

MIL INDUSTRIES LIMITED

MIL

Forty Ninth Annual Report
2014-2015

BOARD OF DIRECTORS : SAROJA RAMAN. *CHAIRPERSON*
RAJIV SREEDHAR. *MANAGING DIRECTOR*
S.S.R. RAJKUMAR
NOMAN H. MILLWALA
DR. T. VENKATESAN

TECHNICAL COLLABORATORS : For PTFE Products
FLUOROCARBON COMPANY LTD.
Hertford SG 13 7NH, England.

OHJI RUBBER & CHEMICALS CO. LTD.,
Hofu, Yamaguchi, Japan.

BANKERS : UCO Bank, International Banking Branch
Chennai- 600 001

AUDITORS : Suri & Co

SECRETARY : V.P.K. MANI

REGISTERED & HEAD OFFICE : Plot No. 25A,
Industrial Estate, Ambattur,
Chennai - 600 098.

FACTORIES : Plot No. 25A,
Industrial Estate, Ambattur
Chennai - 600 098.

Plot No. F- 65,
SIPCOT Industrial Complex
Gummidipoondi - 601 201,
Tamil Nadu.

NOTICE TO THE SHAREHOLDERS

NOTICE is hereby given that the Forty Ninth Annual General Meeting of MIL INDUSTRIES LIMITED will be held at the Registered Office of the Company at 25-A, Industrial Estate, Ambattur, Chennai – 600 098 on Wednesday, the 16th September, 2015 at 4.30 p.m. to transact the following business:

ORDINARY BUSINESS

1. To receive and adopt the reports of the Directors and Auditors, the audited Balance Sheet as at 31st March, 2015 and the Profit and Loss Account for the year ended on that date.
2. To appoint a Director in place of Mrs. Saroja Raman, who retires by rotation under Article 107 of the Company's Articles of Association and who is eligible for reappointment.
3. To consider and if thought fit to pass with or without modification the following resolution:

"RESOLVED that the appointment of M/s. Suri & Co., Chartered Accountants (Firm Registration No. 004283S), for the period commencing from the conclusion of the 49th Annual General Meeting till the conclusion of the 51st Annual General Meeting made at the 48th Annual General Meeting be and are hereby ratified.

RESOLVED further that the Board of Directors be and is hereby authorised to fix the annual remuneration payable to the said Auditor"

Chennai
31st July, 2015

By Order of the Board
V.P.K. MANI
Company Secretary

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member. Proxies in order to be effective, must be received by the Company not less than 48 hours before the meeting.
2. The Register of Members of the Company will remain closed from 7th September 2015 to 16th September, 2015 both days inclusive.

DIRECTORS' REPORT

To the Members:

The Directors have pleasure in presenting their Forty Ninth Annual Report together with the Audited Statement of Accounts for the year ended 31st March, 2015

1. FINANCIAL RESULTS

		<u>Rs. Million</u>
Profit before depreciation and interest		65.253
LESS:		
i) Interest and Finance Charges	6.655	
ii) Depreciation	8.072	
iii) Provision for Taxation		
Current Tax	18.300	
Deferred Tax	<u>(0.661)</u>	
		<u>32.366</u>
Profit after tax for the year		<u>32.887</u>

With a view to consolidate resources, the Directors have decided not to declare a dividend for the year but to carry forward the entire surplus to the Balance Sheet.

2. OPERATIONS

There has been a decrease in the turnover of the Rubber Products Division from Rs. 245.852 million in the previous year to Rs.207.264 million.

There has been a decrease in the turnover of PTFE Division from Rs.110.828 million in the previous year to Rs. 95.445 million in the current year.

The company's export earnings have decreased from Rs.186.497 million in the previous year to Rs. 105.939 million in the current year.

Outlook for the current year appears to be good. Internally the company is constantly reviewing ways and means to reduce costs.

3. EXTRACT OF ANNUAL RETURN

The details forming part of the extract of Annual Return as on the financial year ended on 31st March 2015 in Form MGT-9 is annexed.

4. DIRECTORS RESPONSIBILITY STATEMENT

In pursuance of Section 134(5) of the Companies Act, 2013, the Directors hereby confirm that:

- i) In the preparation of annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any.
- ii) The Directors had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year 2014-2015 and of the profit of the company for that period.
- iii) The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provision of the Act and there are adequate systems and controls for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
- iv) The Directors had prepared the annual accounts on a going concern basis.
- v) The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.
- vi) The Directors had laid down internal financial controls to be followed by the company and that such financial controls are adequate and were operating effectively.

5. FIXED DEPOSITS

The Company has not accepted any deposits from Public during the year and Fixed Deposits outstanding with the Company at the end of the financial year stood at Rs. NIL. All the Fixed deposits have been returned and there are no unclaimed deposits as on 31st March 2015.

6. DIRECTORS

The Independent Directors appointed under Section 149 of the Companies Act, 2013 have given declarations that they meet the criteria of independence as laid down under Section 149 which has been relied on by the Company and placed at the Board Meeting of the Company held on 22nd May 2015.

Mrs. Saroja Raman, Director of the Company retire by rotation and is eligible for reappointment.

During the financial year seven Board meetings were held on 22nd May 2014, 30th May 2014, 30th June 2014, 30th July 2014, 24th September, 2014, 7th November, 2014 and 6th February 2015.

The attendance particulars of the Board meetings during the financial year and the last AGM are given below.

Sl No	Name of Director	DIN No	Category of Directorship	No of Board Meetings Attended	Attendance at last AGM
1	MR. RAJIV SREEDHAR	00181532	NON-INDEPENDENT MANAGING DIRECTOR	7	YES
2	MR. S.S.R. RAJKUMAR	00317801	INDEPENDENT NON-EXECUTIVE DIRECTOR	7	YES
3	MR. NOMAN H. MILLWALA	00471544	INDEPENDENT NON-EXECUTIVE DIRECTOR	6	YES
4	MRS. SAROJARAMAN	00481687	NON-INDEPENDENT NON-EXECUTIVE DIRECTOR	7	YES
5	DR. T. VENKATESAN	01793232	INDEPENDENT NON-EXECUTIVE DIRECTOR	7	YES

7. AUDITORS

Pursuant to the provisions of Section 139 of the Companies Act, 2013 and the rules framed thereunder M/s. Suri & Co., Chartered Accountants, were appointed as Statutory Auditors of the company from the conclusion of the 48th Annual General Meeting of the Company held on 24th September 2014 till the conclusion of the 51st Annual General Meeting, subject to ratification by Members at every Annual General Meeting. Your Directors recommend ratifying their appointment at the forthcoming Annual General Meeting.

8. COST AUDIT

The provisions of Section 148(1) of the Companies Act, 2013 read with Companies (Cost Records and Audit) Rules, 2014 in respect of Cost Audit is not applicable to the Company.

9. EMPLOYEES

The information required under Section 197 of the Companies Act, 2013 and the Rules made thereunder in respect of employees of the Company is not applicable.

10. CONSERVATION OF ENERGY & TECHNOLOGY ABSORPTION

Though the nature of Company's operation does not involve substantial energy consumption, various steps have been taken to conserve energy. These efforts have enabled to substantially bring down the Maximum Demand at the Ambattur Factory from 425 KVA to 225 KVA.

Technology absorption:

Research & Development activities of the Company are directed towards (a) upgradation of existing formulations of rubber compound to improve their chemical and abrasive resistance (b) to develop new compounds for application in hitherto unproven areas (c) to improve the quality of the application standards and (d) to reduce costs.

Benefits derived as a result of the above R & D efforts are improvement in quality to make the Company's products comparable to that of international standards and to achieve import substitution. R & D work on the above areas will continue to be pursued. Continuous efforts are being made to absorb, adopt and innovate technologies obtained from indigenous and foreign sources and such efforts help to increase productivity and in import substitution of raw materials and finished products.

Expenditure incurred during the financial year for R & D work was Rs. 7,10,520/-.

11. FOREIGN EXCHANGE EARNINGS AND OUTGO

The Company continues to explore new export markets for its products and services.

	<u>Rs. Million</u>
Foreign Exchange used	15.441
Foreign Exchange earned	105.939

12. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS COVERED under Section 186 of the Companies Act, 2013

The Company has not given any loan or guarantee or provided any security or made any investment during the year.

13. Audit Committee

The Audit committee of the Board comprised of following three Independent Non-Executive Directors (INED), besides the Managing Director Mr. Rajiv Sreedhar and the attendance of the Members at the meetings were as follows:

Si No	Name	Status	No of Meeting attended
1	Mr. S.S.R.Rajkumar (INED)	Chairman	4
2	Mr. Rajiv Sreedhar	Member	4
3	Mr. Noman H. Millwala (INED)	Member	3
4	Dr. T. Venkatesan (INED)	Member	4

Terms of Reference

The broad terms of reference of the Audit Committee are to review reports of the Internal Auditors and to discuss the same with them periodically, to meet Statutory Auditors to discuss their findings/suggestions and other related matters and to review weaknesses in internal controls reported by Internal Auditors.

Under the provisions of the Companies Act 2013, the Company is not required to constitute an Audit Committee as per Rule (6) of the Companies (Meetings of Board and its Powers) Rules 2014 read with Section 177.

14. Remuneration Committee

The Remuneration Committee comprised of the following Independent Non-Executive Directors.

- i) Mr. S.S.R.Rajkumar
- ii) Mr. Noman H. Millwala and
- iii) Dr. T. Venkatesan

Mr. S.S.R. Rajkumar is the chairman of the Committee.

This Committee has met on 22nd May 2014 to consider reappointment of Mr. Rajiv Sreedhar, Managing Director during the period commencing from 1st September 2014 for a period of 5 years and refixation of his remuneration. The Non-Executive Directors do not draw any remuneration from the Company except sitting fee.

Under the provisions of the Companies Act 2013, the Company is not required to constitute an Remuneration Committee as per Rule 6 of the Companies (Meetings of Board and its Powers) Rules 2014 read with Section 177.

15. Risk Management:

The Company has a comprehensive policy frame work for identification, measurement and management of all material risks including but not limited to market, raw materials and other inputs, credit and liquidity.

16. Exit of Madras Stock Exchange Ltd. - Moving our Company to the Dissemination Board of NSE

Our Company's shares were listed with the Madras Stock Exchange Limited (MSEL). Consequent to MSEL opting for voluntary de-recognition, our Company ceased to be a listed Company with MSEL and has been placed on the Dissemination Board of NSE with effect from 27th March 2015. NSE has allowed buying and selling of shares of Company's Shares on the Dissemination Board.

17. CORPORATE SOCIAL RESPONSIBILITY

The Company understands its responsibility towards the society and environment in which it operates. The Company has constituted Corporate Social Responsibility Committee at the Board level. Members of the Committee are:

1. Mrs. Saroja Raman
2. Mr. Rajiv Sreedhar
3. Mr. S.S.R. Rajkumar

Average net profit of the company for the last three financial years : Rs.3,45,97,447
Prescribed CSR expenditure at 2% of the above amount : Rs 6,91,948

The Company has been exploring the possibilities of participating in various CSR projects in line with the policy approved by the Board and the CSR Committee is in the process of Identifying projects for implementation on an on-going basis.

The sum of Rs.6,91,948 is proposed to be spent on CSR activities during the financial year 2015-16 in accordance with the Companies (Corporate Social Responsibility Policy) Rules, 2014.

18 SECRETARIAL AUDIT

Secretarial Audit is not applicable as per Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 read with Section 204 of the Companies Act, 2013.

19. AUDITORS REPORT

There are no qualifications, reservations or adverse remarks mentioned in the Auditors Report.

20. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORK PLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT 2013

During the year, the Company has not received any complaint under Sexual Harassment of Women at the workplace (Prevention, Prohibition & Redressal) Act 2013.

21. INSURANCE

The Company continues to carry adequate Insurance for all assets against foreseeable perils.

22. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

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

23. INDUSTRIAL RELATIONS

During the year, your Company enjoyed cordial relationship with workers and employees at all levels.

24. INTERNAL CONTROLS

The Company has internal control systems commensurate with the size and nature of its business and has appointed a firm of Chartered Accountants as the Internal Auditors. The Internal Audit coverage is adequate to ensure that the assets of the company are safeguarded and protected and there is regular review by Management on policies, internal controls & procedures and also on internal audit reports.

25. CORPORATE GOVERNANCE

As the Company ceased to be listed with Madras Stock Exchange, provisions of Clause 49 of the Listing Agreement on Corporate Governance is not applicable.

26. ACKNOWLEDGEMENT

Your Directors place on record their appreciation for the continued support extended by the employees at all levels, the Company's bankers, customers and suppliers at all times.

for and on behalf of the Board

Chennai
31st July , 2015

Saroja Raman
Chairperson

Form No. MGT 9

EXTRACT OF ANNUAL RETURN as on the financial year ended on 31.03.2015 of

MIL INDUSTRIES LIMITED

(Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies Management and Administration) Rules, 2014)

I. REGISTRATION AND OTHER DETAILS:

1) CIN:	L25199TN1966PLC005397
2) Registration Date	11.02.1966
3) Name of the Company	MIL INDUSTRIES LIMITED
4) Category/sub category of the Company	Public Limited Company/ Limited by Shares
5) Address of the Registered Office & Contact Address	25A, Industrial Estate, Ambattur Chennai - 600 098 Phone: 044-26258382 Fax: 044-26257583 Email: mil@milindustries.com Website: www.milindus.com
6) Whether shares listed on recognised Stock Exchange(s)	The shares were listed with Madras Stock Exchange Ltd. Due to voluntary exit of Madras Stock Exchange, we cease to be a listed company with effect from 27.03.2015
7) Name, Address & contact details of the Registrar & Transfer Agent, if any	Integrated Enterprises (India) Limited 'Kences Towers', II Floor, 1, Ramakrishna Street, North Usman Road T. Nagar, Chennai - 600 017. Phone: 044-28140801 - 803 Fax: 044-28142479 Email: corpserv@integratedindia.in

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY (All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

S.NO	Name and Description of Main Product / services	NIC Code of the Product / service	% to total turnover of the company
1	Manufacture of Rubber Lining Products, Trading of Rubberlining materials and Rubberlinings	22191	68.48
2	Manufacture of PTFE Lined Pipes and Fittings and PTFE Products	22209	31.52

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

(All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

Sl. No.	Name and Description of Main Product / services	NIC Code of the Product / service	Holding/ Subsidiary & Associate	% Share held	Under Section
	NIL				

IV SHARE HOLDING PATTERN (EQUITY)

Category of Shareholders	No. of Shares held at the beginning of the year (As on 31-March-2014)				No of Shares held at the end of the year (AS on 31-March-2015)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	350360	404940	755300	23.98	596680	162220	760900	24.09	0.11
b) Central Govt									
c) State Govt(s)									
d) Bodies Corp.	1195000		1195000	37.94	1195000		1195000	37.94	
e) Banks / FI									
f) Any other									
Subtotal (A) (1)	1545360	404940	1950300	61.92	1791680	162220	1953900	62.03	0.11
(2) Foreign									
a) NRI – Individuals		5250	5250	0.17		5250	5250	0.17	
b) Other – Individuals									
c) Bodies corporate									
d) Banks / FI									
e) Any other									
Subtotal (A) (2)		5250	5250	0.17		5250	5250	0.17	
Total shareholding of Promoter (A) = (A)(1) + (A)(2)	1545360	410190	1955550	62.09	1791680	167470	1959150	62.20	0.11
B. Public Shareholding									
1. Institutions									
a) Mutual Funds									
b) Banks / FI		168000	168000	5.33		168000	168000	5.33	
c) Central Govt									
d) State Govt(s)									
e) Venture Capital Funds									
f) Insurance Companies	43750		43750	1.39	43750		43750	1.39	
g) FIIs									
h) Foreign Venture Capital Funds									
i) Others (individual)									
Sub-total (B)(1):-	43750	168000	211750	6.72	78750	133000	211750	6.72	
2. Non-Institutions									
a) Bodies Corp.	35000	155000	190000	6.03	35000	155000	190000	6.03	
i) Indian									
ii) Overseas									
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	57010	525755	582765	18.50	72760	506405	579165	18.39	0.11
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	35000	49935	84935	2.70	35000	49935	84935	2.70	—

c) Others (NRIs)		125000	125000	3.96		125000	125000	3.96	
Sub-total (B)(2):-	127010	855690	982700	31.19	107760	871340	979100	31.08	0.11
Total Public Shareholding (B)= (B)(1)+ (B)(2)	170760	1023690	1194450	37.91	186510	1007940	1194450	37.80	0.11
C. Shares held by Custodian for GDRs & ADRs									
Grand Total (A+B+C)	1681120	1468880	3150000	100.00	1978190	1171810	3150000	100.00	

B) Shareholding of Promoter-

Sl No	Share holder's Name	Share holding at the beginning of the year			Share holding at the yend of the year			% change in share holding during the year
		No of Sh ares	% of Total Shares of the Company	% of Shares pledged / encumbered to total shares	No of Sh ares	% of Total Shares of the Company	% of Shares pledged / encumbered to total shares	
1	Mr. R.K. Raman	108480	3.44	---	---	---	---	3.44
1	Mr. M.D. Vijayaraghavan	3500	0.11	---	3500	0.11	---	---
2	Mrs. Indrani S. Iyer	4300	0.14	---	4300	0.14	---	---
3	Mrs. Saroja Raman	284800	9.04	---	279145	8.86	---	0.08
4	Mr. Chandramouli Thirumurthy	1340	0.04	---	1340	0.04	---	---
5	Mr. C. Venkatesan	5850	0.19	---	5850	0.19	---	---
6	Mrs. Indrani S. Iyer	4600	0.15	---	4600	0.15	---	---
7	Mrs. Ramila Sreedhar	95850	3.04	---	135095	4.29	---	1.25
8	Mr. Ramesh Raman	60050	1.91	---	99295	3.15	---	1.24
9	Mr. Raghu Raman	73430	2.33	---	112675	3.58	---	1.25
10	Mrs. Vimala Vijayaraghavan	1750	0.06	---	1750	0.06	---	---
11	Mr. S. Mohanram	2000	0.06	---	2000	0.06	---	---
12	Mr. A. Ganesh	150	0.00	---	150	0.00	---	---
13	Krebs Engineering P Ltd.	955000	30.32	---	955000	30.32	---	---
14	Mrs. Malathi Raman	43300	1.37	---	43300	1.37	---	---
15	Mr. Rajiv Sreedhar	4650	0.15	---	4650	0.15	---	---
16	Mrs. Rashmi Raman	27050	0.86	---	27050	0.86	---	---
17	Mrs. Lalitha Sangameswaran	8000	0.25	---	8000	0.25	---	---
18	Mrs. Malathi Rajan	3800	0.12	---	3800	0.12	---	---
19	Mrs. Radha Ramakrishnan	19050	0.60	---	19050	0.60	---	---
20	M/s Chemical Consultants & Engrs. P Ltd	130000	4.13	---	130000	4.13	---	---
21	M/S Milgerlan Engg. & Constn. Pvt. Ltd.	110000	3.49	---	110000	3.49	---	---
22	Mr. Ramesh Ramakrishnan	2000	0.06	---	2000	0.06	---	---
23	Mr. S.A. Raja	4600	0.15	---	4600	0.15	---	---
24	Mr. D. Sangameswaran	2000	0.06	---	2000	0.06	---	---

C) Change in Promoters' Shareholding:

S. NO		Shareholding at the beginning of the year		Cumulative Share holding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	1955550	62.08		
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease. Purchase from Public on 27.02.2015			3600	0.12
	At the end of the year			1959150	62.20

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

S. No	For Each of the Top 10 Share holders	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Mr. Mahendra Giridharilal	190085	6.03	190085	6.03
2	M/s. Tamilnadu Indl. Investment Corp Ltd.	168000	5.33	168000	5.33
3	Mr. Pishu W. Uttamchandani	50000	1.59	50000	1.59
4	M/s. 21 st Century Management Services	50000	1.59	50000	1.59
5	M/s. Sterling Holiday Financial Services Ltd.	49000	1.56	49000	1.56
6	M/s. United India Insurance Co. Ltd.	43750	1.39	43750	1.39
7	M/s. ICICI Securities Primary Services Ltd.	35000	1.11	35000	1.11
8	M/s. Agrasen Finance P Ltd.	31000	0.98	31000	0.98
9	Ms. S. Padmini	30000	0.95	30000	0.95
10	M/s. Lakshmi Trade Credits Ltd	25000	0.79	25000	0.79

E) Shareholding of Directors and Key Managerial Personnel:

S. No	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Mr. Rajiv Sreedhar	4650	0.150	4650	0.150
2	Mrs. Saroja Raman	284800	9.040	279145	8.860
3	Mr. S.S.R. Rajkumar	20800	0.660	20800	0.660
4	Mr. Noman H. Millwala	3750	0.120	3750	0.120
5	DR. T. Venkatesan	500	0.020	500	0.020
6	Mr. V.P.K. Mani	50	0.002	50	0.002
7	Mr. N. Guruswamy	175	0.006	175	0.006

V. INDEBTEDNESS

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	34633712	0.00	16700000	51333712
ii) Interest due but not paid	0.00	0.00	0.00	0.00
iii) Interest accrued but not due	9187675	0.00	0.00	9187675
Total (i+ii+iii)	43821387	0.00	16700000	60521387
Change in Indebtedness during the financial year				
* Addition	7106371	0.00	0.00	7106371
* Reduction	0.00	0.00	16700000	16700000
Net Change	7106371	0.00	(16700000)	(9593629)
Indebtedness at the end of the financial year				
i) Principal Amount	41127583	0.00	0.00	41127583
ii) Interest due but not paid	0.00	0.00	0.00	0.00
iii) Interest accrued but not due	9800175	0.00	0.00	9800175
Total (i+ii+iii)	50927758	0.00	0.00	50927758

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

Sl. No.	Particulars of Remuneration	Name of MD		Total Amount
		Mr. Rajiv Sreedhar		
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	5364306		5364306
	(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)	5364306		5364306
	Ceiling as per the Act	5400000		5400000

B. Remuneration to other directors

	Particulars of Remuneration	Name of Directors				Total Amount
		Mr. S.S.R Rajkumar	Mr. Noman H Millwala	Dr. T. Venkatesan	Mrs. Saroja Raman	
1	Independent Directors					
	Fee for attending board committee meetings	52000	46000	---	---	98000
	Commission	---	---	---	---	---
	Others, please specify	---	---	---	---	---
	Total (1)	52000	46000	---	---	98000
2	Other Non-Executive Directors					
	Fee for attending board committee meetings	---	---	52000	31000	83000
	Commission	---	---	---	---	---
	Others, please specify	---	---	52000	31000	83000
	Total (2)					
	Total (B)=(1+2)	52000	46000	52000	31000	181000
	Total Managerial Remuneration					5545306
	Overall Ceiling as per the Act					

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD: NA

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Mr. V.P.K. Mani CS	Mr.N. Guruswamy CFO	Total
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-----	280000	960000	1240000
	(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)	--	280000	960000	1240000

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: NONE

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment / Compounding fees Imposed	Authority (RD/ NCLT / COURT)	A p p e a l made, if any (give Details)
A. COMPANY					
Penalty	---	---	---	---	---
Punishment	---	---	---	---	---
Compounding	---	---	---	---	---
B. DIRECTORS					
Penalty	---	---	---	---	---
Punishment	---	---	---	---	---
Compounding	---	---	---	---	---
C. OTHER OFFICERS IN DEFAULT					
Penalty	---	---	---	---	---
Punishment	---	---	---	---	---
Compounding	---	---	---	---	---

**FOR MIL INDUSTRIES LIMITED
SAROJA RAMAN
CHAIRPERSON**

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MIL INDUSTRIES LIMITED, CHENNAI – 98.

Report on the Financial Statements

We have audited the accompanying financial statement of MIL Industries Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of significant policies and other explanatory information.

Management's Responsibility for the 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 financial statements that give a 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 maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these 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 financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the 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 financial statements that give a 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 in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the 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 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 financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 31st March, 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 terms of sub-section 11 of section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by section 143 (3) of the Act, we report that:
 - (a) We have 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 financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - (e) On the basis of the written representations 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; and

(f) With respect to the other matters to be 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 explanations given to us;

i) The company has disclosed the impact of pending litigations on its financial position in the financial statements - Refer Note 22 (b) and (c) to the financial statements.

ii) The company did not have any long term contracts including derivative contracts for which there were 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 during the year.

For Suri & Co.,
Firm Regn. No. 004283S

R. Mahesh
Partner
Chartered Accountants
Membership. No. 024775

Place: Chennai
Date: 22.05.2015

**ANNEXURE TO THE INDEPENDENT AUDITORS REPORT TO THE MEMBERS
OF MIL INDUSTRIES LIMITED, CHENNAI - 98**

- i. a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of Fixed Assets.
b) These fixed assets have been physically verified by the Management at reasonable intervals and as explained to us, no material discrepancies were noticed on such verification during the year.
- ii. a) Physical verification of Inventory has been conducted at reasonable intervals by the management.
b) The procedures of physical verification of inventory 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 is maintaining proper records of inventory. As explained to us, the discrepancies noticed on physical verification were not material and the same have been properly dealt with in the books of account.
- iii. The Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act, 2013.
- iv. In our opinion and according to the information and explanations given to us, the company has an adequate internal control system commensurate with the size of the company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods and services. We have not observed any major weakness in the internal control system during the course of the audit.
- v. The company has not accepted any deposits from the public during the year. In respect of deposits accepted in earlier years, the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed thereunder have been complied with. As per information furnished, the company has not received any order from the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other Tribunal.
- vi. We have broadly reviewed the cost records maintained by the company in respect of products where the Central Government has prescribed maintenance of cost records under sub section (1) of section 148 of the Companies Act, 2013 and are of the opinion that, prima facie the prescribed accounts and records have been made and maintained. We have, however, not made a detailed examination of the records with a view to determine whether they are accurate or complete.

vii. a) The company is regular in depositing 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 statutory dues with the appropriate authorities. There are no undisputed statutory dues payable in respect of above which were outstanding as at 31st March 2015 for a period of more than six months from the date they became payable.

(b) According to the information and explanations furnished to us, the details of disputed statutory dues are as under:

Name of the Statute	Nature of Dues	Amount Disputed (Rs.)	Amount paid (Rs.)	Forum where dispute is pending
Service Tax under Finance Act, 1994	Service Tax April 2010 to March 2011	1,295,000/-	351,955/-	Commissioner of Central Excise (Appeals)
TN VAT Act	Sales Tax 2006-07 to 2009-10	1,401,473/-	491,959/-	Appellate Deputy Commissioner

- c) There were no amounts which were required to be transferred to Investor Education and Protection Fund by the company during the year.
- viii) The company has neither any accumulated losses nor has incurred any cash losses in the financial year or in the immediately preceding financial year.
- ix. The company has not defaulted in repayment of dues to financial institutions or banks. The company has no outstanding debentures.
- x. As per the information and explanations given to us, the company has not given any guarantee for loans taken by others from any bank or financial institutions.
- xi. The company has applied the term loans for the purpose for which they were obtained.
- xii. According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the year.

For Suri & Co
Firm Regn. No. 004283S

R. Mahesh
Partner

Chartered Accountants
Membership No. 024775

Place: Chennai
Date: 22.05.2015

BALANCE SHEET AS AT 31st MARCH 2015

	Note No.	31.03.2015 Rs.	31.03.2014 Rs.
I. EQUITY AND LIABILITIES			
1. Shareholders' Funds:			
a) Share Capital	2	31,500,000	31,500,000
b) Reserves and Surplus	3	253,523,784	220,659,209
2. Non-Current Liabilities			
a) Long Term borrowings	4	19,771,829	20,377,073
b) Deferred Tax Liabilities (Net)		2,224,092	2,885,004
3. Current Liabilities			
a) Short Term Borrowings	5	21,355,754	30,867,986
b) Trade Payables		40,933,265	24,486,772
c) Other Current Liabilities	6	33,762,881	37,278,440
b) Short Term Provisions	7	4,867,454	2,017,304
TOTAL		407,939,059	370,071,788
II. ASSETS			
1. Non-Current Assets			
a) Fixed Assets - Tangible Assets	8	172,394,026	162,546,842
b) Non-Current Investments	9	78,000	78,000
c) Long term Loans and Advances	10	1,772,828	1,739,604
2. Current Assets			
a) Inventories	11	61,506,465	52,661,007
b) Trade Receivables	12	73,516,727	44,678,557
c) Cash and Bank Balances	13	89,867,283	100,706,808
d) Short Term Loans and Advances	14	8,803,730	7,660,970
TOTAL		407,939,059	370,071,788

See accompanying notes to financial statements.
Vide our report of even date attached
For Suri & Co.
Firm Regn. No. 004283S

R. Mahesh
Partner

V.P.K. MANI
Secretary

RAJIV SREEDHAR
Managing Director

S.S.R. Rajkumar
Noman H. Millwala
Saroja Raman
Dr. T. Venkatesan
Directors

Chartered Accountants
Membership No. 024775

Place: Chennai - 600 098
Date: 22.05.2015

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

	Note No.	31.03.2015 Rs.	31.03.2014 Rs.
I. Revenue from Operations			
Sales and Other Operating Income	15	310,754,483	363,794,602
Less: Excise Duty		<u>8,045,664</u>	<u>7,114,289</u>
		302,708,819	356,680,313
II. Other Income	16	<u>10,049,600</u>	<u>13,651,425</u>
III. Total Revenue (I + II)		<u>312,758,419</u>	<u>370,331,738</u>
Expenses			
Cost of Materials consumed	17	106,364,437	101,917,460
Purchase of Stock-in-Trade		3,975,363	1,532,012
Changes in inventories of finished goods and work-in-progress	18	(408,875)	514,381
Employee benefit expense	19	33,437,815	28,485,804
Finance costs	20	6,655,522	6,413,922
Depreciation and amortization expense	8	8,071,874	5,518,120
Other expenses	21	<u>104,136,494</u>	<u>163,422,336</u>
IV. Total Expenses		<u>262,232,630</u>	<u>307,804,035</u>
V. Profit before exceptional and extraordinary items and tax (III - IV)		50,525,789	62,527,703
VI. Exceptional and extraordinary items		—	—
VII. Profit before Tax (V - VI)		50,525,789	62,527,703
VIII. Tax Expense			
Current Tax		18,300,000	20,400,000
Deferred Tax		<u>(660,912)</u>	<u>1,360,572</u>
IX. Profit for the period (VII - VIII)		<u>32,886,701</u>	<u>43,488,275</u>
X. Earnings per equity share			
Basic and Diluted		10.44	13.81

See accompanying notes to financial statements.

Vide our report of even date attached

For Suri & Co

Firm Regn. No. 004283S

R. Mahesh
Partner

V.P.K. MANI
Secretary

RAJIV SREEDHAR
Managing Director

S.S.R. Rajkumar
Noman H. Millwala
Saroja Raman
Dr. T. Venkatesan
Directors

Chartered Accountants

Membership No. 024775

Place: Chennai - 600 098

Date : 22.05.2015

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31.03.2015

1. SIGNIFICANT ACCOUNTING POLICIES

a. Basis of Preparation of Accounts:

The financial statements have been prepared on the historical cost basis in accordance with the generally accepted accounting principles except in so far as they relate to revaluation of Land, Buildings and Plant and Machinery in the past and comply in all material respects with the applicable Accounting Standards.

b. Valuation of Inventories:

i) Inventories are valued at lower of Cost and Net Realisable Value.

ii) The cost of raw materials, components, stores and consumables is arrived at on the basis of weighted average cost.

iii) The cost of stock in progress is arrived at on the basis of weighted average cost of raw materials, components and consumables, cost of conversion and other costs incurred to bring inventories to its present condition.

c. Revenue Recognition:

Income is recognised and expenditure is accounted for on their accrual.

i) Sale of goods is recognised when the risk and rewards of the ownership are passed on to the customers which is generally on despatch of goods.

ii) Revenue arising from the use of enterprise resources is recognised when no significant uncertainty as to measurability and collectability exists.

iii) Dividend income is recognised when the right to receive dividend is established.

d. Fixed Assets :

Fixed assets are stated at cost or at revalued amounts wherever such assets have been revalued, less accumulated depreciation.

e. Investments :

i) Long term Investments are stated at cost less provision for diminution in the value of investment wherever applicable

ii) Current investments are carried at lower of cost and fair value.

f. Depreciation

i) Depreciation on the assets of Rubberlining Division has been provided on written down value method and on the assets of PTFE division on straight line method at the rates specified in schedule XIV to the Companies Act, 1956 upto 31st March, 2014. With effect from 1st April 2014, the company has adopted useful lives of Fixed Assets as specified in Part C of Schedule II of Companies Act, 2013 and has provided depreciation at the above methods.

ii) In respect of assets revalued, depreciation has been provided on the revalued amounts and the additional depreciation over the depreciation computed on the historical cost of the said assets is adjusted from Revaluation Reserve.

g. Taxes On Income :

- i) Taxes on income are accrued in the same period as the revenue and expenses to which they relate.
- ii) Current Taxes are measured at the amount expected to be paid to the taxation authorities, using the applicable tax rates and tax laws.
- iii) Deferred tax on account of Tax effect on the accumulated timing differences that arises between the Accounting income and Taxable income is measured using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date.
- iv) Deferred Tax Asset is recognised on reasonable certainty that sufficient future taxable income will be available.

h. Research and Development Expenditure :

Research and Development Expenditure that is of revenue nature is charged to the natural heads.

i. Foreign Currency Transactions :

- i) In respect of Exports, initial recognition is at the rate negotiated with the bank and the company negotiates with the bank immediately on completion of delivery.
- ii) In respect of other transactions, initial recognition is on the rate prevailing at the date of transaction.
- iii) Exchange differences on settlement of foreign exchange items are recognised as income or as expense in the period in which they arise.
- iv) At each Balance Sheet date monetary items denominated in foreign currency are reckoned at foreign exchange rate at the date of Balance Sheet and exchange variations are recognised as income or expense accordingly.

j. Employee Benefits :

- i) The Company is contributing to Provident Fund for the employees and the same is remitted to the Regional Provident Fund Commissioner and charged to Statement of Profit and Loss.
- ii) The Company has a Superannuation scheme for eligible employees duly recognised by the Commissioner of Income Tax and the annual liability as determined by the Life Insurance Corporation of India is remitted as premium and charged to Statement of Profit and Loss.
- iii) The Company has a Group Gratuity scheme duly recognised by the Commissioner of Income Tax and the annual liability determined by the Life Insurance Corporation of India is remitted as premium and charged to Statement of Profit and Loss as actuarially ascertained.

- iv) The Company as such does not have a policy for encashment of leave at the time of retirement by employees and payments are made as and when claim is admitted and charged to revenue.

k. Borrowing Costs :

Borrowing Costs that are attributable to the acquisition or construction of qualifying assets are capitalised as part of cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to revenue.

l. Impairment of Assets

As at Balance Sheet date, the carrying amount of asset is tested for impairment so as to determine

- i) The extent of recognition of impairment loss if any required or
- ii) The reversal if any required of impairment loss recognised in the previous period. Where the carrying amount of an asset exceeds its recoverable amount, such excess is recognised as impairment loss and charged in the statement of Profit and Loss.

m. Provisions and Contingent liabilities

- i) Provision is recognised in respect of present obligation requiring settlement by outflow of resources and of which reliable estimate of the amount of obligation could be made.
- ii) Contingent liability is not recognised and is disclosed unless the possibility of outflow of resources embodying economic benefit is remote. Present obligation arising from the past events and the existence of which is subject to occurrence or non-occurrence of an uncertain future event is disclosed.

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH 2015

	31.03.2015 Rs.	31.03.2014 Rs.
A) CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before taxation	50,525,789	62,527,703
Adjustments for:		
Depreciation	8,071,874	5,518,120
Interest	3,245,118	4,077,637
(Profit)/Loss on sale of assets	(477,071)	(220,625)
Dividend and Interest income	(7,029,655)	(6,170,440)
(Gain)/Loss on foreign currency translation	47,148	(93,005)
Operating Profit before Working Capital Changes	<u>54,383,203</u>	<u>65,639,390</u>
Adjustments for :		
(Increase) / Decrease in Inventories	(8,845,458)	349,487
(Increase) / Decrease in Sundry Debtors	(28,885,318)	5,390,751
(Increase) / Decrease in Other Current Assets, Loans and Advances	2,283,942	14,596,853
(Increase) / Decrease in Deposits with Banks under lien and Unclaimed Dividend Account	(8,449,683)	8,570,658
Increase / (Decrease) in Current Liabilities	<u>13,138,634</u>	<u>(3,303,239)</u>
Cash Generated From Operations	23,625,321	91,243,900
Taxes paid (Net) including TDS	<u>(19,117,477)</u>	<u>(18,401,756)</u>
Net Cash flow from Operating Activities (A)	<u>4,507,843</u>	<u>72,842,144</u>
B) CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(18,784,388)	(8,791,211)
Sale of Fixed Assets	1,320,274	1,312,119
Dividend and Interest income	7,029,655	6,170,440
Net Cash Used in Investing Activities (B)	<u>(10,434,459)</u>	<u>(1,308,652)</u>
C) CASH FLOW FROM FINANCING ACTIVITIES		
Loans obtained / (repaid)	(10,117,475)	(6,438,945)
Interest paid	<u>(3,245,118)</u>	<u>(4,077,637)</u>
Net Cash flow from Financing Activities (C)	<u>(13,362,593)</u>	<u>(10,516,582)</u>
D) Gain / (Loss) on foreign currency translation (D)	—	(170,835)
Net Increase/(Decrease) in Cash or Cash Equivalents (A+B+C+D)	(19,289,209)	60,846,075
Opening Balance Cash and Cash Equivalents	82,120,473	21,274,398
Closing Balance Cash and Cash Equivalents	62,831,264	82,120,473

For Suri & Co.

Firm Regn. No. 004283S

R. Mahesh V.P.K. MANI
Partner Secretary

RAJIV SREEDHAR
Managing Director

Chartered Accountants

Membership No. 024775

Place: Chennai - 600 098

Date: 22.05.2015

S.S.R. Rajkumar
Noman H. Millwala
Saroja Raman
Dr. T. Venkatesan
Directors

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31.03.2015

	31.03.2015 Rs.	31.03.2014 Rs.
2. SHARE CAPITAL		
AUTHORISED		
49,00,000 Equity Shares of Rs.10/- each	49,00,000	49,00,000
1,00,000 10% Redeemable Cumulative Preference Shares of Rs.10/- each	1,00,000	1,00,000
2,50,000 10% Convertible, Redeemable & Cumulative Preference Shares of Rs.10/- each	2,50,000	2,50,000
	52,50,000	52,50,000
ISSUED, SUBSCRIBED AND FULLY PAID UP		
31,50,000 Equity Shares of Rs.10/- each	31,50,000	31,50,000
	31,50,000	31,50,000

Reconciliation of equity shares outstanding at the beginning and at the end of the year

Particulars	No. of Shares	Value Rs.
Outstanding at the beginning of the year	3,150,000	31,500,000
Outstanding at the end of the year	3,150,000	31,500,000

Shares in the company held by each shareholder holding more than 5% shares

S. No.	Name of the shareholder	No. of Shares		Percentage of shares held	
		31.03.2015	31.03.2014	31.03.2015	31.03.2014
1.	Krebs Engineering Private Limited	955,000	955,000	30.32%	30.32%
2.	Saroja Raman	279,145	284,800	8.86%	9.04%
3.	Mahendra Girdharilal	190,085	190,085	6.03%	6.03%
4.	Tamilnadu Industrial Investment Corporation Ltd.	168,000	168,000	5.33%	5.33%
		1,588,330	1,597,885	50.42%	50.73%

	31.03.2015	31.03.2014
3. RESERVES AND SURPLUS	Rs	Rs
1. CAPITAL REDEMPTION RESERVE		
As per last Balance Sheet	<u>3,000,000</u>	<u>3,000,000</u>
2. CAPITAL RESERVE		
Capital Investment Subsidy from SIPCOT & ICICI		
As per last Balance Sheet	<u>1,500,000</u>	<u>1,500,000</u>
3. REVALUATION RESERVE		
As per last Balance Sheet	114,062,319	114,088,091
Less: Extra Depreciation on account of revaluation	<u>22,127</u>	<u>25,772</u>
	<u>114,040,192</u>	<u>114,062,319</u>
4. GENERAL RESERVE		
As per last Balance Sheet	<u>1,826,000</u>	<u>1,826,000</u>
5. SURPLUS IN PROFIT AND LOSS STATEMENT		
As per last Balance Sheet	100,270,890	56,782,615
Add: Profit for the year	<u>32,886,701</u>	<u>43,488,275</u>
	<u>133,157,591</u>	<u>100,270,890</u>
	<u>253,523,784</u>	<u>220,659,209</u>

4. LONG TERM BORROWINGS	31.03.2015	31.03.2014
	Rs.	Rs.
From Others - Liquid Propulsion Systems Centre - Secured	19,771,829	20,377,073
(Interest free loan, secured by First Charge on PTFE Flexible Hose Manufacturing Equipment with all standard accessories erected at Gummidipoondi and Ambattur Plants repayable against deliverables over a period of 5 to 8 years)		
Period and amount of continuing default - Nil	<u>19,771,829</u>	<u>20,377,073</u>
5. SHORT TERM BORROWINGS		
(i) From Banks		
Working Capital borrowings - Secured	9,561,653	10,667,986
- includes Buyer's Credit in Foreign Currency Rs. NIL (PY Rs.6,983,843/-)		
Bills Discounted	8,294,101	---
(Secured by hypothecation of all stocks of raw materials, stores and spares, work-in-progress, finished goods and book debts and also by way of first charge on the fixed assets of the company)		
Period and amount of default - NIL		
ii) From Others		
IFST Loan - Secured	3,500,000	3,500,000
(Secured by way of pari passu second charge on all and singular Plant & Machinery and Land & Building at Gummidipoondi factory)		
Period and amount of default - NIL		

	31.03.2015	31.03.2014
	Rs.	Rs.
iii) Deposits - Unsecured		
From Related Parties		
- Directors	---	7,225,000
- Relatives of Directors	---	5,050,000
- Other Public Deposits	---	4,425,000
Period and amount of default - Nil		
	<u>21,355,754</u>	<u>30,867,986</u>
6. OTHER CURRENT LIABILITIES		
Current maturities of long term loans	---	88,653
Interest accrued but not due on loans	9,800,175	9,187,675
Advance from Customers	19,993,434	25,258,775
Unclaimed dividends	150,700	150,700
Security Deposits	205,000	205,000
Other payables:		
Excise Duty	3,022,387	1,825,926
Service Tax	---	---
Sales Tax	200,000	---
Cess Payable	44,500	58,000
TDS Payable	346,685	503,711
	<u>33,762,881</u>	<u>37,278,440</u>
7. SHORT TERM PROVISION		
Provision for Employee Benefits	1,407,529	1,199,827
Provision for Taxation (Net)	3,459,925	817,477
	<u>4,867,454</u>	<u>2,017,304</u>
9. NON-CURRENT INVESTMENTS		
Non-Trade - Unquoted		
7800 Equity Shares of Rs.10/- each fully paid in MIL Trading Private Limited (Associate)		
	<u>78,000</u>	<u>78,000</u>
	<u>78,000</u>	<u>78,000</u>
10. LONG TERM LOANS AND ADVANCES		
Unsecured - Considered good		
Security Deposits	<u>1,772,828</u>	<u>1,739,604</u>
	<u>1,772,828</u>	<u>1,739,604</u>

8. FIXED ASSETS

Tangible Assets

(In Rupees)

Sl. No	Particulars	Gross Block				Depreciation			Net Block	
		As at 31.03.2014	Additions	Deletions	As at 31.03.2015	As at 31.03.2014	For the Year	Adjustments	As at 31.03.2015	As at 31.03.2014
1.	Land - Free hold									
	a. Ambattur	114,054,387	-	-	114,054,387	-	-	-	114,054,387	114,054,387
	b. Others	7,305,325	-	-	7,305,325	-	-	-	7,305,325	7,305,325
2.	Land - Lease Hold	238,485	-	-	238,485	66,030	3,196	-	169,259	172,455
3.	Buildings	22,965,993	-	-	22,965,983	12,832,092	612,199	-	13,444,291	10,133,891
4.	Plant and Equipments	92,268,327	13,564,365	191,600	105,641,092	64,850,044	5,328,746	181,025	69,997,765	27,418,283
5.	Furniture and Fixtures	2,099,004	8,931	-	2,107,935	1,968,483	120,678	-	2,089,161	130,521
6.	Vehicles	6,338,911	4,219,415	2,694,964	7,863,362	3,329,208	1,511,596	1,862,336	2,978,468	3,009,703
7.	Office Equipments	6,106,286	760,539	-	6,866,825	5,784,009	444,706	-	6,228,715	322,277
8.	Computer	-	231,138	-	231,138	-	72880	-	72,880	158,258
	Total	251,376,708	18,784,388	2,886,564	267,274,532	88,829,866	8,094,001*	2,043,361	94,880,506	162,546,842
	Previous Year	244,538,041	8,791,211	1,952,544	251,376,708	84,147,024	5,543,892	861,050	88,829,866	160,391,017

* Depreciation on revaluation withdrawn from Revaluation Reserve Rs.22,127/- (Previous year - Rs.25,772/-)

Note : The company has adopted useful lives of fixed assets as specified in Part C of Schedule II of Companies Act, 2013, effective from April 1, 2014.

Consequently the depreciation charged to the Statement of Profit and Loss for the year ended 31.03.2015 is higher by Rs.17.02 lakhs.

	31.03.2015 Rs.	31.03.2014 Rs.
11. INVENTORIES		
(Valued at lower of cost and net Realisable value)		
Raw Materials	31,490,522	22,935,364
Work-in-Progress	24,401,994	21,498,053
Finished Goods	2,191,806	4,686,872
Stores and Spares	3,422,143	3,540,718
	<u>61,506,465</u>	<u>52,661,007</u>
12. TRADE RECEIVABLES		
Unsecured - Considered Good	3,774,022	3,974,850
Exceeding six months	69,742,705	40,703,707
Other debts	<u>73,516,727</u>	<u>44,678,557</u>
13. CASH AND BANK BALANCES		
(i) Cash and Cash equivalents		
Balance with Banks	12,456,688	15,103,533
In Current Accounts	50,011,918	66,705,962
In Deposit Accounts	362,659	310,978
Cash on hand	<u>62,831,265</u>	<u>82,120,473</u>
	150,700	150,700
(ii) Unclaimed Dividend Account	26,885,318	18,435,635
(iii) Bank Deposits offered as security	<u>89,867,283</u>	<u>100,706,808</u>
14. SHORT-TERM LOANS AND ADVANCES		
Unsecured Considered Good		
(i) Employee Advance	151,019	76,400
(ii) Prepaid Expenses	726,263	570,356
(iii) Advance to Suppliers	5,498,875	4,456,408
(iv) Rent Advance	13,000	13,000
(v) Earnest Money Deposits	88,150	133,000
(vi) Balance with Excise Department	1,062,877	1,227,196
(vii) Balance with Sales Tax Department	<u>1,263,546</u>	<u>1,184,610</u>
	<u>8,803,730</u>	<u>7,660,970</u>

	31.03.2015	31.03.2014
	Rs.	Rs.
15. SALES AND OTHER OPERATING INCOME		
Sale of Products (Rubber Lining & PTFE)	269,599,955	281,037,205
Sale of Services	27,755,130	78,637,411
Sale of Stock-in-Trade	<u>13,399,398</u>	<u>4,119,986</u>
	<u>310,754,483</u>	<u>363,794,602</u>
16. OTHER INCOME		
(A) Income from non-current Investments		
Dividend Income	—	468,000
(B) Others		
Gain on foreign currency transactions	1,396,574	5,523,614
Profit on sale of Assets	477,071	220,625
Interest received	7,029,655	5,702,440
Rent received	360,000	360,000
Duty Drawback	740,732	1,285,158
Other Non-Operating income	<u>45,568</u>	<u>91,588</u>
	<u>10,049,600</u>	<u>13,651,425</u>
17. COST OF MATERIALS CONSUMED		
Raw materials and components (Rubber, Resins, Pipes etc.)	85,038,275	86,571,607
Stores and Spares	<u>21,326,162</u>	<u>15,345,853</u>
	<u>106,364,437</u>	<u>101,917,460</u>
18. CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS		
Opening Stock		
Finished Goods	4,686,872	9,702,023
Work-in-progress	<u>21,498,053</u>	<u>16,997,283</u>
	<u>26,184,925</u>	<u>26,699,306</u>
Closing Stock		
Finished Goods	2,191,806	4,686,872
Work-in-progress	<u>24,401,994</u>	<u>21,498,053</u>
	<u>26,593,800</u>	<u>26,184,925</u>
(Increase)/Decrease in inventories of finished goods and work in progress	(408,875)	514,381

	31.03.2015 Rs.	31.03.2014 Rs.
19. EMPLOYEE BENEFITS EXPENSE		
Salaries and Wages, Bonus and Allowances	27,923,843	23,997,499
Contribution to Provident and Other Funds	3,567,493	2,717,087
Welfare Expenses	<u>1,946,479</u>	<u>1,771,218</u>
	<u>33,437,815</u>	<u>28,485,804</u>
20. FINANCE COSTS		
Interest Expense	3,245,118	4,077,637
Other Borrowing costs	<u>3,410,404</u>	<u>2,336,285</u>
	<u>6,655,522</u>	<u>6,413,922</u>
21. OTHER EXPENSES		
Lining Expenses	44,621,155	99,683,637
Power and Fuel	11,641,824	10,197,941
Rent	648,000	768,000
Insurance	675,944	701,524
Rates and Taxes	6,043,781	4,756,326
Postage and Telephone	1,591,426	1,574,108
Printing and Stationery	1,083,859	1,087,528
Travelling and Conveyance	11,377,482	11,486,969
Payment to Auditors:		
For Audit	200,000	160,000
For Certification	45,000	44,000
For Reimbursement of expenses	14,000	27,000
For Service Tax	32,012	28,551
Repairs and Maintenance		
Buildings	1,124,940	4,683,838
Plant & Machinery	4,116,587	3,756,326
Others	958,171	1,115,843
Professional fees	11,573,111	10,248,825
Excise duty on Closing Stock	(220,381)	(424,046)
Advertisement and Sales Promotion	361,153	521,400
Commission on Sales	455,494	566,789
Directors' Sitting fees	201,640	100,752
Security Service Charges	1,911,676	1,513,006
Bad Debts Written off	1,238,242	4,390,130
Miscellaneous expenses	<u>4,441,378</u>	<u>6,433,889</u>
	<u>104,136,494</u>	<u>163,422,336</u>

	31.03.2015 Rs.	31.03.2014 Rs.
22. Contingent Liabilities on account of:		
a) Guarantees given by Banks on behalf of the Company	44,232,512	10,268,345
b) <u>Service Tax demand disputed for the period April 2010 to March 2011</u>	1,295,000	1,295,000
<p>The Company's appeal filed during the year ended 31.03.2013 against the assessment made by the Commissioner of Service Tax, Chennai, for non-payment of service tax on Business Auxiliary Services, viz., rubber lining on materials supplied by customers, is pending before the Commissioner of Central Excise (Appeals), Chennai. In view of the disputed nature of the demand, the same has not been provided for.</p>		
c) <u>Sales Tax demand disputed for the financial years 2006-07 to 2009-10</u>	1,401,473	1,401,473
<p>The Company's appeal filed during the year ended 31.03.2013 against the assessment made by the Assistant Commissioner (Commercial Taxes), Chennai, relating to VAT Input Credit claimed by the company, is pending before the Appellate Deputy Commissioner. In the view of the disputed nature of the demand, the same has not been provided for.</p>		
23. Deferred Tax Liability / (Asset)		
On account of depreciation	(660,912)	(1,360,572)
24. In the absence of information from suppliers with regard to their registration with the specified authority, the company is unable to furnish the information as required under the Micro, Small and Medium Enterprises Development Act, 2006.		
25. The company has not discontinued any operations during the year.		

MIL INDUSTRIES LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31.03.2015

26. Disclosure as required under Accounting Standard (AS) 15

(In rupees)

Funded Group Gratuity Plan

	As at 31.03.2015	As at 31.03.2014	As at 31.03.2013	As at 31.03.2012
(a) Defined Benefit Plan :-				
(i) Changes in present value of obligations				
Present Value of obligations as at beginning of year	4,485,583	4,608,836	4,061,371	3,426,592
Interest cost	342,427	388,481	305,114	261,294
Current Service Cost	384,340	310,258	296,318	213,913
Benefits Paid	—	744,807	504,592	327,115
Actuarial loss/(Gain) on obligation	527,561	(127,184)	450,625	486,687
Present Value of obligations as at end of year	5,689,912	4,435,583	4,608,836	4,061,371
(ii) Changes in the fair Value of Plan Assets				
Fair Value of plan assets at beginning of year	4,636,873	4,617,055	4,057,388	3,336,774
Expected return on plan assets	487,270	355,008	372,846	321,338
Contributions	972,000	382,914	679,051	724,597
Benefits paid	—	744,807	504,592	327,115
Actuarial gain / (loss) on plan assets	(487,269)	26,703	12,362	1,794
Fair Value of plan assets at end of year	5,608,874	4,636,873	4,617,055	4,057,388
(iii) Fair Value of Plan Assets				
Fair Value of plan assets at beginning of year	4,636,873	4,617,055	4,057,388	3,336,774
Actual return on plan assets	1	381,711	385,208	323,132
Contributions	972,000	382,914	679,051	724,597
Benefits paid	—	744,807	504,592	327,115
Fair Value of plan assets at end of year	5,608,874	4,636,873	4,617,055	4,057,388
Funded status (Asset)	(81,038)	201,290	3,983	89,818
Excess of Actual over estimated return on plan assets	(487,269)	26,703	12,362	1,794
(iv) Actuarial Gain / Loss recognised				
Actuarial Loss/(Gain) for the year - obligation	527,561	(127,184)	450,625	486,687
Actuarial gain for the year - Plan Assets	(487,269)	26,703	12,362	1,794
Total loss/(Gain) for the year	1,014,831	(153,887)	438,263	484,893
Actuarial loss/(Gain) recognised in the year	1,014,831	(153,887)	438,263	484,893

MIL INDUSTRIES LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31.03.2015

26. Disclosure as required under Accounting Standard (AS) 15

(In Rupees)

Funded Group Gratuity Plan

	As at 31.03.2015	As at 31.03.2014	As at 31.03.2013	As at 31.03.2012
(v) Amounts to be recognised in the Balance Sheet and Statement of Profit and Loss				
Present Value of obligations as at end of year	5,689,912	4,435,583	4,608,836	4,061,371
Fair Value of plan assets at the end of year	5,608,874	4,636,873	4,617,055	4,057,388
Funded status (Asset)	(81,038)	201,290	8,219	(3,983)
Net Assets recognised in the Balance Sheet	-	-	-	-
(vi) Expenses recognised in the statement of Profit and Loss				
Current Service Cost	384,340	310,258	296,318	213,913
Interest Cost	342,427	388,481	305,114	261,294
Expected return on plan assets	487,270	355,008	327,846	321,338
Net Actuarial loss/(Gain) recognised in the year	1,014,831	(153,887)	438,263	484,893
Expenses to be recognised in the profit & loss	1,254,328	189,844	666,849	528,762
(vii) Actuarial Assumptions				
Discount Rate	7.72%	9.17%	8.00%	8.00%
Expected return on Plan Assets	8.00%	8.00%	6.00%	9.10%
Salary increase	7.00%	7.00%	9.00%	7.00%

(b) Defined Contribution plans :-

The company makes contribution towards Employees Provident Fund, Family Pension Fund, Super Annuation Fund and Employees State Insurance Scheme. Under the rules of these schemes, the company is required to contribute a specified percentage of payroll costs. The company during the year recognised Rs.2,225,468/- as expense towards contribution to these plans.

27. ADDITIONAL NOTES		31.03.2015		31.03.2014	
	Qty.	Value Rs.	Qty.	Value Rs.	
a) Turnover					
Rubber Manufacturing :					
- Rubberlining Products (Sq.M.)	31,589	165,633,367	23,915	161,319,468	
- Other Recoveries		3,106,833		3,751,527	
		168,740,200		165,070,995	
Trading :					
Rubber lining materials - Solvents, Thinners, Bonding Agents etc.		13,399,398		4,119,986	
Service - Rubber Lining		25,124,055		76,660,929	
Total income - Segment A		207,263,653		245,851,910	
PTFE - Manufacturing					
- PTFE Lined Pipes and Fittings and PTFE Products (Kgs)	9,709	92,224,272	11,545	108,007,278	
- Other Recoveries		589,818		844,643	
		92,814,090		108,851,921	
Service - PTFE Coating etc.		2,631,076		1,976,482	
Total income - Segment B		95,445,166		110,828,403	
Total Turnover - Sales		302,708,819		356,680,313	
b) Raw materials and components consumed (kgs):					
Manufacturing:					
1. Natural and Synthetic rubber	139,501	23,877,821	120,971	25,658,970	
2. Fillers	104,653	10,588,891	92,377	5,903,814	
3. Solvents	62,869	4,207,170	51,630	4,727,826	
4. Special Curing and bonding Agents	14,668	1,870,141	13,062	2,382,861	
5. Resins	12,978	11,631,924	11,537	10,518,533	
6. Steel Pipes, Pipe Fittings, Steel Equipments of various specifications	-	24,000,925	-	12,938,275	
7. Others	-	8,861,403	-	24,441,328	
		85,038,275		86,571,607	
Trading					
Bought out components of various specification and descriptions		3,975,363		1,532,012	

	Qty.	31.03.2015 Value Rs.	Qty.	31.03.2014 Value Rs.
c) Opening and Closing stock of goods produced:				
Finished Goods:				
Opening Stock				
- Rubberlining Products (Sq.M)	278	1,573,989	269	2,616,723
- PTFE Lined Products (Kgs)*	738	3,112,883	797	7,085,300
		<u>4,686,872</u>		<u>9,702,023</u>
Closing Stock				
- Rubberlining Products (Sq.M)	56	396,320	278	1,573,989
- PTFE Lined Products (Kgs)*	312	1,795,486	738	3,112,883
		<u>2,191,806</u>		<u>4,686,872</u>
(* Represents PTFE content in Finished Products)				
	Unit			
d) Capacity and Production:				
Licenced Capacity :				
1. Rubberlining	(Sq. M)	53,348	(Sq. M)	53,348
2. Fabrication of Steel Equipment for Rubberlining	(MT)	1,090	(MT)	1,090
3. PTFE (Resin Weight)	(MT)	50	(MT)	50
4. Fabrication of Steel Pipes & Fittings for PTFE Lining	(MT)	550	(MT)	550
Installed Capacity :				
(as certified by the Mg. Director)				
1. Rubberlining	(Sq. M)	53,348	(Sq. M)	53,348
2. Fabrication of Steel Equipment for Rubberlining	(MT)	1,090	(MT)	1,090
3. PTFE (Resin Weight)	(MT)	50	(MT)	50
4. Fabrication of Steel Pipes & Fittings for PTFE Lining	(MT)	550	(MT)	550
Actual Production				
1. Rubberlining	(Sq. Mtr.)	31,367	(Sq. Mtr.)	23,924
2. PTFE (Resin Weight)	(Kgs.)	9,283	(Kgs.)	11,486
e) Value of Imports calculated on CIF basis (in Rs.) :				
1. Raw Materials		14,776,707		12,761,903
2. Others		<u>193,420</u>		<u>193,420</u>
		<u>14,776,707</u>		<u>12,955,323</u>
f) Expenditure in foreign currencies:				
Foreign Travel		664,320		2,579,830

		31.03.2015		31.03.2014	
		%	Rs.	%	Rs.
g) Details regarding consumption of imported and indigenous materials					
1. Raw Materials & Components					
Imported	17.13	15,252,289	16.63	14,654,835	
Indigenous	82.87	73,761,349	83.37	73,448,784	
	<u>100.00</u>	<u>89,013,638</u>	<u>100.00</u>	<u>88,103,619</u>	
2. Stores & Spare Parts					
Imported	3.53	751,835	2.47	379,781	
Indigenous	96.47	20,574,327	97.53	14,966,072	
	<u>100.00</u>	<u>21,326,162</u>	<u>100.00</u>	<u>15,345,853</u>	
h) Number of Non-resident shareholders					
		28		28	
Number of Shares held					
		125,000		125,000	
(i) Earnings in Foreign Exchange					
1. Export of goods on FOB basis		93,602,277		124,717,582	
2. Technical Services		12,337,022		61,779,710	
		<u>105,939,299</u>		<u>186,497,292</u>	

28. SEGMENT REPORTING

Based on the guiding principle given in the Accounting Standard- 17 "Segment Reporting", the Company's primary segments are

- a) Rubber Lining of Equipment and Rubber Products,
- b) PTFE Lining of Pipes & Fittings and PTFE Products.

The above business segments have been identified considering :

- 1) The nature of the Products
- 2) The related risks and returns
- 3) The internal financial reporting systems

Revenue and expenses have been accounted for on the basis of their relationship to the operating activities of the segment. Revenue and expenses, which relate to the enterprise as a whole and are not allocable to segments on a reasonable basis, have been included under "Unallocable Expenses".

(In Rupees)

Particulars	Year to date figures for the period 01.04.2014 to 31.03.2015	Year to date figures for the period 01.04.2013 to 31.03.2014
1. Segment Revenue		
a. Rubber Lining & Rubber Products	207,263,653	245,851,910
b. PTFE Lining & PTFE Products	95,445,166	110,828,403
Total	302,708,819	356,680,313
Less: Inter segment revenue	—	—
Net Sales / Income from Operations	302,708,819	356,680,313
2. Segment Results Profit / (loss) (before tax and interest from each segment)		
a. Rubber Lining & Rubber Products	51,702,211	49,867,937
b. PTFE Lining & PTFE Products	22,598,976	34,357,551
Total	74,301,187	84,225,488
Less: i. Interest and Finance Charges	6,655,522	6,413,922
ii. Other un-allocable expenditure net of unallocable income	17,119,876	15,283,863
Total Profit Before Tax	50,525,789	62,527,703
1. Capital Employed (Segment assets - Segment Liabilities)		
a. Rubber Lining & Rubber Products	103,741,612	77,381,815
b. PTFE Lining & PTFE Products	87,013,800	81,092,147
Total	190,755,412	158,473,962

CHIEF EXECUTIVE OFFICER (CEO) AND CHIEF FINANCIAL OFFICER (CFO) CERTIFICATION

We, Rajiv Sreedhar, Managing Director and N. Guruswamy, General Manager (Finance & Accounts) of MIL Industries Limited, to the best of our knowledge and belief, certify that:

- (a) We have reviewed the financial statements and the cash flow statement for the year under review and certify that:
 - i. these statements do not contain any materially untrue statement or omit any material facts or contain statements that might be misleading.
 - ii. these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) To the best of our knowledge and belief, no transactions entered into by the company during the year are fraudulent, illegal or violative of the company's code of conduct.
- (c) We are responsible for establishing and maintaining internal controls for financial reporting and have evaluated the effectiveness and disclosed to the auditors and audit committee, the deficiencies in the design and operation of such internal controls and the steps taken to rectify these deficiencies.
- (d) We have indicated to the auditors and the audit committee that
 - i. there are no significant changes in internal control over financial reporting during the year.
 - ii. there are no significant changes in accounting policies during the year and the same have been disclosed in the notes to the financial statements.
 - iii. there are no frauds of which we are aware, that involves management or other employees who have a significant role in the company's internal control system.

Rajiv Sreedhar
Managing Director

N. Guruswamy
General Manager (Fin. & Accts.)

Place : Chennai
Date : 22.05.2015

MIL INDUSTRIES LIMITED
25A, Industrial Estate, Ambattur, Chennai – 600 098

ATTENDANCE SLIP

**PLEASE COMPLETE THIS ATTENDANCE SLIP AND HAND IT OVER AT THE
ENTRANCE OF THE MEETING HALL.**

I hereby record my presence at the Annual General Meeting.

Venue : Plot No. 25A, Industrial Estate
Ambattur, Chennai – 600 098

Date : 16th September, 2015

Time : 4.30 p.m.

L.F. No.

Signature of the Shareholder / Proxy

----- Cut Here -----

MIL INDUSTRIES LIMITED
25A, Industrial Estate, Ambattur, Chennai – 600 098

I/We..... of
in the District of being a member/members of MIL INDUSTRIES LIMITED,
hereby appoint in the District of
failing him/her of as my/our proxy in my/our absence to
attend and vote for me/us and my/our behalf, at the Annual General Meeting of the
Company, to be held on 16th September, 2015.

Signed this day of 2015.

Signed by the said.....

Re.1
Revenue
stamp

Signature of the Shareholder

Note: The Proxy must be deposited at the Registered office of the Company at
Plot No. 25A, Industrial Estate, Ambattur, Chennai – 600 098, not less than
48 hours before the time for holding the meeting.

The proxy need not be a member of the Company.

BOOK POST

If undelivered please return to :

MIL INDUSTRIES LIMITED

CIN No: L 25199 TN 1966PLC 005397

25A, Industrial Estate,

Ambattur, Chennai - 600 098

India.

Phone : (044) 26258382