee memberships (Excluding Delta Magnets Limited)

i) Directorships held in other Companies

AAA Real Land Developers Private Limited

Bayside Properties Private Limited

Blackpool Realty Private Limited

Freedom Aviation Private Limited
Intertrade Mercantile Company Private Limited
Highstreet Cruises and Entertainment Private Limited
J M Property Management Private Limited
J M Realty Management Private Limited
J M Township and Real Estate Private Limited
Lakeview Mercantile Company Private Limited
MMG India Private Limited
Newplaza Multitrade Private Limited
Outreach Mercantile Company Private Limited
West Star Agro-Realties Private Limited

ii) Chairman of Board Committees

Nil

iii) Member of Board Committees

Highstreet Cruises and Entertainment Private Limited-Nomination and Remuneration Committee/Corporate Social Responsibility Committee

MMG India Private Limited- Nomination and Remuneration Committee

DIRECTORS' REPORT

TO THE SHAREHOLDERS

Your Directors have pleasure in presenting the 33rd Directors' Report of your Company along with the financial statements for the financial year ended 31st March, 2015.

1. OPERATING RESULTS

Certain key aspects of your Company's performance during the financial year ended 31st March, 2015, as compared to the previous financial year are summarised below:

(₹ in '000)

Particulars	Standalone Year Ended		Consolidated Year Ended	
	31.03.2015	31.03.2014	31.03.2015	31.03.2014
Income for the year	188,353.02	153,882.75	568,299.69	511,962.98
Profit before Interest, Depreciation and Tax	20,855.22	1,665.97	34,159.97	37,860.17
Finance Charges	3,823.17	3,023.06	9,069.21	7,685.43
Profit before Depreciation and Taxes	17,032.05	(1,357.08)	25,090.76	30,174.75
Depreciation & Amortisation	3,601.59	8,978.51	7,837.11	13,978.50
Provisions for Taxation/ Deferred Tax	2,660.39	298.85	2,995.24	(6,911.07)
Prior Period Items / Exceptional Items	169.83	9.25	1,999.54	(88.75)
Minority Interest & Profit from Associate Company	-	-	-	-
Net Profit for the Current Year	10,600.24	(10,643.68)	12,258.87	23,196.08
Earlier Years Balance Brought forward	(64,720.18)	(93,151.69)	25,369.65	(36,901.62)
Net Profit available for Appropriation	535.69	-	487.80	-
Transfer to/from General Reserves	-	39,075.20	-	39,075.20
Balance carried to Balance Sheet	(53,584.25)	(64,720.18)	38,116.32	25,369.65

2. DIVIDEND:

The Directors do not recommend any dividend for the Financial Year Ended 31st March, 2015.

3. SHARE CAPITAL

During the year the Company has issued, 3,97,351 fully paid-up Equity Shares of ₹ 10/- each, at a price of ₹ 32.43/- per Equity Share (including a premium of ₹ 22.43/- per Equity Share) by way of Preferential Allotment to M/s. SSI Trading Private Limited on 2nd April, 2014. Consequently, the issued, subscribed and paid-up capital of the Company has increased from 60,73,663 Equity Shares of ₹ 10/- each to 64,71,014 Equity Shares of ₹ 10/- each.

4. OVERVIEW OF OPERATIONS:

During the year under review, your Company recorded a total income of ₹ 568,299.69 Thousands (Consolidated) and Net Profit of ₹ 12,258.87 Thousands (Consolidated). For further information, kindly refer to Management Discussion and Analysis Report, forming part of this Annual report.

5. EXTRACT OF ANNUAL RETURN

The Extract of Annual Return as provided under Section 92(3) of the Companies Act, 2013 and as prescribed in Form No. MGT-9 of the Companies (Management and Administration) Rules, 2014 is appended as **Annexure I** to this Annual Report.

6. NUMBER OF MEETINGS OF THE BOARD

The Board met four times in financial year 2014-15 viz., on 28th May, 2014, 4th August, 2014, 5th November, 2014 and 31st January, 2015.

7. DIRECTORS' RESPONSIBILITY STATEMENT

Your Directors hereby confirm that:

- i. In the preparation of the annual accounts for financial year ended 31st March, 2015, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- ii. The Directors have 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 31st March, 2015 and of the profit of the Company for that period.
- iii. The Directors have 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.
- iv. The Directors have prepared the annual accounts for financial year ended 31st March, 2015 on a 'going concern' basis.
- v. The Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and have been operating efficiently.
- vi. The Directors have devised proper systems to ensure compliance with provisions of all applicable laws and that such systems were adequate and operating effectively.

8. DECLARATION BY INDEPENDENT DIRECTORS

The Independent Directors of the Company have submitted the declaration of Independence as required under Section 149(7) of the Companies Act, 2013 confirming that they meet the criteria of independence under Section 149(6) of the Companies Act, 2013 and Clause 49 of the Listing Agreement.

9. POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION

The Policy of the Company on Directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a Director and other matters provided under sub-section (3) of section 178 of the Companies Act, 2013, is appended as **Annexure II** to this Annual Report.

10. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

The details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

11. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

During the financial year 2014-15, your Company has entered into transactions with related parties as defined under section 2(76) of the Companies Act, 2013 read with the Companies (Specification and Definitions Details) Rules, 2014 in accordance with the provisions of the Companies Act, 2013, Rules issued thereunder and Clause 49 of the Listing Agreement. During the financial year 2014-15, the Company has not entered into transactions with related parties which qualify as material transactions under the Listing Agreement. The Form AOC- 2 pursuant to Section 134 (3)(h) of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014 is set out as **Annexure III** to this Annual Report.

The details of related party transactions as required under Accounting Standard-18 are set out in notes to accounts to the Standalone Financial Statements forming part of this Annual Report.

Policy on related party transactions is available on Company's website and same may be accessed on Company's website at the link <http://www.deltamagnetsgroup.com/dml/downloads/policies/Related-Party-Transaction-Policy.pdf>.

12. MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There have been no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the Report.

13. PARTICULARS REGARDING CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The particulars in respect of conservation of energy, technology absorption and foreign exchange earnings and outgo, as required under Section 134(3)(m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 is given in **Annexure IV** to this Annual Report.

14. BUSINESS RISK MANAGEMENT

Pursuant to Clause 49 of the Listing Agreement, the Company has constituted a Risk Management Committee (RMC). The Committee comprises of Mr. Rajesh Jaggi, Dr. Ram H. Shroff and Mr. Javed Tapia. Terms of Reference of Risk Management Committee are as follows:

1. To lay down a framework for identification, measurement, analysis, evaluation, prioritization, mitigation & reporting of various risks in line with the Risk Management Policy of the Company.
2. To review the strategies, policies, frameworks, models and procedures that lead to the identification, measurement, reporting and mitigation of various risks.
3. To implement risk mitigation plans in the interest of the Company.
4. To help the Board define the risk appetite of the organization and to ensure that the risk is not higher than the risk appetite determined by the Board.
5. To safeguard Company's properties, interests, and interest of all stakeholders.
6. To evolve the culture, processes and structures that are directed towards the effective management of potential opportunities and adverse effects, which the business and operations of the Company are exposed to.

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7. To optimize a balance between the cost of managing risk and the anticipated benefits.
 8. To monitor the effectiveness of risk management functions throughout the organization. Ensure that infrastructure, resources and systems are in place for risk management and are adequate to maintain a satisfactory level of risk management discipline.
 9. To create awareness among the employees to assess risks on a continuous basis and to ensure that risk awareness culture is pervasive throughout the organization.
 10. To review issues raised by Internal Audit that impact the risk management framework.
 11. To review and approve risk disclosure statements.

The Company has a robust Risk Management framework to identify, evaluate business risks and opportunities. This framework seeks to create transparency, minimize adverse impact on the business objectives and enhance the Company's competitive advantage.

The business risk framework defines the risk identification and its management approach across the enterprise at various levels including documentation and reporting. The framework helps in identifying risks trend, exposure and potential impact analysis on a Company's business.

15. VIGIL MECHANISM

The Company has adopted a Whistle Blower Policy for Directors and Employees to report genuine concerns and to provide for adequate safeguards against victimization of persons who may use such mechanism. The said policy is posted on the Company's website www.deltamagnets.com.

16. ANNUAL EVALUATION OF PERFORMANCE OF THE BOARD

Pursuant to the provisions of the Act, 2013 and Clause 49 of the Listing Agreement, the Board has carried out an annual evaluation of its own performance, performance of the Directors as well as the evaluation of the working of its Committees.

The Nomination and Remuneration Committee has defined the evaluation criteria for the Board, its Committees and Directors.

The Board's functioning was evaluated on various aspects, including inter alia degree of fulfillment of key responsibilities, Board structure and composition, establishment and delineation of responsibilities to various Committees, effectiveness of Board processes, information and functioning.

Directors were evaluated on aspects such as attendance and contribution at Board/ Committee Meetings and guidance/ support to the management outside Board/ Committee Meetings. In addition, the Chairman was also evaluated on key aspects of his role, including setting the strategic agenda of the Board, encouraging active engagement by all Board members.

Areas on which the Committees of the Board were assessed included degree of fulfillment of key responsibilities, adequacy of Committee composition and effectiveness of meetings.

The performance evaluation of the Independent Directors was carried out by the entire Board, excluding the Director being evaluated. The performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors who also reviewed the performance of the Board as a whole. The Nomination and Remuneration Committee also reviewed the performance of the Board, its Committees and of the Directors.

17. SUBSIDIARY COMPANIES

The Company as on 31st March, 2015 has 2 direct subsidiaries. During the year under review no company has become/ceased to be a subsidiary, joint venture or associate company.

During the year, the Board of Directors reviewed the affairs of the subsidiaries. In accordance with Section 129(3) of the Companies Act, 2013, the Company has prepared consolidated financial statements of the Company and all its subsidiaries, which form part of the Annual Report. A report on the performance and financial position of each of the subsidiary companies as per the Companies Act, 2013 is provided as Annexure A to the consolidated financial statement and hence not repeated here for the sake of brevity.

In accordance with Section 136 of the Companies Act, 2013, the audited financial statements, including the consolidated financial statements and related information of the Company and audited accounts of each of its subsidiaries, are available on Company's website www.deltamagnets.com. These documents will also be available for inspection during business hours at our Registered Office of the Company.

Further, the Company does not have any material non-listed Indian subsidiary as defined under Clause 49 of the Listing Agreement, viz. an unlisted subsidiary incorporated in India, whose income or net worth (i.e. paid-up capital and free reserves) exceeds 20% of the consolidated income or net worth respectively, of the listed holding company and its subsidiaries in the immediately preceding accounting year.

The Policy for determining material subsidiaries as approved may be accessed on the Company's website at the link <http://www.deltamagnetsgroup.com/dml/downloads/policies/Policy-for-Determining-Material-Subsidiaries.pdf>.

18. DETAILS RELATING TO DEPOSITS, COVERED UNDER CHAPTER V OF THE COMPANIES ACT, 2013

During the year under review, the Company has not accepted any deposit from the public.

19. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS

There are no significant material orders passed by the Regulators/Courts which would impact the going concern status of the Company and its future operations.

20. INTERNAL CONTROL SYSTEM

The Company has an internal financial control system commensurate with the size and scale of its operations and the same has been operating effectively. The Internal Auditor evaluates the efficacy and adequacy of internal control system, accounting procedures and policies adopted by the Company for efficient conduct of its business, adherence to Company's policies, safeguarding of Company's assets, prevention and detection of frauds and errors and timely preparation of reliable financial information etc. Based on the report of internal audit function, process owners undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and corrective actions thereon are presented to the Audit Committee of the Board.

21. DIRECTORS AND KEY MANAGERIAL PERSONNEL

In accordance with the Articles of Association of the Company and the provisions of the Section 152(6)(e) of the Companies Act, 2013, Mr. Darius Khambatta (DIN: 00520338), Director of the Company will retire by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

Dr. Ram H. Shroff (DIN: 00004865), Managing Director and Ms. Snehal Oak, Company Secretary of the Company are the Key Managerial Personnel as per the provisions of Section 203 of the Companies Act, 2013 and Rules made thereunder and were already in office before the commencement of the Companies Act, 2013. Further,

during the year pursuant to provisions of Section 203 of the Companies Act, 2013 and Rules made thereunder, Mr. Abhilash Sunny was appointed as Key Managerial Personnel of the Company to be designated as Chief Financial Officer of the Company w.e.f 31st January, 2015.

Mr. Mahesh Gupta (DIN: 00046810) resigned as Directors of the Company w.e.f. 10th September, 2014. Further, Ms. Urvi Piramal (DIN: 00044954) ceased to be a Director of the Company w.e.f. 25th September, 2014. The Board places on record its appreciation for the valuable services and guidance given by Mr. Mahesh Gupta and Ms. Urvi Piramal to the Company during their tenure as Director of the Company.

22. AUDITORS

1. Statutory Auditor

The Board of Directors recommends to re-appoint M/s. Amit Desai & Co., Chartered Accountants who were appointed as Statutory Auditors of the Company who was appointed as Statutory Auditors of the Company at last Annual General Meeting to hold office from the conclusion of 32nd Annual General Meeting till the conclusion of 36th Annual General meeting, subject to ratification of their appointment at every Annual General Meeting. The Board of Directors of the Company at its meeting held on 12th May, 2015 recommended to members of the Company ratification of appointment of M/s. Amit Desai & Co., Chartered Accountants as the Statutory Auditors of the Company for financial year 2015-2016.

Your Company has received a letter from M/s. Amit Desai & Co. to the effect that their re-appointment, if made, would be under the second and third proviso to Section 139 (1) of the Companies Act, 2013 and that they are not disqualified within the meaning of Section 141 of the Companies Act, 2013 read with Rule 4(1) of the Companies (Audit and Auditors) Rules, 2014.

Auditors Emphasis on Matter and Managements Reply

We draw your attention on the following matter in the note no. 28 (J) of the consolidated financial statements:

MAT credit entitlement of ₹ 2,868.00 ('000) is based on business projections of Company provided by Management, and the same have been relied upon by the Auditors.

Managements Reply: Based on business projections management is of the opinion that MAT credit entitlement will be absorbed.

2. Secretarial Auditor

Pursuant to the provisions of Section 204 of the Act and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors of the Company had appointed M/s. A. K. Jain & Co., Company Secretaries in Practice to undertake the Secretarial Audit of the Company for the year ended 31st March, 2015. The Secretarial Audit Report is annexed as **Annexure V** to this Annual Report.

There are no qualifications, reservations or adverse remarks or disclaimers made by Secretarial Auditor of the Company, in his secretarial audit report.

23. CORPORATE GOVERNANCE

Pursuant to Clause 49 of the Listing Agreement, the Management Discussion & Analysis Report and Corporate Governance Report together with Certificate from Practicing Company Secretary, on compliance with the conditions of Corporate Governance as laid down, forms part of this Annual Report.

24. AUDIT COMMITTEE OF THE COMPANY:

The Company's Audit Committee comprises the following Directors:

1. Mr. Rajesh Jaggi (Chairman);
2. Dr. Ram H. Shroff;
3. Mr. Javed Tapia;

The composition of the Audit Committee is in compliance with the requirements of Section 177 of the Companies Act, 2013 and Clause 49 of the Listing Agreement.

25. PARTICULARS OF EMPLOYEES

In terms of the provisions of Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing the names and other particulars of the employees drawing remuneration in excess of the limits set out in the said rules and disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are provided in **Annexure VI** to this Annual Report.

26. ACKNOWLEDGMENTS

Your Directors express their sincere appreciation of the co-operation received from shareholders, bankers and other business constituents during the year under review. Your Directors also wish to place on record their deep sense of appreciation for the commitment displayed by all executives, officers and staff, resulting in the successful performance of the Company during the year.

For and on behalf of the Board of Directors

JAYDEV MODY
Chairman

Mumbai, 27th July, 2015

Registered Office:

B-87, MIDC, Ambad,
Nashik-422 010, Maharashtra.

CIN : L32109MH1982PLC028280

Email ID : secretarial@deltamangets.com

Website : www.deltamangets.com

Tel No : 91-253-2382238

Fax No : 91-253-2382926

ANNEXURE TO THE DIRECTORS' REPORT

ANNEXURE-I

Form No. MGT-9

Extract of Annual Return as on the financial year ended on 31st March, 2015
[Pursuant to section 92(3) and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS

i.	CIN	L32109MH1982PLC028280
ii.	Registration Date	23 rd September, 1982
iii.	Name of the Company	Delta Magnets Limited
iv.	Category / Sub-Category of the Company	Category: Company Limited by Shares Sub Category: Indian Non-Government Company
v.	Address of the Registered office and contact details	B-87, MIDC, Ambad, Nashik-422 010, Maharashtra Tel No : 91-253-2382238 Fax No: 91-253-2382926 Email ID : secretarial@deltamagnets.com
vi.	Whether listed company (Yes / No)	Yes
vii.	Name, Address and Contact details of Registrar and Transfer Agent, if any	Freedom Registry Limited Plot No. 101/102, 19th Street, MIDC, Satpur, Nashik-422 007, Maharashtra. Tel No : 91-253-2354032 / 2363372 Fax No: 91-253-2351126 Email ID: support@freedomregistry.in

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the Company, on standalone basis, are as under:

Sr. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the Company
1.	Manufacturing of Hard Ferrites	31904	98.73

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1.	MMG India Private Limited B-87, MIDC, Ambad, Nashik-422 010, Maharashtra	U27209MH1996PTC222840	Subsidiary	100%	2(87)
2.	Magdev Limited Unit 23 Ash Industrial Estate Kembrey Park, Swindon SN2 8UN	NA	Subsidiary	100%	2(87)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Sr. No.	Category of Shareholders	No. of shares held at the beginning of the year				No. of shares held at the end of the year				% Change during year
		Demat	Physical	Total	% of Total shares	Demat	Physical	Total	% of Total shares	
A.	Promoters									
1)	Indian									
a)	Individual/HUF	3,240	0	3,240	0.05	13,240	0	13,240	0.20	0.15
b)	Central Govt	0	0	0	0.00	0	0	0	0.00	0.00
c)	State Govt (s)	0	0	0	0.00	0	0	0	0.00	0.00
d)	Bodies Corp.	12,17,802	0	12,17,802	20.05	16,15,153	0	16,15,153	24.96	4.91
e)	Banks/ FI	0	0	0	0.00	0	0	0	0.00	0.00
f)	Any Other									
(f1)	Trusts	30,17,937	0	30,17,937	49.69	30,09,625	0	30,09,625	46.51	(3.18)
	Sub-total (A) (1):-	42,38,979	0	42,38,979	69.79	46,38,018	0	46,38,018	71.67	1.88
2)	Foreign									
a)	NRIs- Individuals	0	0	0	0.00	0	0	0	0.00	0.00
b)	Other- Individuals	0	0	0	0.00	0	0	0	0.00	0.00
c)	Bodies Corp.	0	0	0	0.00	0	0	0	0.00	0.00
d)	Banks/ FI	0	0	0	0.00	0	0	0	0.00	0.00
e)	Any Other	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-total (A) (2):-	0	0	0	0.00	0	0	0	0.00	0.00
	Total Shareholding of Promoters (A) = (A) (1)+(A)(2)	42,38,979	0	42,38,979	69.79	46,38,018	0	46,38,018	71.67	1.88
B.	Public Shareholding									
1)	Institutions									
a)	Mutual Funds / UTI	225	7,150	7,375	0.12	225	7,150	7,375	0.11	(0.01)
b)	Banks / FI	0	1,750	1,750	0.03	0	1,750	1,750	0.03	0.00
c)	Central Govt.	0	0	0	0.00	0	0	0	0.00	0.00
d)	State Govt.(s)	0	0	0	0.00	0	0	0	0.00	0.00
e)	Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
f)	Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
g)	FIs	0	0	0	0.00	0	0	0	0.00	0.00
h)	Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
i)	Others (specify)	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-Total (B)(1):	225	8,900	9,125	0.15	225	8,900	9,125	0.14	(0.01)
2)	Non-Institutions									
a)	Bodies Corporate									
i)	Indian	3,67,158	676	3,67,834	6.06	3,62,166	676	3,62,842	5.61	(0.45)
ii)	Overseas	0	0	0	0.00	0	0	0	0.00	0.00

Sr. No.	Category of Shareholders	No. of shares held at the beginning of the year				No. of shares held at the end of the year				% Change during year
		Demat	Physical	Total	% of Total shares	Demat	Physical	Total	% of Total shares	
b)	Individuals									
i)	Individual Shareholders holding nominal share capital upto share capital upto ₹ 1 lakh	11,23,708	3,29,227	14,52,935	23.92	11,26,517	3,22,622	14,49,139	22.39	(1.53)
ii)	Individual Shareholders holding nominal share capital in excess of ₹ 1 lakh	0	0	0	0.00	0	0	0	0.00	0.00
c)	Others (specify)									
(c1)	Clearing Member	0	0	0	0.00	0	0	0	0.00	0.00
(c2)	NRIs	4,565	225	4,790	0.08	11,665	225	11,890	0.18	0.10
	Sub-Total (B)(2):	14,95,431	3,30,128	18,25,559	30.06	15,00,348	3,23,523	18,23,871	28.19	(1.87)
	Total Public Shareholding (B)=(B)(1)+(B)(2)	14,95,656	3,39,028	18,34,684	30.21	15,00,573	3,32,423	18,32,996	28.33	(1.88)
C.	Shares held by Custodian for GDRs & ADRs	0	0	0	0.00	0	0	0	0.00	0.00
	Grand Total (A+B+C)	57,34,635	3,39,028	60,73,663	100.00	61,38,591	3,32,423	64,71,014	100.00	

(ii) Shareholding of Promoters

Sr. no.	Name	No. of shares held at the beginning of the year			No. of shares held at the end of the year			% change in shareholding during the year
		Number of shares held	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	Number of shares held	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	
1.	Ziabai Jaydev Mody jointly with Jaydev Mody	1,125	0.02	0	1,125	0.02	0	0.00
2.	*Aryanish Finance and Investments Private Limited	10,05,977	16.56	0	9,96,250	15.40	0	(1.16)
3.	*Bayside Property Developers Private Limited	10,05,979	16.56	0	10,06,979	15.56	0	(1.00)
4.	*Delta Real Estate Consultancy Private Limited	10,05,981	16.56	0	10,06,396	15.55	0	(1.01)
5.	Dr. Ram H. Shroff	2,115	0.03	0	2,115	0.03	0	0.00
6.	SSI Trading Private Limited	12,17,802	20.05	0	16,15,153	24.96	0	4.91
7.	Urvi Piramal A	0	0	0	5,000	0.08	0	0.08
8.	Kalpana Singhanian	0	0	0	5,000	0.08	0	0.08

*Aryanish Finance and Investments Private Limited, Bayside Property Developers Private Limited and Delta Real Estate Consultancy Private Limited are holding Equity Shares in the capacity of trustees for Aarti J Mody Trust, Aditi J Mody Trust and Anjali J. Mody Trust respectively.

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

Sr. No.	Name	Shareholding		Date	Increase / (Decrease) in Shareholding	Reason	Cumulative Shareholding during the year (01.04.2014 to 31.03.2015)	
		No. of Shares at the beginning (01.04.2014)/end (31.03.2015) of the year	% of total Share of the Company				No. of Shares	% of total Share of the Company
1.	Ziabai Jaydev Mody jointly with Jaydev Mody	1,125	0.02	01.04.2014	0	Nil movement during the year	1,125	0.02
		1,125	0.02	31.03.2015				
2.	*Aryanish Finance and Investments Private Limited	10,05,977	16.56	01.04.2014				
				14.08.2014	273	Transfer	10,06,250	15.55
				27.08.2014	(5,000)	Transfer	10,01,250	15.47
				18.09.2014	(5,000)	Transfer	9,96,250	15.40
		9,96,250	15.40	31.03.2015				
3.	*Bayside Property Developers Private Limited	10,05,979	16.56	01.04.2014				
				13.08.2014	558	Transfer	10,06,537	15.55
				14.08.2014	442	Transfer	10,06,979	15.56
		10,06,979	15.56	31.03.2015				
4.	*Delta Real Estate Consultancy Private Limited	10,05,981	16.56	01.04.2014				
				03.09.2014	415	Transfer	10,06,396	15.55
		10,06,396	15.55	31.03.2015				
5.	Dr. Ram H. Shroff	2,115	0.03	01.04.2014	0	Nil movement during the year	2,115	0.03
		2,115	0.03	31.03.2015				
6.	SSI Trading Private Limited	12,17,802	20.05	01.04.2014				
				02.04.2014	3,97,351	Preferential Allotment	16,15,153	24.96
		16,15,153	24.96	31.03.2015				
7.	Urvi Pirmal A	0	0	01.04.2014				
				27.08.2014	5,000	Transfer	5,000	0.08
		5,000	0.08	31.03.2015				
8.	Kalpana Singhania	0	0	01.04.2014				
				18.09.2014	5,000	Transfer	5,000	0.08
		5,000	0.08	31.03.2015				

*Aryanish Finance and Investments Private Limited, Bayside Property Developers Private Limited and Delta Real Estate Consultancy Private Limited are holding Equity Shares in the capacity of trustees for Aarti J Mody Trust, Aditi J Mody Trust and Anjali J. Mody Trust respectively.

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)

Sr. No.	Name	Shareholding		Date	Increase / (Decrease) in Shareholding	Reason	Cumulative Shareholding during the year (01.04.2014 to 31.03.2015)	
		No. of Shares at the beginning (01.04.2014)/end (31.03.2015) of the year	% of total Share of the Company				No of Shares	% of total Shares of the Company
1	T And D Trading Private Limited	1,06,117	1.75	01.04.2014	0	Nil movement during the year	1,06,117	1.64 ¹
		1,06,117	1.64 ¹	31.03.2015				
2	New Deal Multitrade Private Limited	95,500	1.57	01.04.2014	0	Nil movement during the year	95,500	1.48 ¹
		95,500	1.48 ¹	31.03.2015				
3	Hitesh Ramji Javeri	46,522	0.77	01.04.2014				
				16.05.2014	2,620	Transfer	49,142	0.76
				13.06.2014	3,850	Transfer	52,992	0.82
				30.06.2014	6,377	Transfer	59,369	0.92
				08.08.2014	631	Transfer	60,000	0.93
		60,000	0.93	31.03.2015				
4	Varsha Dilip Udani	45,912	0.76	01.04.2014	(2,000)	Transfer	43,912	0.68
				05.12.2014	(1,500)	Transfer	42,412	0.66
				13.02.2015	(552)	Transfer	41,860	0.65
				20.02.2015	(15)	Transfer	41,845	0.65
				27.02.2015	(5,464)	Transfer	36,381	0.56
				06.03.2015	(10,362)	Transfer	26,019	0.40
				20.03.2015	(1,350)	Transfer	24,669	0.38
		24,669	0.38	31.03.2015				
5	Bhupendra Gandhi	38,948	0.64	01.04.2014	0	Nil movement during the year	38,948	0.60 ¹
		38,948	0.60 ¹	31.03.2015				
6	Ramesh Purshottam Modi	32,000	0.53	01.04.2014	0	Nil movement during the year	32,000	0.49 ¹
		32,000	0.49 ¹	31.03.2015				
7	Madhukant Sunderlal Patel	26,000	0.43	01.04.2014	0	Nil movement during the year	26,000	0.40 ¹
		26,000	0.40 ¹	31.03.2015				

Sr. No.	Name	Shareholding		Date	Increase / (Decrease) in Shareholding	Reason	Cumulative Shareholding during the year (01.04.2014 to 31.03.2015)	
		No. of Shares at the beginning (01.04.2014)/end (31.03.2015) of the year	% of total Share of the Company				No of Shares	% of total Shares of the Company
8	#Yogesh Chandrakant Asher	15,000	0.25	01.04.2014				
				27.02.2015	1,000	Transfer	16,000	0.25
				06.03.2015	2,600	Transfer	18,600	0.29
				13.03.2015	250	Transfer	18,850	0.29
				20.03.2015	600	Transfer	19,450	0.30
				27.03.2015	1,330	Transfer	20,780	0.32
				31.03.2015	500	Transfer	21,280	0.33
		21,280	0.33	31.03.2015				
# Not in the list of Top 10 shareholders as on 01-04-2014. The same has been reflected above since the shareholder was one of the Top 10 shareholders as on 31.03.2015								
9	*Harsha Hitesh Javeri	10,000	0.16	01.04.2014				
				08.08.2014	4,006	Transfer	14,006	0.22
				12.09.2014	6,777	Transfer	20,783	0.32
				14.11.2014	1,890	Transfer	22,673	0.35
		22,673	0.35	31.03.2015				
* Not in the list of Top 10 shareholders as on 01-04-2014. The same has been reflected above since the shareholder was one of the Top 10 shareholders as on 31.03.2015								
10	#Rama Jaisukhlal Vora	31,282	0.52	01.04.2014				
				14.08.2014	(1,282)	Transfer	30,000	0.46
				22.08.2014	(5,000)	Transfer	25,000	0.39
				30.09.2014	(5,250)	Transfer	19,750	0.31
				03.10.2014	(2,250)	Transfer	17,500	0.27
				10.10.2014	(5,000)	Transfer	12,500	0.19
				17.10.2014	(1,658)	Transfer	10,842	0.17
				24.10.2014	(1,600)	Transfer	9,242	0.14
9,242	0.14	31.03.2015						
#Ceased to be in the list of Top 10 shareholders as on 31-03-2015. The same is reflected above since the shareholder was one of the Top 10 shareholder as on 01.04.2014								
11	Anand Bansilal Parikh#	19,025	0.31	01.04.2014	0	Nil movement during the year	19,025	0.29 ¹
		19,025	0.29 ¹	31.03.2015				
#Ceased to be in the list of Top 10 shareholders as on 31-03-2015. The same is reflected above since the shareholder was one of the Top 10 shareholder as on 01.04.2014								

¹Change in percentage is due to change in paid-up Capital of the Company.

(v) Shareholding of Directors and Key Managerial Personnel:

Sr. no.	For each of the Directors and KMP	Shareholding		Date	Increase/ (Decrease) in shareholding	Reason	Cumulative Shareholding during the year (01.04.2014 to 31.03.2015)	
		No. of Shares at the beginning (01.04.2014)/end (31.03.2015) of the year	% of total Shares of the Company				No of Shares	% of total Shares of the Company
1	*Jaydev Mody	1,125	0.02	01.04.2014	0	Nil movement during the year	1,125	0.02
		1,125	0.02	31.03.2015				
2	Dr. Ram H. Shroff	2,115	0.03	01.04.2014	0	Nil movement during the year	2,115	0.03
		2,115	0.03	31.03.2015				
3	Ms. Ambika Kothari	1,950	0.03	01.04.2014	0	Nil movement during the year	1,950	0.03
		1,950	0.03	31.03.2015				
4	Mr. Darius Khambatta	0	0.00	01.04.2014	0	Nil movement during the year	0	0.00
		0	0.00	31.03.2015				
5	Mr. Javed Tapia	0	0.00	01.04.2014	0	Nil movement during the year	0	0.00
		0	0.00	31.03.2015				
6	*Mr. Mahesh Gupta	104	0.00	01.04.2014	-	Ceased to be a Director w.e.f. 10.09.2014	-	-
7	Mr. Rajesh Jaggi	0	0.00	01.04.2014	0	Nil movement during the year	0	0.00
		0	0.00	31.03.2015				
8	Mr. Samir Chinai	450	0.01	#04.08.2014	0	Nil movement since appointment	450	0.01
		450	0.01	31.03.2015				
9	Ms. Urvi Piramal	0	0.00	01.04.2014		Ceased to be a Director w.e.f. 25.09.2014	-	-
10	Dr. Vrajesh Udani	0	0.00	01.04.2014	0	Nil movement during the year	0	0.00
		0	0.00	31.03.2015				
11	Mr. Abhilash Sunny	0	0.00	#31.01.2015	0	Nil movement since appointment	0	0.00
		0	0.00	31.03.2015				
12	Ms. Snehal Oak	0	0	01.04.2014				
				11.09.2014	1	Transfer	1	0.00
		1	0.00	31.03.2015				

* Holding as a second holder.

Date of Appointment.

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding / accrued but not due for payment

₹ in'000

Sr. no.	Particulars	Secured Loans excluding deposits (₹)	Unsecured Loans (₹)	Deposits (₹)	Total Indebtedness (₹)
	Indebtedness at the beginning of the financial year				
i)	Principal Amount	25,647.54	1,05,875.00	-	1,31,522.54
ii)	Interest due but not paid	-	-	-	-
iii)	Interest accrued but not due	-	-	-	-
	Total (i+ii+iii)	25,647.54	1,05,875.00	-	1,31,522.54
	Change in Indebtedness during the financial year				
	Addition	-	-	6,612.00	6,612.00
	Reduction	1,347.47	12,875.00	-	14,222.47
	Net Change	(1,347.47)	(12,875.00)	6,612.00	(7,610.47)
	Indebtedness at the end of the financial year				
i)	Principal Amount	24,300.07	93,000.00	6,612.00	1,23,912.07
ii)	Interest due but not paid	-	-	-	-
iii)	Interest accrued but not due	-	-	-	-
	Total (i+ii+iii)	24,300.07	93,000.00	6,612.00	1,23,912.07

VI. REMUNERATION OF Directors AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

₹ in'000

Sr. No.	Particulars of Remuneration	Name of MD	Total Amount		
1.	Gross salary	Not Applicable			
a.	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961				
b.	Value of perquisites u/s 17(2) Income-tax Act, 1961				
c.	Profits in lieu of salary under section 17(3) Income-tax Act, 1961				
2.	Stock Option				
3.	Sweat Equity				
4.	Commission - as % of profit - others, specify...				
5.	Others, please specify				
	Total (A)			5% of Net Profit as per Section 198	610.44
	Ceiling as per the Act				

B. Remuneration to Other Directors

₹ in'000

Sr. No.	Particulars of Remuneration	Mr. Rajesh Jaggi	Mr. Javed Tapia	Dr. Vrajesh Udani	Mr. Samir Chinai	Mr. Mahesh Gupta	Total Amount
1.	Independent Directors						
	Fee for attending board/committee meetings (₹)	10	16	8	6	8	48
	Commission (Rs.)	0	0	0	0	0	0
	Others, please specify (Rs.)	0	0	0	0	0	0
	Total (1) (Rs.)	10	16	8	6	8	48

Sr. No.	Particulars of Remuneration	Mr. Jaydev Mody	Ms. Ambika Kothari	Mr. Darius Khambatta	Ms. Urvi Piramal	Total Amount
2.	Other Non-Executive Directors					
	Fee for attending board / committee meetings (Rs.)	2	6	8	4	20
	Commission (Rs.)	0	0	0	0	0
	Others, please specify (Rs.)	0	0	0	0	0
	Total (2) (Rs.)	2	6	8	4	20
	Total (B)=(1+2) (Rs.)					68
	Total Managerial Remuneration (A+B) (Rs.)					68
	Overall Ceiling as per the Act (%)	1% of the Net Profits equivalent to ₹ 122.09 ('000) with respect to the ceiling for the Company applicable for the financial year covered by this Report				

C. Remuneration to Key Managerial Personnel Other Than MD / Manager / WTD:

₹ in'000

Sr. no.	Particulars of Remuneration	Key Managerial Personnel		Total Amount
		Chief Financial Officer (Mr. Abhilash Sunny)	Company Secretary (Ms. Snehal Oak)	
1.	Gross salary			
(a)	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	2,236.37	558.38	2,794.75
(b)	Value of perquisites u/s 17(2) Income-tax Act, 1961	206.52	-	206.52
(c)	Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission - as % of profit - others, specify...			
5.	Others, please specify			
	Total	2442.89	558.38	3,001.27

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Sr. no.	Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give details)
A.	COMPANY					
	Penalty	None	None	None	None	None
	Punishment	None	None	None	None	None
	Compounding	None	None	None	None	None
B.	DIRECTORS					
	Penalty	None	None	None	None	None
	Punishment	None	None	None	None	None
	Compounding	None	None	None	None	None
C.	OTHER OFFICERS IN DEFAULT					
	Penalty	None	None	None	None	None
	Punishment	None	None	None	None	None
	Compounding	None	None	None	None	None

ANNEXURE II

NOMINATION AND REMUNERATION POLICY

The Board of Directors of Delta Magnets Limited (“the Company”) renamed and reconstituted the “Nomination and Remuneration Committee” at its Meeting held on 4th August, 2014.

1. OBJECTIVE

The Nomination and Remuneration Committee and this Policy shall be in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and Clause 49 under the Listing Agreement (as amended from time to time) The Key Objectives of the Committee would be:

- 1.1. To guide the Board in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management.
- 1.2. To evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation of the Board.
- 1.3. To recommend to the Board on Remuneration payable to the Directors, Key Managerial Personnel and Senior Management.
- 1.4. To provide to Key Managerial Personnel and Senior Management reward linked directly to their effort, performance, dedication and achievement relating to the Company’s operations.
- 1.5. To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.
- 1.6. To devise a policy on Board diversity
- 1.7. To develop a succession plan for the Board and to regularly review the plan;

2. DEFINITIONS

- 2.1. Act means the Companies Act, 2013 and Rules framed thereunder, as amended from time to time.
- 2.2. Board means Board of Directors of the Company.
- 2.3. Directors mean Directors of the Company.
- 2.4. Key Managerial Personnel means
 - 2.4.1. Managing Director;
 - 2.4.2. Whole-time Director;
 - 2.4.3. Chief Financial Officer;
 - 2.4.4. Company Secretary; and
 - 2.4.5. such other officer as may be prescribed.
- 2.5. Senior Management means personnel of the company who are members of its core management team excluding the Board of Directors including Functional Heads.

3. ROLE OF COMMITTEE

3.1 The Committee shall:

- 3.1.1. Formulate the criteria for determining qualifications, positive attributes and independence of a Director.
- 3.1.2. Identify persons who are qualified to become Director and persons who may be appointed in Key Managerial in accordance with the criteria laid down in this policy.
- 3.1.3. Recommend to the Board, appointment Remuneration and removal of Director, KMP and Senior Management Personnel.

3.2. Policy for appointment and removal of Director, KMP and Senior Management

3.2.1. Appointment criteria and qualifications

- a) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his / her appointment.
- b) A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.
- c) The Company shall not appoint or continue the employment of any person as Managing Director or Whole-time Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.

3.2.2. Term / Tenure

- a) Managing Director/Whole-time Director:
The Company shall appoint or re-appoint any person as its Managing Director or Whole-time Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.
- b) Independent Director:
 - An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.
 - No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly. However, if a person who has already served as an Independent Director for 5 years or more in the Company as on October 1, 2014 or such other date as may be determined by the Committee as per regulatory requirement; he/ she shall be eligible for appointment for one more term of 5 years only.

- At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company or such other number as may be prescribed under the Act.

3.2.3. Evaluation

The Committee shall carry out evaluation of performance of every Director, KMP and Senior Management Personnel at regular interval (yearly).

3.2.4. Removal

Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, rules and regulations thereunder, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

3.2.5. Retirement

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

3.3. Policy relating to the Remuneration for the Managing Director or Whole-time Director, KMP and Senior Management Personnel

3.3.1. General:

- a) The remuneration / compensation / commission etc. to the Managing Director or Whole-time Director, KMP and Senior Management Personnel will be determined by the Committee and recommended to the Board for approval. The remuneration / compensation / commission etc. shall be subject to the prior/post approval of the shareholders of the Company and Central Government, wherever required.
- b) The remuneration and commission to be paid to the Managing Director or Whole-time Director shall be in accordance with the percentage / slabs / conditions laid down as per the provisions of the Act and in line with the Company's policy.
- c) Increments to the existing remuneration/ compensation structure may be recommended by the Committee to the Board which should be within the slabs approved by the Shareholders in the case of Managing Director or Whole-time Director.
- d) Where any insurance is taken by the Company on behalf of its Managing Director or Whole-time Director, Chief Executive Officer, Chief Financial Officer, the Company Secretary and any other employees for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel. Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.

3.3.2. Remuneration to Whole-time / Executive / Managing Director, KMP and Senior Management Personnel:

a) Fixed pay:

The Managing Director or Whole-time Director/ KMP and Senior Management Personnel shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of

the Committee. The breakup of the pay scale and quantum of perquisites including, employer's contribution to P.F, pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board/ the Person authorized by the Board on the recommendation of the Committee and approved by the shareholders and Central Government, wherever required.

b) Minimum Remuneration:

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Managing Director or Whole-time Director in accordance with the provisions of Schedule V of the Act and if it is not able to comply with such provisions, with the previous approval of the Central Government.

c) Provisions for excess remuneration:

If any Managing Director or Whole-time Director draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Act or without the prior sanction of the Central Government, where required, he / she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government.

3.3.3. Remuneration to Non- Executive / Independent Director:

a) Remuneration / Commission:

The remuneration / commission shall be fixed as per the slabs and conditions mentioned in the Articles of Association of the Company and/or the Act.

b) Sitting Fees:

The Non- Executive / Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof. Provided that the amount of such fees shall not exceed ₹ One Lac per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

c) Commission:

Commission may be paid within the monetary limit approved by shareholders, subject to the limit not exceeding 1% of the profits of the Company computed as per the applicable provisions of the Act.

d) Stock Options:

An Independent Director shall not be entitled to any stock option of the Company.

4. MEMBERSHIP

- 4.1 The Committee shall consist of a minimum 3 non-executive Directors, majority of them being independent.
- 4.2 Minimum two (2) members shall constitute a quorum for the Committee meeting.
- 4.3 Membership of the Committee shall be disclosed in the Annual Report.
- 4.4 Term of the Committee shall be continued unless terminated by the Board of Directors.

5. CHAIRPERSON

- 5.1 Chairperson of the Committee shall be an Independent Director.
- 5.2 Chairperson of the Company may be appointed as a member of the Committee but shall not be a Chairman of the Committee.
- 5.3 In the absence of the Chairperson, the members of the Committee present at the meeting shall choose one amongst them to act as Chairperson.
- 5.4 Chairman of the Nomination and Remuneration Committee meeting could be present at the Annual General Meeting or may nominate some other member to answer the shareholders' queries.

6. FREQUENCY OF MEETINGS

The meeting of the Committee shall be held at such regular intervals as may be required.

7. COMMITTEE MEMBERS' INTERESTS

- 7.1 A member of the Committee is not entitled to be present when his or her own remuneration is discussed at a meeting or when his or her performance is being evaluated.
- 7.2 The Committee may invite such executives, as it considers appropriate, to be present at the meetings of the Committee.

8. SECRETARY

The Company Secretary of the Company shall act as Secretary of the Committee.

9. VOTING

- 9.1 Matters arising for determination at Committee meetings shall be decided by a majority of votes of Members present and voting and any such decision shall for all purposes be deemed a decision of the Committee.
- 9.2 In the case of equality of votes, the Chairman of the meeting will have a casting vote.

10. NOMINATION DUTIES

The duties of the Committee in relation to nomination matters include:

- 10.1 Ensuring that there is an appropriate induction in place for new Directors and members of Senior Management and reviewing its effectiveness;
- 10.2 Ensuring that on appointment to the Board, Non-Executive Directors receive a formal letter of appointment in accordance with the Guidelines provided under the Act;
- 10.3 Identifying and recommending Directors who are to be put forward for retirement by rotation.
- 10.4 Determining the appropriate size, diversity and composition of the Board;
- 10.5 Setting a formal and transparent procedure for selecting new Directors for appointment to the Board;
- 10.6 Developing a succession plan for the Board and Senior Management and regularly reviewing the plan;
- 10.7 Evaluating the performance of the Board members and Senior Management in the context of the Company's performance from business and compliance perspective;

-
- 10.8 Making recommendations to the Board concerning any matters relating to the continuation in office of any Director at any time including the suspension or termination of service of an Executive Director as an employee of the Company subject to the provision of the law and their service contract.
 - 10.9 Delegating any of its powers to one or more of its members or the Secretary of the Committee;
 - 10.10 Recommend any necessary changes to the Board; and
 - 10.11 Considering any other matters, as may be requested by the Board.

11. REMUNERATION DUTIES

The duties of the Committee in relation to remuneration matters include:

- 11.1 to consider and determine the Nomination and Remuneration Policy, based on the performance and also bearing in mind that the remuneration is reasonable and sufficient to attract retain and motivate members of the Board and such other factors as the Committee shall deem appropriate all elements of the remuneration of the members of the Board.
- 11.2 to approve the remuneration of the Senior Management including key managerial personnel of the Company maintaining a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company.
- 11.3 to delegate any of its powers to one or more of its members or the Secretary of the Committee.
- 11.4 to consider any other matters as may be requested by the Board.
- 11.5 Professional indemnity and liability insurance for Directors and senior management.

12. MINUTES OF COMMITTEE MEETING

Proceedings of all meetings must be minuted and signed by the Chairman of the Committee at the subsequent meeting. Minutes of the Committee meetings will be tabled at the subsequent Board and Committee meeting.

ANNEXURE III

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Account) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis.

Name(s) of Related Party and nature of relationship	NIL
Nature of contracts/arrangements/transactions	
Duration of the contracts/arrangements/ transactions	
Salient terms of the contracts or arrangements or transactions including the value, if any.	
Justification for entering into such contracts or arrangements or transaction	
Date(s) of approval by the Board.	
Amount paid as advances, if any.	
Date on which the special resolution was passed in the general meeting as required under first proviso to section 188.	

2. Details of the material contracts or arrangements or transactions at arm's length basis

Name(s) of Related Party and nature of relationship	NA
Nature of contracts/arrangements/transactions	
Duration of the contracts/arrangements/ transactions	
Salient terms of the contracts or arrangements or transactions including the value, if any.	
Date(s) of approval by the Board.	
Amount paid as advances, if any.	

ANNEXURE IV

Particulars in respect of conservation of energy, technology absorption and foreign exchange earnings and outgo, as required under Section 134(3)(m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014

A CONSERVATION OF ENERGY

i) Steps taken or impact on conservation of energy

The Company continues its policy of giving priority to energy conservation measures including regular review of energy generation and consumption and effective control on utilization of energy. The following energy conservation methods were implemented during the year:

- a) In-efficient compressor removed from line.
- b) Energy efficient lighting used. Halogen light and normal florescent tube-lights changed by induction lighting and CFL light in all operation area.
- c) Intensified Internal Audit aimed at detecting wastage of electricity.
- d) Campaign based synchronisation of utilities with plant operations.
- e) New process adoption in fine milling operation which reduced, around 16% energy consumption in particular operation.
- f) Through feed yield increased in rotary furnace resulting around 11% saving in particular operations.

The impact of above energy conservation measures is that it has resulted in improvement of power factor, consequential tariff benefits.

(ii) Steps taken by the Company for utilizing alternate sources of energy

Nil

(iii) Capital investment on energy conservation equipments

₹ 17.72 Lacs

(B) TECHNOLOGY ABSORPTION

(i) Efforts made towards technology absorption

The technology developments were validated and implemented

(ii) The benefits derived like product improvement, cost reduction, product development or import substitution.

- (a) Two new products developed to the specific requirements of customers
- (b) Property enhancement in regular starter motor and magneto grade magnets.
- (c) De- bottlenecking in fine milling with new process development.

(iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year) –

- | | | |
|--|---|-----|
| (a) the details of technology imported | : | Nil |
| (b) the year of import | : | Nil |
| (c) whether the technology been fully absorbed | : | Nil |
| (d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof | : | NA |

(iv) The expenditure incurred on Research and Development.

- | | | |
|---------------|---|--------------|
| (a) Recurring | : | ₹ 12.37 Lacs |
| (b) Capital | : | Nil |

Foreign Exchange Earnings and Outgo:

During the year, the foreign exchange outgo was ₹ 16,083.07 (₹ '000) (L.Y. ₹11,123.80 (₹ '000)) the foreign exchange earned was ₹ Nil (L.Y.Nil).

ANNEXURE V

Secretarial Audit Report

For The Financial Year Ended on 31st March, 2015

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To

The Members

Delta Magnets Limited

B-87, MIDC, Ambad

Nashik - 422010

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Delta Magnets Limited** (hereinafter called "The Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2015 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2015 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings (**Not Applicable to the Company during the Audit Period**);
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

-
- d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 notified on 28th October 2014 **(Not Applicable to the Company during the Audit Period)**;
 - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 **(Not Applicable to the Company during the Audit Period)**;
 - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 **(Not Applicable to the Company during the Audit Period)**;and
 - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 **(Not Applicable to the Company during the Audit Period)**.

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India **(Not notified and hence not applicable during the Audit period)**;
- (ii) The Equity Listing Agreements entered into by the Company with Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Ltd.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, standards etc. mentioned above.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members views are captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period, the specific events/actions which may have major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc. are mentioned below:

Sr. No.	Date of event	Details of the specific events/ actions bearing on Company's affairs pursuance of the above referred laws, rules, regulations, guidelines etc.
1.	02.04.2014	The Allotment Committee of the Board has allotted 3,97,351 Equity Shares of ₹10/- each at a premium of ₹ 22.43/- per shares to SSI Trading Private Limited on preferential basis.
2.	12.09.2014	The Company has passed the following Special Resolutions through Postal Ballot, results of which were declared on 12 th September, 2014
		a) Pursuant to Section 180 1 (c) of the Act authorizing the Board of Directors for borrowing monies not exceeding amounting to ₹ 150 Crores over and above the aggregate of the paid- up share capital and free reserves of the Company.
		b) Pursuant to Section 180 (1) (a) of the Act for creation of mortgage, charge and/or hypothecation for an amount as approved under Section 180 (1) (c).
		c) Pursuant to Section 186 of the Act for give loan(s) to any person(s) or body corporate(s) and/or give any guarantee/ provide any security(ies) in connection with loan(s) made to any person(s) or body corporate(s) and to acquire by way of subscription, purchase or otherwise the securities of anybody corporate(s) up to a limit not exceeding ₹ 150 Crores.

For A K JAIN & CO.
Company Secretaries

Place: Mumbai
Date: 27th July, 2015

Ashish Kumar Jain
Proprietor

ANNEXURE-VI

Disclosures pursuant to Section 197(12) of the Companies Act, 2013 and Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are as under:

- (i) **The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2014-15 :-**

Sr. No.	Name of Director	Remuneration of Director for Financial Year 2014-15 (₹ In '000)	Ratio of remuneration of each Director to median remuneration of employees
Non-Executive Directors			
1	Mr. Jaydev Mody	2	1%
2	Mr. Rajesh Jaggi	10	5%
3	Mr. Mahesh Gupta *	8	4%
4	Ms. Urvi Piramal*	4	2%
5	Mr. Javed Tapia	16	8%
6	Mr. Samir Chinai *	6	3%
7	Mr. Darius Khambatta	8	4%
8	Dr. Vrajesh Udani	8	4%
9	Ms. Ambika Kothari	6	3%
Executive Directors			
10	Dr. Ram H. Shroff (Managing Director)	Nil	Nil

* These Directors were on the Board only for part of the financial year 2014-15.

- (ii) **The percentage increase in remuneration of each Director, Chief Financial Officer, Company Secretary or Manager, if any, for the financial year 2014-15 :-**

Sr. No.	Name of Director / KMP	Remuneration of Director / KMP for Financial Year 2014-15 (₹ In '000)	% of increase in Remuneration in the Financial Year 2014-15
1	Mr. Jaydev Mody	2	0%
2	Mr. Rajesh Jaggi	10	0%
3	Mr. Mahesh Gupta *	8	0%
4	Ms. Urvi Piramal*	4	0%
5	Mr. Javed Tapia	16	0%

Sr. No.	Name of Director / KMP	Remuneration of Director / KMP for Financial Year 2014-15 (₹ In '000)	% of increase in Remuneration in the Financial Year 2014-15
6	Mr. Samir Chinai *	6	0%
7	Mr. Darius Khambatta	8	0%
8	Dr. Vrajesh Udani	8	0%
9	Ms. Ambika Kothari	6	0%
10	Dr. Ram H. Shroff (Managing Director)	Nil	Nil
11	Mr. Abhilash Sunny (Chief Financial Officer)	2,443	18%
12	Ms. Snehal Oak (Company Secretary)	558	12%

* These Directors were on the Board only for part of the financial year 2014-15.

(iii) The percentage increase in median remuneration of employees for the financial year 2014-15

11%

(iv) The number of permanent employees on the rolls of the Company as on 31st March, 2015

99

(v) The explanation on the relationship between average increase in remuneration and company performance during the financial year 2014-15

The criteria for increase in the remuneration, amongst other things, is also related to the Individual performance, the Company's performance and such other factors more particularly described in the Nomination and Remuneration Policy of Directors, Key Managerial Personnel and Senior Management forming part of this Report.

The average increase in the remuneration of the employee during the FY 2014-15 was around 11%.

(vi) Comparison of the remuneration of the Key Managerial Personnel against the performance of the company during the financial year 2014-15

Particulars	₹ In '000
Remuneration of Managing Director and the Key Managerial Personnel (KMP) during the financial year 2014-15 (aggregated)	3,001
Revenue	1,88,353
Remuneration (as % of Revenue)	2%
Profit before tax (PBT)	13,430
Remuneration (as % of PBT)	22%

(vii) Variation in the market capitalisation of the Company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer in case of listed companies, and in case of unlisted companies, the variations in the net worth of the Company as at the close of the current financial year and previous financial year

Particulars Unit	Unit	As At 31 st March 2015	As At 31 st March 2014	Variation
Closing rate of shares at BSE	₹	32.20	22.10	10.10
EPS (Consolidated)	₹	1.89	3.82	(1.93)
Market Capitalisation	₹ in '000	2,08,367	1,34,228	74,139
Price Earnings Ratio	Ratio	17.04	5.79	11.25

Comparison of share price at the time of last public offer and market price of the share of 31st March, 2015

Market price as on 31 st March, 2015	₹ 32.20
Price at the time of last public offer in 1985	₹ 10
% increase of Market price over the price at the time of last public offer	222

(viii) Average percentile increase already made in the salaries of employees other than managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.

The average percentage increase made in the salaries of total employees other than the Key Managerial Personnel for FY-2015 is around 12%, while the average increase in the remuneration of the Key Managerial Personnel is 17%. This increment is in line with the factors outlined in point (5) above

(ix) Comparison of each remuneration of the Key Managerial personnel against the performance of the Company.

Particulars	Managing Director	Chief Financial Officer	Company Secretary
	₹ in '000	₹ in '000	₹ in '000
Remuneration of Managing Director and the Key Managerial Personnel (KMP) during the financial year 2014-15 (aggregated)	-	2,443	558
Revenue	1,88,353	1,88,353	1,88,353
Remuneration (as % of Revenue)	0%	1%	0%
Profit before tax (PBT)	13,430	13,430	13,430
Remuneration (as % of PBT)	0%	18%	4%

(x) The Key parameters for any variable component of remuneration availed by the Directors

There were no variable component of remuneration availed by the Directors during the year under review.

(xi) Ratio of the remuneration of the highest paid Director to that of the employees who are not Directors but receive remuneration in excess of the highest paid Director during the year

Directors of the Company are not drawing any remuneration except by way of sitting fees and hence the aforesaid ratio is not comparable.

(xii) Affirmation that the remuneration is as per the remuneration policy of the Company

It is affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other employees, adopted by the Company.

Particulars in terms of the provisions of Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 –

There are no employees in the Company drawing remuneration in excess of ₹ 60,00,000/- in terms of provisions of Section 197 (12) read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

MANAGEMENT DISCUSSIONS & ANALYSIS REPORT

Economic Overview:

Global growth rate remained moderate at around 3.5%, with uneven prospects. While growth in emerging market and developing economies is lower, primarily reflecting weaker prospects for some large emerging market economies and oil-exporting countries. Most advanced economies were much stronger. Complex economic dynamics that affected global activity in 2014 are still shaping the outlook: medium and long-term trends, global shocks and many country or region specific factors.

With an upward of 7% growth, the domestic market swelled to the positive policy actions, increased foreign investments, reducing account deficit and inflation has reflected an improved confidence and rising economy in the global landscape.

Through competitive market and varying input cost the year was challenging yet rewarding.

The operating context for the year was challenging, given the backdrop of a market slowdown, a volatile input cost environment and heightened competitive intensity. Your Company's performance for the year 2014-15 has to be viewed in the context of aforesaid economic and market environment.

Business Overview:

As localization been the recent buzzword of modern business, customers of all sizes is faced with a key challenge: the need to identify local competent partners/suppliers who can provide solutions under single roof. Customers are increasingly concerned about how to secure and manage the right local partners/suppliers to de-risk themselves from various economic dynamics, not to mention an increasing number of companies with little or no background in the business.

In contrast, Delta Magnets group (DMG) successful completion of three decades of existence emphasizes our commitment and strong position in the magnets industry.

DMG comprises of Delta Magnets Limited, Nashik (DML) along with its two subsidiaries namely MMG India Private Limited, Chennai & Nashik (MMG (I)) and MagDev Limited, UK (MagDev). While DML manufactures ceramic magnets which are used mainly in the automotive sector, MMG(I) manufactures soft ferrites which serves the electronic and automotive sector and MagDev being a distribution house deals in various kinds of magnets and magnet materials which caters to various industries including electronics, retail, non-conventional energy, aerospace and automotive.

Your Company is one of the pioneers in providing solutions to customers - from consumers and small businesses to the largest global organizations- more comprehensive and efficiently than any other company. Our company's key strength is to provide complete solutions to customers under a single roof.

In our core businesses - hard ferrites, soft ferrites, trading - we utilize our market leadership positions to identify and convert new growth opportunities. As the industry matures, we pair new technologies with our core solutions to deliver integrated solutions that address evolving customer needs.

During the year DMG achieved some key milestones to shape a robust future for the company. A new MMG unit was successfully commissioned and is now operational as per plan in Nashik with increased capacity and new Machineries. DML, Nashik shifted to a new systematic location in the same factory and also acquired TS and ISO certification. TS Certification is mandatory for all automobile part suppliers. Positive audit reports from many major auto part companies were received during the fiscal year. MMG Coiling unit, Chennai shifted to a new location and obtained ISO certificate. In addition to these improvements we established a joint agreement with one of the largest manufacturers of Rare earth magnets in China and Soft ferrites in UK.

As the threat landscape evolves and customers shift to adapt to new technologies, we are investing in future growth areas that will help to reduce cost and improve efficiency to meet the customer’s expectation. Your Company leverages internal R&D, expansion, acquisitions and partnerships to accelerate its long-term strategy.

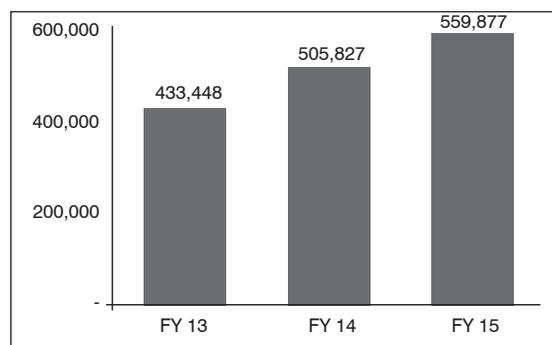
Financial & Operational Performance:

Net Sales

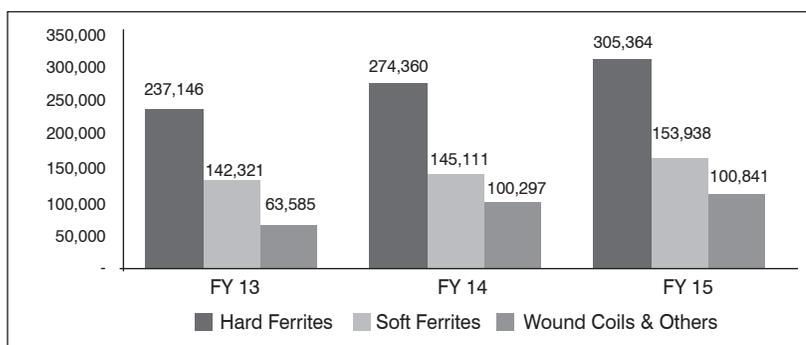
For the fiscal year under review, DMG recorded consolidated net sales of ₹ 559,877 thousands. This was ₹ 54,050 thousands or 11% higher than the previous fiscal year and reflected such factors as moderate global growth, led by strengthening of the US economy, the moderate growth in automobile industry, electronics and passive component industry.

Turning on an individual business segments performance, results were buoyed by an increased sales of soft ferrites ₹ 8,827 thousands or 6% year on year to ₹ 153,938 thousands, sales of hard ferrites ₹ 31,004 thousands or 11% year on year to ₹ 305,364 thousands and value added services sales 10,543 thousands or 11% year on year to ₹ 110,841 thousands due to our initiatives to improve our share of business from key accounts as well as new customers and new markets.

Net Sales (₹ In ‘000)



Segment Wise Sales (₹ In ‘000)



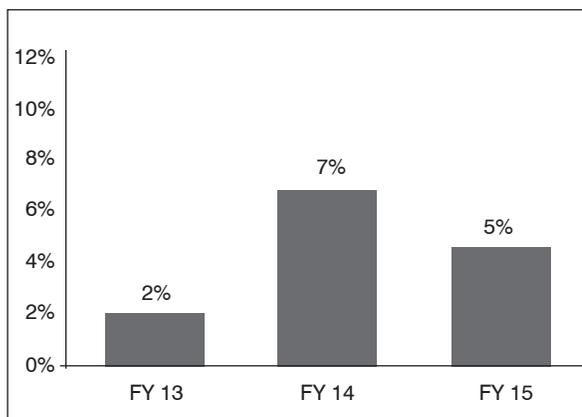
Operating Costs and Selling & Administrative Expenses

Operating costs increased ₹ 61,234 thousands, or 13% up compared with the previous fiscal year to ₹ 529,200 thousands, largely reflecting increased usage in the production/output as well as the hike in raw material costs & power/fuel costs. In spite of the results of efforts towards cost controls, the operating costs to net sales ratio higher by 2.01% from 92.52% in previous fiscal year to 94.53% majorly due initial operating cost of MMG new unit.

Operating Income

Taking into account the aforementioned factors, operating income dropped ₹ 7,184 thousands or 19%, compared with the previous year to ₹ 30,677 thousands. This is largely reflected the hike in raw material costs and jump in Employee cost. In similarly, the operating income margin dropped by 2% from 5% in the previous

Operating Income (% of Sales)



fiscal to 7%. This is predominantly due to the additional operating cost of new facility at Nashik, which will be stabilized in the subsequent year.

Net Income

During the fiscal year under review, the interest cost has been increased by 18% as compared to previous fiscal year due to increase in long-term & short-term borrowings for MMG new unit. Further, the depreciation for the current fiscal year decreased over the previous year due to change in depreciation basis/estimates as per new company act.

Accounting for all of the aforementioned factors, net income for the fiscal year under review amounted to ₹ 12,259 thousands, dropped by Rs.10,937 thousands or 0.47 times compared with the previous fiscal year.

Financial Condition:

Cash Flows

Cash and Cash Equivalents as of March 31, 2015 stood at ₹ 50,552 thousands, higher than the previous fiscal year of ₹ 29,173 thousands.

Major operating activities included foreign exchange fluctuation and increase/decrease of current assets and current liabilities in ordinary course of business.

Important investing activities included investments in fixed assets& capital work in progress for the MMG new unit.

Significant financing activities comprised proceeds from issue of equity shares and long-term & short-term borrowings for the MMG new unit.

Cash Flows/(Used) For the Year Ended 31st March, (₹ in '000)

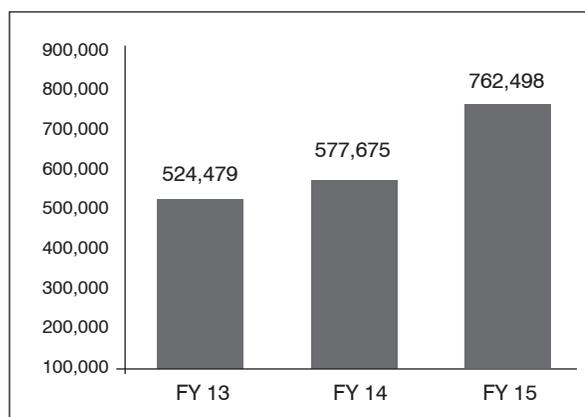
Particulars	2015	2014	2013
Operating Activities	46,047.15	629.72	638.56
Investing Activities	(150,517.42)	(1,581.77)	(14,632.12)
Financing Activities	125,849.52	8,122.30	16,472.93
Cash and Cash Equivalents	50,551.77	29,172.53	22,002.29

Assets, Liabilities and Net Assets:

Asset

Total assets stood at ₹ 762,498 thousands as on March 31, 2015, Increase of ₹ 184,824 thousands compared with the previous fiscal year. While fixed assets increased ₹ 145,777 thousands year on year as compared to previous year mainly due to addition of MMG new unit, other non-current assets increased ₹ 4,367 thousands year on year as compared to previous year because of increase in long-term loans & advances. Current assets climbed by ₹ 34,679 thousands largely reflecting increase in trade receivable and inventories.

Total Assets (₹ In '000)



Liabilities

Total liabilities stood at ₹ 406,402 thousands as on March 31, 2015, an increase of ₹ 151,554 thousands compared with the previous fiscal year end. Mainly because of increase of long-term & short-term borrowings for MMG new unit & trade payables.

Net Asset

Net assets stood at ₹ 356,096 thousands, an increase of ₹ 33,270 thousands year on year. This is predominantly due to the increase/decrease of current assets, current liabilities and increase in long-term & short-term borrowings for MMG new unit.

Internal Controls and Systems:

All up-gradation of the ERP system pertaining to commercial activities is complete in all the three companies. Qualified internal audit firms in all three units audit the accounting system.

All the three companies are ISO-9001-2008 certified and undergo audits by the certifying bodies periodically. The senior management team conducts periodical Management Review Meetings (MRMs) to examine implementation of Quality System. We are making our position stronger by identifying new customers with higher margin, improving internal efficiency, in house Research and Development, and better customer satisfaction.

The Audit Committee and the Board of Directors review the operations and financial performance quarterly.

Human Resources:

Your Company's Human Resource agenda for the year was focused on strengthening four key areas: building a robust and diverse talent pipeline, enhancing individual and organizational capabilities for future readiness, driving greater employee engagement and strengthening employee relations further through progressive people practices at the shop floor.

Your Company appreciates the human values and believes in developing people through work. Span of Management has been defined & crystallised to achieve organisational goals. Pools of talented people in all functions are in place to discharge their duties effectively & efficiently. Training & evaluation system is in place to enhance & hone skills at all levels. All HODs impart training to their departmental personnel on the training day every week. External Trainers are also invited for imparting training. Good HR practices are put in place to boost the morale of the people.

Delta Magnets and MMG (India) have internal unions. MagDev does not have any union. The total employee strength as on 31 March 2015 stood at 207, up from 175 in the previous year.

Outlook and Forecast for the Fiscal Year Ended 31st March 2015:

Global economic indicators are expected to improve, led by positive prospects in advanced economies. Despite a strengthening external demand, uncertainty continues to loom large on the economic horizon of some emerging economies owing to domestic fragilities. The global economic climate continues to be volatile, uncertain and prone to geo-political risks.

For India, economic activity is expected to improve modestly, driven by global economic revival and moderation in inflation. Upside pressures on inflation and consumption, hinge on the vagaries of the monsoon and the pace of revival of the investment climate will determine to a very large extent India's economic performance, going forward.

Electronic and Auto markets are expected to grow; however, uncertain global economic environment, inflation and competitive intensity continue to pose challenges. While the near term conditions pose a challenge for the economy,

the medium to longer term secular trends based on rising incomes, aspirations, low consumption levels, etc. are positive and an opportunity for your Company, in particular.

Moving forward, Your Company is projecting net sales of ₹ 720,000 thousands approximate in the fiscal year ending March 31st, 2016, with the addition of new unit. From a profit perspective, Operating Income (EBIDTA) is expected to be around ₹ 50,400 thousands with Net income ₹ 36,000 thousands.

Business and Other Risks:

DMG operates in global and domestic markets and our products are used in a diverse range of applications in different industries/sectors. For this reason, a variety of factors may materially impact the Group's operations. Some of the major businesses and other risks are described below. Statements concerning the future represent the judgment of DMG as of March 2015.

1. Major Raw Material Price Fluctuations

Many of the DMG products use rare earth materials, mining materials, and petrochemical products as raw materials. The purchase prices of these are susceptible to fluctuations in the market for other raw materials, crude oil prices and export regulations in producing countries. This may increase procurement cost or make it difficult to procure the necessary quantities. These factors may exert a material impact on performance.

2. Exchange Rate Fluctuations

Due to products exports and raw material imports usually denominated in US dollars, GBP and at times in other currencies, exchange rate fluctuations may exert a material impact on the performance of the Group. DMG pursues measures to attenuate the risk from exchange rate fluctuations, but cannot guarantee that exchange rate fluctuations will not affect performance.

3. Acquisitions, Joint Ventures and Strategic Alliances

DMG may acquire outside companies, establish joint ventures and implement strategic alliances in order to develop new technologies and products and raise competitiveness. These complex initiatives involve integration of businesses, technologies, products and personnel that require time and expense. Failure to implement these initiatives as planned may exert a material impact on Group's operations. The success of any business alliance is determined in part by factors beyond the Group's control, including alliance partner decision, capabilities and market trends. Implementation of these initiatives may cause the Group to incur acquisition- related expenses. In addition, the Group cannot guarantee that it will succeed in integrating acquired business or that its initiatives will achieve all or part of the initial objectives.

4. Potential Risk in Overseas Activities

DMG produces and sells products in Asia, the United States, Europe and other regions. Exposure to political and socio-economic risks in these markets may exert a material impact on the financial position and performance of the Group.

5. Public Regulations

DMGs business activities are subject to various regulations in the countries in which it operates. The regulations include legal obligations related to foreign investment, trade, competition, intellectual properties, taxes, exchange rates, the environment and recycling. Specific changes to these or any regulation could restrict operations, increase cost and exert a material impact on the Group's performance.

6. Financial Risk

DMG holds equities and marketable securities. A decrease in the value of these marketable securities may exert a material impact on the financial position and performance of the Group. In addition, long-term procurement of funds from the capital market exposes the Group to risk associated with the interest rate fluctuation and credit.

7. Competition Risk

The industry in which we operate is highly competitive. We compete with major international magnet companies that, like us, operate in multiple geographic areas, as well as regional, local and private label manufacturers and other value competitors. If we are unable to compete effectively, we may be unable to gain or maintain share of sales or gross margins in the global market or in various local markets. This may have a material adverse impact on our revenues and profit margins.

- 8.** A portion of our workforce belongs to unions. Failure to successfully renew collective bargaining agreements, or strikes or work stoppages could cause our business to suffer.

Many of our employees are covered by collective bargaining agreements. These agreements expire on various dates. Strikes or work stoppages and interruptions could occur if we are unable to renew these agreements on satisfactory terms, which could adversely impact our operating results. The terms and conditions of existing or renegotiated agreements could also increase our costs or otherwise affect our ability to fully implement future operational changes to enhance our efficiency.

Cautionary Statement:

Statement in the “Management Discussion and Analysis” describing the Company’s objectives, estimates, expectations or projections may be ‘forward looking statements’ within the meaning of applicable laws and regulations. Actual results could differ materially from those expressed or implied.

CORPORATE GOVERNANCE REPORT

Company's Philosophy on Corporate Governance

The Company fully subscribes to the principles and spirit of Corporate Governance. The Company has adopted transparency, disclosure, accountability and ethics as its business practices. The management believes that these principles will enable it to achieve the long-term objectives and goals. As part of its Corporate Governance philosophy, the Company focuses its energies in safeguarding the interests of its stakeholders and utilising its resources for maximizing the benefits to them.

The Company constantly reviews its Corporate Governance policy to not only comply with the business, legal and social framework in which it operates but also to implement the best international practices in that regard.

A report on compliance with the Code of Corporate Governance as on 31st March, 2015 as prescribed by the Securities and Exchange Board of India and incorporated in the Listing Agreement with the Stock Exchanges is given below.

Board of Directors

A. Composition of the Board

The Board of Directors consists of professionals drawn from diverse fields, who bring in a wide range of skills and experience to the Board. The majority of the Directors on the Board including the Chairman are Non-Executive Directors. Fifty percent of the Board comprises of Independent Directors. The composition of the Board is in conformity with Clause 49 of the Listing Agreement, as amended from time to time.

All Independent Directors of the Company have been appointed as per the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement. Formal letters of appointment have been issued to the Independent Directors. The terms and conditions of their appointment are disclosed on the Company's website.

None of the Directors on the Board is a member of more than 10 Committees and Chairman of more than 5 Committees (Committees being Audit Committee and Stakeholders Relationship Committee, as per Clause 49 II(D)(2) of the Listing Agreement, across all the Companies in which he/she is a Director. The necessary disclosures regarding committees positions have been made by all the Directors. None of the Directors hold office in more than 20 companies and in more than 10 public companies.

The Board reviews and approves strategy and oversees the results of management to ensure that the long term objectives of enhancing stakeholder's value are met. The day-to-day management of the Company is conducted by the Managing Director subject to the supervision and control of the Board of Directors.

The brief profile of your Company's Board of Directors is as under:



Mr. Jaydev Mody

Mr. Jaydev Mody, a 1st generation entrepreneur is a noted industrialist and businessman who has over 35 years of experience in various businesses including gaming and hospitality, textiles and ferrite manufacturing and real estate development.

Mr. Mody is the Non- Executive Chairman of Delta Corp Limited, a public listed company which under his leadership has established itself as a leader in the gaming industry in India and has a lion's share of the market. His ability to identify sunrise and lucrative business ventures has resulted in him pioneering several first of its kind ventures.

Mr. Mody in his previous avatar as Managing Director of Peninsula Land Limited spearheaded the real estate vertical of the Piramal Group till October 2005 and has played a leading role in building and developing India's first truly global retail destination 'Crossroads' in South Mumbai in addition

to other landmark developments. Mr. Mody has to his credit development of several iconic and large residential and commercial complexes in and around Mumbai, such as Peninsula Corporate Park, Ashok Towers, Ashok Gardens, Peninsula I.T. Park and CR2 to name a few. Over 1 million square feet of real estate projects in East Africa mainly in Nairobi, Kenya have been developed and successfully exited under his leadership and sold to marquee clients like the World Bank and PwC.

The other business interest of Mr. Mody include two other listed entities namely Arrow Textiles Limited (ATL) and Delta Magnets Limited (DML). ATL is an established player and market leader in the woven and printed labels industry, catering to domestic and international brands of repute. The company boasts of a state of the art manufacturing unit at Nashik.

DML is a turnaround story. Post its acquisition, the company not only turned around but has also created an international imprint by an overseas acquisition. DML is in ferrites manufacturing catering to varied industries ranging from Automobiles, Railways, Telecommunication, Aerospace amongst others.



Dr. Ram H. Shroff

Dr. Ram H. Shroff is a qualified medical doctor. Dr. Shroff has an experience of more than 14 years in Charak Pharma where he is a Director.

Charak is one of the leading Herbal and Ayurvedic Company's in India. Through his initiatives the Company has grown its market share substantially and has introduced several new products which have helped bring a new dimension in medical treatment of patients.

Dr. Shroff has also initiated Charak Pharma's international presence. Charak is now available in more than 45 countries around the world. In addition, Dr. Shroff has participated in several local and international medical conferences impressing the need of alternative medicines for the treatment of patients.

Dr. Shroff has also started a new venture called Digimed Healthcare which is in the business of medical tourism with a focus towards markets in Africa.



Ms. Ambika Kothari

Ms. Ambika Kothari is B.A. Economics with Honours through Wellesley College. Ms. Kothari has also studied Accounting and Business at MIT Sloan School of Management and Harvard University. Ms. Kothari is experienced in the fields of business administration, management and as analyst. Ms. Kothari has worked with reputed international analyst firms such as Goldman Sachs & Company, New York and Moody's Investor Service, Singapore. Ms. Kothari also worked with DSP Merrill Lynch, Mumbai in the Equities Division. Ms. Kothari is a Director in several Companies and is currently managing investments for GK International Private Limited.



Mr. Darius Khambatta

Mr. Darius Khambatta is a Chartered Accountant with over 29 years experience. Mr. Khambatta is currently working with Delta Corp Limited as a Vice President (Projects) looking after the real estate developments.



Mr. Javed Tapia

Mr. Javed Tapia is an entrepreneur leading the growth of several companies under the umbrella brand “Clover”. Having started his career with the flagship brand “Clover Realty” Mr. Tapia has established a strong presence for the Clover Group in areas such as information technology, transaction systems, and renewable energy. In the year 2000, Mr. Tapia spearheaded the open source revolution in India through a joint venture – Red Hat India with Red Hat Inc. and expanded the company’s footprint across south Asia.

Mr. Tapia is a member of the Young Presidents Organization (Bombay Chapter) and has served on its executive committee. Mr. Tapia has also been a member of the Entrepreneurs’ Organization (EO) and has served on its executive committee. Mr. Tapia is an angel investor with a keen interest in the Internet, technology and agri-business space.

Mr. Tapia is a postgraduate in business administration from the Duke University’s Fuqua school of business, US and is the founder of Fuqua Alumni Club in India. Mr. Tapia was conferred the “Alumni Impact Award” by his alma mater - Duke University. Mr. Tapia is an avid reader and enjoys horse riding and scuba diving in his free time.



Mr. Rajesh Jaggi

Mr. Rajesh Jaggi holds a Bachelor of Commerce Degree from University of Mumbai and Master’s in Business Management in Finance from F.W. Olin Graduate School of Business – Babson (USA). Mr. Jaggi has an overall experience of 13 years in the real estate sector.

Currently, Managing Partner (Real Estate) at Everstone Capital Advisors Pvt. Ltd – a South-East Asia focused investor with approximately USD 2.5 billion of assets under management through its private equity and real estate funds. In the Real Estate Platform, we manage a Retail Development Fund and an Industrial and Warehousing Fund. We have developed over 33 million square feet of retail, mixed use and industrial real estate projects across 17 Indian cities.

Prior to this, Mr. Jaggi was the Managing Director of Peninsula Land Limited (a US\$ 400 million market cap listed leading Indian real estate Company) and led the successful commissioning of projects totaling 28 million square feet of real estate across residential, commercial and retail space.



Mr. Samir Chinai

Mr. Samir Chinai is a graduate of the School of Architecture, CEPT Ahmedabad and has been practicing Architecture from 1989.

Over the past three decades his firm has been responsible for a strikingly wide range of work, from urban master plans, public infrastructure, hospitals, civic and cultural buildings, offices, factories and work places and private houses.

Mr. Chinai is also involved in his family owned business of Cranes which are used in infrastructure projects. Mr. Chinai is a Director of various companies.



Dr. Vrajesh Udani

Dr. Vrajesh Udani is a Consultant - Child Neurology & Epilepsy at the Hinduja National Hospital, Hinduja Healthcare Surgical and Saifee Hospital. Dr. Udani is also an Assistant Professor of Pediatrics at the Grant Medical College and JJ Group of Hospitals, Mumbai. Dr. Udani is also a member of the Indian Academy of Pediatrics, Neurological Society of India and Indian Academy of Neurology.

B. Board Procedure

A detailed Agenda folder is sent to each Director in advance of Board and Committee meetings. The Board members, in consultation with the Chairman, may bring up any matter for the consideration of the Board. All major agenda items are backed by comprehensive background notes and other material information to enable the Board to take informed decisions. Agenda papers are circulated at least a week in advance to the Board meeting.

C. Information placed before the Board

Apart from the items that are required under the statutes, to be placed before the Board for its approval, the following are placed before the Board periodically for its review / information in compliance with the Listing Agreement as amended from time to time.

1. Annual operating plans and budgets and any updates.
2. Capital budgets and any updates.
3. Quarterly results for the company and its operating divisions or business segments.
4. Minutes of meetings of audit committee and other committees of the board.
5. The information on recruitment and remuneration of senior officers just below the board level, including appointment or removal of Chief Financial Officer and the Company Secretary.
6. Show cause, demand, prosecution notices and penalty notices which are materially important.
7. Fatal or serious accidents, dangerous occurrences, any material effluent or pollution problems.
8. Any material default in financial obligations to and by the company, or substantial nonpayment for goods sold by the company.
9. Any issue, which involves possible public or product liability claims of substantial nature, including any judgment or order which, may have passed strictures on the conduct of the company or taken an adverse view regarding another enterprise that can have negative implications on the company.
10. Details of any joint venture or collaboration agreement.
11. Transactions that involve substantial payment towards goodwill, brand equity, or intellectual property.
12. Significant labour problems and their proposed solutions. Any significant development in Human Resources/ Industrial Relations front like signing of wage agreement, implementation of Voluntary Retirement Scheme etc.
13. Sale of material nature, of investments, subsidiaries, assets, which is not in normal course of business.
14. Quarterly details of foreign exchange exposures and the steps taken by management to limit the risks of adverse exchange rate movement, if material.
15. Non-compliance of any regulatory, statutory or listing requirements and shareholders service such as non-payment of dividend, delay in share transfer etc.

D. Post - meeting follow - up systems

The Governance system in the Company include an effective post - meeting follow-up, review and reporting process for action taken / pending on decisions of the Board and its Committees.

E. Board Support

The Company Secretary of the Company attends all the meetings of the Board and its Committees and advises / assures the Board and Committee on compliance and governance principles.

F. Code of Conduct

The Board has laid down Code of Conduct for the Board members and for senior Management and Employees of the Company. The same has been posted on the website of the Company. All Board members and Senior Management Personnel have affirmed compliance with this Code. A declaration to this effect, signed by the Managing Director forms part of this Report.

Apart from receiving remuneration that they are entitled to under the Companies Act, 2013 as Non-Executive Directors and reimbursement of expenses incurred in the discharge of their duties, none of the Non-Executive Directors has any other material pecuniary relationship or transactions with Company, its promoters, its Directors, its senior management or its subsidiaries and associates. None of the Directors are inter-se related to each other.

G. CEO / CFO Certification

As required under Clause 49 IX of the Listing Agreement, the Managing Director and the C.F.O. of the Company have certified to the Board regarding the Financial Statements for the year ended 31st March, 2015.

H. Separate Meeting of Independent Directors

A separate meeting of Independent Directors of the Company, without the attendance of Non Independent Directors and members of management, was held on 30th January, 2015, as required under Schedule IV to the Companies Act, 2013 (Code for Independent Directors) and Clause 49 of the Listing Agreement. At the Meeting, the Independent Directors:

- Reviewed the performance of Non-Independent Directors and the Board as a whole;
- Reviewed the performance of the Chairman of the Company, taking into account the views of Executive Director and Non-Executive Directors; and
- Assessed the quality and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

I. Board and Director Evaluation and criteria for evaluation

During the year, the Board has carried out an annual evaluation of its own performance, performance of the Directors, as well as the evaluation of the working of its Committees.

The Nomination and Remuneration Committee has defined the evaluation criteria, procedure and time schedule for the Performance Evaluation process for the Board, its Committees and Directors. The criteria for Board Evaluation include inter alia, degree of fulfillment of key responsibilities, Board structure and composition, establishment and delineation of responsibilities to various Committees, effectiveness of Board processes, information and functioning.

Criteria for evaluation of individual Directors include aspects such as attendance and contribution at Board/ Committee Meetings and guidance/ support to the management outside Board/ Committee Meetings.

Criteria for evaluation of the Committees of the Board include degree of fulfillment of key responsibilities, adequacy of Committee composition and effectiveness of meetings.

The procedure followed for the performance evaluation of the Board, Committees and Directors is detailed in the Directors' Report.

J. Familiarization Programme for Independent Directors

The Company familiarizes its Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc.

The familiarization programme for Independent Directors is disclosed on the Company's website and the same may be accessed at the link: <http://www.deltamagnetsgroup.com/dml/downloads/policies/Familiarisation-Programme.pdf>.

K. Details of the Board Meetings held during the financial year

During the financial year ended 31st March, 2015, 4 (four) meetings of the Board were held, as follows:

No.	Date	Board Strength	No. of Directors present
1	28 th May, 2014	9	6
2	4 th August, 2014	10	10
3	5 th November, 2014	8	6
4	31 st January, 2015	8	7

The maximum gap between two Board Meetings was not more than one hundred and twenty days.

L. Attendance at the Board meetings and at Annual General Meeting (AGM), no. of Directorship in other public companies, no. of committee positions held in other public companies

As on 31st March, 2015, composition of the Board of Directors and attendance of the Directors at the Board Meetings as well as their Directorship in companies and membership in Committees of Public Companies is as follows:

Chairmanships/Memberships of Board Committees include only Audit and Stakeholders Relationship Committees of other public companies excluding private limited companies, foreign companies and companies under section 8 of the Companies Act, 2013.)

Name of the Director	Category	Number of Board Meetings during the year 2014-2015		Whether attended the last AGM held on 25.09.2014	Number of Directorships in other Companies	Number of Committee positions held in other Public Companies	
		Held	Attended			Chairman	Member
Mr. Jaydev Mody (Chairman)	Non-Executive, Promoter	4	1	No	11	2	0
Dr. Ram H. Shroff (Managing Director)	Executive, Non-Independent	4	4	Yes	12	0	1
Mr. Rajesh Jaggi	Non-Executive, Independent	4	2	Yes	17	1	1
Mr. Darius Khambatta	Non-Executive, Non-Independent	4	4	No	14	0	0
Ms. Ambika Kothari	Non-Executive, Non-Independent	4	3	No	19	0	0
#Mr. Samir Chinai	Non-Executive, Independent	4	3	No	14	0	0
Dr. Vrajesh Udani	Non-Executive, Independent	4	4	No	4	0	2
Mr. Javed Tapia	Non-Executive, Independent	4	4	No	15	1	0

#Mr. Samir Chinai was appointed as Independent Director of the Company w.e.f. 4th August, 2014.

Note: During the year,

1. Mr. Mahesh Gupta resigned from the Directorship of the Company w.e.f. 10th September, 2014.
2. Ms. Urvi Piramal ceased to be Director of the Company w.e.f. 25th September, 2014.

Details of the Directors being re - appointed

At the ensuing Annual General Meeting, in accordance with the provisions of the Companies Act, 2013, Mr. Darius Khambatta, Director of the Company, retire by rotation. Mr. Darius Khambatta, being eligible, has offered himself for re-appointment as a Director of the Company.

Detailed profile of Mr. Darius Khambatta is in line with Clause 49 of the Listing Agreement is forming the part of the Notice of the Annual General Meeting.

Committees of the Board

A. Audit Committee

The Audit Committee acts as a link between Statutory and Internal Auditors and the Board of Directors.

The Audit Committee provides reassurance to the Board regarding the existence of an effective internal control environment that ensures:-

- Efficiency and effectiveness of operations;
- Safeguarding of assets and adequacy of provisions for all liabilities;
- Reliability of financial and other management information and adequacy of disclosures;
- Compliance with all relevant statutes.

Powers

The Audit Committee is empowered, pursuant to its terms of reference, to:

- Investigate any activity within its terms of reference
- Seek any information it requires from any employee
- Obtain legal or other independent professional advice and
- Secure the attendance of outsiders with relevant experience and expertise, when considered necessary.

Terms of Reference

The terms of reference of Audit Committee are in accordance with Section 177 of the Companies Act, 2013 and the guidelines set out in Clause 49 of the Listing Agreement. The Audit Committee is entrusted with the responsibility to supervise the Company's financial control and reporting process and inter-alia perform the following functions:

- Oversight of the Company's financial reporting process and disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
- Review with the management the quarterly and annual financial statements and the auditor's report thereon, before submission to the Board for approval.
- Discuss with the statutory auditors, before the audit commences, about the nature and scope of audit, as well as post-audit discussion to ascertain any area of concern.
- Recommend to the Board the appointment, re-appointment and, if required, the replacement or removal of statutory auditors, remuneration and terms of appointment of auditors, fixation of audit fees and to approve payment for any other services rendered by the statutory auditors.
- Review and monitor the auditor's independence and performance and effectiveness of audit process.

- Review with the management, performance of the statutory and internal auditors.
- Review the adequacy of the internal audit function and the adequacy and efficacy of the internal control systems.
- Evaluate internal financial controls and risk management systems.
- Scrutinize inter-corporate loans and investments.
- Discuss any significant findings with internal auditors and follow-up thereon.
- Review the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or failure of internal control systems of a material nature and reporting the matter to the Board.
- Look into the reasons for substantial defaults in payments to depositors, debenture holders, shareholders and creditors.
- Approve transactions, including any subsequent modifications, of the Company with related parties.
- Valuation of undertakings or assets of the Company, wherever it is necessary.
- Review and monitor the statement of use and application of funds raised through public offers and related matters.
- Review the functioning of the Whistle Blower mechanism.
- Approve the appointment of the Chief Financial Officer after assessing the qualifications, experience and background of the candidate.
- And, generally, all items listed in Clause 49 III (D) of the Listing Agreement and in Section 177 of the Companies Act, 2013.

Review of Information

The Company has systems and procedures in place to ensure that the Audit Committee mandatorily reviews:

- Management discussion and analysis of financial condition and results of operations;
- Statement of significant related party transactions (as defined by the audit committee), submitted by management;
- Management letters / letters of internal control weaknesses issued by the Statutory Auditors;
- Internal audit reports relating to internal control weaknesses; and
- The appointment, removal and terms of remuneration of the Chief Internal Auditor;
- Financial statements as well as investments made by unlisted subsidiaries.

Composition

The Audit Committee of the Company as on 31st March, 2015 comprised of three members i.e. Mr. Rajesh Jaggi, Dr. Ram H. Shroff and Mr. Javed Tapia majority of whom were independent Directors. The constitution of the Committee is in line with Clause 49 of the Listing Agreement read with Section 177 of the Companies Act, 2013. The Committee was reconstituted during the year.

The Chairman of the Committee is Mr. Rajesh Jaggi, who is an Independent Director. The Group C.F.O., Internal Auditors and the Statutory Auditors are invitee to the meetings of the Audit Committee. The Secretary of the Company acts as the Secretary to the Committee. All the members of the Committee are financially literate and have accounting and financial management expertise.

Meeting and attendance

During the financial year ended 31st March, 2015, 4 (four) meetings of the Audit Committee were held as follows:

No.	Date	Committee Strength	No. of Members present
1	28 th May, 2014	3	2
2	4 th August, 2014	3	3
3	3 rd November, 2014	3	3
4	31 st January, 2015	3	3

The maximum gap between any two meetings of the Audit Committee of the Company was not more than four months.

The previous Annual General Meeting of the Company held on Thursday, 25th September, 2014 was attended by Mr. Rajesh Jaggi, Chairman of the Audit Committee.

B. Nomination and Remuneration Committee

Terms of reference

- Make recommendations regarding the composition of the Board, identify independent Directors to be inducted to the Board from time to time.
- Identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and carry out evaluation of every Director's performance.
- Formulate the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy relating to the remuneration of the Directors, key managerial personnel and other employees.
- Formulate criteria for evaluation of Independent Directors and the Board.
- Devise a policy on Board Diversity.
- Evaluate and approve the appointment and remuneration of senior executives, including the key managerial personnel, the Company's remuneration plan, annual salary increase principles and budgets, annual and long term incentive plans of the Company, policies and programmes such as succession planning, employment agreements, severance agreements and any other benefits.
- Establish key performance metrics to measure the performance of the Managing Director, key managerial personnel and the executive team
- Review and recommend to the Board the remuneration and commission to the managing and executive Directors and define the principles, guidelines and process for determining the payment of commission to non-executive Directors of the Company.

Composition

The Nomination and Remuneration Committee as on 31st March, 2015, comprised of three members i.e. Mr. Javed Tapia, Mr. Jaydev Mody and Mr. Rajesh Jaggi. All of them are Non Executive Directors. The Chairman of the Committee is Mr. Javed Tapia, who is a Non-Executive and Independent Director.

The Secretary of the Company acts as the Secretary to the Committee.

Meeting and attendance

During the financial year ended 31st March, 2015, 2(two) meetings of the Nomination and Remuneration Committee were held as follows:

No.	Date	Committee Strength	No. of Members present
1	4 th August, 2014	3	3
2	31 st January, 2015	3	3

Nomination and Remuneration Policy

The Company's philosophy for remuneration of Directors, Key Managerial Personnel and all other employees is based on the commitment of fostering a culture of leadership with trust. The Company has adopted a Policy for remuneration of Directors, Key Managerial Personnel and other employees, which is aligned to this philosophy. The key factors considered in formulating the Policy are as under:

- (a) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully;
- (b) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- (c) remuneration to Directors, Key Managerial Personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

The key principles governing the Company's Remuneration Policy are as follows:

Remuneration for independent Directors and non-independent non-executive Directors

- Independent Directors and non-independent non-executive Directors may be paid sitting fees for attending the Meetings of the Board and of Committees of which they may be members within regulatory limits, as recommended by the Nomination and Remuneration Committee and approved by the Board.
- Overall remuneration should be reasonable and sufficient to attract, retain and motivate Directors aligned to the requirements of the Company, taking into consideration the challenges faced by the Company and its future growth imperatives. Remuneration paid should be reflective of the size of the Company, complexity of the sector/ industry/ Company's operations and the Company's capacity to pay the remuneration and be consistent with recognized best practices.
- The remuneration payable to Directors shall be inclusive of any remuneration payable for services rendered in any other capacity, unless the services rendered are of a professional nature and the Nomination and Remuneration Committee is of the opinion that the Director possesses requisite qualification for the practice of the profession.

Remuneration for Managing Director/ Executive Directors / Key Managerial Personnel/ rest of the Employees

- The extent of overall remuneration should be sufficient to attract and retain talented and qualified individuals suitable for every role. Hence remuneration should be market competitive, driven by the role played by the individual, reflective of the size of the Company, complexity of the sector/ industry/ Company's operations and the Company's capacity to pay, consistent with recognized best practices and aligned to any regulatory requirements.
- Basic/ fixed salary is provided to all employees to ensure that there is a steady income in line with their skills and experience. In addition, the Company provides employees with certain perquisites, allowances and benefits to enable a certain level of lifestyle and to offer scope for savings. The Company also provides employees with a social security net subject to limits, by covering medical expenses and hospitalization through reimbursements or insurance cover and accidental death and dismemberment through personal accident insurance. The Company provides retirement benefits as applicable.

Service Contract, Severance Fee and Notice Period

The Company has not entered into any service contract.

Employee Stock Option Scheme

The Company does not have any Employee Stock Option Scheme.

Details of remuneration paid to Executive and Non Executive Directors for the year ended 31st March, 2015 and their relationship with other Directors of the Company**Executive Director**

NIL

Non Executive Directors

Name	Relationship with other Directors	Sitting Fees	Commission	Total
Mr. Jaydev Mody	Brother of Ms. Urvi Piramal	2,000	-	2,000
Ms. Ambika Kothari	None	6,000	-	6,000
Mr. Darius Khambatta	None	8,000	-	8,000
Mr. Javed Tapia	None	16,000	-	16,000
Mr. Mahesh Gupta	None	8,000	-	8,000
Mr. Rajesh Jaggi	None	10,000	-	10,000
Mr. Samir Chinai	None	6,000	-	6,000
Ms. Urvi Piramal	Sister of Mr. Jaydev Mody	4,000	-	4,000
Dr. Vrajesh Udani	None	8,000	-	8,000

During the financial year ended 31st March, 2015, except payment of sitting fees, the Company do not have any pecuniary relationship or transactions with the Non - Executive Directors.

Shareholding of Non-executive Directors

The Individual shareholding of Non-executive Directors (including shareholding as joint holder) as on 31st March, 2015 is given below:

Name	No. of shares held
Mr. Jaydev Mody	1125
Ms. Ambika Kothari	1950
Mr. Darius Khambatta	0
Mr. Javed Tapia	0
Mr. Rajesh Jaggi	0
Mr. Samir Chinai	450
Dr. Vrajesh Udani	0

C. Stakeholders Relationship Committee

Terms of reference

In terms of Section 178 (5) of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Shareholders' / Investors' Grievance Committee was renamed as Stakeholders Relationship Committee with effect from 4th August, 2014.

The Committee oversees and reviews all matters connected with transfer of securities and also approves issue of duplicate share certificates, split of share certificates, etc. Also the Committee looks into redressal of Shareholder's/ Investor's' complaints / grievances pertaining to transfer or credit of shares / transmissions / dematerialisation / rematerialisation / split / issue of duplicate Share Certificates, non receipt of annual reports, dividend payments and other miscellaneous complaints. The Committee reviews performance of the Share Transfer Agent and recommends measures for overall improvement in the quality of investor services.

Composition

The Stakeholders Relationship Committee as on 31st March, 2015 comprised of three members i.e. Mr. Jaydev Mody, Mr. Rajesh Jaggi and Dr. Ram H. Shroff. Majority of them are Non-Executive Directors. The Chairman of the Committee is Mr. Jaydev Mody.

Meeting and attendance

During the financial year ended 31st March, 2015, 3 (three) meetings of the Stakeholders Relationship Committee were held, as follows:

No.	Date	Committee Strength	No. of Members Present
1	17 th July, 2014	3	3
2	16 th October, 2014	3	3
3	26 th January, 2015	3	3

Compliance officer

Ms. Snehal Oak, Company Secretary is the Compliance Officer for complying with the requirements of SEBI Regulations and the Listing Agreement.

Listing Fees

The Company has paid the listing fees to all the Stock Exchanges till 31st March, 2015.

Redressal of Investors Grievances

The Company addresses all complaints, suggestions and grievances expeditiously and replies have been sent / issued usually within 7-10 days except in case of dispute over facts or other legal impediments.

During the financial year under review, no investor's complaints were received and pending as at the end of the financial year.

Details of Annual General Meetings

Location, date and time of Annual General Meetings held during the last 3 years:

Year	Location	Date	Day	Time	No. of Special Resolutions
2011 – 12	The Gateway Hotel, Ambad, Nasik-422 010, Maharashtra.	24 th September, 2012	Monday	3.00 p.m.	0
2012 – 13	The Gateway Hotel, Ambad, Nasik-422 010, Maharashtra.	7 th September, 2013	Saturday	1.45 p.m.	0
2013 – 14	Hotel Express Inn, Nashik Pathardi Phata, Ambad, Mumbai Agra Road, Nashik-422 010, Maharashtra	25 th September, 2014	Thursday	2.00 p.m.	5

Postal Ballot

During the year, pursuant to the provisions of Section 110 of the Companies Act, 2013 along with the rules prescribed therein, the Company has passed Special Resolutions as mentioned below:

Special Resolutions	Votes cast in favour		Votes cast against		Date of declaration of results
	No of Shares	%	No of Shares	%	
Increase of Borrowing limits of the Company under Section 180(1)(c) of the Companies Act, 2013	47,54,997	100	0.00	0.00	12 th September, 2014
Authority to Board of Directors of the Company under Section 180(1)(a) of the Companies Act, 2013	47,54,997	100	0.00	0.00	12 th September, 2014
Increase in limits under Section 186 of the Companies Act, 2013	47,54,997	100	0.00	0.00	12 th September, 2014

The Notice of the Postal Ballot was dispatched to all the shareholders of the Company along with postage prepaid envelopes. Mr. Ashish Kumar Jain, Proprietor of M/s. A.K. Jain & Co; Company Secretaries in Practice, have been appointed as a scrutinizer for the Postal Ballots, who submitted his report to the Chairman of the Company.

At present there are no Special Resolutions which are proposed to be passed by way of Postal Ballot.

Disclosures

- a) During the financial year 2014-2015 there were no materially significant transactions entered into between the Company and its promoters, Directors or the management or relatives etc. that may have potential conflict with the interests of the Company at large.

The Register of Contracts detailing the transactions, in which the Directors are interested, is placed before the Board /Audit Committee regularly. Transactions with related parties are disclosed by way of Notes to the Accounts, which forms part of this Annual Report.

- b) The Company has complied with the requirements of Stock Exchanges, SEBI and all other statutory authorities on all matters related to the capital markets during the last three years. There were no penalty imposed nor did any strictures pass on the Company by Stock Exchanges, SEBI and all other statutory authorities relating to above. The Company has not received any material Demand, Show Cause, Prosecution, Penalty Notice etc.
- c) The Managing Director and the Chief Financial Officer have certified to the Board in accordance with Clause 49 IX of the Listing Agreement pertaining to CEO/ CFO certification for the Financial Year ended 31st March, 2015.
- e) The Company has a well defined risk management framework in place. The Company periodically places before the Audit Committee and the Board, the key risks and the risk assessment and mitigation procedures followed by the Company.
- f) The Company has adopted a Whistle Blower Policy, to provide a formal mechanism to the Directors and employees to report their concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct or ethics policy. The Policy provides for adequate safeguards against victimization of employees who avail of the mechanism and also provides for direct access to the Chairman of the Audit Committee. It is affirmed that no personnel of the Company has been denied access to the Audit Committee.
- d) The Company is fully compliant with the applicable mandatory requirements of Clause 49 of the Listing Agreement. As far as Non-mandatory requirements are concerned, the Company has separate individuals occupying the position of Chairman and that of Managing Director. The Internal Auditors directly reports to the Audit Committee.

Means of Communication

Quarterly financial results are regularly submitted to the Stock Exchanges in accordance with the Listing Agreement and published in following newspapers:

- Free Press Journal (English)
- Navshakti (Marathi)

The financial results are displayed on Company's website on www.deltamagnets.com. The Management Discussion & Analysis Report forms part of this Annual Report.

General Shareholder Information

Annual General Meeting

Date and Time : Monday, the 7th day of September, 2015, at 2.00 P.M

Venue : Hotel Express Inn, Nashik Pathardi Phata, Ambad,
Mumbai Agra Road, Nashik – 422 010, Maharashtra.

As required under Clause 49 (VII)(E)(i) of the Listing Agreements, particulars of Directors seeking appointment/re-appointment at the forthcoming Annual General Meeting (AGM) are given in the Annexure to the Notice of the AGM to be held on Monday, 7th day September, 2015.

Financial Year : 1st April to 31st March.

Dates of Book Closure : From Tuesday the 1st day of September, 2015 To Monday,
the 7th day of September, 2015 (both days inclusive.)

Dividend payment date : Not Applicable

Dividend History : Not Applicable

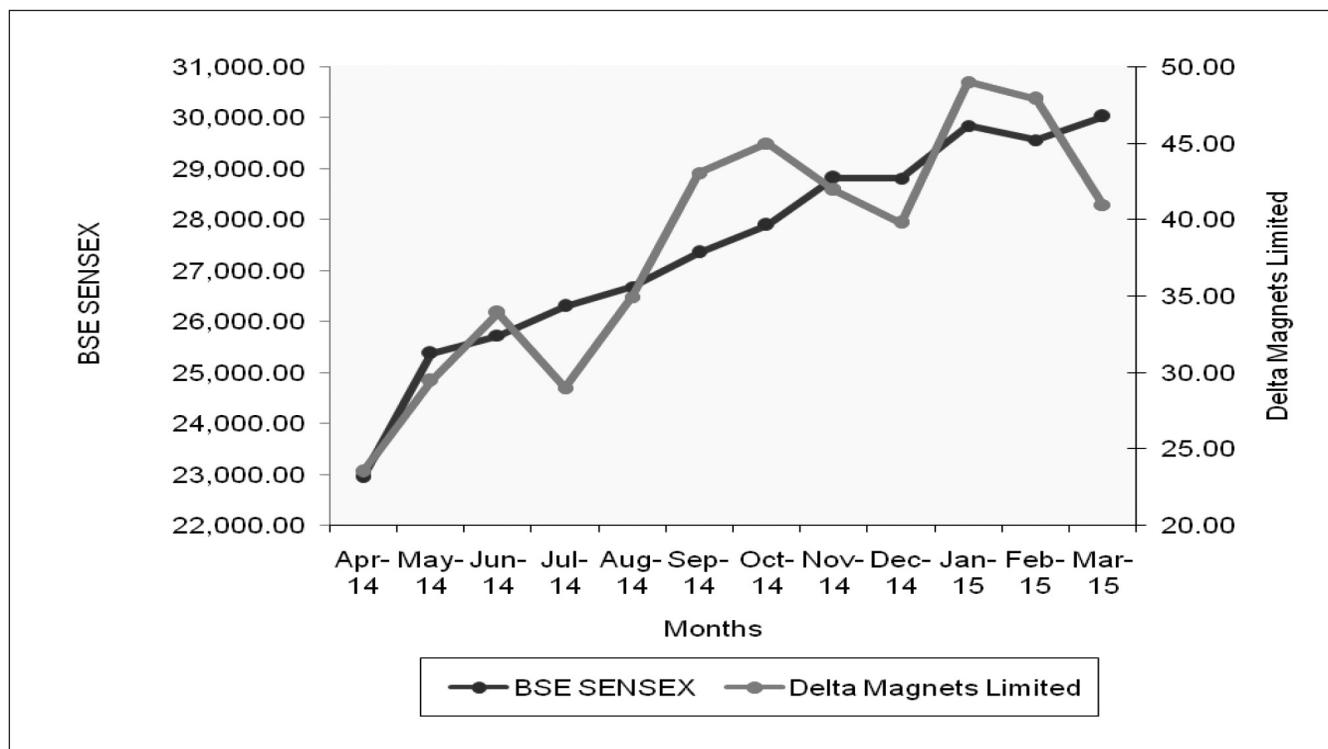
Stock Exchange where

Company's Shares are listed : BSE Limited
Phiroz Jeejeebhoy Towers, Dalal Street,
Mumbai 400 001, Maharashtra.
Scrip Code : 504286

National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex,
Bandra (East), Mumbai 400 051, Maharashtra.
Scrip Symbol : DELTAMAGNT

Stock Market Price data: High /Low during each month for the financial year ended 31st March, 2015

Month	BSE Limited		National Stock Exchange of India Limited	
	High (₹)	Low (₹)	High (₹)	Low (₹)
April 2014	23.50	21.05	27.05	27.05
May 2014	29.45	20.25	28.40	26.00
June 2014	33.90	27.75	28.35	26.00
July 2014	29.00	23.85	27.50	23.60
August 2014	34.95	27.00	33.10	22.45
September 2014	43.05	29.50	41.85	30.00
October 2014	45.00	37.05	44.85	32.10
November 2014	41.95	35.00	40.80	31.10
December 2014	39.80	32.00	37.35	31.00
January 2015	49.00	31.15	52.00	30.35
February 2015	47.90	35.50	48.00	35.50
March 2015	40.95	30.95	44.90	28.70



Share Transfer Agents

Freedom Registry Limited
Plot No. 101 / 102, 19th Street,
MIDC, Satpur,
Nasik - 422 007, Maharashtra

Tel: (0253) 2354032, 2363372
Fax: (0253) 2351126
Email: support@freedomregistry.in

Share Transfer Process

Shares in physical form are processed by the Registrar and Share Transfer Agent within 15 days from the date of receipt, if the documents are complete in all respects. Chairman, Managing Director and Company Secretary have been severally empowered to approve transfers. The same shall be ratified by the Investors Grievances Committee.

Distribution of Equity Shareholding according to Numbers As At 31st March, 2015

Category	No. of holders	Percentage	No of shares held in that slab	% to total number of shares
1 to 5000	3,955	98.58	9,50,545	14.69
5001 to 10000	30	0.75	2,24,873	3.48
10001 to 20000	13	0.32	1,79,153	2.77
20001 to 50000	6	0.15	1,65,570	2.56
50001 to 100000	3	0.08	2,19,978	3.40
100001 & above	5	0.12	47,30,895	73.10
TOTAL	4,012	100	64,71,014	100

Distribution of Equity Shareholding according to categories of Shareholders As At 31st March, 2015

Sr. No.	Category of Shareholder	Number of Share holders	Number of shares	%
(A)	Shareholding of Promoter and Promoter Group	8	46,38,018	71.67
(B)	Public shareholding			
1	Institutions			
	(a) Mutual Funds/ UTI	5	7,375	0.11
	(b) Financial Institutions / Banks	2	1,750	0.03
	(c) Insurance Companies	0	0	00
	(d) Foreign Institutional Investors	0	0	0
2	Non-Institutions			
	(a) Bodies Corporate	86	3,62,842	5.61
	(b) Individuals			
	(i) holding nominal share capital up to ₹ 1 Lacs	3,901	14,49,139	22.39
	(ii) holding nominal share capital in excess of ₹ 1 Lacs	0	0	0
	NRI's	10	11,890	0.18
	Clearing Member	0	0	0
	Total Public Shareholding	4,004	18,32,996	28.33
	TOTAL (A) + (B)	4,012	64,71,014	100

Dematerialisation of shares and liquidity

As on 31st March, 2015, 61,38,591 Equity Shares (94.86% of the total number of shares) are in demat form as compared to 5,734,635 Equity Shares (94.42% of the total number of shares) as on 31st March, 2014.

Outstanding GDRS/ ADRS / Warrants or any Convertible Instruments

The Company has not issued any GDR's/ADR's, Warrants or any convertible instruments during the financial year ended 31st March, 2015.

Plant Location

Delta Magnets Limited

B-87, MIDC, Ambad, Nasik-422 010, Maharashtra.

Investor Correspondence

Shareholders can contact the following official for secretarial matters of the Company.

Name	Address	Telephone No. / Fax No.	Email id
Ms. Snehal Oak Company Secretary & Compliance Officer	Bayside Mall, 2 nd Floor, Opp. Sobo Central Mall, Tardeo Road, Haji Ali, Mumbai - 400 034 Maharashtra.	(022) 4079 4700 (022) 4079 4777	secretarial@ deltamagnets.com

DECLARATION

I, Dr. Ram H. Shroff, Managing Director of Delta Magnets Limited hereby declare that all the members of the Board of Directors and Senior Management Personnel have affirmed Compliance with the Code of Conduct, applicable to them as laid down by the Board of Directors in terms of Clause 49(II)(E)(2) of the Listing Agreement entered into with the Stock Exchanges, for the year ended 31st March, 2015.

For Delta Magnets Limited

DR. RAM H. SHROFF
Managing Director

Date: 27th July, 2015

CERTIFICATE ON CORPORATE GOVERNANCE

To

The Members of **Delta Magnets Limited**

We have examined all the relevant records of Delta Magnets Limited (The Company) for the purposes of certifying the compliances of conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement entered into with the stock exchanges i.e. BSE Limited and the National Stock Exchange of India Ltd for the financial year ended 31st March, 2015. The compliance of the conditions of Corporate Governance is the responsibility of the Management.

Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

In our opinion and to the best of our information and according to the information provided and explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

FOR A K JAIN & CO

Company Secretaries

Ashish Jain
Proprietor
(C. P. No. 6124)

Date: 27th July, 2015
Place: Mumbai

INDEPENDENT AUDITORS' REPORT

To the Members of

DELTA MAGNETS LIMITED

Report on the Financial Statements

We have audited the accompanying standalone financial statements of DELTA MAGNETS LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2015, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of standalone financial statements that give a true and fair view and are free from material statement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone financial statements that give true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2015, and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ('the Order'), issued by the Central Government of India in exercise of powers conferred by Sub-Section (11) of Section 143 of the Act, we enclose in the Annexure, a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified in Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of written presentations received from the Directors as on 31st March, 2015 taken on record by the Board of Directors, none of the Directors is disqualified as on 31st March, 2015 from being appointed as a Director in terms of Section 164(2) of the Act.
 - f) With respect to the other matters included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanation given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 29(A) to the standalone financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there could be any material foreseeable losses;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For Amit Desai & Co
Chartered Accountants
Firm's Regn. No.130710W

(Amit N. Desai)
Partner
M.No. 032926

Mumbai: 12th May, 2015

ANNEXURE TO INDEPENDENT AUDITORS' REPORT
(REFERRED TO IN PARAGRAPH 1 UNDER THE HEADING OF "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR REPORT EVEN DATE)

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
(b) During the year, fixed assets have been physically verified by the management in phased manner as per the regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. As informed, no material discrepancies were noticed on such verification.
- (ii) (a) The management has carried out physical verification of the inventory at reasonable intervals during the year.
(b) The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
(c) The Company maintains proper records of inventory. Discrepancies noticed on physical verification of inventory as compared to the book records were not material and these have been properly dealt with in the books of account.
- (iii) The Company has granted unsecured loan to a Company covered in the register maintained under Section 189 of the Act.
 - (a) The loan granted is repayable on demand. As informed, the Company has not demanded repayment of such loan and interest during the year. Hence, due to such stipulation, we are unable to state about the regularity of receipt of the principal and interest amount.
 - (b) There is no overdue amount of loan to a Company listed in the register maintained under Section 189 of the Act.
- (iv) In our opinion and according to the information and explanations given to us, there exists an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchases of inventory and fixed assets and with regard to the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control system of the Company.
- (v) The Company has not accepted any deposits from the public in accordance with the provisions of Section 73 to 76 of the Act and the rules framed there under. Therefore, the provisions of Paragraph 3(v) of the Order are not applicable to the Company.
- (vi) We have broadly reviewed the records maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of cost records under Sub-Section 1 of Section 148 of the Act and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the records.
- (vii) (a) The Company has generally been regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues applicable to it.
(b) According to the information and explanations given to us, no undisputed dues in respect of provident fund, employees' state insurance, income-tax, sales-tax, wealth-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues which were outstanding, at the year end for a period of more than six months from the date they became payable.

- (c) According to the records of the Company, the dues outstanding as at the year end, of income-tax, sales-tax, wealth-tax, service tax, customs duty, excise duty and cess on account of any dispute, are as follows:

Name of the statute	Nature of the dues	Amount (₹ in '000)	Period to which amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	2329.86	Assessment Years 1990-91, 1994-95 and 1995-96	Mumbai High Court
Income Tax Act, 1961	Income Tax	17.87	Assessment Year 2011-12	Rectification u/s 154 is pending before the Assessing Officer

- (d) According to the information and explanations given to us, there is no amount which is required to be transferred to investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder. Therefore, the provisions of Paragraph 3 (vii) (d) of the Order are not applicable to the Company.
- (viii) The Company does not have any accumulated losses which exceeds 50% of its net worth at the end of the financial year and has not incurred cash losses during the year. However, the Company has incurred cash losses in the immediately preceding financial year.
- (ix) On the basis of our examination and according to the information and explanations given to us, the Company has not defaulted in repayment of its dues to its bankers. The Company did not have any outstanding dues to any financial institution or debentures holders during the year.
- (x) In our opinion and according to the information and explanation given to us, the terms and conditions on which the Company has given guarantee for loan taken by others from bank are not prejudicial to the interest of the Company. Company has not given any guarantee for loans taken by others from financial institutions.
- (xi) In our opinion and according to the information and explanations given to us, the Company has not raised any term loans.
- (xii) During the course of our examination of the books and records of the company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the company, noticed or reported during the year, nor have we been informed of any such case by the management.

For Amit Desai & Co
Chartered Accountants
Firm's Regn. No.130710W

(Amit N. Desai)
Partner
M.No. 032926

Mumbai: 12th May, 2015

BALANCE SHEET AS AT 31ST MARCH, 2015

(₹ in '000)

Particulars	Note No.	As At 31 st March, 2015		As At 31 st March, 2014	
I. EQUITY AND LIABILITIES					
Shareholder's Funds					
(a) Share Capital	2	64,710.14		60,736.63	
(b) Reserves & Surplus	3	185,713.83	250,423.97	166,401.45	227,138.08
Non-Current Liabilities					
(a) Long-Term Borrowings	4	93,000.00		105,875.00	
(b) Other Long-Term Liabilities	5	6,612.00		-	
(c) Long-Term Provisions	6	6,076.37	105,688.37	5,075.57	110,950.57
Current Liabilities					
(a) Short-Term Borrowings	7	24,300.07		25,647.54	
(b) Trade Payables	8	21,169.39		17,986.41	
(c) Other Current Liabilities	9	10,144.75		9,279.91	
(d) Short-Term Provisions	10	2,340.97	57,955.18	1,270.75	54,184.61
TOTAL			<u>414,067.52</u>		<u>392,273.26</u>
II. ASSETS					
Non-Current Assets					
(a) Fixed Assets	11				
(i) Tangible Assets		165,822.19		160,237.65	
(ii) Capital Work-in-Progress		4,680.68		5,583.94	
(iii) Intangible Assets under Development		21.00		21.00	
		<u>170,523.87</u>		<u>165,842.59</u>	
(b) Non-Current Investments	12	139,794.65		139,794.65	
(c) Deferred Tax Assets (Net)	13	4,821.00		4,522.15	
(d) Long-Term Loans & Advances	14	8,302.40	323,441.92	4,096.21	314,255.60
Current Assets					
(a) Current Investments	15	-		824.72	
(b) Inventories	16	19,142.94		20,600.59	
(c) Trade Receivables	17	47,772.73		47,130.59	
(d) Cash and Bank Balances	18	900.10		897.47	
(e) Short-Term Loans & Advances	19	16,612.21		8,400.81	
(f) Other Current Assets	20	6,197.62	90,625.60	163.49	78,017.66
TOTAL			<u>414,067.52</u>		<u>392,273.26</u>
Significant Accounting Policies & Notes to the Financial Statements	1 to 29				

As Per Our Report of Even Date
For Amit Desai & Co
Chartered Accountants

(Amit N. Desai)
Partner

Mumbai: 12th May, 2015

Snehal Oak
Company Secretary

For Delta Magnets Limited

Jaydev Mody
Chairman

Darius Khambatta
Director

Samir Chinai
Director

Dr. Ram H. Shroff
Managing Director

Javed Tapia
Director

Vrajesh Udani
Director

Ambika Kothari
Director

Rajesh Jaggi
Director

Abhilash Sunny
CFO

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2015

(₹ in '000)

Particulars	Note No.	Year Ended 31 st March, 2015	Year Ended 31 st March, 2014
INCOME:			
Revenue From Operations (Gross)	21	203,493.00	169,490.33
Less: Excise Duty		(19,239.35)	(17,616.26)
Revenue From Operations (Net)		184,253.65	151,874.07
Other Income	22	4,099.37	2,008.68
Total Revenue		188,353.02	153,882.75
EXPENSES:			
Cost of Raw Materials Consumed	23	24,168.17	17,983.61
Changes In Inventories of Finished Goods & Work-in-Progress	24	1,930.51	5,372.53
Employee Benefits Expense	25	44,556.07	39,573.66
Finance Costs	26	3,823.17	3,023.06
Depreciation & Amortization Expense	27	3,601.59	8,978.51
Other Expenses	28	96,843.06	89,286.98
Total Expenses		174,922.56	164,218.34
Profit/(Loss) Before Exceptional And Extraordinary Items And Tax		13,430.46	(10,335.59)
Exceptional Items		-	-
Profit / (Loss) Before Extraordinary Items and Tax		13,430.46	(10,335.59)
Extraordinary Items		-	-
Profit / (Loss) Before Tax		13,430.46	(10,335.59)
Tax Expenses:			
- Current Tax		2,955.61	-
- Prior Years Tax Adjustments		3.63	-
- Deferred Tax		(298.85)	298.85
Total Tax Expenses		2,660.39	298.85
Profit / (Loss) After Tax		10,770.08	(10,634.43)
Prior Period Items		169.83	9.25
Profit / (Loss) For The Year		10,600.24	(10,643.68)
Earnings Per Equity Share: (Face Value of ₹ 10/- Each)			
Basic & Diluted		1.64	(1.75)
Significant Accounting Policies & Notes to the Financial Statements	1 to 29		

As Per Our Report of Even Date
For Amit Desai & Co
Chartered Accountants

(Amit N. Desai)
Partner

Mumbai: 12th May, 2015

Snehal Oak
Company Secretary

For Delta Magnets Limited

Jaydev Mody
Chairman

Darius Khambatta
Director

Samir Chinai
Director

Dr. Ram H. Shroff
Managing Director

Javed Tapia
Director

Vrajesh Udani
Director

Ambika Kothari
Director

Rajesh Jaggi
Director

Abhilash Sunny
CFO

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015

(₹ in '000)

Sr. No.	Particulars	Year Ended 31 st March, 2015	Year Ended 31 st March, 2014
A. CASH FLOW FROM OPERATING ACTIVITIES			
	Net Profit/(Loss) Before Tax and Extraordinary Items	13,430.46	(10,335.59)
	Adjustments For:		
	Depreciation & Amortization Expense	3,601.59	8,978.51
	Loss/(Profit) on Sale/Discard of Fixed Assets	(1,051.85)	(305.55)
	Employee Benefits Expense	1,753.83	1,827.62
	Finance Costs	3,823.17	3,023.06
	Dividend Income	(19.96)	(114.09)
	Provision for Doubtful Debts/(Excess Written Back)	228.57	579.39
	Sundry Balance Written off/(Written Back)	(383.21)	-
	Prior Period Items	(169.83)	(9.25)
	Interest Income	(308.29)	(327.73)
	Operating Profit/(Loss) Before Working Capital Changes	20,904.49	3,316.37
	Adjustments For Working Capital:		
	Trade and Other Receivables	(11,433.35)	(15,311.29)
	Inventories	1,457.65	3,601.17
	Trade Payables and Other Liabilities	11,360.22	1,098.37
	Cash Generated From Operations	22,289.00	(7,295.38)
	Taxes Paid (Net of Refund)	(1,978.32)	(652.66)
	NET CASH FLOW FROM/(USED IN) OPERATING ACTIVITIES (A)	20,310.69	(7,948.04)
B. CASH FLOW FROM INVESTING ACTIVITIES			
	Purchase of Fixed Assets, Capital Work in Progress	(8,322.81)	(3,208.97)
	Sale of Fixed Assets	1,051.85	305.55
	Dividend Income	19.96	114.09
	Interest Income	308.29	327.73
	Inter Corporate Deposit Given	(8,870.00)	-
	Sale of Current Investments	824.72	3,385.91
	NET CASH FLOW FROM / (USED IN) INVESTING ACTIVITIES (B)	(14,988.00)	924.31

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015

(₹ in '000)

Sr. No.	Particulars	Year Ended 31 st March, 2015	Year Ended 31 st March, 2014
C.	CASH FLOW FROM FINANCING ACTIVITIES		
	Finance Costs	(3,823.17)	(3,023.06)
	Net Proceeds From Long-Term Borrowings	(12,875.00)	-
	Net Proceeds From Short-Term Borrowings	(1,347.47)	10,018.75
	Proceeds From Issuance of Equity Share Capital	12,886.09	-
	Share Issue Expenses	(160.50)	-
	NET CASH FLOW FROM / (USED IN) FINANCING ACTIVITIES (C)	(5,320.05)	6,995.70
	INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	2.63	(28.04)
	CASH AND CASH EQUIVALENTS - OPENING BALANCE	897.47	925.50
	CASH AND CASH EQUIVALENTS - CLOSING BALANCE	900.10	897.47
	Cash and Cash Equivalents Includes:		
	- Cash on Hand	58.68	54.24
	- USD and RMB on Hand	67.91	56.76
	- Balances with Banks in Current Accounts	120.07	62.48
	- Fixed Deposits	653.43	723.99

Notes:

- 1) The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard - 3 on Cash Flow Statement issued by the Institute of Chartered Accountants of India.
- 2) Previous year's figures have been regrouped or rearranged wherever necessary to conform to the current year's classification.

As Per Our Report of Even Date
For Amit Desai & Co
Chartered Accountants

(Amit N. Desai)
Partner

Mumbai: 12th May, 2015

Snehal Oak
Company Secretary

For Delta Magnets Limited

Jaydev Mody
Chairman

Darius Khambatta
Director

Samir Chinai
Director

Dr. Ram H. Shroff
Managing Director

Javed Tapia
Director

Vrajesh Udani
Director

Ambika Kothari
Director

Rajesh Jaggi
Director

Abhilash Sunny
CFO

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

1. SIGNIFICANT ACCOUNTING POLICIES

a. Basis of Accounting

The financial statements are prepared under the historical cost convention, on accrual basis and in accordance with the generally accepted accounting principles in India ("GAAP"), and comply with the accounting standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014.

b. Use of Estimates

The preparation of financial statements in conformity with Indian GAAP requires judgments, estimates and assumptions to be made that affect the reported amount of assets and liabilities, disclosure of contingent liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known/materialized.

c. Revenue Recognition

Income from sale of goods is recognized upon transfer of significant risk and rewards of ownership of the goods to the customer which generally coincides with delivery and acceptance of the goods sold.

Income from services is recognized when services are provided and there is no uncertainty as to its ultimate collectability.

Sales are net of returns, trade discounts, and allowances. Sales exclude excise duty and sales tax.

Interest Income is generally recognized on time proportion method.

Other incomes are recognized on accrual basis.

d. Fixed Assets

Fixed assets are stated at acquisition cost less accumulated depreciation and impairment losses if any. Cost of acquisition is inclusive of duties, taxes, freight and other directly attributable costs incurred to bring the assets to its working condition for intended use and are net of CENVAT credits as applicable. Borrowing cost directly attributable to acquisition of these fixed assets which necessarily take a substantial period of time to get ready for their intended use is capitalized.

Capital Work-In-Progress

Capital Work-In-Progress comprises the cost of fixed assets that are not yet ready for their intended use at the reporting date. Advances given towards the acquisition of fixed assets are shown separately as capital advances under head long term loans & advances.

e. Depreciation

Tangible Assets

Depreciation is provided on a pro-rata basis on the straight-line method at the rates prescribed under Schedule II of the Companies Act, 2013 with the exception of the following:

- Tools are depreciated over 5 years based on the technical evaluation of useful life done by the management.
- Remaining life of Factory Building as on 01.04.2015 is estimated 25 years based on the technical evaluation of useful life done by the management.

Leasehold assets are depreciated on a straight-line basis over the period of lease.

f. Employee Benefits

Liability is provided for retirement benefits for provident fund, gratuity and leave encashment in respect of all eligible employees. The Company has Gratuity Scheme with Life Insurance Corporation of India. Contributions under the defined contribution schemes are charged to revenue. The liability in respect of defined benefit schemes like gratuity and leave encashment is provided in the accounts on the basis of actuarial valuations as at the year end.

g. Inventories

Raw materials, stores, spares and components are stated cost or net realizable value whichever is lower. Cost includes freight, taxes and duties as applicable but excludes duties and taxes that are subsequently recoverable from tax authorities. Works-in-progress and finished goods are valued at lower of cost and net realizable value. Cost includes material cost, cost of conversion and other applicable overheads incurred in bringing them to their present location and condition. In accordance with Accounting Standard 2 issued by the Institute of Chartered Accountants of India, provision is made for excise duty on closing stock of finished goods. Cost is determined on weighted average cost method.

h. Investments

Investments that are readily realizable and intended to be held but not more than a year are classified as Current Investments. All other investments are classified as Long Term Investment. Carrying amount of the individual investment is determined on the basis of the average carrying amount of the total holding of the investments. Long-term investments are stated at cost less provision for other than temporary diminution in value. Current investments are carried at lower of cost and fair value.

i. Impairment of Assets

An asset is treated as impaired when the carrying amount of an asset exceeds its recoverable value. An impairment loss is charged to the Statement of Profit & Loss in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

j. Taxation

Tax expenses are the aggregate of current tax and deferred tax charged or credited in the statement of profit and loss for the year.

i. Current Tax

The current charge for income tax is calculated in accordance with the relevant tax regulations applicable to the Company.

ii. Deferred Tax

Deferred tax charge or credit reflects the tax effects of timing differences between accounting income and taxable income for the year. The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognized using the tax rates that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognized only to the extent there is reasonable certainty that the assets can be realized in future; however, where there is unabsorbed depreciation or carry forward of losses, deferred tax assets are recognized only if there is virtual certainty of realization of such assets. Deferred tax assets are reviewed at each balance sheet date.

k. Contingent Liabilities and Provisions

- i. Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources and the amount of which can be reliably estimated.
- ii. Contingent Liabilities are not recognized but are disclosed in the Notes. Contingent liabilities are disclosed in respect of possible obligations that arise from past events but their existence is confirmed by the occurrence or non occurrence of one or more uncertain future event not wholly within the control of the Company.
- iii. Contingent assets are neither recognized nor disclosed in the financial statements.
- iv. Provisions, contingent liabilities and contingent assets are reviewed at each Balance Sheet date.

l. Foreign Currency Transactions

- i. Foreign exchange transactions are recorded at the closing rate prevailing on the dates of the respective transaction. Exchange difference arising on foreign exchange transactions settled during the year is recognized in the statement of profit and loss.
- ii. Monetary assets and liabilities denominated in foreign currencies are converted at the closing rate as on Balance Sheet date. The resultant exchange difference is recognized in the statement of profit and loss.
- iii. Exchange rate differences arising on a monetary item that, in substance, forms part of the company's net investment in a non-integral foreign operation are accumulated in a foreign currency translation reserve in the company's financial statements until the disposal of the net investment.
- iv. Non-monetary assets and liabilities denominated in foreign currencies are carried at the exchange rate prevalent on the date of the transaction.

m. Borrowing Costs

Borrowing costs that are directly attributable to and incurred on acquiring qualifying assets (assets that necessarily takes a substantial period of time for its intended use) are capitalized. Other borrowing costs are recognized as expenses in the period in which same are incurred.

n. Miscellaneous Expenditure

Preliminary expenditures are fully charged off in the year in which they are incurred.

(₹ in '000)

Particulars	As At 31 st March, 2015		As At 31 st March, 2014	
	No. of Shares	(₹ in '000)	No. of Shares	(₹ in '000)
2. SHARE CAPITAL				
Authorised:				
Equity Shares of ₹ 10/- Each	10,000,000	100,000.00	10,000,000	100,000.00
TOTAL	10,000,000	100,000.00	10,000,000	100,000.00
Issued, Subscribed And Fully Paid-Up:				
Equity Shares of ₹ 10/- Each	6,471,014	64,710.14	6,073,663	60,736.63
TOTAL	6,471,014	64,710.14	6,073,663	60,736.63

a. Reconciliation of the Equity Shares at the Beginning and at the End of the Reporting Period:

Particulars	As At 31 st March, 2015		As At 31 st March, 2014	
	No. of Shares	(₹ in '000)	No. of Shares	(₹ in '000)
At the Beginning of the Year	6,073,663	60,736.63	6,073,663	60,736.63
Issued During the Year	397,351	3,973.51	-	-
Bought Back During the Year	-	-	-	-
Outstanding at the End of the Year	6,471,014	64,710.14	6,073,663	60,736.63

b. Terms/Rights attached to Equity Shares:

The Company has only one class of Equity Shares having a par value of ₹ 10/- per share. Each holder of Equity Shares is entitled to one vote per Share. The Company declares and pays dividends in Indian Rupees. In the event of liquidation of the Company, the holders of Equity Shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of Equity Shares held by the shareholders.

c. Details of Equity Shareholders Holding More Than 5 % Shares in the Company:

Particulars	As At 31 st March, 2015		As At 31 st March, 2014	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Aryanish Finance and Investments Private Limited *	996,250	15.40	1,005,977	16.56
Bayside Property Developers Private Limited *	1,006,979	15.56	1,005,979	16.56
Delta Real Estate Consultancy Private Limited *	1,006,396	15.55	1,005,981	16.56
SSI Trading Private Limited	1,615,153	24.96	1,217,802	20.05

Note:

*Aryanish Finance and Investments Private Limited, Bayside Property Developers Private Limited and Delta Real Estate Consultancy Private Limited are holding Equity Shares in the capacity of trustees for Aarti J Mody Trust, Aditi J Mody Trust and Anjali J Mody Trust, respectively.

(₹ in '000)

Particulars	As At 31 st March 2015	As At 31 st March 2014
3. RESERVES AND SURPLUS		
Capital Reserve:		
Opening Balance	3,504.25	3,504.25
(+) / (-) : During the Year	-	-
Closing Balance	3,504.25	3,504.25
Securities Premium Reserve:		
Opening Balance	98,273.15	98,273.15
(+) : Securities Premium Credited on Share Issue	8,912.58	-
(-) : Premium Utilised for Share Issue Expenses	(160.50)	-
Closing Balance	107,025.24	98,273.15
Revaluation Reserve:		
Opening Balance	129,344.22	129,957.94
(+) / (-) : Transferred to Surplus in Statement of Profit & Loss	(575.63)	(613.72)
Closing Balance	128,768.59	129,344.22
General Reserve:		
Opening Balance	-	39,075.20
(+) / (-) : Transferred to Surplus in Statement of Profit & Loss	-	(39,075.20)
Closing Balance	-	-
Surplus / (Deficit) in Statement of Profit & Loss:		
Opening Balance	(64,720.18)	(93,151.69)
(+) / (-) : Net Profit / (Net Loss) During the Year	10,600.24	(10,643.68)
(+) / (-) : Depreciation Effect as per Schedule II of the Companies Act, 2013 (Refer Note 11 (b))	(39.94)	-
(+) / (-) : Transferred from Revaluation Reserve	575.63	-
(+) / (-) : Transferred from General Reserve	-	39,075.20
Closing Balance	(53,584.25)	(64,720.18)
TOTAL	185,713.83	166,401.45
4. LONG-TERM BORROWINGS		
Unsecured Borrowings:		
From Others		
Loans from Related Parties (Interest-Free and Repayable after One Year)	93,000.00	105,875.00
TOTAL	93,000.00	105,875.00

(₹ in '000)

Particulars	As At 31 st March 2015	As At 31 st March 2014
5 OTHER LONG-TERM LIABILITIES		
Security Deposits	6,612.00	-
TOTAL	6,612.00	-
6. LONG-TERM PROVISIONS		
Provision for Employee Benefits:		
Gratuity (Funded)	4,586.53	4,013.90
Leave Encashment (Unfunded)	1,489.84	1,061.67
TOTAL	6,076.37	5,075.57
7. SHORT-TERM BORROWINGS		
Secured Borrowing:		
From a Bank - Cash Credit	24,300.07	25,647.54
(Repayable on demand & carries floating interest @14.50% p.a. payable at monthly rests. Further it is secured against first hypothecation charge on the entire current assets and movable fixed assets of the Company, both present and future and also secured by way of equitable mortgage of land & building owned by the Company.)		
TOTAL	24,300.07	25,647.54
8. TRADE PAYABLES		
Micro, Small and Medium Enterprises	2,396.00	5,292.58
Others	18,773.39	12,693.83
TOTAL	21,169.39	17,986.41

Details of dues to Micro and Small Enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006:

The Company has sent letters to suppliers and vendors to confirm whether they are covered under Micro, Small and Medium Enterprises Development Act, 2006 as well as whether they have file required memorandum with the prescribed authorities. Out of the letters sent to the parties, some confirmations have been received till the date of finalization of Balance Sheet. Based on the confirmations received the details of outstanding are as under:

(₹ in '000)

Particulars	As At 31 st March 2015	As At 31 st March 2014
The principal amount remaining unpaid at the end of the year.	2,396.00	5,292.58
The interest amount remaining unpaid at the end of the year.	62.02	63.50
The amount of interest paid by the buyer in terms of Section 16 of the MSMED Act 2006 along with the amount of the payment made to the supplier beyond the appointed day during the year.	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006.	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year.	62.02	63.50
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of the MSMED Act 2006.	62.02	63.50
9. OTHER CURRENT LIABILITIES		
Duties & Taxes	1,470.59	3,098.81
Advance Received from Customers	4,070.09	3,016.54
Payable to Employees	3,900.87	3,101.07
Other Payables	62.02	63.50
Payable Against Capital Assets	641.19	-
TOTAL	10,144.75	9,279.91
10. SHORT TERM PROVISIONS		
Provision for Employee Benefits:		
- Gratuity (Funded)	1,223.68	1,087.31
- Leave Encashment (Unfunded)	149.83	183.44
Provision For Income Tax (Net of Advance Taxes)	967.47	-
TOTAL	2,340.97	1,270.75

11. FIXED ASSETS (₹ in '000)

Tangible Assets	Leasehold Land	Building	Plant & Machineries	Furniture & Fixtures	Equipments	Vehicles	Computers	Total
GROSS BLOCK								
As at 1 st April, 2013	114,558.00	44,257.60	289,629.92	3,852.96	11,395.36	616.88	1,006.98	465,317.70
Additions	-	-	2,791.72	58.31	382.63	-	48.70	3,281.36
Disposals	-	-	9,733.89	-	-	-	-	9,733.89
As at 31 st March, 2014	114,558.00	44,257.60	282,687.75	3,911.27	11,777.99	616.88	1,055.68	458,865.17
Additions	-	6,421.35	2,520.84	24.40	49.33	-	210.14	9,226.07
Disposals	-	-	7,611.71	-	3,322.78	-	-	10,934.48
As at 31 st March, 2015	114,558.00	50,678.95	277,596.89	3,935.67	8,504.55	616.88	1,265.82	457,156.76

ACCUMULATED DEPRECIATION

As at 1 st April, 2013	165.60	18,592.12	268,860.00	3,576.12	6,700.83	502.22	372.28	298,769.17
Charge for the Year	5.25	1,454.55	7,308.42	107.34	490.48	58.60	167.59	9,592.24
on Disposals	-	-	9,733.89	-	-	-	-	9,733.89
As at 31 st March, 2014	170.85	20,046.66	266,434.53	3,683.46	7,191.31	560.82	539.87	298,627.52
Charge for the Year	2.52	968.39	1,972.94	41.51	417.87	8.57	189.79	3,601.59
Adjusted with Surplus in Statement of Profit & Loss	-	-	-	15.76	7.54	16.64	-	39.94
on Disposals	-	-	7,611.71	-	3,322.78	-	-	10,934.48
As at 31 st March, 2015	173.37	21,015.05	260,795.77	3,740.73	4,293.94	586.04	729.66	291,334.56

NET BLOCK

As at 31 st March, 2014	114,387.15	24,210.94	16,253.22	227.81	4,586.69	56.06	515.81	160,237.65
As at 31 st March, 2015	114,384.63	29,663.91	16,801.12	194.94	4,210.61	30.84	536.16	165,822.19

Note:

- (a) The Company has revalued all its Land and Building as on March 31st, 2009 at the fair values determined by an independent external Valuer.
(b) Depreciation of ₹ 39.94 (₹ in '000) on account of assets, whose useful life is already exhausted on April 1st, 2014 has been adjusted against Surplus in Statement of Profit & Loss pursuant to adoption of estimated useful life of fixed assets as stipulated by Schedule II of Companies Act, 2013.

Capital Work-in-Progress

Particulars	Opening	Addition	Deduction	Total
As at 31 st March, 2014	5,656.33	30.46	(102.85)	5,583.94
As at 31 st March, 2015	5,583.94	12,577.56	(13,480.81)	4,680.68

Intangible Assets Under Development

Particulars	Opening	Addition	Deduction	Total
As at 31 st March, 2014	21.00	-	-	21.00
As at 31 st March, 2015	21.00	-	-	21.00

(₹ in '000)

Particulars	As At 31 st March 2015	As At 31 st March 2014
12. NON-CURRENT INVESTMENTS		
Trade Investments (At Cost)		
Investments in Subsidiary Companies:		
Unquoted Fully Paid-up Equity Shares of :		
MMG India Private Limited	76,810.89	76,810.89
(1,38,65,870 Equity Shares of ₹ 10 each)		
MagDev Limited (Foreign Company)	62,983.76	62,983.76
(762,500 Equity Shares of £ 1 each)		
(2,500 Deferred Shares of £ 1 each)		
TOTAL	139,794.65	139,794.65

Particulars	As At 31 st March 2015		As At 31 st March 2014	
	Book Value	Market Value	Book Value	Market Value
Aggregate Amount of Quoted Investments	-	-	-	-
Aggregate Amount of Unquoted Investments	139,794.65	-	139,794.65	-

13. DEFERRED TAX

In accordance with Accounting Standard 22 "Accounting for Taxes on Income" issued by the Institute of Chartered Accountants of India, the Company has accounted for Deferred Tax during the year.

The components of Deferred Tax Assets to the extent recognized and Deferred Tax Liabilities as on 31st March, 2015 are as follows:

Particulars	As At 31 st March 2015	As At 31 st March 2014
NET DEFERRED TAX LIABILITIES/ (ASSETS)		
Deferred Tax Liability arising on account of:		
Difference between Book and Tax Depreciation	-	298.85
(A)	-	298.85
Deferred Tax Asset arising on account of:		
Business Loss & Expenses Disallowed under the Income Tax Act, 1961	4,821.00	4,821.00
(B)	4,821.00	4,821.00
Net Deferred Tax Liabilities/(Assets)	(A) - (B)	(4,522.15)

(₹ in '000)

Particulars	As At 31 st March 2015	As At 31 st March 2014
14. LONG-TERM LOANS & ADVANCES (UNSECURED, CONSIDERED GOOD UNLESS OTHERWISE STATED)		
Security Deposits:		
- With Public Bodies	5,431.47	3,901.06
- With Others	11.20	9.70
Capital Advances	2,859.73	185.45
TOTAL	8,302.40	4,096.21
15. CURRENT INVESTMENTS		
(At the lower of cost and market value)		
Investments in Mutual Funds (Unquoted):		
JP Morgan India Liquid Fund - Direct Plan (C .Y. Nil ; P .Y. 54,386.783 Units, Face Value - ₹ 10.00 per unit, NAV of ₹ 10.0201 per unit)	-	544.96
JP Morgan India Liquid Fund - Super Inst. (C .Y. Nil ; P .Y. 27,870.4652 Units, Face Value - ₹ 10.00 per unit, NAV of ₹ 10.0378 per unit)	-	279.76
TOTAL	-	824.72
16. INVENTORIES		
(At the lower of cost and net realisable value)		
Raw Materials	3,541.93	2,730.00
Work-in-Progress	8,048.50	5,048.58
Finished Goods	3,071.38	8,001.82
Stores and Spares, Consumables etc.	4,000.55	4,527.97
Loose Tools	480.58	292.21
TOTAL	19,142.94	20,600.59
17. TRADE RECEIVABLES (UNSECURED, UNLESS OTHERWISE STATED)		
Trade Receivables Outstanding for a period exceeding six months from the date they were due for payment:		
Considered Good	272.56	871.01
Considered Doubtful	835.52	609.19
Other Trade Receivables:		
Considered Good	47,500.17	46,259.58
Considered Doubtful	-	-
Less: Provision for Doubtful Debts	(835.52)	(609.19)
TOTAL	47,772.73	47,130.59

Provision for Doubtful Debts:

The Company periodically evaluate all customers dues, the need for provision is amended based on various factors including collectability of specific dues, risk, perceptions of the industry in which customer operate, general economy factors.

(₹ in '000)

Particulars	As At 31 st March 2015	As At 31 st March 2014
18. CASH AND BANK BALANCES		
Cash and Cash Equivalents:		
Balances with Banks in Current Accounts	120.07	62.48
Cash on Hand	58.68	54.24
USD and RMB on Hand	67.91	56.76
Other Bank Balances:		
Bank Deposits (Fixed Deposits with maturity more than 3 months but less than 12 months)	653.43	723.99
TOTAL	900.10	897.47
19. SHORT TERM LOANS & ADVANCES (UNSECURED, CONSIDERED GOOD UNLESS OTHERWISE STATED)		
Deposits:		
- With Others	215.81	165.76
Balance With Statutory / Government Authorities	1,260.96	1,375.78
Advance Income Tax (Net of Provision for Taxes)	4,147.08	4,160.53
Prepaid Expenses	851.90	619.11
Advance to Creditors	837.56	1,590.04
Advances to Employees	428.90	489.59
Inter Corporate Deposit	8,870.00	-
TOTAL	16,612.21	8,400.81
19. OTHER CURRENT ASSETS (UNSECURED, CONSIDERED GOOD UNLESS OTHERWISE STATED)		
Accrued Interest Receivable	277.63	163.49
Other Receivables	5,919.99	-
TOTAL	6,197.62	163.49

(₹ in '000)

Particulars	Year Ended 31 st March 2015	Year Ended 31 st March 2014
21. REVENUE FROM OPERATIONS (GROSS)		
Sale of Products	194,609.61	161,238.21
Sale of Services	5,400.00	5,400.00
Other Operating Revenues	3,483.39	2,852.12
TOTAL	203,493.00	169,490.33
22. OTHER INCOME		
Interest Income	308.29	327.73
Net Gain on Sale of Fixed Assets	1,051.85	305.55
Dividend Income from Mutual Fund	19.96	114.09
Excess Provision Written Back	383.21	-
Insurance Claim Income	-	1,082.66
Lease Rent Income	1,740.00	-
Other Non-Operating Income	596.08	178.65
TOTAL	4,099.37	2,008.68
23. COST OF MATERIALS CONSUMED		
Opening Stocks	2,730.00	386.36
Add: Purchases	24,980.09	20,327.25
	27,710.09	20,713.61
Less: Closing Stocks	(3,541.93)	(2,730.00)
TOTAL	24,168.17	17,983.61

(₹ in '000)

Particulars	Year Ended 31 st March 2015	Year Ended 31 st March 2014
24. CHANGE IN STOCK OF FINISHED GOODS & WORK-IN-PROGRESS		
Stocks At the End:		
Finished Goods	3,071.38	8,001.82
Work-in-Progress	8,048.50	5,048.58
	(A)	13,050.40
Stocks At the Beginning:		
Finished Goods	8,001.82	6,694.62
Work-in-Progress	5,048.58	11,728.31
	(B)	18,422.93
TOTAL	(B) - (A)	5,372.53
25. EMPLOYEE BENEFITS EXPENSE		
Salaries and Wages	39,845.36	34,897.37
Contribution to Provident and Other Funds	2,350.08	2,240.50
Contribution to Gratuity Fund and Leave Encashment	1,753.83	1,827.62
Staff Welfare Expenses	606.80	608.17
TOTAL	44,556.07	39,573.66
26. FINANCE COSTS		
Interest Expenses	3,442.40	2,666.98
Other Borrowing Costs	380.77	356.08
TOTAL	3,823.17	3,023.06
27. DEPRECIATION & AMORTIZATION EXPENSE		
Depreciation for the Year	3,601.59	9,592.23
Transfer from Revaluation	-	(613.72)
TOTAL	3,601.59	8,978.51

(₹ in '000)

Particulars	Year Ended 31 st March 2015	Year Ended 31 st March 2014
28. OTHER EXPENSES		
Consumption of Stores, Spares, Consumables, Packing Materials etc.	24,860.23	20,747.44
Power and Fuel	51,165.82	50,140.20
Rates, Taxes and Water Charges	804.48	504.65
Repairs and Maintenance:		
- Plant & Machinery	2,960.72	3,083.05
- Building	101.68	177.22
- Others	121.89	46.49
Excise Duty Variation on Opening / Closing Stock	(405.96)	10.79
Insurance Charges	222.84	208.29
Traveling & Conveyance Expenses	2,484.73	2,016.54
Freight Charges	4,415.72	3,148.83
Directors' Sitting Fees	70.40	70.00
Provision for Doubtful Debts	228.57	579.39
Exchange Rate Fluctuation Loss	105.61	917.46
Loss by Flood	-	64.49
Rent	955.02	792.00
Discount to Customers	1,586.32	1,603.56
Legal & Professional Fees	3,816.00	3,014.55
Miscellaneous Expenses	3,106.92	1,890.66
Payments to the Auditor:		
- For Audit Fees	150.00	120.15
- For Taxation Matters	70.00	50.00
- For Company Law Matters	-	75.00
- For Other Services	20.47	25.40
- For Reimbursement of Expenses	1.60	0.82
	242.06	271.36
TOTAL	96,843.06	89,286.98

29. NOTES TO THE FINANCIAL STATEMENTS:**A. Contingent Liabilities**

(Excluding interest and penalty on the respective amount if any arrived upon the final outcome)

- i. Disputed (net) demands for Income Tax pending with various Appellate authorities ₹ 2,329.86 ('000) ((Previous year ₹ 2,347.73 ('000)).
- ii. Sales Tax Liability (on account of pending 'C' forms) ₹ 4,256.23 ('000) (Previous year ₹ 3,948.03 ('000))
- iii. TDS Liability (on account various discrepancies) ₹ 597.55 ('000) (Previous year ₹ Nil ('000))

B. Capital Commitments

Estimated amounts of Capital Commitments - ₹ 7,476.89 ('000) ((Previous year ₹ 271.50 ('000)).

- C. Various Debit and Credit balances are subject to confirmations/reconciliation and consequent adjustments, if any. The Company is of the view that reconciliation(s), if any, arising out of final settlement of accounts with these parties is not likely to have any material impact on the accounts. The Current Assets, Loan & Advances are stated in the Balance Sheet at the amounts which are at least realizable in ordinary course of business.

D. Expenditure in Foreign Currency

(₹ '000)

Particulars	2014-15	2013-14
Traveling & Other Expenses	958.26	327.52

E. CIF Value of Imports

(₹ '000)

Particulars	2014-15	2013-14
Raw Materials	10579.68	7252.82
Capital Goods	4340.01	1436.20
Stores, Spares and Components	1163.38	663.94

F. Consumption of Raw Materials

(₹ '000)

Particulars	2014-15	2013-14
Special Ferric Oxide	11467.27	8678.53
Strontium Carbonate	11677.67	8371.95
Others	1023.23	933.13
TOTAL	24168.17	17,983.61

G. Value of imported and indigenous Raw Material, Stores, and Spares consumed.

(Figures in bracket pertain to previous year)

Particulars	Imported		Indigenous		Total	
	(₹ in '000)	%	(₹ in '000)	%	(₹ in '000)	%
Raw Material	11,677.67	48.32	12,490.49	51.68	24,168.17	100.00
	(8,371.95)	(46.55)	(9,611.66)	(53.45)	(17,983.61)	(100.00)
Stores, Spares and Components	1292.77	5.20	23,567.45	94.80	24,860.23	100.00
	(873.15)	(4.21)	(19,874.29)	(95.79)	(20,747.44)	(100.00)

H. Details of Turnover and Inventory during the year.

(Figures in bracket pertain to previous year) (₹ '000)

Finished Goods	Sales Value (Gross)	Closing Inventory	Opening Inventory
Hard Ferrite	194,609.61	3,071.38	8,001.82
	(161,238.21)	(8,001.82)	(6,694.62)

Work-in-Progress	Closing Inventory	Opening Inventory
Hard Ferrite	8,048.50	5,048.58
	(5,048.58)	(11,728.31)

I. As required by Accounting Standard – AS 18 'Related Party Disclosure' issued by The Institute of Chartered Accountants of India, are as follows:

List of Related Parties with whom transactions have taken place during the year:

(i) Subsidiaries:

- MMG India Private Limited (MMG - I)
- MagDev Limited (MagDev UK)

(ii) Key Management Personnel:

- Dr. Ram H. Shroff – Managing Director
- Mr. Abhilash Sunny (AS) - CFO (From 31st, January 2015)

(iii) Individuals or their relative owning directly or indirectly interest in the voting power that gives them significant Influence:

- Mr. Jaydev Mody (JM) - Chairman
- Mrs. Zia Mody (ZM) - Wife of Chairman
- Ms. Anjali Mody (AM) – Daughter of Chairman
- Mrs. Urvi Piramal (UP) - Sister of Chairman
- Dr. Ram H. Shroff - Executive Vice Chairman & Managing Director

(iv) Enterprises over which Key Management Personnel/Individual or their Relatives mentioned in (ii) or (iii) above exercise Significant Influence:

- AZB and Partners (AZB)
- Freedom Registry Limited (FRL)
- Aarti Managements Private Limited (AAMPL)
- Aditi Managements Private Limited (ADMPL)
- Anjoss Trading Company Private Limited (ATCPL)
- Delta Corp Limited (DCL)
- SSI Trading Private Limited (SSI)
- AAA Holding Trust (AAAHT)
- Skarma (SK)

Details of transactions carried out with Related Parties in the ordinary course of Business (excluding reimbursements):

(₹ in '000)

Particulars	Subsidiaries		Key Management Personnel / Individuals Exercises Significant Influence		Enterprises Over which Key Management Personnel / Individual Exercise Significant Influence		Total	
	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14
Remuneration Paid								
A S	-	-	1,166.66	-	-	-	1,166.66	-
Sub Total	-	-	1,166.66	-	-	-	1,166.66	-
Director Sitting Fees								
J M	-	-	4.20	6.00	-	-	4.20	6.00
U P	-	-	4.00	4.00	-	-	4.00	4.00
Sub Total	-	-	8.20	10.00	-	-	8.20	10.00
Sale of Services								
M M G – I	5,400.00	5,400.00	-	-	-	-	5,400.00	5,400.00
Sub Total	5,400.00	5,400.00	-	-	-	-	5,400.00	5,400.00
Rent Paid								
A A A H T	-	-	-	-	576.00	576.00	576.00	576.00
Sub Total	-	-	-	-	576.00	576.00	576.00	576.00
Rent Received								
M M G – I	1,740.00	-	-	-	-	-	1,740.00	-
Sub Total	1,740.00	-	-	-	-	-	1,740.00	-
Purchase of Goods								
M M G – I	30.00	35.74	-	-	-	-	30.00	35.74
Sub Total	30.00	35.74	-	-	-	-	30.00	35.74
ICD Given								
M M G – I	8,870.00	-	-	-	-	-	8,870.00	-
Sub Total	8,870.00	-	-	-	-	-	8,870.00	-

Particulars	Subsidiaries		Key Management Personnel / Individuals Exercises Significant Influence		Enterprises Over which Key Management Personnel / Individual Exercise Significant Influence		Total	
	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14
Interest on ICD Given								
MMG – I	17.15	-	-	-	-	-	17.15	-
Sub Total	17.15	-	-	-	-	-	17.15	-
Deposit Received								
MMG – I	6,612.00	-	-	-	-	-	6,612.00	-
Sub Total	6,612.00	-	-	-	-	-	6,612.00	-
Issue of Equity Shares with Prem.								
SSI	-	-	-	-	12,886.09	-	12,886.09	-
Sub Total	-	-	-	-	12,886.09	-	12,886.09	-
Professional Fees Paid								
AZB	-	-	-	-	-	96.95	-	96.95
FRL	-	-	-	-	52.08	51.94	52.08	51.94
SK	-	-	-	-	36.00	90.00	36.00	90.00
Sub Total	-	-	-	-	88.08	238.89	88.08	238.89
Loan Received								
MMG – I	-	1,200.00	-	-	-	-	-	1,200.00
AAMPL	-	-	-	-	-	1,000.00	-	1,000.00
ADMPL	-	-	-	-	-	1,000.00	-	1,000.00
ATCPL	-	-	-	-	-	1,000.00	-	1,000.00
Sub Total	-	1,200.00	-	-	-	3,000.00	-	4,200.00
Repayment of Loan								
MMG – I	-	1,700.00	-	-	-	-	-	1,700.00
AAMPL	-	-	-	-	12,875.00	1,000.00	12,875.00	1,000.00
ADMPL	-	-	-	-	-	1,000.00	-	1,000.00
ATCPL	-	-	-	-	-	1,000.00	-	1,000.00
Sub Total	-	1,700.00	-	-	12,875.00	3,000.00	12,875.00	4,700.00
Corporate Guarantee/ Security Given								
MMG – I	1,80,100.00	-	-	-	-	-	1,80,100.00	-
Sub Total	1,80,100.00	-	-	-	-	-	1,80,100.00	-
Sale of Fixed Assets								
MMG – I	17.19	-	-	-	-	-	17.19	-
Sub Total	17.19	-	-	-	-	-	17.19	-

Particulars	Subsidiaries		Key Management Personnel / Individuals Exercises Significant Influence		Enterprises Over which Key Management Personnel / Individual Exercise Significant Influence		Total	
	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14
Outstanding as at 31st March								
Trade Receivables								
MMG – I	1,776.75	4,203.08	-	-	-	-	1,776.75	4,203.08
Sub Total	1,776.75	4,203.08	-	-	-	-	1,776.75	4,203.08
Other Receivables								
MMG – I	5,919.99	-	-	-	-	-	5,919.99	-
Sub Total	5,919.99	-	-	-	-	-	5,919.99	-
Loans Payable								
AAMPL	-	-	-	-	7,000.00	19,875.00	7,000.00	19,875.00
ADMPL	-	-	-	-	43,000.00	43,000.00	43,000.00	43,000.00
ATCPL	-	-	-	-	43,000.00	43,000.00	43,000.00	43,000.00
Sub Total	-	-	-	-	93,000.00	105,875.00	93,000.00	105,875.00
Trade Payables								
FRL	-	-	-	-	23.89	23.58	23.89	23.58
AAHT	-	-	-	-	1,163.96	581.48	1,163.96	581.48
Sub Total	-	-	-	-	1,187.85	605.06	1,187.85	605.06
ICD								
MMG – I	8,870.00	-	-	-	-	-	8,870.00	-
Sub Total	8,870.00	-	-	-	-	-	8,870.00	-
Interest Receivable								
MMG – I	15.44	-	-	-	-	-	15.44	-
Sub Total	15.44	-	-	-	-	-	15.44	-
Corporate Guarantee/ Security Given								
MMG – I	1,80,100.00	-	-	-	-	-	1,80,100.00	-
Sub Total	1,80,100.00	-	-	-	-	-	1,80,100.00	-
Deposit								
MMG – I	6,612.00	-	-	-	-	-	6,612.00	-
Sub Total	6,612.00	-	-	-	-	-	6,612.00	-

Transactions are of non monetary condition.

J. Earnings Per Share (Basic and Diluted)

(₹ in '000 unless specified)

Particulars	2014-15	2013-14
Profit / (Loss) after tax for the year	10,600.24	(10,643.68)
Weighted Average Number of Equity Shares	64,69,925	60,73,663
Earnings Per Share – Basic & Diluted (Rs.)	1.64	(1.75)
Nominal Value per Equity Share (Rs.)	10.00	10.00

K. Employee Benefits

Disclosure required under Accounting Standard – 15 (Revised 2005) for “Employee Benefits” are as under:

- The Company has recognized the expected liability arising out of the compensated absence and Gratuity as at 31st March, 2015 based on actuarial valuation carried out using the Projected Unit Credit Method.
- The below disclosure have been obtained from independent actuary. The other disclosures are made in accordance with AS – 15 (Revised) pertaining to the Defined Benefit Plan is as given below :

(₹ in '000)

Sr. No.	Particulars	Gratuity		Leave Encashment	
		(Funded)		(Unfunded)	
		2014-15	2013-14	2014-15	2013-14
1 Assumptions :					
Discount Rate	7.92%	9.07%	7.92%	9.07%	
Salary Escalation	10.00%	10.00%	10.00%	10.00%	
2 Changes in Present Value of Obligations:					
Present value of obligations as at beginning of year	11,068.71	9,213.54	1,245.11	1,151.74	
Interest Cost	1,003.93	760.12	112.93	95.02	
Current Service Cost	622.33	569.18	361.91	326.17	
Benefit Paid	-	(139.33)	(136.04)	(187.52)	
Actuarial (Gain) / Loss on obligations	134.17	665.20	55.76	(140.31)	
Present value of obligations as at end of year	12,829.15	11,068.71	1,639.67	1,245.11	
3 Change in the Fair Value of Plan Assets:					
Fair Value of Plan Assets at the beginning of the year	5,967.50	5,193.10	-	-	
Expected Return on Plan Assets	519.17	451.80	-	-	
Contributions by the Employer	514.23	465.98	-	-	
Benefit Paid	-	(139.33)	-	-	
Actuarial Gains/(Losses) on Plan Assets - Due to Experience	18.04	(4.04)	-	-	
Fair Value of Plan Assets at the End of the Period	7,018.94	5,967.50	-	-	
4 Actual Return on Plan Assets:					
Expected Return on Plan Assets	519.17	451.80	-	-	
Actuarial Gains/(Losses) on Plan Assets - Due to Experience	18.04	(4.04)	-	-	
Actual Return on Plan Assets	537.21	447.76	-	-	

Sr. No.	Particulars	Gratuity		Leave Encashment	
		(Funded)		(Unfunded)	
		2014-15	2013-14	2014-15	2013-14
5	Amount recognized in the Balance Sheet:				
	Liability at the end of the year	12,829.15	11,068.71	1,639.67	1,245.11
	Fair value of Plant Assets at the end of the year	7,018.94	5,967.50	-	-
	Difference	(5,810.21)	(5,101.21)	(1,639.67)	(1,245.11)
	Amount recognized in the Balance Sheet	(5,810.21)	(5,101.21)	(1,639.67)	(1,245.11)
6	Expenses recognized in the Statement of Profit and Loss:				
	Current Service Cost	622.33	569.18	361.91	326.17
	Interest Cost	484.76	760.12	112.93	95.02
	Expected return on Plan assets	-	(451.80)	-	-
	Actuarial (Gain) or Loss	116.14	669.24	55.76	(140.31)
	Expenses recognized in the Statement of Profit and Loss	1,223.23	1,546.74	530.60	280.88
7	Balance Sheet Reconciliation :				
	Opening Net Liability	5,101.21	4,020.44	1,245.10	1,151.74
	Expenses as above	1,223.23	1,546.74	530.60	280.88
	Employer's Contribution	(514.23)	(465.98)	(136.04)	(187.52)
	Closing Net Liability	5,810.20	5,101.21	1,639.67	1,245.10

iii. Under Defined Contribution Plan

(₹ in '000)

Particular	2014-15	2013-14
Contribution to Provident Fund	1660.50	1558.87
Contribution to ESIC	546.45	542.49

L. The Company is engaged in the business of Magnets which is being the only business of the Company and hence disclosure of segment-wise information is not applicable under Accounting Standard 17 - 'Segmental Reporting' issued by the Institute of Chartered Accountants of India.

M. Operating Lease Income & Expense

(A) The Company has non-cancelable operating lease income as follows:

(₹ in '000)

Particular	2014-15	2013-14
Lease Rent Recognized during the Year	1,740.00	-
TOTAL	1,740.00	-

The future minimum lease income is as under:

(₹ in '000)

Particular	2014-15	2013-14
Up to 1 Year	5,220.00	-
1 Year to 5 Year	8,700.00	-
Above 5 Year	-	-
TOTAL	13,920.00	-

(B) The Company has non-cancelable operating lease expenses as follows:

(₹ in '000)

Particular	2014-15	2013-14
Lease Rent Paid during the Year	955.00	792.00
TOTAL	955.00	792.00

The future minimum lease income is as under:

(₹ in '000)

Particular	2014-15	2013-14
Up to 1 Year	426.60	144.00
1 Year to 5 Year	-	-
Above 5 Year	-	-
TOTAL	426.60	144.00

General Terms of Lease Rentals:

- a. Lease Rentals are charged on the basis of agreed terms.
 - b. Additional amount of applicable taxes will be paid on these rentals as per the applicable rates existing at the time of receipts and payments.
- N.** The Company has adopted estimated useful life of tangible fixed assets as stipulated by Schedule II to the Companies Act, 2013. On account of such change carried out, the depreciation for the current year is lower by ₹ 4.96 Lacs.
- O.** The Previous year's figures have been reworked, regrouped, rearranged, recasted and reclassified wherever necessary to conform to the current year's classifications.

For Delta Magnets Limited

Jaydev Mody Chairman	Dr. Ram H. Shroff Managing Director	Ambika Kothari Director
Darius Khambatta Director	Javed Tapia Director	Rajesh Jaggi Director
Samir Chinai Director	Vrajesh Udani Director	Abhilash Sunny CFO

Mumbai: 12th May, 2015

Snehal Oak
Company Secretary

ANNEXURE - A

(Salient Features Of Financial Statements Of Subsidiaries As Per Companies Act , 2013)

(₹ in '000)

Sr. No.	Name of Subsidiary Company	Reporting Currency	Capital	Reserves	Total Liabilities	Total Assets	Investment	Turnover	Profit before taxation	Provision for Taxation	Profit after Taxation	Proposed Dividend	Country of Company
1.	MMG India Pvt. Ltd.	INR	138,658.70	(43,239.19)	219,972.58	315,392.09	-	141,759.21	(7,229.15)	(2,161.54)	(5,067.60)	-	India
2.	MagDev Limited	GBP (in '000)	765.00	681.91	675.17	1,952.21	-	2,657.65	100.33	25.96	74.37	-	UK
		INR	55,025.61	63,049.00	62,425.23	180,499.84	-	255,544.72	9,647.40	2,496.40	7,151.00	-	

Exchange Rate for 1 GBP as on 31.03.2015:

Closing Rate ₹ 92.4591

Average Rate ₹ 96.1545

INDEPENDENT AUDITORS' REPORT

To the Members of

DELTA MAGNETS LIMITED

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of DELTA MAGNETS LIMITED ("the Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") comprising the consolidated Balance Sheet as at March 31, 2015, the consolidated Statement of Profit and Loss and consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements that give true and fair view of the financial position, financial performance and cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Director of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of financial statements that give a true and fair view and are free from material statement, whether due to fraud or error, which have been used for the purpose of preparation of these consolidated financial statements by the Board of Directors of the Holding Company, as aforesaid.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Holding Company has adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of report of other auditor on separate financial statements and other financial information of a subsidiary, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31st March, 2015, and their consolidated profit and their consolidated cash flows for the year ended on that date.

Other Matter

We did not audit the financial statements / financial information of one foreign subsidiary whose financial statements reflect total assets of ₹ 1,80,499.84('000) as at 31st March, 2015, total revenues of ₹ 2,55,544.72 ('000) and net cash inflows amounting to ₹ 15,660.25 ('000) for the year ended, as considered in the consolidated financial statements. This financial statements / financial information have been audited by other auditor whose report have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the subsidiary and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary, is based solely on the reports of the other auditor. Our opinion on the consolidated financial statements, and our report on Other Legal and regulatory Requirements below, is not modified in respect of this matter with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of Sub-Section 11 of Section 143 of the Act, based on the comments in the auditors' reports of the Holding Company and subsidiary companies incorporated / registered in India, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Sub-Section 3 of Section 143 of the Act, based on our audit and on the consideration of report of the other auditor on separate financial statements and the other financial information of a subsidiary, as noted in the 'Other Matter' paragraph, we report, to the extent applicable, that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit for the aforesaid consolidated financial statements.
 - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the report of the other auditor.
 - c) The Consolidated Balance sheet, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements.
 - d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified in Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014.

- e) On the basis of the written presentations received from the Directors of the Holding Company as on 31st March, 2015 taken on record by the Board of Directors of the Holding Company and the relevant assertion contained in the audit report on standalone financial statements of a subsidiary company incorporated in India, none of the Directors is disqualified as on 31st March, 2015 from being appointed as a Director in terms of Section 164(2) of the Act.
- f) With respect to the other matters included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanation given to us and based on the consideration of the report of the other auditor on separate financial statements as also the other financial information of a subsidiary, as noted in the 'Other Matter' paragraph:
- i. The consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the Group – Refer Note 28 (J) to the consolidated financial statements;
 - ii. The Group did not have any long-term contracts including derivative contracts for which there could be any material foreseeable losses;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary company incorporated in India.

For Amit Desai & Co
Chartered Accountants
Firm's Regn No.130710W

(Amit N. Desai)
Proprietor
M.No. 032926

Mumbai: 12th May, 2015

ANNEXURE TO INDEPENDENT AUDITORS' REPORT

As stated in Para 1 'Report on Other Legal and Regulatory Requirements' in our Auditors' report of even date, the following statement is based on the comments in the Auditors' reports on the standalone financial statements of the Holding Company and its subsidiary company incorporated in India.

- (i) (a) The Holding Company and its subsidiary company incorporated in India has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) During the year, fixed assets have been physically verified by the management in phased manner as per the regular programme of verification which, in our opinion, is reasonable having regard to the size of the Group and the nature of its assets. As informed, no material discrepancies were noticed on such verification.
- (ii) (a) The respective management of the Holding company and its subsidiary company incorporated in India has carried out physical verification of the inventory at reasonable intervals during the year.
- (b) The procedures of physical verification of inventories followed by the management as referred to above are reasonable and adequate in relation to the size of the respective company and the nature of its business.
- (c) The Holding Company and its subsidiary company incorporated in India are maintaining proper records of inventory. Discrepancies noticed on physical verification of inventory as compared to the book records were not material and these have been properly dealt with in the books of account.
- (iii) The Holding Company has granted unsecured loan to a company covered in the register maintained under Section 189 of the Act.
 - (a) The loan granted is repayable on demand. As informed, the Holding Company has not demanded repayment of such loan and interest during the year. Hence, due to such stipulation, we are unable to state about the regularity of receipt of the principal and interest amount.
 - (b) There is no overdue amount of loan to a Company listed in the register maintained under Section 189 of the Act. The subsidiary company incorporated in India have not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained by it under Section 189 of the Act.
- (iv) In our opinion and according to the information and explanations obtained by the statutory auditors of the Holding Company and its subsidiary company incorporated in India, these companies have an adequate internal control system commensurate with the size of the each company and the nature of its business with regard to purchases of inventory and fixed assets and with regard to the sale of goods and services and there is no continuing failure to correct major weaknesses in internal control system in any of these companies.
- (v) The Holding Company and its subsidiary company incorporated in India has not accepted any deposits from the public in accordance with the provisions of Section 73 to 76 of the Act and the rules framed there under.
- (vi) The statutory auditors of the Holding Company and its subsidiary company incorporated in India have broadly reviewed the records maintained by each company pursuant to the rules prescribed by the Central Government for maintenance of cost records under Sub-Section 1 of Section 148 of the Act and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, statutory auditors have not made a detailed examination of the records.
- (vii) (a) According to the information and explanation given to and on the basis of the examination of the records of the Holding Company and its subsidiary company incorporated in India by their respective statutory auditors, has generally been regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues applicable to it.
- (b) According to the information and explanations given to the statutory auditors of the Holding Company and its subsidiary company incorporated in India, no undisputed dues in respect of provident fund, employees' state insurance, income-tax, sales-tax, wealth-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues which were outstanding, at the year end for a period of more than six months from the date they became payable.
- (c) According to the information and explanations given to the statutory auditors of the Holding Company and its subsidiary company incorporated in India, the dues outstanding as at the year end, of income-tax, sales-tax, wealth-tax, service tax, customs duty, excise duty and cess on account of any dispute, are as follows:

Name of the Statute	Nature of Dues	₹ in '000	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	2,329.86	Assessment Years 1990-91, 1994-95 and 1995-96	Mumbai High Court
Income Tax Act, 1961	Income Tax	17.87	Assessment Year 2011-12	Rectification u/s. 154 is pending before the Assessing Officer
Income Tax Act, 1961	Income Tax	4,941.02	Assessment Year 2012-13	Rectification u/s. 154 is pending before the Assessing Officer
The Central Sales Tax, 1956	Sales Tax	224.82	Assessment Year 2001-02	Sales Tax Appellant Tribunal, Chennai
The Employees State Insurance, 1948	ESIC	89.69	April 1998 to September 1998	Principal Labour Court, Chennai

- (d) According to the information and explanations given to and on the basis of examination by the statutory auditors of the Holding Company and its subsidiary company incorporated in India, there is no amount which is required to be transferred to investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder.
- (viii) The Holding Company and its subsidiary company incorporated in India do not have any accumulated losses on a standalone basis which exceeds 50% of its net worth at the end of the financial year. One of the subsidiary company has incurred cash losses on a standalone basis during the year but has not incurred cash losses on a standalone basis in the immediate preceding financial year. The Holding Company and has not incurred cash losses on a standalone basis during the year. However, the Holding Company has not incurred cash losses on a standalone basis in the immediately preceding financial year. On a consolidated basis, the Group does not have any accumulated losses at the end of the year, and have not incurred cash losses during the year and in the immediate preceding financial year.
- (ix) In their opinion and according to the information and explanations given to the statutory auditors of the Holding Company and its subsidiary company incorporated in India, none of the companies has defaulted in repayment of their respective dues to the banks and financial institution during the year. The holding company and its subsidiary company incorporated in India did not have any outstanding dues to any debentures holders during the year.
- (x) According to the information and explanations given to the statutory auditors of the Holding Company, the terms and conditions on which the holding company has given guarantees for loan taken by other from bank is not prejudicial to its interest. The subsidiary company incorporated in India has not given any guarantees for the loans taken by others from bank. The Holding Company and its subsidiary company incorporated in India have not given any guarantees for loans taken by others from financial institutions.
- (xi) In their opinion and according to the information and explanations given to the respective statutory auditors, the Holding Company has not raised any term loan and the term loan taken by the one of the subsidiary company incorporated in India has been applied for the purpose for which it was obtained.
- (xii) According to the information and explanations given to the statutory auditors of the Holding Company, its subsidiary company incorporated in India no instances of material fraud on or by each company has been noticed or reported during the course of audit by the statutory auditors of the Holding Company, its subsidiary company incorporated in India.

For Amit Desai & Co
 Chartered Accountants
 Firm's Registration No.130710W
(Amit N. Desai)
 Partner
 Membership No. 032926

Mumbai: 12th May, 2015

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2015

(₹ in '000)

Particulars	Note No.	As At 31 st March, 2015		As At 31 st March, 2014	
I. EQUITY AND LIABILITIES					
Shareholder's Funds					
(a) Share Capital	2	64,710.14		60,736.63	
(b) Reserves & Surplus	3	274,940.89	339,651.03	249,043.04	309,779.67
Non-Current Liabilities					
(a) Long-Term Borrowings	4	181,250.75		135,827.86	
(b) Long-Term Provisions	5	16,445.02	197,695.77	13,046.90	148,874.76
Current Liabilities					
(a) Short-Term Borrowings	6	98,001.91		27,904.77	
(b) Trade Payables	7	61,446.02		54,702.54	
(c) Other Current Liabilities	8	61,145.42		33,652.62	
(d) Short-Term Provisions	9	4,558.05	225,151.40	2,760.33	119,020.26
TOTAL			<u>762,498.20</u>		<u>577,674.69</u>
II. ASSETS					
Non-Current Assets					
(a) Fixed Assets	10				
(i) Tangible Assets		362,449.64		253,009.10	
(ii) Intangible Assets		427.08		435.68	
(iii) Capital Work-in-Progress		42,201.86		5,857.61	
(iv) Intangible Assets under Development		21.00		21.00	
		<u>405,099.58</u>		<u>259,323.39</u>	
(b) Goodwill on Consolidation		17,452.41		17,452.41	
(c) Deferred Tax Assets (Net)	11	22,839.10		23,461.81	
(d) Long-Term Loans & Advances	12	13,879.76	459,270.84	8,888.31	309,125.92
Current Assets					
(a) Current Investments	13	-		824.72	
(b) Inventories	14	96,420.49		91,574.50	
(c) Trade Receivables	15	121,063.07		122,769.79	
(d) Cash & Bank Balances	16	50,551.78		29,172.53	
(e) Short-Term Loans & Advances	17	34,061.78		23,682.67	
(f) Other Current Assets	18	1,130.25	303,227.36	524.57	268,548.78
TOTAL			<u>762,498.20</u>		<u>577,674.69</u>
Significant Accounting Policies & Notes to the Financial Statements	1 to 28				

As Per Our Report of Even Date
For Amit Desai & Co
Chartered Accountants

(Amit N. Desai)
Partner

Mumbai: 12th May, 2015

Snehal Oak
Company Secretary

For Delta Magnets Limited

Jaydev Mody
Chairman

Darius Khambatta
Director

Samir Chinai
Director

Dr. Ram H. Shroff
Managing Director

Javed Tapia
Director

Vrajesh Udani
Director

Ambika Kothari
Director

Rajesh Jaggi
Director

Abhilash Sunny
CFO

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2015

(₹ in '000)

Particulars	Note No.	Year Ended 31 st March, 2015	Year Ended 31 st March, 2014
INCOME:			
Revenue From Operations (Gross)	19	587,313.87	528,495.93
Less: Excise Duty		(23,953.55)	(21,770.79)
Revenue From Operations (Net)		563,360.32	506,725.14
Other Income	20	4,939.36	5,237.84
Total Revenue		568,299.69	511,962.98
EXPENSES:			
Cost of Raw Materials Consumed	21	60,432.12	43,991.92
Purchase of Stock-in-Trade	22	125,131.58	129,870.92
Changes In Inventories of Finished Goods, Work-in-Progress & Stock-in-Trade	23	(2,709.62)	(5,343.81)
Employee Benefit Expense	24	157,671.51	127,351.82
Finance Costs	25	9,069.21	7,685.43
Depreciation & Amortization Expense	26	7,837.11	13,978.50
Other Expenses	27	193,614.12	178,231.95
Total Expenses		551,046.03	495,766.73
Profit Before Exceptional & Extraordinary Items & Tax		17,253.65	16,196.26
Exceptional Items		-	-
Profit Before Extraordinary Items & Tax		17,253.65	16,196.26
Extraordinary Items		-	-
Profit Before Tax		17,253.65	16,196.26
Tax Expenses:			
- Current Tax		2,955.61	-
- Prior Years Tax Adjustments		3.63	(54.95)
- Deferred Tax		36.01	(6,856.12)
Total Tax Expenses		2,995.24	(6,911.07)
Profit After Tax		14,258.41	23,107.33
Prior Period Items		1,999.54	(88.75)
Profit For The Year		12,258.87	23,196.08
Earnings Per Equity Share: (Face Value of ₹ 10/- Each)			
Basic & Diluted		1.89	3.82
Significant Accounting Policies & Notes to the Financial Statements	1 to 28		

As Per Our Report of Even Date
For Amit Desai & Co
Chartered Accountants

(Amit N. Desai)
Partner

Mumbai: 12th May, 2015

Snehal Oak
Company Secretary

For Delta Magnets Limited

Jaydev Mody
Chairman

Darius Khambatta
Director

Samir Chinai
Director

Dr. Ram H. Shroff
Managing Director

Javed Tapia
Director

Vrajesh Udani
Director

Ambika Kothari
Director

Rajesh Jaggi
Director

Abhilash Sunny
CFO

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015

(₹ in '000)

Sr. No.	Particulars	Year Ended 31 st March, 2015	Year Ended 31 st March, 2014
A. CASH FLOW FROM OPERATING ACTIVITIES			
	Net Profit/(Loss) Before Tax and Extraordinary Items	17,253.65	16,196.26
	Adjustments for:		
	Depreciation	7,837.11	13,978.50
	Loss/ (Profit) on Sale of Fixed Asset	(1,051.85)	(308.34)
	Employee Benefits	3,794.97	2,481.79
	Finance Costs	9,069.21	7,685.43
	Exchange Rate Difference	5,561.43	(6,151.11)
	Provision for Doubtful Debts/(Excess Written Back)	379.34	1,230.93
	Sundry Balance Written off/(Written Back)	(648.79)	56.01
	Prior Period Items	(1,999.54)	88.75
	Dividend Income	(19.96)	(114.09)
	Interest Income	(1,287.16)	(1,059.48)
	Operating Profit/(Loss) Before Working Capital Changes	38,888.40	34,084.64
	Adjustments For Working Capital:		
	Trade and Other Receivables	(14,262.57)	(41,705.45)
	Inventories	(4,845.99)	(8,005.18)
	Trade Payables and Other Liabilities	28,645.34	17,723.51
	Cash Generated From Operations	48,425.18	2,097.51
	Taxes Paid (Net of Refund)	(2,378.04)	(1,467.81)
	NET CASH FLOW FROM / (USED IN) OPERATING ACTIVITIES (A)	46,047.15	629.72
B. CASH FLOW FROM INVESTING ACTIVITIES			
	Purchase of Fixed Assets & Capital Work in Progress	(153,701.11)	(6,449.59)
	Sale of Current Investments	824.72	3,385.91
	Sale of Fixed Assets	1,051.85	308.34
	Dividend Income	19.96	114.09
	Interest Income	1,287.16	1,059.48
	NET CASH FLOW FROM / (USED IN) INVESTING ACTIVITIES (B)	(150,517.42)	(1,581.77)

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015

(₹ in '000)

Sr. No.	Particulars	Year Ended 31 st March, 2015	Year Ended 31 st March, 2014
C.	CASH FLOW FROM FINANCING ACTIVITIES		
	Finance Costs	(9,069.21)	(7,685.43)
	Proceeds from Issuance of Equity Share Capital	12,886.09	-
	Share Issue Expenses	(160.50)	-
	Proceedings / (Repayment) From Long Term Borrowings	52,095.99	3,031.74
	Proceedings / (Repayment) From Short Term Borrowings	70,097.14	12,775.98
	NET CASH FLOW FROM / (USED IN) FINANCING ACTIVITIES (C)	125,849.52	8,122.30
	INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	21,379.25	7,170.24
	CASH AND CASH EQUIVALENTS - OPENING BALANCE	29,172.53	22,002.29
	CASH AND CASH EQUIVALENTS - CLOSING BALANCE	50,551.77	29,172.53
	Cash and Cash Equivalent includes:		
	- Cash on Hand	130.25	218.02
	- USD on Hand	67.91	56.76
	- Cheques on Hand	-	35.74
	- Balances with Banks in Current Accounts	36,665.19	25,405.06
	- Deposits (Fixed Deposits with maturity less than 3 months)	-	2,732.96
	- Deposits (Fixed Deposits with maturity more than 3 months but less than 12 months)	13,688.43	723.99

Notes:

- 1) The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard - 3 on Cash Flow Statement issued by The Institute of Chartered Accountants of India.
- 2) Previous year's figures have been regrouped or rearranged wherever necessary conform to the current year's classification.

As Per Our Report of Even Date
For Amit Desai & Co
Chartered Accountants

(Amit N. Desai)
Partner

Mumbai: 12th May, 2015

Snehal Oak
Company Secretary

For Delta Magnets Limited

Jaydev Mody
Chairman

Darius Khambatta
Director

Samir Chinai
Director

Dr. Ram H. Shroff
Managing Director

Javed Tapia
Director

Vrajesh Udani
Director

Ambika Kothari
Director

Rajesh Jaggi
Director

Abhilash Sunny
CFO

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

1. SIGNIFICANT ACCOUNTING POLICIES

a. Basis of Accounting

The Consolidated Financial Statements are prepared under the historical cost convention, on accrual basis and in accordance with the generally accepted accounting principles in India (“GAAP”), and comply with the accounting standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014.

b. Principles of Consolidation

The Consolidated Financial Statements related to Delta Magnets Limited (‘the Company’) and its subsidiary companies have been prepared on following basis:

- i. The financial statements of the Company and its subsidiary companies have been combined on a line-by-line basis by adding together like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra group transactions in accordance with Accounting Standard (AS) 21 - “Consolidated Financial Statements”.
- ii. In case of foreign subsidiaries, being non-integral foreign operations, revenue items are consolidated at the average rate prevailing during the year. All assets and liabilities are converted at rates prevailing at the end of the year. Any exchange difference arising on consolidation is recognized in the foreign currency translation reserve.
- iii. The difference between the costs of the investment in the subsidiaries, over the net assets at the time of acquisition of shares in the subsidiaries is recognized in the financial statements as Goodwill or Capital Reserve as the case may be.
- iv. The difference between the proceeds from disposal of investment in a subsidiary and the carrying amount of its assets less liabilities as on the date of the disposal is recognized in the consolidated statement of Profit and Loss.
- v. As far as possible, the consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company’s separate financial statements.

c. Revenue Recognition

- i. Income from sale of goods is recognized upon transfer of significant risk and rewards of ownership of the goods to the customer which generally coincides with delivery and acceptance of the goods sold. Income from services is recognized when services are provided and there is no uncertainty as to its ultimate collectability. Sales are net of returns, trade discounts, and allowances. Sales exclude excise duty and sales tax.
- ii. Interest Income is generally recognized on time proportion method.
- iii. Claims for price variation/exchange rate variation in case of contracts are accounted for on acceptance.
- iv. Other incomes are recognized on accrual basis.

d. Fixed Assets

Tangible Assets

Fixed assets are stated at acquisition cost less accumulated depreciation and impairment losses if any. Cost of acquisition is inclusive of duties, taxes, freight and other directly attributable costs incurred to bring the assets to its working condition for intended use and are net of CENVAT credits as applicable. Borrowing cost directly attributable to acquisition of these fixed assets which necessarily take a substantial period of time to get ready for their intended use is capitalized.

Intangible Assets

Fixed assets are stated at acquisition cost less accumulated depreciation and impairment losses if any.

Capital Work - In- Progress

Capital Work-In-Progress comprises the cost of fixed assets that are not yet ready for their intended use at the reporting date. Advances given towards the acquisition of fixed assets are shown separately as capital advances under head long term loans & advances.

e. Depreciation

Tangible Assets

Depreciation is provided on a pro-rata basis on the straight-line method at the rates prescribed under Schedule II of the Companies Act, 2013 with the exception of the following:

- Tools are depreciated over 5 years based on the technical evaluation of useful life done by the management.
- Remaining life of one factory building as on 01.04.2015 is estimated 25 years based on the technical evaluation of useful life done by the management.

Leasehold assets are depreciated on a straight-line basis over the period of lease.

Intangible Assets

Intangible Assets are being amortized in accordance with Accounting Standard (AS) -26 "Intangible Assets".

f. Inventories

Raw materials, stores, spares and components are stated cost or net realizable value whichever is lower. Cost includes freight, taxes and duties as applicable but excludes duties and taxes that are subsequently recoverable from tax authorities. Works-in-progress and finished goods are valued at lower of cost and net realizable value. Cost includes material cost, cost of conversion and other applicable overheads incurred in bringing them to their present location and condition. In accordance with Accounting Standard 2 issued by the Institute of Chartered Accountants of India, provision is made for excise duty on closing stock of finished goods. Cost is determined on weighted average cost method. Stock-in-Trade is valued at lower of cost or net realizable value on FIFO basis after making due allowance for obsolete & slow moving stock.

g. Employee Benefits

Liability is provided for retirement benefits for provident fund, gratuity and leave encashment in respect of all eligible employees. Contributions under the defined contribution schemes are charged to revenue. The liability in respect of defined benefit schemes like gratuity and leave encashment is provided in the accounts on the basis of actuarial valuations as at the year end. Company's contribution to 'defined contribution pension scheme' is charged to Statement of Profit and Loss.

h. Foreign Currency Transactions

- i. Foreign exchange transactions are recorded at the closing rate prevailing on the dates of the respective transaction. Exchange difference arising on foreign exchange transactions settled during the year is recognized in the statement of profit and loss.
- ii. Monetary assets and liabilities denominated in foreign currencies are converted at the closing rate as on balance sheet date. The resultant exchange difference is recognized in the statement of profit & loss.
- iii. Exchange rate differences arising on a monetary item that, in substance, forms part of the Company's net investment in a non-integral foreign operation are accumulated in a foreign currency translation reserve in the Company's financial statements until the disposal of the net investment.
- iv. Non monetary assets and liabilities denominated in foreign currencies are carried at the exchange rate prevalent on the date of the transaction.

i. Borrowing Costs

Borrowing costs that are directly attributable to and incurred on acquiring qualifying assets (assets that necessarily takes a substantial period of time for its intended use) are capitalized. Other borrowing costs are recognized as expenses in the year in which same are incurred.

j. Accounting for Taxes on Income

Tax expenses are the aggregate of current tax and deferred tax charged or credited in the statement of profit and loss for the year.

i. Current Tax

The current charge for income tax is calculated in accordance with the relevant tax regulations applicable to the Company.

ii. Deferred Tax

Deferred tax charge or credit reflects the tax effects of timing differences between accounting income and taxable income for the year. The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognize using the tax rates that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognized only to the extent there is reasonable certainty that the assets can be realized in future; however, where there is unabsorbed depreciation or carry forward of losses, deferred tax assets are recognized only if there is virtual certainty of realization of such assets. Deferred tax assets are reviewed at each balance sheet date.

iii. Minimum Alternate Tax (MAT)

In case the Company is liable to pay income tax under provision of Minimum Alternate Tax u/s. 115JB of Income Tax Act, 1961, the amount of tax paid in excess of normal income tax liability is recognized as an asset only if there is convincing evidence for realization of such asset during the specified period. MAT Credit Entitlement is recognized in accordance with the Guidance Note on accounting treatment in respect of Minimum Alternate Tax (MAT) issued by The Institute of Chartered Accountants of India.

k. Impairment of Assets

The Company evaluates all its assets for assessing any impairment and accordingly recognizes the impairment, wherever applicable, as provided in Accounting Standard 28 - "Impairment of Assets".

l. Provisions, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources and the amount of which can be reliably estimated.

Contingent Liabilities are not recognized but are disclosed in the Notes. Contingent liabilities are disclosed in respect of possible obligations that arise from past events but their existence is confirmed by the occurrence or non occurrence of one or more uncertain future event not wholly within the control of the Company.

Contingent assets are neither recognized nor disclosed in the financial statements.

Provisions, contingent liabilities and contingent assets are reviewed at each balance sheet date.

m. Operating Leases

Rental applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against statement of profit and loss as per the terms of lease agreement over the period of lease.

n. Miscellaneous Expenditure

Preliminary expenditures are fully charged off in the year in which they are incurred.

(₹ in '000)

Particulars	As At 31 st March 2015		As At 31 st March 2014	
	No. of Shares	(₹ in '000)	No. of Shares	(₹ in '000)
2. SHARE CAPITAL				
Authorised:				
Equity Shares of ₹ 10/- Each	10,000,000	100,000.00	10,000,000	100,000.00
TOTAL	10,000,000	100,000.00	10,000,000	100,000.00
Issued, Subscribed And Fully Paid-Up:				
Equity Shares of ₹ 10/- Each	6,471,014	64,710.14	6,073,663	60,736.63
TOTAL	6,471,014	64,710.14	6,073,663	60,736.63

a. Reconciliation of the Equity Shares at the Beginning and at the End of the Reporting Period:

Particulars	As At 31 st March, 2015		As At 31 st March, 2014	
	No. of Shares	(₹ in '000)	No. of Shares	(₹ in '000)
At the Beginning of the Year	6,073,663	60,736.63	6,073,663	60,736.63
Issued During the Year	397,351	3,973.51	-	-
Bought Back During the Year	-	-	-	-
Outstanding at the End of the Year	6,471,014	64,710.14	6,073,663	60,736.63

b. Terms/Rights Attached to Equity Shares:

The Company has only one class of Equity Shares having a par value of ₹ 10/- per share. Each holder of Equity Shares is entitled to one vote per Share. The Company declares and pays dividends in Indian Rupees. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c. Details of Shareholders Holding More Than 5 % Shares in the Company:

Particulars	As At 31 st March, 2015		As At 31 st March, 2014	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Aryanish Finance and Investments Private Limited *	996,250	15.40	1,005,977	16.56
Bayside Property Developers Private Limited *	1,006,979	15.56	1,005,979	16.56
Delta Real Estate Consultancy Private Limited *	1,006,396	15.55	1,005,981	16.56
SSI Trading Private Limited	1,615,153	24.96	1,217,802	20.05

Note:- *Aryanish Finance and Investments Private Ltd, Bayside Property Developers Private Ltd and Delta Real Estate Consultancy Private Ltd are holding Equity Shares in the capacity of trustees for Aarti J Mody Trust, Aditi J Mody Trust and Anjali J. Mody Trust, respectively.

(₹ in '000)

Particulars	As At 31 st March 2015	As At 31 st March 2014
3. RESERVES AND SURPLUS		
Capital Reserves:		
Opening Balance	3,504.25	3,504.25
(+) / (-) : During the Year	-	-
Closing Balance	3,504.25	3,504.25
Securities Premium Reserve:		
Opening Balance	98,273.15	98,273.15
(+) : Securities Premium Credited on Share Issue	8,912.58	-
(-) : Premium Utilised for Share Issue Expenses	(160.50)	-
Closing Balance	107,025.24	98,273.15
Revaluation Reserve:		
Opening Balance	129,344.22	129,957.94
(+) / (-) : Transferred to Surplus in Statement of Profit & Loss	(575.63)	(613.72)
Closing Balance	128,768.59	129,344.22
General Reserves:		
Opening Balance	-	39,075.20
(+) / (-) : Transferred to Surplus in Statement of Profit & Loss	-	(39,075.20)
Closing Balance	-	-
Foreign Currency Translation Reserve:		
Opening Balance	(7,448.24)	(1,992.89)
(+) / (-) : During the Year	4,974.73	(5,455.35)
Closing Balance	(2,473.52)	(7,448.24)
Surplus / (Deficit) in Statement of Profit & Loss:		
Opening Balance	25,369.65	(36,901.62)
(+) / (-) : Net Profit / (Net Loss) During the Year	12,258.87	23,196.08
(+) / (-) : Depreciation Effect as per Schedule II of the Companies Act, 2013 [Refer Note 10 (b)]	(87.82)	-
(+) / (-) : Transferred from Revaluation Reserve	575.63	-
(+) / (-) : Transferred from General Reserve	-	39,075.20
Closing Balance	38,116.33	25,369.66
TOTAL	274,940.89	249,043.04

(₹ in '000)

Particulars	As At 31 st March 2015	As At 31 st March 2014
4. LONG TERM BORROWINGS		
Secured Borrowings:		
- From Bank 1	23,760.11	29,952.86
(Term Loan of £ 434K @ Interest 3.8% over base rate, Repayment terms are 19 quarterly installments of £14248.32 which covers loan and interest, last installment is due on March 2016. Security offered First Charge on Entire Building in Swindon, United Kingdom)		
- From Bank 2	63,600.24	-
[Outstanding balance as at Balance sheet date carry interest @ 13.50% p.a. (Floating) is repayable in 72 months (including moratorium period of 12 months) as per ballooning repayment schedule at monthly rests. Installment starts from July, 2015. For details of securities refer note 4 (a)]		
- From Financial Institutions	890.40	-
(Outstanding Balance as at Balance sheet date carry floating interest @10.25% p.a., repayable in 60 months at monthly rests. Further, it is secured against hypothecation of Motor Vehicle)		
Unsecured Borrowings:		
- From Others		
Loans from Related Parties (Interest-Free and Repayable after One Year)	93,000.00	105,875.00
TOTAL	181,250.75	135,827.86

Note:

(a) The said borrowings are secured by way of registered mortgage of immovable property situated at Chennai and exclusive charge by way of hypothecation on entire movable fixed assets & current assets of the Company, present and future. Further, extension of equitable mortgage of immovable property owned by Holding Company situated at Nashik. Also corporate guarantee is given by the Holding Company.

5. LONG TERM PROVISIONS		
Provision for Employee Benefits:		
Gratuity (Funded)	13,538.93	10,575.24
Leave Encashment (Unfunded)	2,906.09	2,471.66
TOTAL	16,445.02	13,046.90

(₹ in '000)

Particulars	As At 31 st March 2015	As At 31 st March 2014
6. SHORT TERM BORROWINGS		
Secured Borrowing:		
- From Bank 1 - Cash Credit (Repayable on demand & carries interest @14.50% p.a. (Floating) payable at monthly rests. Further it is secured against first hypothecation charge on the entire current assets and movable fixed assets of the Company, both present and future and also secured by way of equitable mortgage of land & building owned by the Company.)	24,300.07	25,647.54
- From Bank 2 - Advance (Overdraft) against security (Carry interest @9.75% p.a . It is secured against Fixed deposit)	-	2,257.23
- From Bank 3 - Cash Credit [Repayable on demand and carry interest @ 13.50% p.a. (Floating). For details of securities refer note 4 (a)]	14,911.01	-
Buyer's Credit Facility (Various buyer credits are repayable within one year from the date of credit facility and carries interest @ LIBOR + Variable BPS. For details of securities refer note 4 (a))	58,790.84	-
TOTAL	98,001.91	27,904.77
7. TRADE PAYABLES		
Micro, Small and Medium Enterprises	6,486.65	8,248.22
Others	54,959.37	46,454.32
TOTAL	61,446.02	54,702.54

Details of dues to Micro and Small Enterprises as defined under the MSMED Act, 2006 :

During the year as a process, the Company has sent letters to suppliers and vendors of the Company to confirm whether they are covered under Micro, Small and Medium Enterprises Development Act, 2006 as well as whether they have file required memorandum with the prescribed authorities. Out of the letters sent to the parties, some confirmations have been received till the date of finalization of Balance Sheet. Based on the confirmations received the details of outstanding are as under:

(₹ in '000)

Particulars	As At 31 st March 2015	As At 31 st March 2014
The principal amount remaining unpaid at the end of the year.	6,486.65	8,248.22
The interest amount remaining unpaid at the end of the year.	110.78	78.98
The amount of interest paid by the buyer in terms of Section 16 of the MSMED Act 2006 along with the amount of the payment made to the supplier beyond the appointed day during the year.	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006.	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year.	110.78	78.98
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of the MSMED Act 2006.	110.78	78.98
8. OTHER CURRENT LIABILITIES		
Current Maturities of Long-Term Borrowings	9,925.75	4,273.57
Interest Accrued & Due on Borrowings	711.20	-
Interest Accrued But Not Due on Borrowings	309.71	-
Duties & Taxes	13,423.35	18,518.27
Advance Received from Customers	14,154.84	3,102.82
Payable Against Capital Assets	14,046.56	-
Payable to Employees	6,881.17	5,283.61
Other Current Liabilities	1,692.83	2,474.36
TOTAL	61,145.42	33,652.62
9. SHORT TERM PROVISIONS		
Provision for Employee Benefits:		
- Gratuity (Funded)	2,794.03	2,478.91
- Leave Encashment (Unfunded)	796.55	281.41
Provision For Income Tax (Net of Advance Taxes)	967.47	-
TOTAL	4,558.05	2,760.33

10. FIXED ASSETS

(₹ in '000)

Tangible Assets	Freehold Lands	Buildings	Leasehold Land	Plant & Machineries	Furniture & Fixtures	Equipments	Vehicles	Computers	Total
GROSS BLOCK									
As at 1 st April, 2013	37,032.83	107,024.63	114,558.00	563,493.06	10,631.71	11,395.36	1,229.07	10,898.99	856,263.64
Additions	-	-	-	5,361.77	352.21	382.63	-	48.70	6,145.31
Disposal	-	-	-	9,733.89	-	-	-	48.55	9,782.44
As at 31 st March, 2014	37,032.83	107,024.63	114,558.00	559,120.94	10,983.92	11,777.99	1,229.07	10,899.14	852,626.51
Additions	-	6,421.35	-	104,173.10	796.22	234.91	1,625.30	4,008.43	117,259.30
Disposal	-	-	-	7,611.71	-	3,322.78	-	-	10,934.48
As at 31 st March, 2015	37,032.83	113,445.98	114,558.00	655,682.33	11,780.13	8,690.12	2,854.37	14,907.56	958,951.33
ACCUMULATED DEPRECIATION									
As at 1 st April, 2013	-	31,485.98	165.60	536,279.44	9,396.84	6,700.83	1,099.49	9,981.70	595,109.90
Charge for the year	-	3,001.59	5.25	9,926.13	449.10	490.48	73.52	343.89	14,289.95
Disposal for the year	-	-	-	9,733.89	-	-	-	48.55	9,782.44
As at 31 st March, 2014	-	34,487.57	170.86	536,471.68	9,845.94	7,191.31	1,173.02	10,277.04	599,617.41
Charge for the year	-	2,562.46	2.52	3,869.16	227.88	421.99	56.07	590.85	7,730.94
Adjusted with Surplus in Statement of Profit & Loss	-	-	-	-	63.64	7.54	16.64	-	87.82
Disposal for the year	-	-	-	7,611.71	-	3,322.78	-	-	10,934.48
As at 31 st March, 2015	-	37,050.03	173.37	532,729.13	10,137.46	4,298.07	1,245.73	10,867.89	596,501.69
NET BLOCK									
As at 31 st March, 2014	37,032.83	72,537.06	114,387.14	22,649.26	1,137.97	4,586.68	56.06	622.10	253,009.10
As at 31 st March, 2015	37,032.83	76,395.95	114,384.63	122,953.20	1,642.67	4,392.05	1,608.64	4,039.67	362,449.64

(₹ in '000)

Intangible Assets	Computer Software	Total
GROSS BLOCK		
As at 1 st April, 2013	1,481.32	1,481.32
Additions (transfer from computers)	-	-
Disposal	-	-
As at 31 st March, 2014	1,481.32	1,481.32
Additions	97.57	97.57
Disposal	-	-
As at 31 st March, 2015	1,578.89	1,578.89
ACCUMULATED DEPRECIATION		
As at 1 st April, 2013	743.37	743.37
Charge for the year	302.27	302.27
Disposal for the year	-	-
As at 31 st March, 2014	1,045.64	1,045.64
Charge for the year	106.17	106.17
Disposal for the year	-	-
As at 31 st March, 2015	1,151.81	1,151.81
NET BLOCK		
As at 31 st March, 2014	435.68	435.68
As at 31 st March, 2015	427.08	427.08

Capital Work-in-Progress

Particulars	Opening	Addition	Deduction	Total
As at 31 st March, 2014	5,553.35	407.13	(102.85)	5,857.62
As at 31 st March, 2015	5,857.62	142,984.13	(106,639.89)	42,201.86

Intangible Assets Under Development

Particulars	Opening	Addition	Deduction	Total
As at 31 st March, 2014	21.00	-	-	21.00
As at 31 st March, 2015	21.00	-	-	21.00

Note:

- The Company has revalued all its Land and Building as on March 31st, 2009 at the fair values determined by an independent external Valuer.
- Depreciation of ₹ 87.82 (₹ in '000) on account of assets, whose useful life is already exhausted on April 1st, 2014 has been adjusted against Surplus in Statement of Profit & Loss pursuant to adoption of estimated useful life of fixed assets as stipulated by Schedule II of Companies Act, 2013.

11. DEFERRED TAX

In accordance with Accounting Standard 22 "Accounting for Taxes on Income" issued by the Institute of Chartered Accountants of India, the Company has accounted for Deferred Tax during the year.

The components of Deferred Tax Assets to the extent recognized and Deferred Tax Liabilities as on 31st March, 2015 are as follows:

(₹ in '000)

Particulars	As At 31 st March 2015	As At 31 st March 2014
11. NET DEFERRED TAX LIABILITIES / (ASSETS)		
Deferred Tax Liability arising on account of:		
Difference between Book and Tax Depreciation	4,804.22	2,460.39
(A)	4,804.22	2,460.39
Deferred Tax Asset arising on account of:		
Business Loss & Expenses Disallowed under the Income Tax Act, 1961	27,643.32	25,922.20
(B)	27,643.32	25,922.20
Net Deferred Tax Liabilities / (Assets)	(A) - (B)	(22,839.10) (23,461.81)
12. LONG-TERM LOANS & ADVANCES (UNSECURED, CONSIDERED GOOD UNLESS OTHERWISE STATED)		
Capital Advances	2,859.73	185.45
Security Deposits:		
- With Public bodies	8,140.83	5,825.16
- With Others	11.20	9.70
MAT Credit Entitlement	2,868.00	2,868.00
TOTAL	13,879.76	8,888.31
13. CURRENT INVESTMENT		
(At the lower of cost and market value)		
Investments in Mutual Funds (Unquoted):		
JP Morgan India Liquid Fund - Direct Plan (C .Y. Nil ; P .Y. 54,386.783 Units, Face Value - ₹ 10.00 per unit, NAV of ₹ 10.0201 per unit)	-	544.96
JP Morgan India Liquid Fund - Super Inst. (C .Y. Nil ; P .Y. 27,870.4652 Units, Face Value - ₹ 10.00 per unit, NAV of ₹ 10.0378 per unit)	-	279.76
TOTAL	-	824.72

(₹ in '000)

Particulars	As At 31 st March 2015	As At 31 st March 2014
14. INVENTORIES		
(At the lower of cost and net realisable value)		
Raw Materials	11,725.81	9,074.28
Work-in-Progress	16,306.07	8,062.82
Finished Goods	28,874.82	27,184.09
Stock-in-Trade (In respect of Goods Acquired for Trading)	32,374.71	39,599.07
Stores and Spares, Consumables, Loose Tools etc.	7,139.09	7,654.25
TOTAL	96,420.49	91,574.50
15. TRADE RECEIVABLES (UNSECURED, UNLESS OTHERWISE STATED)		
Trade Receivables Outstanding for a period exceeding six months from the date they were due for payment:		
Considered Good	2,560.75	804.60
Considered Doubtful	1,964.78	1,861.05
Other Trade Receivables:		
Considered Good	118,502.32	121,965.19
Considered Doubtful	-	-
Less: Provision for Doubtful Debts	(1,964.78)	(1,861.05)
TOTAL	121,063.07	122,769.79

Provision for Doubtful Debts:

The Group periodically evaluates all customer dues. The need for provision is amended based on various factors including collectability of specific dues, risk, perceptions of the industry in which customer operates and general economy factors.

(₹ in '000)

Particulars	As At 31 st March 2015	As At 31 st March 2014
16. CASH AND BANK BALANCES		
Cash and Cash Equivalents:		
Balances with Banks	36,665.19	25,405.06
Cash on Hand	130.25	218.02
USD and RMB on Hand	67.91	56.76
Cheques on Hand	-	35.74
Deposits (Fixed Deposits with maturity less than 3 months)	-	2,732.96
Other Bank Balances:		
Deposits (Fixed Deposits with maturity more than 3 months but less than 12 months)	13,688.43	723.99
TOTAL	50,551.78	29,172.53
17. SHORT TERM LOANS AND ADVANCES (UNSECURED, CONSIDERED GOOD UNLESS OTHERWISE STATED)		
Deposit :		
- With Public Bodies	-	-
- With Others	235.81	165.76
Other Loans and Advances :		
Advance to Suppliers	1,394.93	1,670.21
Balance with Statutory Authorities	21,303.07	11,447.02
Advance Income Tax (Net of Provision for Taxes)	5,719.46	5,333.18
Prepaid Expenses	4,565.27	4,286.35
Advance to Employees	843.24	780.15
TOTAL	34,061.78	23,682.67
18. OTHER CURRENT ASSETS (UNSECURED, CONSIDERED GOOD UNLESS OTHERWISE STATED)		
Accrued Interest Receivable	1,092.34	524.57
Other Recoverable	37.92	-
TOTAL	1,130.25	524.57

(₹ in '000)

Particulars	Year Ended 31 st March 2015	Year Ended 31 st March 2014
19. REVENUE FROM OPERATIONS (GROSS)		
Sale of Products	568,682.65	512,770.76
Sale of Services	15,147.84	14,873.22
Other Operating Revenues	3,483.39	851.95
TOTAL	587,313.87	528,495.93
20. OTHER INCOME		
Interest Income	1,287.16	1,059.48
Exchange Rate Fluctuation Income	-	1,524.39
Sundry Balance Written Back	648.79	-
Dividend Income from Mutual Fund	19.96	114.09
Insurance Claim Income	-	1,082.66
Net Gain on Sale of Fixed Assets	1,051.85	308.34
Other Non-Operating Income	1,931.60	1,148.88
TOTAL	4,939.36	5,237.84
21. COST OF MATERIALS CONSUMED		
Opening Stocks	9,074.28	5,384.96
Add: Purchases	63,083.65	47,681.24
	72,157.92	53,066.20
Less: Closing Stocks	(11,725.81)	(9,074.28)
TOTAL	60,432.12	43,991.92
22. PURCHASES OF STOCK-IN-TRADE		
Ferrite	125,131.58	129,870.92
TOTAL	125,131.58	129,870.92

(₹ in '000)

Particulars	Year Ended 31 st March 2015	Year Ended 31 st March 2014
23. CHANGES IN STOCK OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE		
Stocks At the End		
Finished Goods	28,874.82	27,184.09
Stock-in-Trade	32,374.71	39,599.07
Work-in-Progress	16,306.07	8,062.82
	(A) 77,555.60	74,845.98
Stocks At the Beginning		
Finished Goods	27,184.09	21,682.32
Stock-in-Trade	39,599.07	33,479.81
Work-in-Progress	8,062.82	14,340.03
	(B) 74,845.98	69,502.16
TOTAL	(B) - (A) (2,709.62)	(5,343.81)
24. EMPLOYEE BENEFITS EXPENSE		
Salaries and Wages	134,528.84	109,145.84
Contribution to Provident and Other Funds	14,014.59	12,297.53
Contribution to Gratuity Fund and Leave Encashment	3,794.97	2,481.79
Staff Welfare Expenses	5,333.11	3,426.66
TOTAL	157,671.51	127,351.82
25. FINANCE COSTS		
Interest Expense	7,254.33	6,111.76
Other Borrowing Costs	1,814.88	1,573.66
TOTAL	9,069.21	7,685.43
26. DEPRECIATION AND AMORTIZATION EXPENSE		
Depreciation for the Year	7,837.11	14,592.22
Less: Transfer from Revaluation Reserve	-	(613.72)
TOTAL	7,837.11	13,978.50

(₹ in '000)

Particulars	Year Ended 31 st March 2015	Year Ended 31 st March 2014
27. OTHER EXPENSES		
Consumption of Stores, Spares, Consumables, Packing Materials etc.	45,085.83	39,004.44
Job Work Charges	11,070.52	11,222.52
Power and Fuel	73,847.23	71,051.62
Rates, Taxes and Water Charges	5,315.74	5,413.24
Repairs and Maintenance:		
- Plant & Machinery	4,271.14	4,059.24
- Building	400.34	713.85
- Others	1,661.23	1,032.85
Excise Duty Variation on Opening / Closing Stock	669.82	153.36
Insurance Charges	2,625.05	2,789.88
Traveling Expenses including Foreign Traveling	11,003.58	8,308.01
Freight, Vehicle & Distribution Charges	5,310.66	3,499.01
Provision for Bad Debts	379.34	1,230.93
Advertisement, Publicity and Selling Expenses	4,196.35	3,712.52
Net Loss/(Gain) on Foreign Exchange	1,750.57	2,410.40
Loss by Flood	-	64.49
Lease Rent	1,747.66	-
Excise Duty Paid in Excise Case	-	2,098.98
Sundry Balance Written Off	-	56.01
Miscellaneous Expenses	14,167.56	14,227.58
Payment to the Auditors:		
- For Audit Fees	2,467.60	1,862.52
- For Taxation Matters	120.00	282.17
- For Company Law Matters	-	97.00
- For Other Services	20.47	26.68
- For Reimbursement of Expenses	5.30	0.82
	2,613.36	2,269.18
Legal & Professional Fees	7,498.14	4,913.84
TOTAL	193,614.12	178,231.95

28. NOTES TO THE FINANCIAL STATEMENTS

A. Various Debit and Credit balances are subject to confirmations/reconciliation and consequent adjustments, if any. The Company is of the view that reconciliation(s), if any, arising out of final settlement of accounts with these parties is not likely to have any material impact on the accounts. The Current Assets, Loan & Advances are stated in the Balance Sheet at the amounts which are at least realizable in ordinary course of business.

B. Contingent Liabilities and Capital Commitments:

Contingent Liabilities:

Claims against the Company not acknowledged as debts: (Excluding interest and penalty on the respective amount if any arrived upon the final outcome)

- i. Disputed (net) demands for Income Tax pending with various Appellate authorities ₹ 2,329.86('000) ((Previous year ₹ 2,347.73('000)).
- ii. TDS Liability (on account various discrepancies) ₹ 1,460.86 ('000) (Previous year ₹ Nil ('000))
- iii. Disputed ESIC Demands ₹ 89.69 ('000) ((Previous year ₹ 89.69 ('000))
- iv. Disputed (net) demands for Sales Tax (CST) ₹ 224.82 ('000) ((Previous year ₹ 224.82 ('000))
- v. Sales Tax Liability (On account of pending 'C' forms) ₹ 9,056.97 ('000) ((Previous year ₹ 8988.29 ('000))

Capital Commitments:

(₹ in '000)

Particulars	As At 31 st March 2015	As At 31 st March 2014
Estimated amounts of Capital Expenditure Commitments	11,118.45	39,902.01

C. The Subsidiary Companies Considered in the Consolidated Financial Statements are:

Name of the Company	Country of Incorporation	% of Voting Rights As At 31 st March	
		2015	2014
MagDev Limited (From 30.06.2010)	UK	100	100
MMG India Private Limited (From 30.06.2010)	India	100	100

D. Segments Disclosures:

The Company is engaged in the business of Magnets which is being the only business of the Company and hence disclosure of segment-wise information is not applicable under Accounting Standard 17 - 'Segmental Reporting' issued by the Institute of Chartered Accountants of India.

E. Related Party Disclosures :

As required by Accounting Standard - AS 18 'Related Party Disclosures' issued by The Institute of Chartered Accountants of India, are as follows:

List of Related Parties with whom transactions have taken place during the year:

(i) Key Management Personnels:

- Dr. Ram H. Shroff - Executive Vice Chairman & Managing Director
- Mr. Abhilash Sunny (AS) - CFO (From 31st January, 2015)

(ii) Individuals or their relative owning directly or indirectly interest in the voting power that gives them significant Influence:

- Mr. Jaydev Mody (JM) - Chairman
- Mrs. Zia Mody (ZM) - Wife of Chairman
- Ms. Anjali Mody (AM) - Daughter of Chairman
- Mrs. Urvi Piramal (UP) - Sister of Chairman
- Dr. Ram H. Shroff - Executive Vice Chairman & Managing Director

(iii) Enterprises over which Key Management Personnel/Individual or their Relatives mentioned in (i) or (ii) above exercise Significant Influence:

- AZB & Partners (AZB)
- Freedom Registry Limited (FRL)
- Aarti Management Consultancy Private Limited (AAMPL)
- Aditi Management Consultancy Private Limited (ADMPL)
- Anjoss Trading Company Private Limited (ATCPL)
- Delta Corp Limited (DCL)
- SSI Trading Private Limited (SSI)
- AAA Holding Trust (AAAHT)
- Skarma (SK)

Details of Transactions carried out with Related Parties in the ordinary course of Business (excluding reimbursement):

(₹ in '000)

Particulars	Key Management Personnel / Individual owing directly or indirectly interest in voting power		Enterprises Over which individual / Key Management Personnel Exercise Significant Influence		Total	
	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14
Remuneration Paid						
A S	1,166.66	-	-	-	1,166.66	-
Sub Total	1,166.66	-	-	-	1,166.66	-
Director Sitting Fees						
J M	4.20	6.00	-	-	4.20	6.00
U P	4.00	4.00	-	-	4.00	4.00
Sub-Total	8.20	10.00	-	-	8.20	10.00
Rent Paid						
A A A H T	-	-	576.00	576.00	576.00	576.00
Sub-Total	-	-	576.00	576.00	576.00	576.00
Issue of Equity Shares with Sec. Premium						
S S I	-	-	12,886.09	-	12,886.09	-
Sub Total	-	-	12,886.09	-	12,886.09	-
Professional Fees Paid						
A Z B	-	-	-	96.95	-	96.95
F R L	-	-	52.08	51.94	52.08	51.94
S K	-	-	36.00	90.00	36.00	90.00
Sub-Total	-	-	88.08	238.89	88.08	238.89
Sharing of Resources #						
D C L	-	-	-	-	-	-
Sub-Total	-	-	-	-	-	-

Particulars	Key Management Personnel / Individual owing directly or indirectly interest in voting power		Enterprises Over which individual / Key Management Personnel Exercise Significant Influence		Total	
	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14
Loan Received						
A A M P L	-	-	-	1,000.00	-	1,000.00
A D M P L	-	-	-	1,000.00	-	1,000.00
A T C P L	-	-	-	1,000.00	-	1,000.00
Sub-Total	-	-	-	3,000.00	-	3,000.00
Repayment of Loan						
A A M P L	-	-	12,875.00	1,000.00	12,875.00	1,000.00
A D M P L	-	-	-	1,000.00	-	1,000.00
A T C P L	-	-	-	1,000.00	-	1,000.00
Sub-Total	-	-	12,875.00	3,000.00	12,875.00	3,000.00
Outstanding as at 31st March						
Loan Payable						
A A M P L	-	-	7,000.00	19,875.00	7,000.00	19,875.00
A D M P L	-	-	43,000.00	43,000.00	43,000.00	43,000.00
A T C P L	-	-	43,000.00	43,000.00	43,000.00	43,000.00
Sub-Total	-	-	93,000.00	105,875.00	93,000.00	105,875.00
Expenses Payable						
F R L	-	-	23.89	23.58	23.89	23.58
A A A H T	-	-	1,163.96	581.48	1,163.96	581.48
Sub-Total	-	-	1,187.85	605.06	1,187.85	605.06

Transactions are of non monetary consideration.

F. Employee Benefits

Disclosure required under Accounting Standard - 15 (Revised 2005) for “Employee Benefits” are as under:

- The Company has recognized the expected liability arising out of the compensated absence and gratuity as at 31st March, 2015 based on actuarial valuation carried out using the Projected Unit Credit Method.
- The below disclosure have been obtained from independent actuary. The other disclosures are made in accordance with AS - 15 (Revised) pertaining to the Defined Benefit Plan is as given below:

(₹ in '000)

Sr. No.	Particulars	Gratuity		Leave Encashment	
		(Funded)		(Unfunded)	
		2014-15	2013-14	2014-15	2013-14
1	Assumptions :				
	Discount Rate	7.92%	9.07%	7.92%	9.07%
	Salary Escalation	10.00%	10.00%	10.00%	10.00%
2	Changes in Present Value of Obligations:				
	Present value of obligations as at beginning of year	23,432.16	20,928.08	2,753.08	2,783.83
	Interest Cost	2,125.30	1,697.28	249.70	225.59
	Current Service Cost	1,214.40	1,172.60	860.73	508.68
	Benefit Paid	-	(288.87)	(324.31)	(446.24)
	Actuarial (Gain) / Loss on obligations	1,387.50	(76.93)	163.43	(318.78)
	Present value of obligations as at end of year	28,159.36	23,432.16	3,702.63	2,753.08
3	Change in the Fair Value of Plan Assets:				
	Fair Value of Plan Assets at the beginning of the year	10,378.01	9,324.72	-	-
	Expected Return on Plan Assets	519.17	823.65	-	-
	Contributions by the Employer	514.23	465.98	-	-
	Benefit Paid	-	(139.33)	-	-
	Actuarial Gains/(Losses) on Plan Assets - Due to Experience	414.98	(97.01)	-	-
	Fair Value of Plan Assets at the End of the Period	11,826.39	10,378.00	-	-

Sr. No.	Particulars	Gratuity		Leave Encashment	
		(Funded)		(Unfunded)	
		2014-15	2013-14	2014-15	2013-14
4	Actual Return on Plan Assets:				
	Expected Return on Plan Assets	519.17	823.65	-	-
	Actuarial Gains/(Losses) on Plan Assets - Due to Experience	414.98	(97.01)	-	-
	Actual Return on Plan Assets	934.16	726.64	-	-
5	Amount recognized in the Balance Sheet :				
	Liability at the end of the year	28,159.36	23,432.16	3,702.63	2,753.08
	Fair value of Plant Assets at the end of the year	11,826.39	10,378.01	-	-
	Difference	(16,332.97)	(13,054.15)	(3,702.63)	(2,753.08)
	Amount recognized in the Balance Sheet	(16,332.97)	(13,054.15)	(3,702.63)	(2,753.08)
6	Expenses recognized in the Statement of Profit and Loss:				
	Current Service Cost	1,214.40	1,172.60	860.73	508.68
	Interest Cost	1,606.12	1,697.28	249.70	225.59
	Expected return on Plan assets	-	(823.65)	-	-
	Actuarial (Gain) or Loss	972.52	20.07	163.43	(318.79)
	Expenses recognized in the Statement of Profit and Loss	3,793.04	2,066.31	1,273.87	415.48
7	Balance Sheet Reconciliation :				
	Opening Net Liability	13,054.15	11,603.35	2,753.07	2,783.83
	Expenses as above	3,793.04	2,066.31	1,273.87	415.48
	Employer's Contribution	(514.23)	(465.98)	(136.04)	(187.52)
	Benefit Paid	-	(149.54)	(188.27)	(258.72)
	Closing Net Liability	16,332.96	13,054.14	3,702.63	2,753.07

(₹ in '000)

Particulars	2014-15	2013-14
Contribution to Provident Fund	4,028.56	3,487.04
Contribution to ESIC	693.48	575.81

G. Earnings Per Share

(Rupees in '000, unless specified)

Particulars	2014-15	2013-14
Net Profit/(Loss) After Tax	12,258.87	23,196.08
Weighted Average Number of Equity Shares	6,469,925	6,073,663
Basic & Diluted Earnings Per Share (Rs.)	1.89	3.82
Nominal value Per Equity Share (Rs.)	10	10

H. Operating Lease Expenses Disclosure

The Group has non-cancelable operating lease expenses as follows :

(₹ in '000)

Particulars	2014-15	2013-14
Lease Rent Paid During the Year	3,941.12	3,159.00
TOTAL	3,941.12	3,159.00

The future minimum lease expense is as under:

(₹ in '000)

Particular	2014-15	2013-14
Up to 1 Year	2,418.55	2,440.55
1 Year to 5 Year	5,350.37	2,695.95
Above 5 Year	-	-
TOTAL	7,768.91	5,136.50

General Terms of Lease Rentals:

- Lease Rentals are charged on the basis of agreed terms.
 - Additional amount of applicable taxes will be paid on these rentals as per the applicable rates existing at the time of receipts and payments.
- I. An amount of ₹ 17,452.41('000) appearing under head "Goodwill on Consolidation" is shown as net amount after adjusting an amount of ₹ 3,452.94('000) being the Capital Reserve arising on consolidation of one of the Subsidiary Company.

J. MAT Credit Entitlement

MAT Credit Entitlement of ₹ 2,868.00('000) (Previous Year ₹ 2,868.00('000)) is based on business projections of Company provided by Management, and the same have been relied upon by the Auditors.

- K. The Company has adopted estimated useful life of tangible fixed assets as stipulated by Schedule II to the Companies Act, 2013. On account of such change carried out, the depreciation for the current year is lower by ₹ 16.62 Lacs.

L. Disclosure in terms of Schedule III of the Companies Act, 2013:

Sr. No.	Name of the Company	Net Assets i.e Total Assets minus Total Liabilities		Share in Profit or (Loss)	
		As % of Consolidated Net Assets	(₹ in '000)	As % of Consolidated Profit or (Loss)	(₹ in '000)
1	Parent:				
	Delta Magnets Limited	54%	250,424	84%	10,600
2	Subsidiaries:				
	MMG India Private Limited (Indian)	21%	95,420	-40%	(5,068)
	Magdev Limited (Foreign)	25%	118,075	56%	7,151
	TOTAL	100%	463,918	100%	12,684
	Add/(Less): Inter-company eliminations		(124,267)		(425)
	Add/(Less): Minority interests in all subsidiaries		-		-
	Consolidated Net Assets/Profit (Loss)		339,651		12,259

M. The Previous year's figures have been reworked, regrouped, rearranged, recasted and reclassified wherever necessary to conform to the current year's classifications.

		For Delta Magnets Limited		
		Jaydev Mody Chairman	Dr. Ram H. Shroff Managing Director	Ambika Kothari Director
		Darius Khambatta Director	Javed Tapia Director	Rajesh Jaggi Director
Mumbai: 12 th May, 2015	Snehal Oak Company Secretary	Samir Chinai Director	Vrajesh Udani Director	Abhilash Sunny CFO



CIN: L32109MH1982PLC028280
Registered Office: B – 87, MIDC, Ambad, Nashik – 422 010, Maharashtra.
Email ID : secretarial@deltamagnets.com, Website : www.deltamagnets.com
Tel No : 91-0253-2382238, Fax No : 92-0253-2382926

ATTENDANCE SLIP

PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL

DP ID.	Folio No./Client ID.	No. of Shares
--------	----------------------	---------------

Name of the Shareholder: _____

Name of the Proxy : _____

I hereby record my/our presence at the **33rd ANNUAL GENERAL MEETING** of the Company held on Monday, 7th September, 2015 at 2.00 p.m. at Hotel Express Inn, Nashik Pathardi Phata, Ambad, Mumbai Agra Road, Nashik - 422 010, Maharashtra.

Signature of the Shareholder/Proxy : _____

(Only shareholders/proxies are allowed to attend the meeting)







CIN: L32109MH1982PLC028280
Registered Office: B – 87, MIDC, Ambad, Nashik – 422 010, Maharashtra.
Email ID : secretarial@deltamagnets.com, Website : www.deltamagnets.com
Tel No : 91-0253-2382238, Fax No : 92-0253-2382926

PROXY FORM

(Form No. MGT - 11)

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the Member(s) : _____

Registered address : _____

E-mail ID: _____ Folio No./client ID: _____ DP ID: _____

I / We being the member(s) of _____ shares of Delta Magnets Limited, hereby appoint

1) Name _____
Address _____
having email id _____ or failing him

2) Name _____
Address _____
having email id _____ or failing him

3) Name _____
Address _____
having email id _____ or failing him

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the **33rd ANNUAL GENERAL MEETING** of the Company to be held on Monday, 7th September, 2015 at at 2.00 p.m. at Hotel Express Inn, Nashik Pathardi Phata, Ambad, Mumbai Agra Road, Nashik – 422 010, Maharashtra and at any adjournment thereof in respect of such resolutions as are indicated below:



Resolution No.	Subject Matter of the Resolution	Vote		
		For	Against	Abstain
1	Adoption of the financial statements and reports thereon for the year ended 31st March, 2015			
2	Appointment of a Director in place of Mr. Darius Khambatta, who retires by rotation and being eligible, offers himself for re-appointment			
3	Ratification of the appointment of M/s. Amit Desai & Co., Chartered Accountant as Statutory Auditors of the Company			

Signed this _____ day of _____ 2015



Signature of shareholder across Revenue Stamp

.....
Signature of first proxy holder

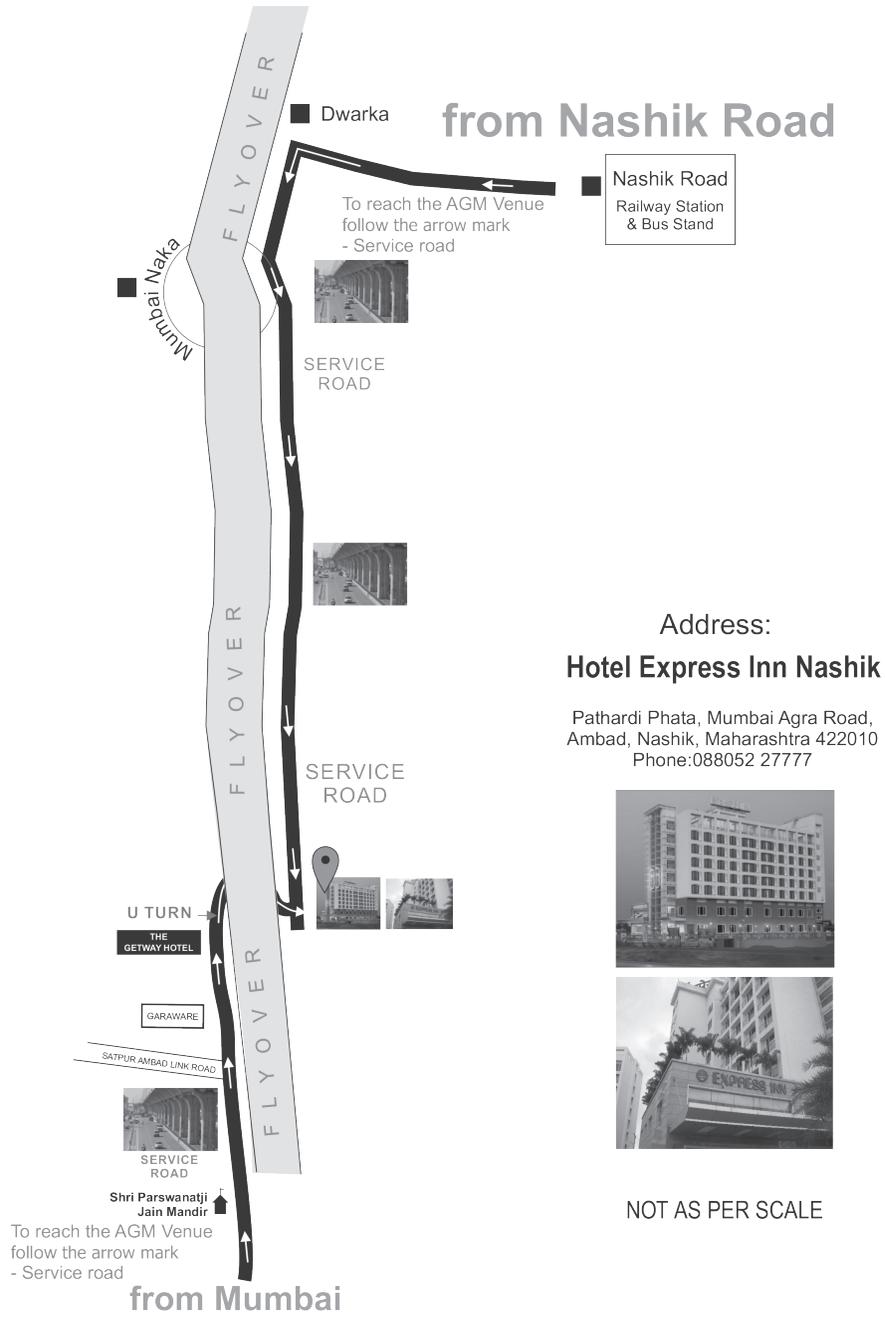
.....
Signature of second proxy holder

.....
Signature of third proxy holder

Notes:

1. This form of Proxy in order to be effective should be duly completed and deposited at the Registered office of the Company, not less than 48 hours before the commencement of the meeting.
2. It is optional to indicate your preference, if you leave the for, against or abstained column blank against any or all resolution, your proxy will be entitled to vote in the manner as he / she may deem appropriate.
3. Members are requested to note that a person can act as a proxy on behalf of members not exceeding 50 and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. In case a proxy is proposed to be appointed by a member holding more than 10% of the total share capital of the Company carrying voting right, than such proxy shall not act as a proxy for any other person or Member.
4. A Proxy need not be a member of the Company

ROUTE MAP



from Nashik Road

Nashik Road
Railway Station
& Bus Stand

To reach the AGM Venue
follow the arrow mark
- Service road



Address:

Hotel Express Inn Nashik

Pathardi Phata, Mumbai Agra Road,
Ambad, Nashik, Maharashtra 422010
Phone:088052 27777



NOT AS PER SCALE

If Undelivered, please return to:

Freedom Registry Limited
Unit: Delta Magnets Limited
Plot No. 101/102, 19th Street,
MIDC, Satpur,
Nasik - 422 007,
Maharashtra.