

VOLTAMP TRANSFORMERS LIMITED
47th Annual Report 2013-2014

VOLTAMP TRANSFORMERS LIMITED

BOARD OF DIRECTORS

Shri Lalitkumar H. Patel	Chairman (Chairman & Director upto 17.05.2013)
Shri Kanubhai S. Patel	Chairman & Managing Director (Chairman w.e.f. 17.05.2013)
Shri Kunjal L. Patel	Vice Chairman & Managing Director
Shri Kewalkrishna G. Tuli	Director
Shri Vasantlal L. Patel	Director
Shri Jagannath S. Aiyar	Director (upto 13.02.2014)
Shri Arvind N. Shelat	Director
Shri Vallabh N. Madhani	Director

BANKERS:

1) ICICI BANK LTD.

Land Mark Building,
Race Course Circle,
Vadodara – 390007,
Gujarat.

2) AXIS BANK LTD.

Vardhman Complex,
Opp. GEB Office,
Race Course Circle,
Vadodara – 390007,
Gujarat.

3) BANK OF BARODA

Sayajigunj Branch,
Vadodara - 390005,
Gujarat.

DIRECTOR & COMPANY SECRETARY :

Shri Vallabh N. Madhani

AUDITORS:

M/S. CHANDULAL M. SHAH & CO.

Chartered Accountants
601, Samruddhi, Opp. Sakar III,
Sattar Taluka Society,
Ahmedabad - 380014, Gujarat.

REGISTRAR & SHARE TRANSFER AGENT:

LINK INTIME INDIA PVT. LTD.

B- 102 & 103, Shangrila Complex,
First Floor, Opp. HDFC Bank,
Near Radhakrishna Char Rasta,
Vadodara – 390020, Gujarat.

REGISTERED OFFICE :

Makarpura, Vadodara – 390 014, Gujarat.

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NOTICE

Notice is hereby given to the Members of VOLTAMP TRANSFORMERS LIMITED, that the 47th Annual General Meeting of the Members of the Company will be held at Vadodara Chamber of Commerce & Industry, VCCI Commercial Complex, 2nd Floor, 73, GIDC, Makarpura, Vadodara – 390 010, on Thursday, 14th August, 2014 at 10:00 a.m. to transact the following business:

ORDINARY BUSINESS:

- 1) To receive and adopt the Audited Statement of Profit and Loss for the Financial Year ended 31st March, 2014, the Balance Sheet as on that date, the Directors' and the Auditors' Reports thereon.
- 2) To declare dividend on equity shares.
- 3) To appoint a Director in place of Shri Vallabh N. Madhani, who retires by rotation and being eligible offers himself for re-appointment.
- 4) To re-appoint Auditors of the Company and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT M/s. Chandulal M. Shah & Co. (Firm Registration No. 101698W) Chartered Accountants, be and are hereby re-appointed as Statutory Auditors of the Company, to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting of the Company, at a remuneration as may be decided by the Board of Directors in consultation with them."

SPECIAL BUSINESS:

- 5) To appoint Shri Kewalkrishna G. Tuli (DIN: 00014349) as an Independent Director and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as a Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, read with Schedule IV to the Companies Act, 2013, Shri Kewalkrishna G. Tuli (DIN: 00014349), who was appointed as a Director liable to retire by rotation and whose term expires at this Annual General Meeting, be and is hereby appointed as an Independent Director of the Company to hold office for 5 (five) consecutive years for a term upto the conclusion of the 52nd Annual General Meeting of the Company in the calendar year 2019."

- 6) To approve the remuneration of the Cost Auditors for the financial year ending March 31, 2015 and in this regard to consider and if thought it, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), M/s. Y. S. Thakar & Co., Cost Accountants, who has been appointed as the Cost Auditors by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the financial year ending March 31, 2015, be paid the remuneration of ` 60,000/- plus applicable taxes / levies and reimbursement of out of actual pocket expenses.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

Regd. Office:

Makarpura, Vadodara
Gujarat – 390 014.

DATE : 6th May, 2014

CIN : L31100GJ1967PLC001437

e-mail : vnm_ipo@voltamptransformers.com

FOR AND ON BEHALF OF THE BOARD

V. N. MADHANI

DIRECTOR & COMPANY SECRETARY

NOTES:

- 1) AN EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013, RELATING TO THE SPECIAL BUSINESS TO BE TRANSACTED AT THE MEETING IS ANNEXED HERETO.
- 2) A MEMBER ENTITLED TO ATTEND THE MEETING AND VOTE THEREAT IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER. DULY EXECUTED PROXIES MUST BE REGISTERED WITH THE COMPANY NOT LATER THAN 48 HOURS BEFORE THE SCHEDULED TIME OF THE MEETING.

A PERSON CAN ACT AS A PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY (50) AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY. A MEMBER HOLDING MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS A PROXY FOR ANY OTHER PERSON OR MEMBER.

- 3) Members desirous of getting any information about the accounts and operations of the Company are requested to address their queries in writing to the Company Secretary at least seven days in advance of the Meeting so that the information required can be made readily available at the Meeting.
- 4) Members are requested to bring their Attendance Slip along with their copy of the Annual Report to the Meeting.
- 5) Members who hold shares in dematerialized form are requested to write their Client ID and DP ID numbers and those who hold shares in physical form are requested to write their folio number in the attendance slip for attending the Meeting.
- 6) In case of joint holders attending the Meeting, only such joint holder, who is higher in order of names, will be entitled to vote.
- 7) Register of Members and Share Transfer Books will remain closed from Monday, 4th August, 2014 to Thursday, 14th August, 2014 (Both days inclusive).
- 8) The dividend as recommended by the Board, if sanctioned at the Meeting, will be paid to those Members or their mandatees whose names appear in the Register of Members on Thursday, 14th August, 2014, for those holding shares in physical form. In respect of the shares held in dematerialized form, the dividend will be paid on the basis of beneficial ownership as per the details furnished by the Depositories for this purpose at the end of business hours on Friday, 1st August, 2014.
- 9) Corporate Members intending to send their authorized representative to attend the Meeting are requested to send the certified true copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
- 10) As required under Clause 49(IV)(G) of the Listing Agreement with the Stock Exchanges, the relevant details of persons seeking appointment / reappointment as Directors are furnished in the Corporate Governance Report.
- 11) Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with relevant Rules made thereunder, Companies can serve Annual Reports and other communications through electronic mode to those Members who have registered their e-mail address either with the Company or with the Depository Participant(s) and accordingly, copies of 47th Annual Report are being sent by electronic mode only, to all the members whose email addresses are registered with the Company/Depository Participant(s), unless any member has requested for a hard copy of the same. For members, who have not registered their email addresses physical copies of the Annual Report 2014 are being sent by the permitted mode. Investors are requested to register their e-mail addresses with Link Intime India Pvt. Ltd. if shares are held in physical mode OR with their Depository Participant (s), if the holding is in electronic mode.
- 12) In terms of the provisions of Section 124 of the Companies Act, 2013 (corresponding to Section 205A of the Companies Act, 1956), the amount of dividend not encashed or claimed within 7 (seven) years from the date of its transfer to the unpaid dividend account, will be transferred to the Investor Education and Protection Fund (IEPF) established by the Government. Accordingly, the unclaimed dividend in respect of financial year 2006-07 is due for transfer to the IEPF in October 2014. In terms of provisions of Section 124 of the Companies Act, 2013 (corresponding to Section 205C of the Companies Act, 1956), no claim shall lie against the Company for the said Fund after the said transfer.
- 13) Voting through electronic means
 - I. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote at the 47th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by National Securities Depository Limited (NSDL):

The instructions for e-voting are as under:

 - A. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/Depository Participants(s)]:

- (i) Open email and open PDF file viz; "Voltamp e- Voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for e-voting. Please note that the password is an initial password.
 - (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>
 - (iii) Click on Shareholder - Login
 - (iv) Put user ID and password as initial password/PIN noted in step (i) above. Click Login.
 - (v) Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
 - (vi) Home page of e-voting opens. Click on e-Voting: Active Voting Cycles.
 - (vii) Select "EVEN" of Voltamp Transformers Limited.
 - (viii) Now you are ready for e-voting as Cast Vote page opens.
 - (ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
 - (x) Upon confirmation, the message "Vote cast successfully" will be displayed.
 - (xi) Once you have voted on the resolution, you will not be allowed to modify your vote.
 - (xii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to vbhatt2004@yahoo.co.in with a copy marked to evoting@nsdl.co.in
- B.** In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company/Depository Participants(s) or requesting physical copy] :
- (i) Initial password will be provided separately: EVEN (E Voting Event Number) USER ID PASSWORD/ PIN
 - (ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.
- II.** In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the Downloads section of www.evoting.nsdl.com
 - III.** If you are already registered with NSDL for evoting then you can use your existing user ID and password/PIN for casting your vote.
 - IV.** You can also update your mobile number and email id in the user profile details of the folio which may be used for sending future communication(s).
 - V.** The e-voting period commences on 9th August, 2014 (9:00 am) and ends on 11th August, 2014 (6:00 pm). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 30th June, 2014, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
 - VI.** The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 30th June, 2014.
 - VII.** Mr. Vijay Bhatt of M/s. Vijay Bhatt & Co., Company Secretaries, (Membership No. FCS: 4900) (Address 110, Rajvee Tower, Near Tube Company, Old Padra Road, Vadodara - 390 020) has been appointed as the Scrutinizer to scrutinize the evoting process in a fair and transparent manner.
 - VIII.** The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
 - IX.** The Results shall be declared at the AGM of the Company. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.voltamptransformers.com and on the website of NSDL within two(2) days of passing of the resolutions at the AGM of the Company and communicated to the Stock Exchanges.

STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 (“the Act”)

The following Statement sets out all material facts relating to the Special Business mentioned in the accompanying Notice:

Item No. 5

Shri Kewalkrishna G. Tuli is an Independent Director of the Company and has held the position as such for almost 8 years. Shri Kewalkrishna G. Tuli retires by rotation at the ensuing Annual General Meeting under the erstwhile applicable provisions of Companies Act, 1956. In terms of Section 149 and any other applicable provisions, if any, of the Companies Act, 2013, Shri Kewalkrishna G. Tuli being eligible and offering himself for appointment, is proposed to be appointed as an Independent Director for five (5) consecutive years for a term upto conclusion of 52nd Annual General Meeting. A notice has been received from a member proposing Shri Kewalkrishna G. Tuli as a candidate for the office of Director of the Company for a term upto conclusion of 52nd Annual General Meeting of the Company to be held in calendar year 2019.

Shri Kewalkrishna G. Tuli is not disqualified from being appointed as Directors in terms of Section 164 of the Act and have given their consent to act as Director. The Company has also received declaration from Shri Kewalkrishna G. Tuli that they meet with the criteria of independence as prescribed in section 149 of the Act.

In the opinion of the Board, Shri Kewalkrishna G. Tuli fulfills the conditions for appointment as an Independent Director as specified in the Act and rules made thereunder for his appointment as an Independent Director of the Company and is independent of the management. Copy of the draft letter for appointment of Shri Kewalkrishna G. Tuli as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day.

Brief resume of Shri Kewalkrishna G. Tuli and names of companies in which they hold directorships and memberships / chairmanships of Board Committees, shareholding, etc. are provided in the Corporate Governance Report forming part of the Annual Report.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Shri Kewalkrishna G. Tuli as an Independent Director.

Except Shri Kewalkrishna G. Tuli, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in this resolution.

The Board commends the Ordinary Resolutions set out at Item Nos. 5 of the Notice for approval by the shareholders.

Item No. 6

The Board, on the recommendation of the Audit Committee, has approved the appointment of M/s. Y. S. Thakar & Co., Cost Accountants as the Cost Auditors and remuneration payable to them, to conduct the audit of the cost records of the Company for the financial year ending March 31, 2015. In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the shareholders of the Company.

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item No. 6 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending March 31, 2015.

None of the Directors / Key Managerial Personnel of the Company / their relatives is, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 6 of the Notice.

The Board commends the Ordinary Resolution set out at Item No. 6 of the Notice for approval by the shareholders.

Regd. Office:

Makarpura, Vadodara
Gujarat – 390 014.

DATE : 6th May, 2014

CIN : L31100GJ1967PLC001437

e-mail : vnm_ipo@voltamptransformers.com

FOR AND ON BEHALF OF THE BOARD

V. N. MADHANI

DIRECTOR & COMPANY SECRETARY

DIRECTORS' REPORT

To,
The Members
VOLTAMP TRANSFORMERS LIMITED
Makarpura, Vadodara – 390014, Gujarat.

Your Directors have pleasure in presenting the 47th Annual Report and Accounts for the Financial Year ended 31st March, 2014.

WORKING RESULTS:

(` in Lacs)

PARTICULARS	2013-2014	2012-2013
Sales & Services Income	44477.50	51550.24
Profit before Financial Charges and Depreciation	4171.30	5419.78
Financial Charges (Bank Charges)	36.70	49.10
Depreciation	713.26	767.47
Profit before Taxation	3421.34	4603.21
Provisions for Taxation : Current Tax	825.00	1375.00
Deferred Tax	(32.58)	(61.63)
Net Profit for the year	2628.92	3289.84
Add: Previous years' surplus	1012.64	998.28
Profits available for appropriation:	3641.56	4288.12
Appropriation therefrom:		
A. Proposed Dividend	1011.71	1517.57
B. Dividend Tax on above	171.94	257.91
C. General Reserve	1500.00	1500.00
D. Surplus	957.91	1012.64
	3641.56	4288.12

DIVIDEND:

The Directors recommend payment of dividend @ 100 %, i.e. ` 10 per equity share of ` 10 each on 10117120 equity shares, for the year ended March 31, 2014.

PERFORMANCE REVIEW:

During the year under review, in the sluggish market condition, the Company could achieve Sales and Other Income, in monetary terms to ` 471.52 crores only as compared to ` 535.52 crores in the previous year. The sales in terms of volume reduced to 6628 MVA as compared to 7670 MVA in the previous year. The Profit Before Tax (PBT) was reduced to ` 34.21 crores as compared to ` 46.03 crores in the previous year and Profit After Tax (PAT) also reduced to ` 26.29 crores as compared to ` 32.90 crores in the previous year.

The year was even worse than the earlier 2 years and during the year under review, the profitability of the Company come down further, mainly due to intense price war amongst organized sector manufacturers because of over capacity in the Industry. Steep fall in Rupee value vs. US Dollar has substantially eroded available thin margins, as input cost has steeply gone up on import original raw material / components.

The financial year 2014-15 also started with lower order backlog of ` 256.41 crores (4481 MVA). The enquiry level remained low and the orders are booked on fixed price basis to feed the factories; with total uncertainty during its execution period, which remain area of major concern. With large unutilized capacity in Industry, aggressive pricing, continuing and highly volatile raw material prices, achieving break-even level remains

challenge for the Company. Receivables position has marginally improved compared to last year but timely realization of receivables still remains challenging area. The Company finds it difficult to sustain volume due to very low price realization.

For detailed analysis of the performance, please refer to the Management's Discussion and Analysis section of the annual report.

DISCLOSURE OF PARTICULARS:

The disclosure of particulars as required by Section 217(1)(e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 is given in Annexure - I.

EMPLOYEES:

The industrial relations during the year under review have remained cordial and satisfactory. The Board thanks all the Employees for their valuable contribution to the working of the Company.

The statement under sub-section (2A) of Section 217 of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975, as amended and forming part of this report is given in Annexure - II. The said Annexure – II shall, however, be provided to the Members on request to be made to the Company Secretary at the Registered Office of the Company.

CORPORATE GOVERNANCE:

In line with requirement of the Listing Agreement with the Stock Exchanges, Report on Corporate Governance is given in Annexure - III.

MANAGEMENT DISCUSSION AND ANALYSIS:

Management Discussion and Analysis Report is given in Annexure - IV.

DIRECTORS' RESPONSIBILITY STATEMENT UNDER SECTION 217 (2AA) OF THE COMPANIES ACT, 1956:

The Directors confirm that:

- 1) In the preparation of the annual accounts, the applicable accounting standards have been followed by the Company.
- 2) Such accounting policies have been selected and consistently applied and judgments and estimates made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2014 and of the profit of the Company for the year ended on that date.
- 3) Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the applicable provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- 4) Annual accounts have been prepared on a going-concern basis.

DIRECTORS:

Shri Jagannath S. Aiyar has resigned from the office of Independent Director of the Company, due to advancement of his age and other pre-occupation. The members of the Board expressed their gratitude for the valuable services rendered by Shri Jagannath S. Aiyar.

To comply with the provisions of section 149 and section 152 of the Companies Act, 2013, the Board of Directors, at its meeting held on 06.05.2014, has changed the term of office of Shri K. S. Patel, Chairman and Managing Director and Shri K. L. Patel, Vice Chairman and Managing Director, of the company subject to retirement by rotation instead of not subject to retire by rotation.

As per the applicable provisions of the Companies Act, 2013, Shri Vallabh N. Madhani, Director of the Company retire by rotation, and being eligible offers himself for reappointment.

Shri Kewalkrishna G. Tuli, who is an Independent Director, retires by rotation at the ensuing Annual General Meeting under the erstwhile applicable provisions of the Companies Act, 1956. As per the provisions of the Companies Act, 2013, Independent Directors are required to be appointed for a term of five consecutive years and shall not be liable to retire by rotation. In terms of the said provisions, the Company has received requisite notice in writing from a member proposing Shri Kewalkrishna G. Tuli for appointment as Independent Director.

Independent Directors who do not complete their term at the ensuing Annual General Meeting, will continue to hold office till the expiry of their term, and thereafter, the said Independent Directors will be eligible for re-appointment for a fixed term, in accordance with the Companies Act, 2013.

The Company has received declaration from all the Independent Directors of the Company, viz. Shri Kewalkrishna G. Tuli, Shri A. N. Shelat and Shri V. L. Patel, confirming that they meet with the criteria of independence as prescribed under the Companies Act, 2013 and clause 49 of the listing agreement.

All the directors of the Company have confirmed that they are not disqualified from being appointed as Directors in terms of section 164 of the Companies Act, 2013.

AUDITORS:

The present Auditors of the Company M/s. Chandulal M. Shah & Co. are retiring at the forthcoming Annual General Meeting of the Company and are eligible for reappointment.

APPRECIATION AND ACKNOWLEDGEMENT:

Your Directors wish to convey their thanks to all the Company's valued Customers, Bankers, Vendors, Business Associates, Government Authorities, and Shareholders for their continued support and patronage to the Company.

The Board also expresses its appreciation towards the contribution made by all the Employees of the Company.

FOR AND ON BEHALF OF THE BOARD

Place : Vadodara
Date : 6th May, 2014

KANUBHAI S. PATEL
CHAIRMAN & MANAGING DIRECTOR

ANNEXURE - I TO THE DIRECTORS' REPORT

A] CONSERVATION OF ENERGY:

[a] Energy conservation measures taken :

1. Closely monitoring use of heating ovens.
2. Use of energy efficient LED lighting and modernization in distribution system.
3. Systematic studies of power consumption to avoid unwanted energy losses.
4. Close monitoring and control of Diesel consumption.
5. Timers in AC Circuits, to bring down Energy Consumption.
6. Creating awareness among all employees to conserve energy.
7. Use of energy efficient motors.

[b] Additional investments and proposal if any, being implemented for reduction of consumption of energy:

1. State of art latest vapour phase drying ovens imported from Hedrich Germany.
2. Installation of Vacuum Oven for distribution transformers manufacturing facility.
3. Old cooling towers for Boiler replaced with Energy Efficient new one.

[c] Impact of the measures at [a] and [b] above for reduction of energy consumption and consequent impact on the cost of production of goods:

The various measures taken by the Company have resulted in reduction in consumption of energy and efforts are going on to further reduce the consumption of energy and the consequent impact on the cost of production.

[d] Total energy consumption and energy consumption per unit of production as per Form-A: Not Applicable.

B] TECHNOLOGY ABSORPTION:

Research and Development (R&D):

[a] Specific areas in which R&D carried out by the Company:

1. Short Circuit Force / Stress Calculations.
2. Developed in house foil winding machine.
3. Use of Special Bunch & CTC Conductors to minimize losses.
4. Use of special CTC Conductor bending tools.

[b] Benefits derived as a result of the above R&D :

1. Transformer is able to withstand severe short circuit conditions without deformation, hence reliability is ensured.
2. Foil wound windings are better in mechanical stability even during abnormal forces.
3. Price Competitiveness.

[c] Further plan of action:

1. Continued emphasis on development of cost effective components and work on import substitution.
2. Identification and narrowing down the gaps in the areas of product, process, manufacturing and information technologies.
3. Wastage reduction / control by implementation of 5-S.

Technology Absorption, Adaptation & Innovation:

[a] Efforts, in brief, made towards technology absorption, adaptation and innovation :

Extensive training in technical and management fields with a special emphasis on Total Quality Management.

[b] Benefits derived as a result of the above efforts: Improvement in product quality.

[c] Technology imported during the last five years: NOT APPLICABLE

C] FOREIGN EXCHANGE EARNINGS AND OUTGO:

[a] Foreign Exchange used : ` 5,51,75,539/-

[b] Foreign Exchange earned : ` 4,80,43,672/-

ANNEXURE - III TO THE DIRECTORS' REPORT

CORPORATE GOVERNANCE REPORT:

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:

Corporate Governance ensures best management practices, compliance of laws, rules, and regulations in the Company and also provides appropriate framework for the Board and its Committees, to achieve objectives of the Company for the benefit of the Company and its stakeholders. Our Company is committed to good Corporate Governance. Requirement of Clause 49 of the Listing Agreement with Stock Exchanges, Code of Conduct on Prevention of Insider Trading and also Code of Conduct for Directors and Senior Management Personnel are fully complied by our Company.

2. BOARD MEETINGS AND BOARD OF DIRECTORS:

(A) In the Financial Year 2013-14, four Board Meetings were held on the following dates:

- | | |
|-----------------------------------|------------------------------------|
| 1) 17 th May, 2013 | 2) 12 th August, 2013 |
| 3) 31 st October, 2013 | 4) 13 th February, 2014 |

(B) Composition / Category of Directors / Attendance at Meetings / Directorship & Committee Membership in other Companies as on 31st March, 2014:

Sr. No.	Name of Director	Category of Director	Attendance		No. of other Directorship	Membership of other Committees	
			At the Board Meetings	At the Last AGM		As Member	As Chairman
1.	Shri Lalitkumar H. Patel	Chairman*	1	No	2	Nil	Nil
2.	Shri Kanubhai S. Patel	Chairman** & Managing Director	4	Yes	Nil	2	Nil
3.	Shri Kunjal L. Patel	Vice Chairman & Managing Director	4	Yes	2	1	Nil
4.	Shri Kewalkrishna G. Tuli	Director	4	Yes	1	1	1
5.	Shri Vasantlal L. Patel	Director	4	Yes	1	1	1
6.	Shri Jagannath S. Aiyar	Director***	1	No	Nil	1	1
7.	Shri Arvind N. Shelat	Director	4	Yes	Nil	1	1
8.	Shri Vallabh N. Madhani	Director	4	Yes	Nil	Nil	Nil

* Chairman & Director Upto 17.05.2013

** Chairman w.e.f. 17.05.2013

*** Director upto 13.02.2014

3. AUDIT COMMITTEE:

(A) Composition, Name of Members, Chairperson, Meetings held during the year and Attendance at the Meetings:

(i) Composition:

- | | | |
|------------------------------|----------|------------------------------|
| 1. Shri Arvind N. Shelat | Chairman | Independent Director |
| 2. Shri Kewalkrishna G. Tuli | Member | Independent Director |
| 3. Shri Kanubhai S. Patel | Member | Chairman & Managing Director |

(ii) Meetings and Attendance:

In the Financial Year 2013-14, four Audit Committee Meetings were held on the following dates:

- 1) 17th May, 2013 2) 12th August, 2013 3) 31st October, 2013 4) 13th February, 2014
All members were present in all the above meetings.

(B) Terms of Reference:

The role of the Audit Committee shall include the followings:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.

4. Reviewing, with the management, the annual financial statements before submission to the Board for approval, with particular reference to:
 - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (2AA) of section 217 of the Companies Act, 1956;
 - b. Changes, if any, in accounting policies and practices and reasons for the same;
 - c. Major accounting entries involving estimates based on the exercise of judgment by management;
 - d. Significant adjustments made in the financial statements arising out of audit findings;
 - e. Compliance with listing and other legal requirements relating to financial statements;
 - f. Disclosure of any related party transactions;
 - g. Qualifications in the draft audit report.
5. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval.
6. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
7. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
8. Discussion with internal auditors any significant findings and follow up thereon.
9. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
10. Discussion with 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.
11. Carrying out any other function as mentioned in the terms of reference of the Audit Committee. In addition, the committee has discharged such other role / functions as envisaged under Clause 49 of the Listing Agreement with the Stock Exchange and the provisions of the Section 292A of the Companies Act, 1956.

4. REMUNERATION COMMITTEE:

(A) Terms of Reference:

The Remuneration Committee shall have powers to consider and recommend the remuneration payable to Whole-time Directors and senior management employees of the Company.

(B) Composition:

- | | | |
|------------------------------|----------------------|----------------------|
| 1. Shri Kewalkrishna G. Tuli | Chairman | Independent Director |
| 2. Shri Jagannath S. Aiyar* | Member | Independent Director |
| 3. Shri Vasantlal L. Patel | Member | Independent Director |
| 4. Shri Arvind N. Shelat** | Member | Independent Director |
| * upto 13.02.2014 | ** w.e.f. 13.02.2014 | |

(C) Remuneration Policy:

The Company has a credible and transparent policy in determining and accounting for the remuneration of the Executive and Non-Executive Directors.

(D) Details of remuneration to all the Directors during the financial year 2013-14:

Name	Designation / Nature of Duty	Qualifications	Experience (Years)	Salary & Perquisites (Amount `)	Commission (Amount `)	Stock Option	Total (Amount `)	Date of Commencement of Employment
Shri K.S. Patel	Chairman & Managing Director	B.Com., F.C.A., F.C.S.	34 Years	1,39,76,402	4925095	Nil	1,89,01,497	15.03.2002 (since 01-01-1982 with Group)
Shri K.L. Patel	Vice Chairman & Managing Director	B.E. (Electrical)	18 Years	1,30,24,958	4925095	Nil	1,79,50,053	12.08.2002

Apart from sitting fees, the Non-Executive Directors are not paid any commission/remuneration.

5. SHAREHOLDERS' GRIEVANCE COMMITTEE:

(A) Composition:

- | | | |
|------------------------------|----------------------|-------------------------------------|
| 1. Shri Jagannath S. Aiyar* | Chairman | Independent Director |
| 2. Shri Kunjal L. Patel | Member | Vice Chairman and Managing Director |
| 3. Shri Kanubhai S. Patel | Member | Chairman & Managing Director |
| 4. Shri Vasantlal L. Patel** | Chairman | Independent Director |
| * upto 13.02.2014 | ** w.e.f. 13.02.2014 | |

Shri Vallabh N. Madhani, Vice President (Commercial) & Company Secretary, has been designated as the Compliance Officer of the Company.

Number of shareholders complaints received during the year : Nil

Number of complaints resolved during the year : Nil

Number of pending complaints at the end of the year : Nil

6. GENERAL BODY MEETINGS:

(A) Location and time where last three Annual General Meetings were held:

Financial Year	Date	Time	Venue
2012-13	12-08-2013	10:00 a.m.	Auditorium of the Vanijya Bhavan, Race Course Circle, Vadodara-390007.
2011-12	14-08-2012	10:00 a.m.	Auditorium of the Vanijya Bhavan, Race Course Circle, Vadodara-390007.
2010-11	12-08-2011	10:00 a.m.	Auditorium of the Vanijya Bhavan, Race Course Circle, Vadodara-390007.

(B) Special Resolution passed in the last three Annual General Meetings:

No Special resolution was passed by the Company in the last three Annual General Meetings.

(C) Postal Ballot:

No Special Resolution passed by the Company in the last three years through postal ballot. As on date, the Company does not have any proposal to pass any special resolution by way of postal ballot.

7. DISCLOSURES:

(A) Disclosure on materially significant related party transactions:

There was no materially significant related party transaction during the year having potential conflict with the interest of the Company.

(B) Details of non-compliance by the Company, penalties and strictures imposed on the Company by the Stock Exchanges or SEBI or any Statutory Authorities or any matter related to capital markets during the last three years:

The Company has complied with all the requirements of the Listing Agreement with the Stock Exchanges as well as regulations and guidelines of SEBI. No penalties have been levied or strictures have been passed by SEBI, Stock Exchange, or any Statutory Authority on the matters relating to the capital market, in the last three years.

(C) Whistle Blower Policy and affirmation that no personnel has been denied access to the Audit Committee:

The Company has not adopted Whistle Blower Policy. However, the Company has not denied access to any personnel to approach the Management on any issues.

(D) Details of compliance with mandatory requirements and adoption of the non- mandatory requirements of this clause:

The Company has fully complied with mandatory requirements of the clause 49 of the Listing Agreement of the Stock Exchanges. Further, the Company has adopted non-mandatory requirement of the clause 49 of the Listing Agreement, viz., Remuneration Committee of the Board which has constituted to determine the remuneration package of the Executive Directors.

8. MEANS OF COMMUNICATION:**(A) Quarterly Financial Results:**

The quarterly / annual financial results are published in the Business Standard/ the Financial Express (English daily) and Vadodara Samachar (Gujarati). The financial results and the official news releases are also placed on the Company's website www.voltamptransformers.com.

(B) Official News Release:

The Company holds conference calls / one to one meet with analysts and makes necessary presentation to apprise and make available the public information relating to the Company's working and future outlook.

9. GENERAL SHAREHOLDER INFORMATION:**(i) Annual General Meeting:**

Date : Thursday, 14th August, 2014
 Time : 10:00 a.m.
 Venue : Vadodara Chamber of Commerce & Industry,
 VCCI Commercial Complex,
 2nd Floor, 73, GIDC,
 Makarpura, Vadodara – 390 010

(ii) Profile of Directors seeking appointment / re-appointment:

The profiles of the directors who are seeking appointment / re-appointment at the Annual General Meeting are furnished below:

Brief Resume of Directors and their expertise in functional areas	Directorship/ Committee Membership in other Companies	Shareholding in Voltamp Transformers Ltd.
1) Shri Kewalkrishna G. Tuli Shri Kewalkrishna G. Tuli, Independent Director, 76 years, is an engineer from the M.S. University, Gujarat. He is the Promoter and Chairman of Paramount Limited, which is engaged in the business of environment engineering field. He has also founded the Paramount Charity Trust, which is actively involved in providing medical, educational and living support to weaker sections of the society.	DIRECTORSHIP 1. Paramount Limited COMMITTEE MEMBERSHIP 1 COMMITTEE CHAIRMANSHIP 1	300
2) Shri Vallabh N. Madhani Shri Vallabh N. Madhani, Director & Company Secretary, 53 years, is a B.Com; LL.B (Special); D.T.P. and A.C.S. He has over 25 years experience in the field of Company Law matters, Banking & Finance, Fund Management, Legal Compliance, Insurance matters. He has been working with the Company since 1997.	DIRECTORSHIP NIL COMMITTEE MEMBERSHIP NIL	15

(iii) Financial Year: The Company follows April-March as its financial year.

(iv) Date of Book Closure: Monday, 4th August, 2014 to Thursday, 14th August, 2014

(v) Dividend Payment Date: Within one month from the date on which the shareholders approve the dividend.

(vi) Listing on Stock Exchanges: The equity shares of the Company are currently listed at BSE Limited (BSE) and National Stock Exchange of India Limited (NSE).

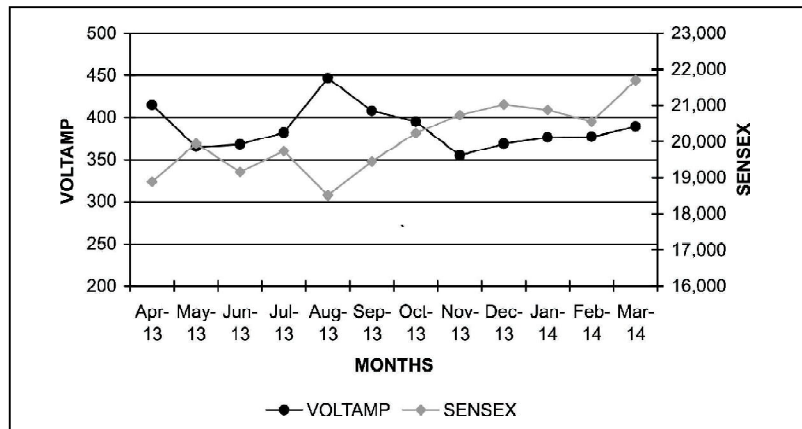
(vii) Stock Code:

- a) BSE Limited: 532757
- b) National Stock Exchange of India Limited: VOLTAMP

(viii) Market Price Data for the year 2013-14:

PERIOD	BSE ()		BSE SENSEX		NSE ()	
	High	Low	High	Low	High	Low
April 2013	447	383	19,622	18,144	437	366
May 2013	396	333	20,443	19,451	527	373
June 2013	389	346	19,860	18,467	428	391
July 2013	403	360	20,351	19,126	415	373
August 2013	523	371	19,569	17,448	377	342
September 2013	428	388	20,739	18,166	401	336
October 2013	420	370	21,205	19,264	379	336
November 2013	380	330	21,321	20,137	409	348
December 2013	399	338	21,483	20,568	418	361
January 2014	416	336	21,409	20,343	449	380
February 2014	411	342	21,140	19,963	396	372
March 2014	419	358	22,467	20,920	544	396

(ix) Performance in comparison to broad-based indices BSE Sensex:



(x) Registrar and Share Transfer Agent:

LINK INTIME INDIA PVT. LTD.

B- 102 & 103, Shangrila Complex, First Floor, Opp. HDFC Bank,
Near Radhakrishna Char Rasta, Akota, Vadodara 390020.

(xi) Share Transfer System:

The Company's shares are being in compulsory demat list, are transferable through the depository system.

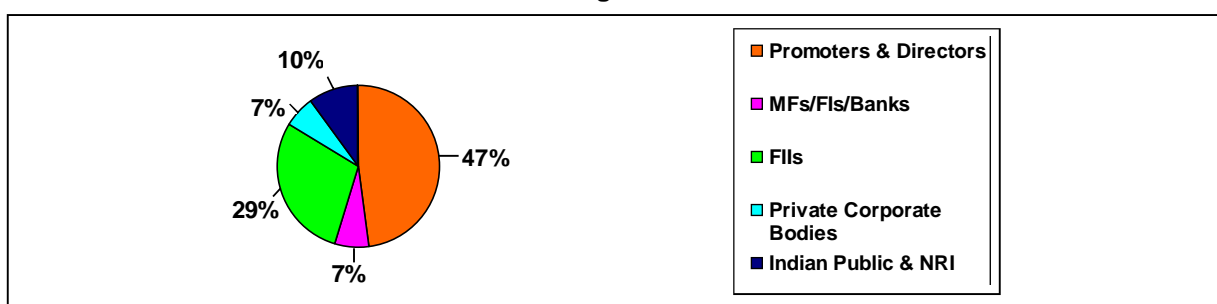
(xii) Dematerialization of shares and liquidity:

The shares of the Company are available under dematerialized form with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). The Company's equity shares are compulsorily traded in the dematerialized form. The code number allotted by NSDL and CDSL to your Company is INE540H01012.

(xiii) Shareholding Pattern as on 31-03-2014:

Sr. No.	Category	No. of Shares Held	% to total Shareholding
1.	Promoters, Directors and their Relatives	4804067	47.48
2.	Mutual Funds, Banks, Financial Institutions, Insurance Companies, Trusts	691049	6.83
3.	Foreign Institutional Investors	2934258	29.00
4.	Private Corporate Bodies	650091	6.43
5.	Indian Public	1000787	9.89
6.	NRIs	36868	0.37
	Total	10117120	100.00

Shareholding Pattern



(xiv) Distribution of Shareholding as on 31-03-2014:

Sr. No.	No. of Equity Shares held	No. of Shareholders	% of Shareholder	No. of Shares held	% of Shareholding
1.	1 - 500	14242	98.19	655879	6.48
2.	501 - 1000	153	1.05	118952	1.18
3.	1001 - 2000	59	0.41	89037	0.88
4.	2001 - 3000	14	0.10	32576	0.32
5.	3001 - 4000	7	0.05	24989	0.25
6.	4001 - 5000	3	0.02	13210	0.13
7.	5001 - 10000	3	0.02	20084	0.20
8.	10001 - above	24	0.16	9162393	90.56
	Total	14505	100.00	10117120	100.00

(xv) Disclosure with respect to shares lying in suspense account:

Particulars	Shareholders	Shares
Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year	10	279
Number of shareholders who approached Company for transfer of shares from suspense account during the year	NIL	NIL
Number of shareholders to whom shares were transferred from suspense account during the year	NIL	NIL
Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year	10	279

The voting rights on the shares lying in suspense account are frozen till the rightful owner of such shares claims shares.

(xvi) Code of Conduct:

- a) The Company has in place a Code of Conduct applicable to the Board Members as well as the Senior Management and that the same has been hosted on the Company's website. All the Board Members and the Senior Management Personnel have affirmed compliance with the Code of Conduct as on 31st March, 2014. The declaration signed by the Chairman, CEO & Managing Director of the Company is given below:

"I, Kanubhai S. Patel, Chairman, CEO & Managing Director of the Company, hereby declare that all Board Members and Senior Management Personnel of the Company have affirmed the compliance of the Code of Conduct during the Financial Year ended 31st March, 2014."

Place : Vadodara
Date : 6th May, 2014

KANUBHAI S. PATEL
CHAIRMAN, CEO & MANAGING DIRECTOR

- b) In terms of the Clause 49 of the Listing Agreement, the certification by the CEO, CFO & Managing Director of the Company on the financial statements and internal control relating to financial reporting, obtained by the Board of Directors, is given below:

CEO/CFO CERTIFICATION

To
The Board of Directors
Voltamp Transformers Limited
Makarpura, Vadodara.

I certify that:

1. I have reviewed the financial statements and cash flow statements of Voltamp Transformers Limited for the year ended 31st March, 2014 and to the best of my knowledge and belief:
 - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statement 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.
2. To the best of my knowledge and belief, there are, no transactions entered into by the Company during the year, which are fraudulent, illegal or violating the Company's code of conduct.
3. I accept responsibility for establishing and maintaining internal controls over financial reporting and I have evaluated the effectiveness of internal control systems of the Company over financial reporting and I have discussed to the Auditors and Audit Committee, deficiencies in the design or operation of internal control over financial reporting, if any, of which I am aware and the steps I have taken, proposes to take to rectify these deficiencies. In my opinion, there is adequate internal control over financial reporting.
4. I have indicated to the Auditors and the Audit Committee that there are:
 - (i) significant improvement in internal control over financial reporting during the year;
 - (ii) no significant changes in accounting policies during the year;
 - (iii) no instances of significant fraud of which I have become aware and the involvement there in, if any, of the management or an employee having a significant role in the Company's internal control system on financial reporting.

Place : Vadodara
Date : 6th May, 2014

KANUBHAI S. PATEL
CHAIRMAN, CEO, CFO & MANAGING DIRECTOR

(xvii) Plant Location:

The Company's plants are located at:

1. Makarpura, Vadodara, 390014, Gujarat.
2. Village Vadadla, Jarod-Samlaya Road, Tehsil Savli, District Vadodara, 391520, Gujarat.

(xviii) Address for correspondence:

Voltamp Transformers Limited, Makarpura, Vadodara, 390 014, Gujarat.

As per requirement of the Clause 47(f) of the Listing Agreement with Stock Exchanges, the Company has created a dedicated email ID **vnm_ipo@voltamptransformers.com** exclusively for the purpose of registering complaints of the investors and is prominently displayed on the Company's website www.voltamptransformers.com

FOR AND ON BEHALF OF THE BOARD

Place : Vadodara
Date : 6th May, 2014

KANUBHAI S. PATEL
CHAIRMAN & MANAGING DIRECTOR

Auditors' Certificate on Corporate Governance

To
The Members,
Voltamp Transformers Limited

We have examined compliance of the conditions of the Corporate Governance by Voltamp Transformers Limited for the year ended 31st March, 2014, as stipulated in Clause 49 of the Listing Agreement, of the said Company with the Stock Exchanges.

The compliance of the conditions of the Corporate Governance is the responsibility of the Management. Our examination has been limited to a review of the procedures and implementation thereof adopted by the Company for ensuring compliance with conditions of the Corporate Governance as stipulated in the said Clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanation given to us and based on the representation made by the Directors and the Management, we certify that the Company has complied with conditions of Corporate Governance as stipulated in the Clause 49 of the above mentioned Listing Agreement.

We further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which Management has conducted the affairs of the Company.

FOR CHANDULAL M. SHAH & CO.
CHARTERED ACCOUNTANTS
FR No. : 101698W

Place : Ahmedabad
Date : 6th May, 2014

B.M. ZINZUVADIA
PARTNER
M. NO. 109606

ANNEXURE - IV TO THE DIRECTORS' REPORT

MANAGEMENT DISCUSSION AND ANALYSIS

INDUSTRY OVERVIEW:

The slowdown in order momentum which began few years back extended to this financial year also impacting capacity utilization and price realization due to intense price-war amongst organized sector manufacturers. Industry continued working at sub-optimum level, i.e. less than 60% of capacity utilization. Multinational Companies continued adding capacity in over-crowded industry. All the major players in Industry have been facing lower price realization and liquidity pressure. The position is unlikely to improve in short-run and current year 2014-15 will continue to be challenging one, unless new Government that will assume office after Loksabha Election at the Centre address policy issues on war-footing basis and revive investors' confidence.

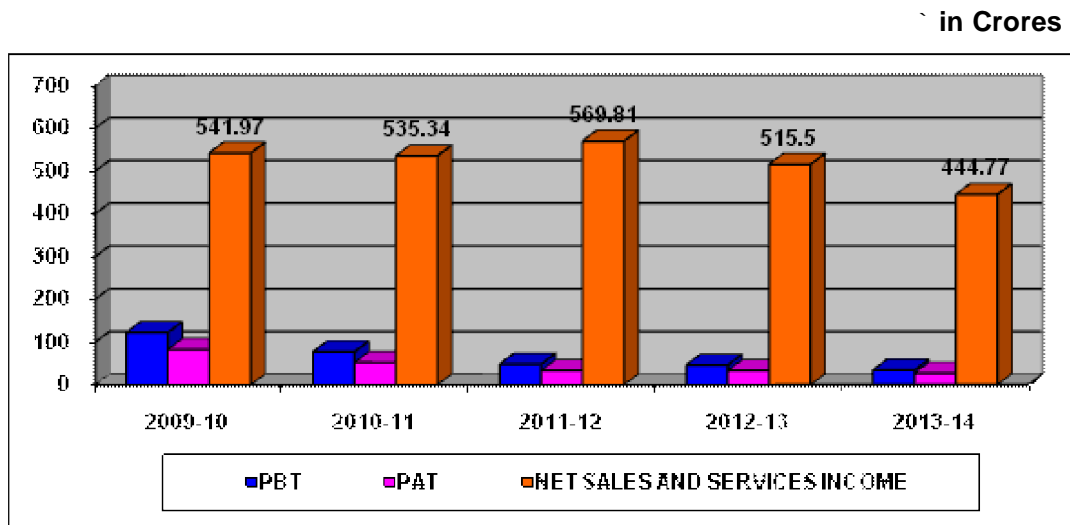
OUTLOOK FOR THE COMPANY:

The Company expects current year to remain difficult one. Large portion of orders getting booked on fixed term price basis to feed base load of the factories; with total uncertainty during execution stage. With large unutilized capacity in Industry, aggressive pricing practice continuing and highly volatile input material prices, there remains tremendous pressure to achieve break-even level operations. Further, the current financial year 2014-15 being election year, if a strong and stable government comes at the centre, then revival of the current sluggish phase is expected. Being election phase, the uncertainties are also high in short-run. The slowdown is transient and long term outlook is positive for the industry.

As on date, orders available for execution in the current year amount to ₹ 287.86 crores, totaling 5005 MVA, providing revenue visibility for about six months period.

PERFORMANCE OF THE COMPANY DURING THE LAST FIVE YEARS:

Profit Before Tax (PBT), Profit After Tax (PAT), and Sales and Services Income of the last five years.



The Company could achieve sales of ₹ 444.77 crores (6628 MVA) only as compared to ₹ 515.50 crores (7670 MVA) in the previous year and the PBT reduced to Rs.34.21 crores and PAT reduced to ₹ 26.29 crores.

FINANCE:

The Company continued to remain debt free during the year. The Company continued to focus on optimizing its working capital to improve cash position. As in the past, the Company has maintained excellent relationship with its bankers and was able to negotiate favorable terms for various banking facilities. The Company has

invested surplus funds available, in various debt and equity schemes of mutual funds, fixed deposit with banks, debentures and bonds, PMS, tax-free bonds, etc. and earned a reasonable return on the same and the Company was also able to expand its investment portfolio. Though the Company was able to little bit improve its receivable position and inventory holding level, higher investment in receivables and inventory still remain a major area of concern for the Company. In this difficult market condition, the Company has limited options to deal with this situation.

FACTORS AFFECTING OUR FUTURE RESULTS OF OPERATIONS:

The major factors that may affect our future results of operations are the currency fluctuation, competitive pressures from local as well as recently entered International competitors, Govt. policies on power sector and growth of power sector in India, large unutilized capacity in Industry, aggressive pricing, continuing and highly volatile raw material prices.

HUMAN RESOURCES:

The Company continues its focus on development of human resource. The relations of the management with employees during the year continued to be cordial. Learning and development has been strengthened to bring value addition in employees and to enhance team building leading towards success. The Company focuses on providing the employees motivating work environment and career development opportunities.

INTERNAL CONTROL SYSTEMS:

The Company has in place, effective internal control systems and policies for compliance of laws and to safeguard the interest of the Company. The Company maintains a system of internal controls designed to provide reasonable assurance regarding the efficiency and reliability of operations and for safeguarding the assets of the Company and for ensuring appropriate recording and reporting of financial information for ensuring reliability of financial controls and for ensuring compliance of applicable laws and regulations.

The internal audit covers a wide variety of operational matters and ensures compliance with specific standards with regard to reliability and suitability of policies and procedures.

The internal auditors report to the top management through Chairman & Managing Director and continuously monitors adherence to laid down systems and policies. Services of internal auditors are being outsourced through established audit firm. The systems are regularly reviewed and modified for changes in operating and regulatory requirements.

The Audit Committee reviews the adequacy and effectiveness of internal control systems and suggests improvement for strengthening the same from time to time.

RISKS & CONCERNS:

Looking to the overall industrial slow down, demand for the Company's products may be subdued in short-run. The foreign exchange fluctuation may impact company's profit margin since the import of raw materials, viz. copper, transformer oil, special steels for lamination, etc., being the products of import origin. Further, underutilized capacity, non-lifting of ready materials due to cash constraints at customers' end, and delayed payment increasing receivable positions, are affecting the profitability and cash position of the Company. Execution of low price orders within budgeted cost with wafer-thin margins, to feed factories is a challenge.

STRENGTH:

The Company is debt free and has efficient working capital management, increasing investments of its surplus funds in debt and equity mutual funds, bonds, debentures, fixed deposits, PMS, tax-free bonds, etc. The Company has a diverse industrial client base and not dependent on any particular industry segment or region to book orders.

INDEPENDENT AUDITORS' REPORT

To
The Members of Voltamp Transformers Limited

Report on the Financial Statements

We have audited the accompanying financial statements of **Voltamp Transformers Limited**, which comprise the Balance Sheet as at March 31, 2014, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for 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 Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956, read with the General Circular 15/2013 dated 13th September 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. 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 judgment, 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 control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, 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.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the 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:

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
- b) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- c) in the case of the Cash Flow Statement, of the 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, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(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 appears from our examination of those books;
 - c) the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d) in our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956; read with the General Circular 15/2013 dated 13th September 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013;

- e) on the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

FOR CHANDULAL M. SHAH & CO.

Chartered Accountants

FR No. : 101698W

B. M. ZINZUVADIA

Partner

M.No. 109606

Place : Ahmedabad

Date : 6th May, 2014

ANNEXURE TO THE AUDITORS' REPORT

Referred to in paragraph 1 of "Report on Other Legal and Regulatory Requirements" of our report on the accounts of Voltamp Transformers Limited for the year ended on 31st March, 2014.

- (i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) According to the information and explanations given to us, the Management, during the year, has physically verified the fixed assets. The management has informed us that, no material discrepancies between the book record and the physical inventory have been noticed.
- (c) During the year substantial part of fixed assets have not been disposed off.
- (ii) (a) As explained to us, the inventory has been physically verified by the management at reasonable intervals. In respect of materials lying with third parties, we have relied on the confirmations obtained from them. In our opinion the frequency of verification is reasonable.
- (b) The procedure of physical verification of stock followed by the management is 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. The discrepancies noticed on verification between the physical stocks and book records were not material.
- (iii) (a) The Company has not granted any loans to company, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Therefore, para (b) to (d) are not applicable.
- (b) The Company has not taken loan from company, firm or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Therefore, para (f) and (g) are not applicable.
- (iv) In our opinion and according to the information and explanations given to us, the internal control procedures are commensurate with the size of the Company and the nature of its business with regard to purchase of inventory and fixed assets and for the sale of goods and services. Further, there is no continuing failure to correct major weaknesses in internal control.
- (v) According to the information and explanations given to us, there is no transaction which is required to be entered in the register required to be maintained under that section.
- (vi) In our opinion and according to information and explanations given to us, the Company has not accepted deposit from the public and therefore provisions of section 58A, 58AA or any other relevant provisions of Companies Act, 1956 and the rules made there under are not applicable.
- (vii) In our opinion, the Company's internal audit system is commensurate with the size of the Company and nature of its business;
- (viii) We have broadly reviewed the records maintained by the Company relating to the manufacture of Transformers pursuant to the rules made by the Central Government for the maintenance of cost records u/s. 209(1) (d) of the Companies Act, 1956 and we are of the opinion that prima facie the prescribed records have been made and maintained. We have, however, not made detailed examination of such records.
- (ix) (a) According to the information and explanations given to us the Company is regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Custom Duty, Service Tax, Excise Duty, and any other material statutory dues applicable to it.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of Income Tax, Sales Tax, Wealth Tax, Service tax, and Excise Duty were in arrears as at the end of the year, for a period of more than six months from the date they become payable.

- (c) According to the information and explanations given to us, there are no disputed dues which are not deposited of sales tax/income tax/wealth tax/custom duty/excise duty **except stated below** :

Name of the Statute	Nature of Dues	Amount (in Lacs)	Period to which it relates	Forum where dispute is pending
Central Excise Act	Excise Duty	10.25	2003-04	Appeal filed at CESTAT, Delhi
	Penalty	1.02		
Central Excise Act	Excise Duty	130.57	April 2004 to May 2009	Appeal filed at CESTAT, Ahmedabad
	Penalty	130.57		
Central Excise Act	Excise Duty	2.76	April to December 2009	Appeal filed at CESTAT, Ahmedabad
	Penalty	2.76		
Central Excise Act	Excise Duty	4.94	December 2010 to May 2011	Appeal filed at CESTAT, Ahmedabad
	Penalty	4.94		
Central Excise Act	Excise Duty	5.26	January to June 2010	Appeal filed at CESTAT, Ahmedabad
	Penalty	5.26		
Central Excise Act	Excise Duty	4.39	July to November 2010	Appeal filed at CESTAT, Ahmedabad
	Penalty	4.39		
Central Excise Act	Penalty	4.02	August to December 2009	Appeal filed at CESTAT, Ahmedabad
Central Excise Act	Excise Duty	4.94	October 2011 to March 2012	Appeal filed at CESTAT, Ahmedabad
	Penalty	4.94		
Central Excise Act	Excise Duty	5.87	April to September 2012	Appeal filed at Commissioner, Vadodara
	Penalty	0.04		
Central Excise Act	Excise Duty	5.45	October 2012 to March 2013	Appeal filed at Commissioner, Vadodara
	Penalty	0.04		
Total		332.41		

- (x) The Company does not have accumulated losses as on 31st March, 2014. Further it has not incurred cash loss during the financial year 2013-14 and in the immediately preceding financial year.
- (xi) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to a bank. The Company has not obtained any loans from financial institution or debenture holders.
- (xii) According to the information and explanations given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) The Company is not a chit fund or a Nidhi / mutual benefit fund / society. Therefore provisions of clause (xiii) of the Order are not applicable to the Company.
- (xiv) In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments. The shares and securities held by the Company as investments are in its own name.
- (xv) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions.
- (xvi) The Company has not obtained any term loans during the year.
- (xvii) Based on the information and explanations given to us and on an overall examination of the balance sheet of the Company, in our opinion, there are no funds raised on a short-term basis which have used for long term investment.
- (xviii) The Company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under section 301 of the Companies Act, 1956 during the year.
- (xix) The Company has not issued any debentures and therefore the creation of securities or charge does not arise.
- (xx) The Company has not raised any money by public issue during the year.
- (xxi) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanation given by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.

FOR CHANDULAL M. SHAH & CO.

Chartered Accountants

FR No. : 101698W

B. M. ZINZUADIA

Partner

M.No. 109606

Place : Ahmedabad

Date : 6th May, 2014

BALANCE SHEET AS ON 31 MARCH 2014

Particulars	Note No.	As at 31-Mar-2014 (₹)	As at 31-Mar-2013 (₹)
I. EQUITY AND LIABILITIES			
1 Shareholders' funds			
(a) Share capital	1	10,11,71,200	10,11,71,200
(b) Reserves and surplus	2	4,14,61,80,592	4,00,16,54,050
2 Non-current liabilities			
(a) Long-term provisions	3	1,46,08,234	1,37,67,264
3 Current liabilities			
(a) Trade payables	4	15,72,19,038	6,26,888
(b) Other current liabilities	5	19,55,73,365	22,84,70,220
(c) Short-term provisions	6	19,78,61,329	26,29,54,237
TOTAL		4,81,26,13,758	4,60,86,43,859
II. ASSETS			
1 Non-current assets			
(a) Fixed assets	7		
(a) Tangible assets		46,80,11,593	51,53,74,066
(b) Intangible assets		26,77,749	40,89,452
(c) Capital work-in-progress		36,42,500	---
(b) Non-current investments	8	1,77,41,34,540	1,40,00,55,487
(c) Deferred tax assets (net)	9	66,17,896	33,60,030
(d) Long-term loans and advances	10	47,64,681	59,60,105
2 Current assets			
(a) Current investments	11	41,03,90,588	33,70,94,860
(b) Inventories	12	57,30,25,862	71,83,71,972
(c) Trade receivables	13	1,42,74,27,926	1,45,25,46,666
(d) Cash and Bank Balance			
Cash and cash equivalents	14(a)	86,64,758	10,72,13,441
Other cash and bank balance	14(b)	26,13,997	24,12,505
(e) Short-term loans and advances	15	13,06,41,668	6,21,65,275
TOTAL		4,81,26,13,758	4,60,86,43,859

Notes referred to above, form an integral part of Balance Sheet and statement of Profit & Loss.

As per our report of even date
For Chandulal M. Shah & Co.
Chartered Accountants
FR No. 101698W

B. M. Zinzuvadiah
Partner
M. No. 109606

Place : Ahmedabad
Date : 6th May, 2014

For and on behalf of the Board
For Voltamp Transformers Limited

K. S. Patel

Chairman
& MD

K. G. Tuli

Director

A. N. Shelat

Director

K. L. Patel

V. L. Patel

V. N. Madhani

Vice Chairman
& MD

Director

Director &
Company Secretary

Place : Vadodara

Date : 6th May, 2014

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED ON 31 MARCH 2014

Particulars	Note No.	For the year ended on 31-Mar-2014 (`)	For the year ended on 31-Mar-2013 (`)
Revenue from operations (Gross)	17	4,88,23,91,674	5,65,59,79,690
Less : Excise Duty		43,46,41,605	50,09,55,531
Revenue from operations (Net)		4,44,77,50,069	5,15,50,24,159
Other income	18	26,74,44,741	20,01,96,355
Total Revenue		471,51,94,810	5,35,52,20,514
Expenditure :			
Cost of materials consumed	19	3,48,24,24,043	3,92,63,28,335
Changes in inventories of finished goods			
WIP and stock-in-trade	20	18,76,30,554	20,39,65,679
Employee benefits expense	21	18,44,54,425	19,76,31,612
Finance costs	22	36,69,735	49,10,355
Depreciation and amortization expense	8	7,13,26,558	7,67,46,570
Other expenses	23	44,35,55,574	48,53,17,414
Total expenses		4,37,30,60,889	4,89,48,99,965
Profit Before Tax		34,21,33,921	46,03,20,549
Tax expense:			
Current tax		8,25,00,000	13,75,00,000
Deferred tax		(32,57,866)	(61,62,594)
Total Tax expense		7,92,42,134	13,13,37,406
Profit (Loss) for the period		26,28,91,787	32,89,83,143
Earnings per equity share:	25(b)		
Basic		25.98	32.52
Diluted		25.98	32.52

Notes referred to above, form an integral part of Balance Sheet and statement of Profit & Loss.

As per our report of even date
For Chandulal M. Shah & Co.
Chartered Accountants
FR No. 101698W
B. M. Zinzuvadiah
Partner
M. No. 109606

Place : Ahmedabad
Date : 6th May, 2014

For and on behalf of the Board
For Voltamp Transformers Limited

K. S. Patel	Chairman & MD	K. L. Patel	Vice Chairman & MD
K. G. Tuli	Director	V. L. Patel	Director
A. N. Shelat	Director	V. N. Madhani	Director & Company Secretary

Place : Vadodara
Date : 6th May, 2014

CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31ST MARCH 2014

Particulars	31 st March, 2014 (₹)	31 st March, 2013 (₹)
(A) Cash flows from Operations:		
Net Profit after tax	26,28,91,787	32,89,83,143
Adjustment to reconcile net cash provided by operating activities		
Depreciation and amortization	7,13,26,558	7,67,46,570
Profit on sale of investments	(6,94,63,579)	(2,87,08,363)
Provision for taxation	8,27,25,000	13,77,23,199
Provision for bad debt	4,88,308	1,89,16,687
Reversal of provision for bad debt	(1,28,95,589)	----
Profit on sale of fixed asset	66,059	(3,62,749)
Deferred tax	(32,57,866)	(61,62,594)
Provision for leave encashment	21,38,231	45,08,036
Expenses reported under other activity head	----	----
Income reported under other activity head	(4,86,08,994)	(4,40,33,476)
Other operating activities		
Changes in assets and liabilities	----	----
Change in current asstes	7,78,63,649	30,29,30,025
Change in current liability	16,89,17,606	9,90,36,013
Decrease (increase) in accounts receivable	3,75,26,021	26,84,25,395
Decrease (increase) in loans and advance	(6,74,82,461)	(3,13,310)
Decrease (increase) in inventory	14,53,46,110	30,32,43,335
Decrease (increase) in accounts payable	31,12,65,378	14,17,83,333
Decrease (increase) in accrued liabilities	(17,98,73,793)	(31,11,72,715)
Net cash from operating activities of continuing operations	53,21,91,170	88,95,76,491
Tax paid	(9,76,28,836)	(9,76,28,836)
Net Cash from Operations	43,45,62,334	79,19,47,655
(B) Cash Flow From Investing :		
Payments for property and equipment	(2,63,73,083)	(4,76,53,308)
Sale of property and equipments	1,12,142	4,74,891
Other investment	(37,79,11,202)	(60,99,01,713)
Dividend received	2,67,97,761	2,40,90,979
Interest received	2,18,11,233	1,99,42,497
Net cash from investing activities of continuing operations	(35,55,63,149)	(61,30,46,654)
Net cash from investing activities of discontinued operations	----	----
Net Cash from Investing	(35,55,63,149)	(61,30,46,654)
(C) Cash Flow From Financing :		
Dividends paid	(17,75,47,868)	(11,75,83,698)
Net Cash from Financing	(17,75,47,868)	(11,75,83,698)
Net increase in cash and cash equivalents	(9,85,48,683)	6,13,17,303
Cash & Cash equivalent as beginning of Year	10,72,13,441	4,58,96,138
Cash & Cash equivalent at the end of Year	86,64,758	10,72,13,441
Net Difference	(9,85,48,683)	6,13,17,303

As per our report of even date
For Chandulal M. Shah & Co.
Chartered Accountants
FR No. 101698W

B. M. Zinzuvadia
Partner
M. No. 109606

Place : Ahmedabad
Date : 6th May, 2014

For and on behalf of the Board
For Voltamp Transformers Limited

K. S. Patel	Chairman & MD	K. L. Patel	Vice Chairman & MD
K. G. Tuli	Director	V. L. Patel	Director
A. N. Shelat	Director	V. N. Madhani	Director & Company Secretary

Place : Vadodara
Date : 6th May, 2014

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2014

SIGNIFICANT ACCOUNTING POLICIES

1. Basis of preparation of financial statements

The financial statements are prepared and presented under the historical cost convention on the accrual basis of accounting and comply with the Accounting Standards issued under Companies Accounting Standard Rules, 2006 and the relevant provisions of the Companies Act, 1956, to the extent applicable.

2. Use of estimates

The preparation of financial statements in conformity with Generally Accepted Accounting Principles in India requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent liabilities on the date of the financial statements. Actual results may differ from those estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

3. Fixed assets and depreciation/amortisation

Tangible fixed assets

Tangible fixed assets are stated at historical cost less accumulated depreciation. Cost comprises purchase price, duties, levies and other directly attributable expenses of bringing the asset to its working condition for the intended use.

Borrowing costs directly attributable to acquisition or construction of those tangible fixed assets, which necessarily take a substantial period of time to get ready for their intended use, are capitalised.

Advances paid towards acquisition of fixed assets and the cost of assets acquired but not ready for use as at the balance sheet date are disclosed under capital work-in-progress.

Depreciation on tangible fixed assets, is provided using the written down value method at the rates specified under Schedule XIV to the Companies Act, 1956. In respect of fixed assets purchased during the year, depreciation is provided on a pro-rata basis from the date on which such asset is ready to be put to use.

Intangible fixed assets

Intangible fixed assets are stated at historical cost less accumulated amortisation. Cost comprises purchase price, duties, levies and other directly attributable expenses of bringing the assets to its working condition for the intended use. Cost is amortised over its useful economic life based on expected benefit.

4. Impairment of assets

In accordance with accounting standard 28 on 'Impairment of assets', the Company assesses at each balance sheet date whether there is an indication that assets of the Company may be impaired. Where any such indication exists the company estimates the recoverable amount of the assets. The recoverable amount of the assets (or where applicable that of the cash generating unit to which the asset belongs) is estimated at the higher of its net selling price and its value in use. An impairment charge is recognised whenever the carrying amount of the asset or cash-generating unit exceeds its recoverable amount.

5. Investments

Long-term investments are carried at cost less any other than temporary diminution in value, determined separately for each individual investment. Current investments are carried at lower of cost and fair value.

6. Inventories

Inventories are valued at lower of cost and net realisable value. Cost is determined under the first-in, first-out method and includes all costs incurred in bringing the inventories to their present location and condition. Finished goods and Work-in-progress include appropriate proportion of costs of conversion.

7. Revenue recognition

Revenue from sale of goods is recognised on transfer of all significant risks and rewards of ownership to the buyer. Sales are stated net of excise duty, sales tax and trade discounts.

Interest on deployment of surplus funds is recognized using the time-proportion method, based on interest rates implicit in the transaction based on reasonable certainty of receipt. Interest on advances is recognized when the ultimate collection is not uncertain.

Dividend income is recognized when the right to receive dividend is established.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2014**8. Employee benefits****(i) Post-employment Benefits:****(a) Defined Contribution Plans:**

The company has Defined Contribution Plans for post employment benefits, charged to Profit & Loss Account, in form of:

- a. Provident Fund / Employee's Pension Fund administered by the Regional Provident Fund Commissioner,
- b. Superannuation Fund as per Company's policy administered by Life Insurance Corporation of India;
- c. Group Life Insurance cover, as per company's policy.

(b) Defined Benefit Plans:

Funded Plan: The Company has Defined Benefit Plan for post employment benefits in the form of Gratuity for all employees administered through trust, funded with Life Insurance Corporation of India.

Unfunded Plan: The Company has unfunded Defined Benefit Plans in the form of Compensated Absences [CA] as per Company policy.

Liability for the above Defined Benefit Plans is provided on the basis of actuarial valuation, as at the balance sheet date, carried out by independent actuary. The actuarial method used for measuring the liability is the Projected Unit Credit Method.

- (ii) The actuarial gains and losses arising during the year are recognized in the Profit & Loss Account for the year.

9. Foreign currency transactions

Foreign currency transactions are recorded at exchange rates prevailing on the date of the transaction. The difference between the actual rate of settlement and the rate on the date of the transaction is charged or credited to profit and loss account.

In respect of monetary current assets and liabilities denominated in foreign currencies the overall net gain or loss, if any, on conversion at the exchange rates prevailing on the date of the balance sheet is charged to revenue.

10. Taxation

Income tax expense comprises current tax expense and deferred tax expense/credit.

Current tax

Provision for current tax is calculated in accordance with the provisions of the Income-Tax Act, 1961 and is made annually based on the tax liability computed after considering tax allowances and exemptions.

Assets and liabilities representing current tax are disclosed on a net basis when there is a legally enforceable right to set off and where the management intends to settle the asset and liability on a net basis.

Deferred tax

Deferred tax liability or asset is recognised for timing differences between the profits/losses offered for income taxes and profits/losses as per the financial statements. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted at the balance sheet date.

Deferred tax assets are recognised only to the extent there is a reasonable certainty that the assets can be realised in future; however where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognised only if there is a virtual certainty of realisation of such assets. Deferred tax assets are reviewed as at each balance sheet date and written down or written-up to reflect the amount that is reasonably/virtually certain (as the case may be) to be realised.

11. Earnings per share ('EPS')

Basic EPS is computed using the weighted average number of equity shares outstanding during the year. Diluted EPS is computed using the weighted average number of equity and dilutive equity equivalent shares outstanding during the year except where the results would be anti dilutive. The number of equity shares is adjusted for any share splits and bonus shares issued effected prior to the approval of the financial statements by the Board of Directors.

12. Contingencies and provisions

The Company creates a provision when there is present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2014

1. SHARE CAPITAL

a. Details of Share Capital

Particulars	As at 31-Mar-2014		As at 31-Mar-2013	
	Number		Number	
Authorized				
Equity Shares of ₹ 10 each	1,20,00,000	12,00,00,000	1,20,00,000	12,00,00,000
	1,20,00,000	12,00,00,000	1,20,00,000	12,00,00,000
Issued, Subscribed & Paid up				
Equity Shares of ₹ 10 each fully paid up	1,01,17,120	10,11,71,200	1,01,17,120	10,11,71,200
Total	1,01,17,120	10,11,71,200	1,01,17,120	10,11,71,200

- b. The company is not a subsidiary of any other company; it does not have any subsidiary. Shareholding details of the company and name of persons holding more than 5% shares are as under:

Names of person holding more than 5% shares	No. of Shares held	
	As at 31-Mar-2014	As at 31-Mar-2013
Kunjali Investments Pvt. Ltd.	38,01,377	37,51,540
Nalanda India Fund Limited	10,05,340	10,05,340
Nalanda India Equity Fund Limited	6,47,732	6,47,732
ICICI Prudential Discovery Fund	6,59,537	----
Pari Washington Company Pvt. Ltd.	5,67,286	----
Royce Micro Cap Fund	----	5,24,000
Total	66,81,272	59,28,612

- c. The Company has not issued any share by way of bonus or without payment being received in cash in pursuant to any contract during the period of last five years.
- d. The Company has not bought back any share during the period of last five years.
- e. The Company has only one class of equity share of ₹ 10 each. Each holder of equity share is entitled to one vote per share. The company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the Shareholders at the ensuing Annual General Meeting.

Particulars	As at 31-Mar-2014	As at 31-Mar-2013
2. RESERVES & SURPLUS		
Capital Reserves		
Opening balance	3,90,241	3,90,241
<i>Closing balance</i>	3,90,241	3,90,241
General Reserve		
Opening balance	3,90,00,00,000	3,75,00,00,000
(+) Current year transfer	15,00,00,000	15,00,00,000
<i>Closing balance</i>	4,05,00,00,000	3,90,00,00,000
Surplus		
Opening balance	10,12,63,809	9,98,28,534
(+) Net Profit/(Net Loss) for the current year	26,28,91,787	32,89,83,143
(-) Proposed Dividend (Including Dividend Distribution Tax)	11,83,65,245	17,75,47,868
(-) Transferred to General Reserves	15,00,00,000	15,00,00,000
<i>Closing balance</i>	9,57,90,351	10,12,63,809
Total	4,14,61,80,592	4,00,16,54,050

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2014

Particulars	As at 31-Mar-2014	As at 31-Mar-2013
3. LONG TERM PROVISIONS		
Refer Para No. 12 of Significant Accounting Policies, for the accounting policy followed by the company in this regard.		
Provision for employee benefits		
Leave encashment	1,46,08,234	1,37,67,264
Total	1,46,08,234	1,37,67,264
4. TRADE PAYABLES		
Trade Payables	15,72,19,038	6,26,888
Total	15,72,19,038	6,26,888
5. OTHER CURRENT LIABILITIES		
Unpaid dividends	11,55,883	17,746
Other payables		
Expense payable	2,51,04,662	2,22,86,707
Advance received against order	14,22,15,455	17,64,16,866
Indirect tax payable	2,14,83,905	2,36,97,965
TDS payable	26,91,457	40,24,503
Other current liability	29,22,003	20,26,433
Total	19,55,73,365	22,84,70,220
6. SHORT TERM PROVISIONS		
Refer Para No. 12 of Significant Accounting Policies, for the accounting policy followed by the company in this regard.		
Provision for employee benefits		
Leave encashment	12,95,110	5,29,077
<i>Total</i>	12,95,110	5,29,077
Others		
Provision for wealth tax	2,25,500	2,23,199
Provision for income tax (Net of advance tax)	3,86,54,551	5,33,36,989
Other employee benefit	1,06,88,937	1,01,81,695
Provision for warranties	2,86,31,986	2,11,35,409
Proposed dividend and dividend tax	11,83,65,245	17,75,47,868
<i>Total</i>	19,65,66,219	26,24,25,160
Total	19,78,61,329	26,29,54,237

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2014

7. FIXED ASSETS

Refer Para No. 3 of Significant Accounting Policies, for the accounting policy followed by the company in this regard.

Sr. No.	Fixed Assets	Gross Block			Accumulated Depreciation			Net Block			
		As at 31-Mar-2013	Additions	Adjustment during the year	As at 31-Mar-2014	As at 31-Mar-2013	Depreciation charge for the year	Adjustment during the year	As at 31-Mar-2014	As at 31-Mar-2014	As at 31-Mar-2013
a	Tangible Assets										
	Land	3,55,48,209	13,200	----	3,55,61,409	----	----	----	3,55,61,409	3,55,48,209	
	Buildings	36,61,37,064	----	----	36,61,37,064	11,49,82,545	2,43,69,057	----	13,93,51,602	22,67,85,462	25,11,54,512
	Office building on lease	67,06,849	----	----	67,06,849	3,16,005	3,31,209	----	6,47,214	60,59,635	63,90,844
	Plant and equipments	43,64,51,482	1,29,69,249	5,23,958	44,88,96,773	26,87,66,044	3,23,03,716	4,56,937	30,06,12,823	14,82,83,950	16,76,85,438
	Furniture and fixtures	3,99,89,412	10,44,459	----	4,10,33,871	2,04,02,124	36,75,198	----	2,40,77,322	1,69,56,549	1,95,87,285
	Vehicles	4,25,67,908	62,00,308	54,76,730	4,32,91,486	1,95,59,748	56,72,669	41,22,577	2,11,09,840	2,21,81,646	2,30,08,160
	Office equipments	1,54,87,297	13,52,031	25,000	1,68,14,328	75,94,465	12,23,821	24,334	87,93,952	80,20,376	78,92,832
	Computers	2,32,62,755	19,27,269	1,41,538	2,50,48,486	1,91,55,969	18,51,389	1,21,438	2,08,85,920	41,62,566	41,06,786
	Total	96,61,50,976	2,35,06,516	61,67,226	98,34,90,266	45,07,76,900	6,94,27,059	47,25,286	51,54,78,673	46,80,11,593	51,53,74,066
	Tangible Assets Previous Year	91,94,62,956	5,47,20,779	80,32,769	96,61,50,966	38,28,34,565	7,51,11,085	71,68,750	45,07,76,900	51,53,74,066	53,66,28,391
b	Intangible Assets										
	Computer software	1,15,69,601	4,87,796	----	1,20,57,397	74,80,149	18,99,499	----	93,79,648	26,77,749	40,89,452
	Technical know how	81,04,481	----	----	81,04,481	81,04,481	----	----	81,04,481	----	----
	Total	196,74,082	4,87,796	----	2,01,61,878	1,55,84,630	18,99,499	----	1,74,84,129	26,77,749	40,89,452
	Intangible Assets Previous Year	179,96,937	16,77,145	----	1,96,74,082	1,39,49,145	16,35,585	----	1,55,84,630	40,89,452	40,47,792
	Total	98,58,25,058	2,39,94,312	61,67,226	1,00,36,52,144	46,63,61,530	7,13,26,558	47,25,286	53,29,62,802	47,06,89,342	51,94,63,518
c	Capital Work In Progress	----	36,42,500	----	36,42,500	----	----	----	----	36,42,500	----
	Total	98,58,25,058	2,76,36,812	61,67,226	1,00,72,94,644	46,63,61,530	7,13,26,558	47,25,286	53,29,62,802	47,43,31,842	51,94,63,518
	Capital Work In Progress Previous Year	----	----	----	----	----	----	----	----	----	----
	Previous Year figures	94,54,52,632	5,63,97,924	1,60,25,508	98,58,25,048	39,67,83,710	7,67,46,570	71,68,750	46,63,61,530	51,94,63,518	54,86,68,922

Particulars	As at 31-Mar-2014	As at 31-Mar-2013
8. NON CURRENT INVESTMENTS		
a. Refer Para No. 5 of Significant Accounting Policies, for the accounting policy followed by the company in this regard.		
b. Summarized information of investments		
Other Investments		
Investment in equity instruments	1,31,323	1,31,323
Investments in debentures or bonds	58,38,23,343	44,44,04,400
Investments in mutual funds	85,85,48,280	64,77,07,621
Other investments	33,16,31,594	30,78,12,143
Total	1,77,41,34,540	1,40,00,55,487
c. Summarized details of quoted and unquoted investments and market values in case of quoted investments		
Aggregate of quoted investments	1,58,59,60,049	123,88,88,220
Aggregate of unquoted investments	18,81,74,491	17,34,92,267
Market value of quoted investments	1,67,64,44,313	1,30,97,60,750

d. Investments are valued at cost.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2014

e. Details of other non-current investment

Sr. No.	Name of the Body Corporate	No. of Shares / Units		Face Value (₹)		Amount (₹)	
		2013-14	2012-13	2013-14	2012-13	2013-14	2012-13
a	Investment in Equity Instruments						
	Quoted						
	Larsen & Toubro Ltd.	100	100	10	10	5,042	5,042
	Ultra Tech Cement Ltd.	20	20	10	10	4,033	4,033
	Madras Petrochem Ltd.	100	100	10	10	4,050	4,050
	Siemens Ltd.	620	620	10	10	24,800	24,800
	W.S. Insulators of India Ltd.	100	100	10	10	6,200	6,200
	Alstom Projects India Ltd.	88	88	10	10	16,325	16,325
	Jyoti Ltd.	50	50	10	10	2,837	2,837
	Reliance Industries Ltd.	100	100	10	10	14,575	14,575
	IDBI Ltd.	140	140	10	10	3,600	3,600
	Crompton Greaves Ltd.	612	612	2	2	9,013	9,013
	Bharat Bijlee Ltd.	200	200	10	10	23,175	23,175
	Schneider Electric Infra Ltd.	25	5	2	2	8,400	8,400
	IMP Power Ltd.	5	5	10	10	625	625
	Indotech Transformers Ltd.	5	5	10	10	1,750	1,750
	Transformers & Ret. Ltd.	5	5	10	10	1,729	1,729
	Easunreyl Ltd.	5	5	2	2	200	200
	Emco Ltd.	5	5	2	2	150	150
	Diamond Power Infrastructure Ltd.	5	5	10	10	890	890
	Kemrock Industries and Exports Ltd.	5	5	10	10	2,660	2,660
	Meghmani Organics Ltd.	5	5	10	10	879	879
	Shilcher Technologies Ltd.	5	5	10	10	390	390
	Total					1,31,323	1,31,323
b	Investments in Debentures or Bonds						
	Quoted Taxable Bonds						
	Tata Capital Ltd. - 10.25% NCDs	20	20	5,00,000	5,00,000	1,00,00,000	1,00,00,000
	Tata Motors Ltd. - 10.90% TMFL Bond	40	40	5,00,000	5,00,000	2,01,34,167	2,02,30,000
	Tata Motors Ltd. - 10.70% TMFL Bond	30	30	5,00,000	5,00,000	1,52,99,935	1,54,72,500
	State Bank of India Bonds - 7.45%	15	15	10,00,000	10,00,000	1,44,30,000	1,44,30,000
	State Bank of India Bonds - 9.95%	180	180	10,000	10,000	18,54,720	18,68,400
	Sundaram Finance Ltd. Bonds - 9.85%	30	30	10,00,000	10,00,000	3,01,57,250	3,02,55,000
	Indian Overseas Bank Bonds - 8%	7	7	10,00,000	10,00,000	69,37,000	69,37,000
	LIC Housing Finance Bonds - 8.90%	10	10	10,00,000	10,00,000	1,00,09,625	1,00,15,000
	Government of India Bonds - 8.30%	1,00,000	1,00,000	100	100	99,37,500	99,37,500
	Sundaram Finance Ltd. Bonds - 10%	20	20	10,00,000	10,00,000	2,01,48,615	2,03,30,000
	Nabard Bhavishya Nirman	500	500	20,000	20,000	59,30,000	59,30,000
	Shriram City Union Finance Ltd.-11.60% NCDs	20,936	20,936	1,000	1,000	2,09,36,000	2,09,36,000
	Shri Ram Transport Finance Ltd. - 11%	----	10,000	----	1,000	----	1,00,00,000
	Larsen & Toubro Finance Holdings Ltd. - Preference Shares	1,21,750	100	1,21,750	100	1,21,72,531	1,21,75,000
	Total					17,79,47,343	18,85,16,400
c	Investments in Debentures or Bonds						
	Quoted Tax Free Bonds						
	IRFC - Tax Free Bonds - 6.70%	200	200	1,00,000	1,00,000	2,00,18,000	2,00,30,000
	IRFC - Tax Free Bonds - 6.05%	100	100	1,00,000	1,00,000	1,00,00,000	1,00,00,000
	HUDCO Tax Free Bonds - 8.10%	50,000	50,000	1,000	1,000	5,00,00,000	5,00,00,000
	HUDCO Tax Free Bonds - 8.10%	10,000	10,000	1,000	1,000	98,85,000	98,85,000
	NHAI Tax Free Bonds - 8.20%	18,543	18,543	1,000	1,000	1,85,43,000	1,85,43,000
	Power Finance Corporation Ltd.						
	Tax Free Bonds - 8.20%	7,120	7,120	1,000	1,000	71,20,000	71,20,000
	REC Tax Free Bonds - 8.13%	15,310	15,310	1,000	1,000	1,53,10,000	1,53,10,000

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2014

Sr. No.	Name of the Body Corporate	No. of Shares / Units		Face Value (₹)		Amount (₹)	
		2013-14	2012-13	2013-14	2012-13	2013-14	2012-13
	REC - Tax Free Bonds - 7.22%	75,000	75,000	1,000	1,000	7,50,00,000	7,50,00,000
	HUDCO Tax Free Bonds - 7.34%	50,000	50,000	1,000	1,000	5,00,00,000	5,00,00,000
	NHAI Tax Free Bonds - 8.50%	50,000	----	1,000	----	5,00,00,000	----
	IRFC - Tax Free Bonds - 8.40%	20,000	----	1,000	----	2,00,00,000	----
	IREDA - Tax Free Bonds - 8.55%	10,000	----	1,000	----	1,00,00,000	----
	REC - Tax Free Bonds - 8.63%	10,000	----	1,000	----	1,00,00,000	----
	HUDCO Tax Free Bonds - 8.73%	10,000	----	1,000	----	1,00,00,000	----
	Kamarajar Port Ltd.-Tax Free Bonds- 8.75%	30,000	----	1,000	----	3,00,00,000	----
	IRFC - Tax Free Bonds - 8.63%	20,000	----	1,000	----	2,00,00,000	----
	Total					40,58,76,000	25,58,88,000
d	Investments in Mutual Funds						
	Franklin Income Opp Fund Growth	4,06,187	4,06,187	10	10	50,00,000	50,00,000
	HDFC Gold Fund	1,00,000	1,00,000	10	10	10,00,000	10,00,000
	Kotak Bond Reg Growth	4,61,040	3,87,982	10	10	1,50,00,000	1,25,00,000
	Kotak Bond Short term Growth	6,27,603	4,34,286	10	10	1,40,00,000	90,00,000
	Reliance Dual Advtg. Fixed						
	Tenure Fund I - Plan - J	----	2,50,000	----	10	----	25,00,000
	SBI Debt Fund Series - 36 Months -1 Growth	----	10,00,000	----	10	----	1,00,00,000
	Axis Income Saver – Growth	87,211	4,80,714	10	10	9,07,102	50,00,000
	Axis Income Fund – Growth	43,16,024	45,25,844	10	10	4,66,99,959	4,75,00,000
	Axis Short Term Fund Institutional Reg. Div.	43,47,248	25,94,700	10	10	4,40,39,692	2,60,82,775
	Axis Short Term Fund - Growth	15,32,954	4,02,191	10	10	2,00,00,000	50,00,000
	Canara Yield Advtg Fund - Growth Plan	5,39,061	5,39,061	10	10	53,90,610	53,90,610
	DSP BlackRock Balanced Fund - Div	----	2,66,412	----	10	----	57,30,245
	DSP DAF S-5-36 M Growth MT July 15	1,00,000	1,00,000	10	10	10,00,000	10,00,000
	DSP FTP S-11-36 M Growth	2,50,000	2,50,000	10	10	25,00,000	25,00,000
	DSP Income Opp Fund - Growth	3,98,200	2,79,719	10	10	75,00,000	50,00,000
	HDFC Balanced Fund – Growth	66,238	1,91,531	10	10	41,53,794	1,12,00,005
	HDFC Prudence Fund – Growth	15,867	15,867	10	10	34,00,000	34,00,000
	HDFC Mid-Cap Opportunities Fund - Growth	1,43,795	3,81,153	10	10	26,00,754	66,06,228
	HDFC Debt Fund for Cancer Cure - 100% Dividend Donation	1,20,000	1,00,000	10	10	12,00,000	10,00,000
	HDFC Multiple Yield Fund-Plan 2005 Growth	----	10,36,296	----	10	----	1,75,00,000
	HDFC Prudence Fund - Dividend	4,68,753	3,87,127	10	10	1,36,00,000	1,16,00,000
	HDFC Equity Fund - Growth	21,303	21,303	10	10	55,00,000	55,00,000
	HDFC Monthly Income Plan-Long Term-Gr.	5,93,835	14,20,607	10	10	1,36,77,209	3,20,48,533
	HDFC Monthly Income Plan-Short Term-Gr.	9,42,445	5,83,762	10	10	2,15,26,824	1,27,23,275
	HDFC Short Term Opp Fund Dividend	----	10,73,449	----	10	----	1,07,92,162
	HDFC FMP 24M April 2012(1G)	----	10,00,000	----	10	----	1,00,00,000
	ICICI FMP Series 63-3 Years Plan H	10,00,000	10,00,000	10	10	1,00,00,000	1,00,00,000
	ICICI FMP Series 63-3 Years Plan K	5,00,000	5,00,000	10	10	50,00,000	50,00,000
	IDFC SSIF - MT - Plan - A Growth	8,26,265	8,73,934	10	10	1,55,94,704	1,64,84,463
	Religare Short Term plan weekly Dividend	10,938	10,43,067	10	10	1,11,41,381	1,06,24,844
	Reliance Monthly Income Plan - Growth	----	3,91,220	----	10	----	83,00,000
	Reliance Dynamic Bond Fund Growth	6,49,363	13,19,364	10	10	99,72,341	2,00,00,000
	SBI Dynamic Bond Fund Growth	10,25,517	3,74,890	10	10	1,50,52,767	50,52,767
	SBI Magnum Income Fund	6,26,183	6,26,183	10	10	1,75,03,527	1,75,03,527
	Templeton India Co Bond Opp	10,34,252	4,56,825	10	10	1,18,08,500	50,00,000
	UTI STI Fund Growth Option	5,73,934	6,96,984	10	10	62,02,057	90,34,749
	UTI Short Term Income Fund - Institutional - Income Option Payout	3,40,382	9,43,850	10	10	50,00,000	1,00,00,000

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2014

Sr. No.	Name of the Body Corporate	No. of Shares / Units		Face Value (₹)		Amount (₹)	
		2013-14	2012-13	2013-14	2012-13	2013-14	2012-13
	UTI MIS - Advantage Plan - Growth	1,16,620	52,623	10	10	25,00,000	10,00,000
	UTI Dynamic Bond Fund - Growth	7,96,418	15,48,552	10	10	1,00,00,000	1,75,00,000
	HDFC Income fund - Growth	10,35,642	7,62,340	10	10	2,75,00,000	2,00,00,000
	HDFC FMP 566D Dec. 2012(1) - Growth	----	10,00,000	----	10	----	1,00,00,000
	HDFC FMP 526D Dec. 2012 (1) - Growth	----	5,00,000	----	10	----	50,00,000
	HDFC FMP 1198D Feb. 2013 - Growth	5,00,000	5,00,000	10	10	50,00,000	50,00,000
	Axis Triple Advantage Fund - Growth	19,04,411	26,72,959	10	10	2,37,55,836	3,25,00,000
	Axis Dynamic Bond Fund - Growth	56,59,161	25,84,435	10	10	6,75,00,000	3,00,00,000
	Axis Fixed Term Plan - Series 34 - Growth	----	5,00,000	----	10	----	50,00,000
	DSP BlackRock MIP Fund Growth	3,30,940	5,26,877	10	10	75,07,036	1,15,00,000
	DSP DAF S-11-36M - Growth	1,50,000	1,50,000	10	10	15,00,000	15,00,000
	DSP FTP S-13-15M - Growth	----	5,00,000	----	10	----	50,00,000
	DSP FTP S-21-18M - Growth	----	5,00,000	----	10	----	50,00,000
	ICICI Prudential Corp Bond Fund - Growth	2,87,556	2,87,556	10	10	50,10,261	50,10,261
	ICICI FMP S-66-407 D Plan -C	----	10,00,000	----	10	----	1,00,00,000
	IDFC Moderate Asset allocation Plan - Fund of Fund	7,83,173	7,83,173	10	10	1,00,17,648	1,00,17,648
	IDFC - Super Saver Income Fund - Investment Plan Growth	6,98,651	3,55,832	10	10	2,00,13,016	1,00,06,110
	Kotak Balance	2,35,146	1,75,344	10	10	52,00,000	40,70,000
	Kotak FMP Series 95 - Growth	----	5,00,000	----	10	----	50,00,000
	Reliance FHF-XXII-S-33 - Growth	----	10,00,000	----	10	----	1,00,00,000
	Reliance FHF-XXII-S-34 - Growth	10,00,000	10,00,000	10	10	1,00,00,000	1,00,00,000
	Reliance FHF-XXII-S-37 - Growth	----	5,00,000	----	10	----	50,00,000
	Reliance FHF-XXII-S-38 - Growth	----	5,00,000	----	10	----	50,00,000
	Reliance FHF-XXIII-S-2 - Growth	----	5,00,000	----	10	----	50,00,000
	Reliance FHF-XXII-S-5 - Growth	----	12,02,942	----	10	----	1,20,29,419
	Reliance Income Fund - Growth	1,28,146	64,578	10	10	50,00,000	25,00,000
	Reliance Income Fund - Growth - Bonus	2,19,742	2,19,742	10	10	25,00,000	25,00,000
	Religare Active Income Fund - Growth	10,796	3,65,342	1000	10	1,50,35,017	50,00,000
	SBI Magnum Balance Fund - Growth	65,444	44,105	10	10	36,90,000	25,00,000
	UTI Credit Opportunities Fund - Growth	8,76,637	5,00,000	10	10	90,00,000	50,00,000
	UTI Bond Fund Growth Plan	2,91,288	1,49,141	10	10	1,00,00,000	50,00,000
	UTI FTIF-S-XIII-IV-546D - Growth	----	2,50,000	----	10	----	25,00,000
	Axis Equity Fund - Growth	3,60,093	----	10	----	45,90,000	----
	Axis Short Term Fund - Monthly Div.Payout	4,97,463	----	10	----	50,00,000	----
	Axis Fixed Term Plan - Series 41 (546) Days - Growth	10,00,000	----	10	----	1,00,00,000	----
	Birla Sun Life Fixed Term Plan - Series HC - 618 Days	5,00,000	----	10	----	50,00,000	----
	Birla Medium Term Plan - Growth	6,96,811	----	10	----	1,00,00,000	----
	Birla Sun Life Interval Income Fund - Annual Plan X - Regular Growth	1,50,000	----	10	----	15,00,000	----
	DSP Blackrock Dual Advantage Fund - Series 14 - 33M - Growth	3,00,000	----	10	----	30,00,000	----
	DSP Blackrock Dual Advantage Fund - Series 15 - 36M - Growth	2,50,000	----	10	----	25,00,000	----
	DSP Blackrock Dual Advantage Fund - Series 16 - 36M - Growth	5,00,000	----	10	----	50,00,000	----
	DSP Blackrock Bond Fund - Regular Plan - Growth	66,605	----	10	----	25,00,000	----
	DSP Blackrock Dual Advantage Fund - Series 17 - 35M - Growth	2,50,000	----	10	----	25,00,000	----
	DSP Blackrock Banking and PSU Debt Fund - Growth	2,67,967	----	10	----	26,79,671	----
	DSP Blackrock Dual Advantage Fund - Series 19 - 36M - Growth	1,50,000	----	10	----	15,00,000	----

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2014

Sr. No.	Name of the Body Corporate	No. of Shares / Units		Face Value (₹)		Amount (₹)	
		2013-14	2012-13	2013-14	2012-13	2013-14	2012-13
	DSP Blackrock Dynamic Asset Allocation Fund - Reg - Growth	8,43,047	----	10	----	84,84,521	----
	HDFC Medium Term Opportunities Fund- Growth	7,69,521	----	10	----	1,00,00,000	----
	HDFC Short Term Opp. Fund - Growth	7,66,806	----	10	----	1,00,00,000	----
	HDFC FMP-1143D - July 2013 (1) - Series 27 - Regular Growth	5,00,000	----	10	----	50,00,000	----
	HDFC CPO 36 M Sep. 2013 - Growth	2,00,000	----	10	----	20,00,000	----
	HDFC FMP 572D Oct. 2013 (1) - Series 28-Regular - Growth	5,00,000	----	10	----	50,00,000	----
	HDFC FMP 538D Nov. 2013 (1) - Series 28-Regular - Growth	2,50,000	----	10	----	25,00,000	----
	HDFC Mid-Cap Opportunities Fund - Dividend	1,46,581	----	10	----	25,00,000	----
	HDFC Balanced Fund - Dividend	49,782	----	10	----	10,00,000	----
	HDFC FMP 840D - Jan. 2014 - (1) Series 29 - Regular - Growth	5,00,000	----	10	----	50,00,000	----
	ICICI Prudential Dynamic Bond Fund	13,72,213	----	10	----	1,85,00,000	----
	ICICI Prudential FMP Series - 68 - 745 Days Plan H	9,00,000	----	10	----	90,00,000	----
	ICICI Prudential FMP Series 68-745 Days Plan J	5,00,000	----	10	----	50,00,000	----
	ICICI Prudential Income - Reg. Plan - Growth	1,30,330	----	10	----	50,07,695	----
	ICICI Prudential Balance Advantage Fund - Regular Plan - Monthly Dividend	3,63,723	----	10	----	40,62,276	----
	IDFC Fixed Term Plan Series 23 Regular Plan - Growth	5,00,000	----	10	----	50,00,000	----
	IDFC FMP Series 26 Regular Plan -Growth	5,00,000	----	10	----	50,00,000	----
	IDFC Equity Opportunity Series - 3 - Reg - PI - Dividend (21 Months)	1,00,000	----	10	----	10,00,000	----
	Kotak Income Opp. Fund - Growth	7,79,634	----	10	----	1,00,00,000	----
	Kotak FMP Series 108 - Growth	2,00,000	----	10	----	20,00,000	----
	Pramerica Credit Opportunities Fund - Growth	4,359	----	1000	----	50,24,082	----
	Reliance Fixed Horizon fund -XXIII - Series 10 - Growth Plan	5,00,000	----	10	----	50,00,000	----
	Reliance Regular Savings Fund - Debt Plan - Growth Plan	21,66,741	----	10	----	3,50,00,000	----
	Reliance Short Term Fund - Growth Plan	11,27,787	----	10	----	2,50,00,000	----
	Reliance Fixed Horizon Fund - XXIII - Series 11 - Growth plan	5,00,000	----	10	----	50,00,000	----
	Reliance Dual Advanatage Fixed Tenure Fund III - Plan C - Growth Plan	5,00,000	----	10	----	50,00,000	----
	Reliance Fixed Horizon Fund - XXIV - Series 2 - Growth Plan	10,00,000	----	10	----	1,00,00,000	----
	Reliance Interval Fund - II - Series 3 - Growth Plan	5,00,000	----	10	----	50,00,000	----
	Reliance Fixed Horizon Fund - XXV - Series 15 - Growth Plan	5,00,000	----	10	----	50,00,000	----
	Reliance Fixed Horizon fund - XXV - Series 20 - Growth Plan	5,00,000	----	10	----	50,00,000	----
	UTI Bond Fund - Direct Plan - Growth	1,40,094	----	10	----	50,00,000	----
	Total					85,85,48,280	64,77,07,621
e.	Investment through PMS						
	Ask Wealth Advisor Pvt. Ltd. PMS					9,34,64,272	8,53,40,898
	HDFC Portfolio Management PMS					4,99,92,831	4,89,78,978
	Oriental Bank of Commerce Fixed Deposit					18,81,74,491	17,34,92,267
	<i>Total</i>					33,16,31,594	30,78,12,143
	Total					1,77,41,34,540	1,40,00,55,487

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2014

Particulars	As at 31-Mar-2014 (`)	As at 31-Mar-2013 (`)
9. DEFERRED TAX ASSETS		
Refer Para No. 10 of Significant Accounting Policies, for the accounting policy followed by the company in this regard.		
Deferred Tax Asset		
Depreciation	32,57,866	61,62,594
Deferred Tax Liability		
Disallowance under income tax for retirement benefits	33,60,030	(28,02,564)
Net Deferred Tax Assets/(Liability)	66,17,896	33,60,030
10. LONG TERM LOANS AND ADVANCES		
Capital Advances		
Unsecured, considered good	----	14,66,273
Deposits		
Unsecured, considered good	47,64,681	44,93,832
Total	47,64,681	59,60,105
11. CURRENT INVESTMENTS		
a. Refer Para No. 5 of Significant Accounting Policies, for the accounting policy followed by the company in this regard.		
b. Summarized information of investments		
Investments in debentures or bonds	1,00,00,000	2,34,51,500
Investments in mutual funds	40,03,90,588	31,36,43,360
Total	41,03,90,588	33,70,94,860
c. Summarized details of quoted and unquoted investments and market values in case of quoted investments		
Aggregate of quoted investment	41,03,90,588	33,70,94,860
Aggregate of unquoted investment	----	----
Market Value of quoted investment	42,45,02,588	33,70,94,860

d. Above investments are valued at lower of cost or fair value.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2014

e. Details of Current Investments

Sr. No.	Name of the Body Corporate	No. of Shares / Units		Extent of Holding (Face Value) (₹)		Amount (₹)	
		2013-14	2012-13	2013-14	2012-13	2013-14	2012-13
a	Investments in Debentures or Bonds						
	Quoted Taxable Bonds						
	Cholamandalam DBS Finance Ltd. - 10.85%	----	11	----	10,00,000	----	1,11,26,500
	Shriram transport Finance - 11%	10,000	----	1,000	----	1,00,00,000	----
	Quoted Tax free Bonds						
	IIFCL - Tax Free Bonds - 6.85%	----	100	----	1,00,000	----	1,02,80,000
	IIFCL - Tax Free Bonds - 6.85%	----	20	----	1,00,000	----	20,45,000
	<i>Total</i>					1,00,00,000	2,34,51,500
b	Investments in Mutual Funds						
	Birla Capital Protection Fund	----	10,00,000	----	10	----	1,00,00,000
	Kotak FMP S 47 Growth	----	5,00,000	----	10	----	50,00,000
	Kotak FMP S 50 Growth	----	5,00,000	----	10	----	50,00,000
	Kotak FMP S 87 Growth	----	5,00,000	----	10	----	50,00,000
	SBI Debt Fund Series - 366 Days - 3 - Growth	----	5,00,000	----	10	----	50,00,000
	SBI Debt Fund Series - 366 Days - 5 - Growth	----	10,99,360	----	10	----	1,09,93,600
	Tata Fixed Tenure Fund - S - 1 - Growth	----	5,00,000	----	10	----	50,00,000
	UTI Fixed Income interval fund - Annual Plan Series - I - Growth	3,32,201	3,32,201	10	10	36,01,120	36,01,120
	UTI FTIF S - XII - III 366 Days Growth Plan	----	5,02,860	----	10	----	50,28,598
	UTI Fixed Term Income Fund - Series - XI - IX (368 days) - Growth	----	10,97,790	----	10	----	1,09,77,900
	UTI FTIF S - XI - VIII 366 Days Growth Plan	----	10,96,040	----	10	----	1,09,60,400
	UTI Liquid Cash Plan Inst Div Investment	----	109	----	1,000	----	1,11,300
	Axis Liquid Fund – DD	----	10,820	----	1,000	----	1,08,21,375
	Axis Treasury Advantage fund Daily Dividend	----	2,929	----	1,000	----	29,34,222
	Birla Savings Fund – DD	4,866	4,543	100	100	4,88,669	4,54,613
	ICICI Prudential Reg. Savings Fund Growth	4,85,109	5,10,888	10	10	61,10,935	56,32,547
	Reliance Liq Fund TP Daily Dividend	----	11,512	----	1,500	----	25,90,755
	ICICI FMP Series 64-367 Days Plan B	----	5,00,000	----	10	----	50,00,000
	ICICI FMP Series 64-367 Days Plan D	----	5,00,000	----	10	----	50,00,000
	DSP Liquidity Fund INST DD	----	933	----	1,000	----	9,33,243
	DSP Short term Fund Weekly Dividend	----	5,08,451	----	10	----	51,76,034
	Franklin Templeton Fixed Maturity Plan	----	5,00,000	----	10	----	50,00,000
	Axis Banking Debt Fund - Weekly Dividend	----	8,346	----	1,000	----	83,54,840
	DSP FMP-S-54-12M - Growth	----	5,00,000	----	10	----	50,00,000
	DSP FMP-S-48-12M - Growth	----	10,98,590	----	10	----	1,09,85,900
	HDFC FMP 370D April 2012(1) - Growth	----	10,00,000	----	10	----	1,00,00,000
	HDFC FMP 370D April 2012 (2) - Growth	----	5,00,000	----	10	----	50,00,000
	HDFC FMP 370D May 2012 (2) - Growth Series 22	----	5,00,000	----	10	----	50,00,000
	HDFC FMP 370D May 2012 (3) Growth Series 22	----	10,00,000	----	10	----	1,00,00,000
	HDFC FMP 372D June 2012 (2) - Growth	----	5,00,000	----	10	----	50,00,000
	HDFC FMP 372D June 2012 (3) - Growth	----	5,00,000	----	10	----	50,00,000
	HDFC Cash Management Fund - Savings Plan	----	14,235	----	10	----	1,51,407
	HDFC FMP 36M April 10	----	10,00,000	----	10	----	1,00,00,000
	HDFC High Interest Fund - Short Term Plan - Div	----	2,53,466	----	10	----	26,86,998
	HDFC FMP 372D Jan. 2013 (2) S-23 - Regular Growth	----	5,00,000	----	10	----	50,00,000
	HDFC FMP 372D Jan. 2013(3) S-23 - Regular Growth	----	5,00,000	----	10	----	50,00,000
	HDFC FMP 371D Feb. 2013 (1) S-23 - Regular Growth	----	5,00,000	----	10	----	50,00,000
	HDCF FMP 372D Feb. 2013 (1) S-23 - Regular Growth	----	5,00,000	----	10	----	50,00,000
	ICICI Prudential Liquid Plan - Daily Dividend	405	17	100	100	40,718	1,719

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2014

Sr. No.	Name of the Body Corporate	No. of Shares / Units		Extent of Holding (Face Value) (₹)		Amount (₹)	
		2013-14	2012-13	2013-14	2012-13	2013-14	2012-13
	Reliance Dual Advtg. Fixed Tenure Plan - A	----	10,00,000	----	10	----	1,00,00,000
	Reliance Dual Advtg. Fixed Tenure Plan - B	----	5,00,000	----	10	----	50,00,000
	Reliance Dual Advtg. Fixed Horizon Fund XIX Series 19 - Growth Plan	----	10,00,000	----	10	----	1,00,00,000
	Reliance Annual Interval Fund - Series I	----	9,07,919	----	10	----	1,00,00,000
	Reliance Dual Advtg. Fixed Horizon Fund XIX Series 20 - Growth	----	10,00,000	----	10	----	1,00,00,000
	Reliance Regular Savings Fund - Balance Fund - Growth	2,72,133	2,72,133	10	10	61,80,264	61,80,264
	Reliance Fixed Horizon Fund-XXII-S-6 - Growth	----	5,00,000	----	10	----	50,00,000
	Reliance Fixed Horizon Fund-XXII-S-10-Growth	----	4,00,000	----	10	----	40,00,000
	Reliance Fixed Horizon Fund - XXII - Series - 14 - Growth	----	5,50,000	----	10	----	55,00,000
	Reliance Fixed Horizon Fund - XXII - Series - 25 - Growth	----	5,00,000	----	10	----	50,00,000
	Reliance Yearly Interval Fund - Series - 1 - Growth Plan	4,59,838	10,00,000	10	10	50,00,000	1,00,00,000
	Religare Liquid Fund - DD	----	24	----	1,000	----	23,878
	SBI Premier Liquid Fund - Daily Dividend	704	48	1,000	1,000	7,06,049	48,147
	UTI Fixed Term Income Fund Series XI - X (366 Days) - Growth	----	5,49,450	----	10	----	54,94,500
	UTI Fixed Term Income Fund - Series XIV - V (366 days) - Retail Plan - Growth	----	5,00,000	----	10	----	50,00,000
	Reliance Yearly Interval Fund - Series - 2 - Growth Plan	----	5,00,000	----	10	----	50,00,000
	Reliance Dual Advtg. Fixed Tenure Fund I - Plan - J	2,50,000	----	10	----	25,00,000	----
	SBI Debt Fund Series - 36 Months - (1) Growth	10,00,000	----	10	----	1,00,00,000	----
	HDFC FMP 24M April 2012 (1G)	10,00,000	----	10	----	1,00,00,000	----
	HDFC FMP 566D December 2012 (1) - Growth	10,00,000	----	10	----	1,00,00,000	----
	HDFC FMP 526D December 2012 (1) - Growth	5,00,000	----	10	----	50,00,000	----
	Axis Fixed Term Plan - Series 34 - Growth	5,00,000	----	10	----	50,00,000	----
	DSP FTP S-13-15M - Growth	5,00,000	----	10	----	50,00,000	----
	DSP FTP S-21-18 M - Growth	5,00,000	----	10	----	50,00,000	----
	ICICI FMP S-66-407 D Plan - C	10,00,000	----	10	----	1,00,00,000	----
	Kotak FMP Series 95 - Growth	5,00,000	----	10	----	50,00,000	----
	Reliance FHF-XXII-S-33 - Growth	10,00,000	----	10	----	1,00,00,000	----
	Reliance FHF-XXII-S-37 - Growth	5,00,000	----	10	----	50,00,000	----
	Reliance FHF-XXII-S-38 - Growth	5,00,000	----	10	----	50,00,000	----
	Reliance FHF-XXIII-S-2 - Growth	5,00,000	----	10	----	50,00,000	----
	Reliance FHF-XXII-S-5 - Growth	12,02,942	----	10	----	1,20,29,419	----
	UTI FTIF-S-XIII-IV-546D - Growth	2,50,000	----	10	----	25,00,000	----
	Birla Sun Life Cash Plus - Daily Dividend	190	----	100	----	19,019	----
	DSP Blackrock FMP Series - 104-12M - Growth	10,00,000	----	10	----	1,00,00,000	----
	DSP Blackrock FMP - Series -103 - 12M - Growth	10,00,000	----	10	----	1,00,00,000	----
	DSP Blackrock FMP - Series 109 - 12M - Growth	5,00,000	----	10	----	50,00,000	----
	DSP Blackrock FMP - Series 107 - 12M - Growth	5,00,000	----	10	----	50,00,000	----
	DSP Blackrock FMP - Series 105 - 12M - Growth	5,00,000	----	10	----	50,00,000	----
	DSP Blackrock FMP - Series 110 -12M - Growth	2,50,000	----	10	----	25,00,000	----
	DSP Blackrock Banking and PSU Debt Fund - Daily Dividend	10,34,276	----	10	----	1,05,08,333	----
	HDFC FMP 370D April 2013 (1) S-26 - Regular Growth	5,00,000	----	10	----	50,00,000	----

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2014

Sr. No.	Name of the Body Corporate	No. of Shares / Units		Extent of Holding (Face Value) (₹)		Amount (₹)	
		2013-14	2012-13	2013-14	2012-13	2013-14	2012-13
	HDFC FMP 405D April 2013 (1)S-25-Reg Growth	5,00,000	----	10	----	50,00,000	----
	HDFC High Interest Fund- Quarterly Dividend	8,73,433	----	10	----	97,83,150	----
	HDFC FMP 369 Days June 2013 (1) S-26 - Regular Growth	5,00,000	----	10	----	50,00,000	----
	HDFC High Interest Fund - Dynamic Plan - Growth	4,84,736	----	10	----	2,00,00,000	----
	HDFC FMP -370D - July 2013 (3) - Series 26 - Regular Growth	10,00,000	----	10	----	1,00,00,000	----
	HDFC FMP - 370D - July 2013 (2) - Series 26- Regular Growth	15,00,000	----	10	----	1,50,00,000	----
	HDFC FMP - 370D - Aug. 2013 (2) - Series 26- Regular Growth	5,00,000	----	10	----	50,00,000	----
	HDFC FMP - 371D - Aug. 2013 (1) - Series 27 - Regular Growth	5,00,000	----	10	----	50,00,000	----
	HDFC FMP 371 D - Dec. 2013 (2) Series 29 - Growth	5,00,000	----	10	----	50,00,000	----
	ICICI Prudential FMP Series -68-369 Days Plan I	10,00,000	----	10	----	1,00,00,000	----
	ICICI Prudential FMP Series - 68 - 368D - Plan G	10,00,000	----	10	----	1,00,00,000	----
	ICICI Prudential FMP Series - 69 - 366D - Plan A	5,00,000	----	10	----	50,00,000	----
	ICICI Prudential Income Money Market Fund - Regular Plan - DD	244	----	10	----	24,432	----
	ICICI Prudential Savings Fund - Regular Plan - DD	10,469	----	100	----	10,49,332	----
	Kotak FMP Series 105 Direct - Growth	7,50,000	----	10	----	75,00,000	----
	Reliance Yearly Interval Fund - Series 8 - Growth Plan	5,00,000	----	10	----	50,00,000	----
	Reliance Fixed Horizon Fund - XXIV - Series 1 - Growth Plan	5,00,000	----	10	----	50,00,000	----
	Reliance Fixed Horizon Fund - XXIV - Series 3 - Growth Plan	10,00,000	----	10	----	1,00,00,000	----
	Reliance Fixed Horizon Fund - XXIV - Series 11 - Growth Plan	5,00,000	----	10	----	50,00,000	----
	Reliance Fixed Horizon Fund - XXIV - Series 15 - Growth Plan	5,00,000	----	10	----	50,00,000	----
	Reliance Floating Rate Fund - Short Term Plan - DD	5,14,823	----	10	----	51,82,465	----
	Reliance Liquid Fund -Treasury Plan - DD	1,086	----	1,000	----	16,59,819	----
	Reliance Money Manager Fund - Growth Plan Bonus Option	5,250	----	1,000	----	45,79,899	----
	Reliance Fixed Horizon Fund - XXV - Series 18 - Growth Plan	2,00,000	----	10	----	20,00,000	----
	SBI Debt Fund Series - 366 Days -36 - Regular Plan Growth	5,00,000	----	10	----	50,00,000	----
	SBI Debt Fund Series - 366 Days - 34 - Regular Plan Growth	10,00,000	----	10	----	1,00,00,000	----
	Tata Fixed Maturity Plan Series 43 Scheme A	5,00,000	----	10	----	50,00,000	----
	Tata Fixed Maturity Plan Series 43 Scheme C	80,437	----	10	----	8,04,373	----
	UTI Fixed Term Income Fund Series XV - I (368 days) - Growth	5,00,000	----	10	----	50,00,000	----
	UTI Fixed Term Income Fund Series XV - II (367 days) - Growth	12,04,517	----	10	----	1,20,45,171	----
	UTI Fixed Term Income Fund Series XV - IV (368 days) - Growth	5,00,000	----	10	----	50,00,000	----
	UTI Fixed Term Income Fund Series XV - VI (368 days) - Growth	5,50,169	----	10	----	55,01,689	----
	UTI Fixed Term Income Fund Series XV - IX (366 days) - Growth	10,28,783	----	10	----	1,02,87,833	----
	UTI Banking & PSU Debt Fund - Regular Plan - Dividend Reinvestment	2,78,778	----	10	----	27,87,898	----
	Total					40,03,90,588	31,36,43,360
	Total					41,03,90,588	33,70,94,860

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2014

Particulars	As at 31-Mar-2014	As at 31-Mar-2013
12. INVENTORIES		
Refer Para No. 6 of Significant Accounting Policies, for the accounting policy followed by the company in this regard.		
Raw Materials and Components		
Raw Material	11,84,20,012	7,40,58,141
Components	5,40,46,774	5,58,36,213
<i>Total</i>	17,24,66,786	12,98,94,354
Work-in-progress	37,08,42,568	55,84,73,122
Stores and spares	2,97,16,508	3,00,04,496
Total	57,30,25,862	71,83,71,972
13. TRADE RECEIVABLE		
Outstanding for a period less than six months from the date they are due		
Unsecured, considered good	1,22,74,27,022	1,25,83,55,591
Outstanding for a period exceeding six months from the date they are due		
Unsecured, considered good	20,00,00,904	19,41,91,075
Unsecured, considered doubtful debt	65,09,406	1,89,16,687
	1,43,39,37,332	1,47,14,63,353
Less :- Provision for doubtful debts	65,09,406	1,89,16,687
Total	1,42,74,27,926	1,45,25,46,666
14. CASH AND BANK BALANCE		
a. Cash and cash equivalent		
Balances with banks	74,40,043	10,53,56,187
Cash on hand	12,24,715	18,57,254
Total	86,64,758	10,72,13,441
b. Other cash balance		
Margin money deposit	26,13,997	24,12,505
Total	26,13,997	24,12,505
15. SHORT-TERM LOANS AND ADVANCES		
Loans and Advances to other parties in nature of current asset		
Unsecured, considered good	12,87,03,983	6,20,58,372
Gratuity Receivable	19,37,685	1,06,903
Total	13,06,41,668	6,21,65,275

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2014

Particulars	As at 31-Mar-2014	As at 31-Mar-2013
16. OTHER DETAILS TO BALANCE SHEET		
a. Contingent Liabilities and commitments (to the extent not provided for)		
Contingent Liabilities		
Claims against the company not acknowledged as debt in respect of Central Excise Duty *	3,32,41,316	3,03,12,376
Commitments		
Capital commitments	1,23,61,280	----
Total	4,56,02,596	3,03,12,376

- b. * The company has received following demand notices from the Central Excise Department

Name of the Statute	Nature of Dues	Amount (In Lacs)	Period to which it relates	Forum where dispute is pending
Central Excise Act	Excise Duty Penalty	10.25 1.02	2003-04	Appeal filed at CESTAT, Delhi
Central Excise Act	Excise Duty Penalty	130.57 130.57	April 2004 to May 2009	Appeal filed at CESTAT, Ahmedabad
Central Excise Act	Excise Duty Penalty	2.76 2.76	April to December 2009	Appeal filed at CESTAT, Ahmedabad
Central Excise Act	Excise Duty Penalty	4.94 4.94	December 2010 to May 2011	Appeal filed at CESTAT, Ahmedabad
Central Excise Act	Excise Duty Penalty	5.26 5.26	January to June 2010	Appeal filed at CESTAT, Ahmedabad
Central Excise Act	Excise Duty Penalty	4.39 4.39	July to November 2010	Appeal filed at CESTAT, Ahmedabad
Central Excise Act	Penalty	4.02	August to December 2009	Appeal filed at CESTAT, Ahmedabad
Central Excise Act	Excise Duty Penalty	4.94 4.94	October 2011 to March 2012	Appeal filed at CESTAT, Ahmedabad
Central Excise Act	Excise Duty Penalty	5.87 0.04	April to September 2012	Appeal filed at Commissioner, Vadodara
Central Excise Act	Excise Duty Penalty	5.45 0.04	October 2012 to March 2013	Appeal filed at Commissioner, Vadodara
Total		332.41		

- b. No provision is made in the accounts for the above, as the Company has not accepted its liability to pay such demand of duty and penalty and agitated the said demand and has filed appeals before the Commissioner (Appeals).
- c. The Board of Directors has proposed dividend of ₹ 10,11,71,200/- to be distributed to equity shareholders at the rate of ₹ 10 per equity share.
- d. The Company is in the business of manufacturing of single product namely transformers. Further organization set up is unified and is not organised segment wise. Therefore, segment wise information as required by AS-17 on Segment Reporting is not applicable.
- e. In the opinion of the management, there are no indication, internal or external which could have the effect of impairing the value of the assets to any material extent as at the Balance Sheet date requiring recognition in terms of AS-28.
- f. In the opinion of the Board, assets, other than fixed assets and non-current investments have a value on realization in the ordinary course of business at least equal to the amount at which they are stated.
- g. Balance of trade receivables & loans and advances is subject to confirmation by them.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2014

Particulars	For the year ended on 31-Mar-2014	For the year ended on 31-Mar-2013
17. REVENUE		
Refer Para No. 7 of Significant Accounting Policies, for the accounting policy followed by the company in this regard.		
Sale of products	4,72,34,32,266	5,49,40,85,434
Sale of services	7,63,16,378	7,49,20,487
Other operating revenues	8,26,43,030	8,69,73,769
<i>Total</i>	4,88,23,91,674	5,65,59,79,690
Less:		
Excise duty	43,46,41,605	50,09,55,531
Total	4,44,77,50,069	5,15,50,24,159
18. OTHER INCOME		
Interest income	9,22,25,501	7,63,37,787
Dividend income	2,67,97,761	2,40,90,979
Net gain/(loss) on sale of investments	6,94,63,579	2,87,08,363
Miscellaneous income	7,89,57,900	7,10,59,226
Total	26,74,44,741	20,01,96,355

Break-up of Interest and Dividend income from current and non-current investment

Nature of Income	2013-14		2012-13	
	Current	Non-current	Current	Non-current
Dividend	1,19,00,559	1,48,97,202	1,10,18,427	1,30,72,552
Interest	3,09,22,030	6,13,03,471	2,83,92,030	4,79,45,757

Particulars	For the year ended on 31-Mar-2014	For the year ended on 31-Mar-2013
19. COST OF MATERIAL CONSUMED		
a. Consumption of raw material and components under broad heads :		
Consumption of raw materials	2,54,21,46,115	2,86,60,77,019
Consumption of components	94,02,77,928	1,06,02,51,316
Total consumption of raw material and components	3,48,24,24,043	3,92,63,28,335
b. Detail of Consumption of Material and components in details:		
Copper	1,29,39,61,098	1,43,55,76,778
CRGO	64,06,06,786	76,18,66,894
Transformer oil	30,36,36,114	33,41,32,750
Insulation	6,49,98,434	6,39,88,645
Other raw materials	23,89,43,683	27,05,11,952
Electrical components	46,28,90,603	54,11,27,013
Other components	47,73,87,325	51,91,24,303
Total consumption of raw material and components	3,48,24,24,043	3,92,63,28,335

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2014

Particulars	For the year ended on 31-Mar-2014	For the year ended on 31-Mar-2013
20. CHANGE IN INVENTORY		
WIP at the beginning of the financial year	55,84,73,122	76,24,38,801
WIP at the end of the financial year	37,08,42,568	55,84,73,122
Change in Inventory	18,76,30,554	20,39,65,679
21. EMPLOYEE BENEFITS EXPENSE		
a. Refer Para No. 8 of Significant Accounting Policies, for the accounting policy followed by the company in this regard.		
b. Details of expenses		
Salaries and incentives	16,80,94,796	17,78,88,124
Contribution to:		
Provident fund	66,11,390	72,96,133
Superannuation scheme	54,75,056	45,05,707
Gratuity fund contributions	30,79,663	58,91,381
Staff welfare expenses	11,93,520	20,50,267
Total	18,44,54,425	19,76,31,612

c. Details as required under Accounting Standard - 15

The Accounting Standard – 15 (Revised) “Employee Benefits” is issued under Companies Accounting Standards Rule, 2006. In accordance with the above standard, the obligations of the Company, on account of employee benefits, based on independent actuarial valuation, is accounted for in the books of account.

The company has classified the various benefits provided to employees as under:

I. Defined Contribution Plans:

- 1) Provident Fund / Employees’ Pension Fund
- 2) Superannuation Fund
- 3) Group Life Insurance Cover

During the year, the Company has recognized the following amounts in the Statement of Profit and Loss :

Particulars	2014 (₹)	2013 (₹)
Employer’s Contribution to Provident Fund / Employees’ Pension Fund	66,11,390	72,96,133
Employer’s Contribution to Superannuation Fund	54,75,056	45,05,707

The above amounts are included in contribution to Provident and Superannuation fund under Employee benefits expense in Note No. 21(b) above.

II. Defined Benefit Plans:

- 1) Contribution to Gratuity Fund
- 2) Provision for Compensated Absences [CA]

In accordance with Accounting Standard- 15, relevant disclosures are as under:

Changes in Defined Benefit Obligation:

Particulars	Gratuity [Funded Scheme]		CA [Non-Funded Scheme]	
	2014 (₹)	2013 (₹)	2014 (₹)	2013 (₹)
Defined Benefit Obligation as at 1 st April	5,43,98,234	5,03,06,146	1,42,96,341	1,08,21,643
Current service cost	29,16,642	26,70,046	----	----
Interest cost	43,51,859	44,01,788	----	----
Benefits paid	(20,83,931)	(67,10,205)	----	----
Actuarial (gain)/loss on obligations	(31,50,072)	37,30,459	----	----
Defined Benefit Obligation as at 31st March	5,64,32,732	5,43,98,233	1,59,03,344	1,42,96,341

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2014**Changes in the Fair Value of Plan Assets for Gratuity (Funded Scheme):**

Particulars	2014 (₹)	2013 (₹)
Fair Value of Plan Assets as at 1st April	5,45,05,137	5,61,14,484
Expected actual return on Plan Assets	47,41,947	44,89,159
Actuarial gains / (losses)	(25,31,788)	6,11,694
Contributions	40,78,083	5
Benefits paid	(20,83,931)	(67,10,205)
Fair Value of Plan Assets as at 31st March	5,87,09,448	5,45,05,137

Amount recognized in the Balance Sheet:

Particulars	Gratuity [Funded Scheme]		Compensated Absences	
	2014 (₹)	2013 (₹)	2014 (₹)	2013 (₹)
Defined Benefit Obligation as at 31 st March	5,64,32,732	5,43,98,234	1,42,96,341	1,08,21,643
Fair Value of Plan Assets as at 31 st March	5,87,09,448	5,45,05,137	----	----
Liability / (Asset) recognized in the Balance Sheet included in Current Liabilities and Provisions	(22,76,716)	(1,06,903)	1,59,03,344	1,42,96,341

Expenses recognized in the statement of Profit & Loss :

Particulars	Gratuity [Funded Scheme]	
	2014 (₹)	2013 (₹)
Current service cost	29,16,642	26,70,046
Interest cost	43,51,859	44,01,788
Expected Return on Plan Assets	(47,41,947)	(44,89,159)
Net actuarial (gain) / loss recognized in the period	(6,18,284)	31,18,765
Total Expenses recognized in the Statement of Profit & Loss included in Contribution to Provident and Other Funds	19,08,270	57,01,440

Category of Plan Assets:

The Company's Plan Assets in respect of Gratuity are funded through the Group Scheme of the Life Insurance Corporation of India.

Actuarial Assumptions:

In accordance with Accounting Standard - 15, actuarial valuation as at the year end was performed in respect of the aforesaid Defined Benefit Plans based on the following assumptions:

Sr. No.	Particulars	2014	2013
(a)	Discount rate [per annum]	9.29%	8.00%
(b)	Rate of return on Plan Assets [for funded scheme]	8.70%	8.70%
(c)	Expected retirement age of employees [years]	60	60
(d)	Future salary Rise	7.00%	7.00%
(e)	Mortality rates considered are as per the published rates in the Life Insurance Corporation [1994-1996] Mortality table.		
(f)	Rates of leaving service	6.00%	6.00%
(g)	Leave Availment Pattern, the balance leave is available for encashment on separation from the Company.		
(h)	The estimates of future salary increases, considered in the actuarial valuation, taken on account of inflation, security, promotion and other relevant factors such as supply and demand in the employment market.		

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2014

Particulars	For the year ended on 31-Mar-2014	For the year ended on 31-Mar-2013
22. FINANCE COST		
Bank guarantee commission	36,69,735	49,10,355
Total	36,69,735	49,10,355
23. OTHER EXPENSES		
Manufacturing Expenses		
Factory expenses	70,01,080	55,23,871
Labour charges	17,12,18,417	20,07,64,603
Power and fuel	3,46,49,844	3,22,69,164
Repair to plant and machinery	52,83,323	51,14,215
Factory maintenance expenses	48,96,414	1,00,98,736
Other manufacturing expenses	32,85,624	42,09,022
<i>Total</i>	22,63,34,702	25,79,79,611
Administrative Expenses		
Office rent	23,17,307	33,59,728
Telephone expenses	19,81,206	21,76,995
Professional fees	38,21,195	42,46,869
Auditors remuneration	13,63,023	13,84,860
Stationery and printings	16,34,516	19,33,426
Travelling expenses	1,18,79,707	1,35,68,362
Insurance	48,87,089	67,87,066
Donation	2,90,140	11,39,500
Repair and maintenance - others	17,39,402	20,15,283
Other expenses	4,05,48,304	3,77,12,833
<i>Total</i>	7,04,61,889	7,43,24,922
Selling and Distribution Expenses		
Transportation expenses	9,51,26,140	8,52,41,664
Advertisement expenses	11,24,543	8,07,143
Sales promotion expenses	31,51,848	33,99,891
Warranty expenses	1,67,64,796	1,90,66,485
Sales commission expenses	48,44,325	52,81,178
Other selling expenses	2,52,59,023	2,02,99,833
Provision for bad and doubtful debt	4,88,308	1,89,16,687
<i>Total</i>	14,67,58,983	15,30,12,881
Total	44,35,55,574	48,53,17,414

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2014

Particulars	For the year ended on 31-Mar-2014 (`)	For the year ended on 31-Mar-2013 (`)
24. OTHER INFORMATION - PROFIT AND LOSS STATEMENT		
a. Details of payment to Auditors		
Audit fee	10,00,000	10,00,000
Taxation work	2,50,000	2,50,000
For reimbursement of expenses	1,13,023	1,34,860
Total	13,63,023	13,84,860
b. Earnings per share		
Refer Para No. 11 of Significant Account Policies, for the accounting policy followed by the company in this regard.		
Basic		
Profit attributable to equity shareholders	26,28,91,787	32,89,83,143
Nominal Value of equity share	10	10
Weighted average number of ordinary equity shares for Basic EPS	1,01,17,120	1,01,17,120
Basic EPS	25.98	32.52
Diluted		
Profit attributable to equity shareholders	26,28,91,787	32,89,83,143
Add : interest/dividend on convertible instruments	----	----
Profit after tax for Diluted EPS	26,28,91,787	32,89,83,143
Weighted average number of ordinary equity shares for Basic EPS	1,01,17,120	1,01,17,120
Add: Adjustment for conversion option	----	----
Weighted average number of ordinary equity shares for Diluted EPS	1,01,17,120	1,01,17,120
Diluted EPS	25.98	32.52
c. Expenditure in foreign currency		
Traveling expenses	7,75,279	2,39,493
Import of raw material	5,44,00,260	34,46,973
Total	5,51,75,539	36,86,466
d. Earning in foreign currency		
Export of goods	4,80,43,672	3,11,48,208
Total	4,80,43,672	3,11,48,208

e. The amount of Excise Duty disclosed as deduction from turnover is the total excise duty collected for the year. Excise duty related to the difference between the closing stock and the opening stock, has been included in other expenses as per Note No. 23 annexed and forming part of statement of profit and loss.

25. RELATED PARTY DISCLOSURES**a. List of related parties**

Sr.No.	Name of related party	Nature of relation
1	Patson Transformers Pvt. Ltd.	Associated Company
2	Kunjai Investments Pvt. Ltd.	Associated Company
3	The Banyan Club	Associated Firm
4	Shri Lalitkumar H. Patel	Relative of Key Managerial Person
5	Shri Kunjal L. Patel	Key Managerial Person
6	Shri Kanubhai S. Patel	Key Managerial Person
7	Smt. Urmilaben L. Patel	Relative of Key Managerial Person
8	Smt. Taral K. Patel	Relative of Key Managerial Person
9	Smt. Vanlila K. Patel	Relative of Key Managerial Person

b. Transactions with Related parties

Sr. No.	Name of party	Nature of transaction	2013-14	2012-13
1	Shri Kunjal L. Patel	Managerial Remuneration	1,79,50,053	1,72,65,949
2	Shri Kanubhai S. Patel	Managerial Remuneration	1,89,01,497	1,89,17,754

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2014

c. Balance with related parties [Amount Payable]			
Sr. No.	Name of party	As at 31-Mar-2014 (`)	As at 31-Mar-2013 (`)
1	Shri Kunjal L. Patel	47,56,116	60,09,416
2	Shri Kanubhai S. Patel	48,39,437	58,58,695

26. MEDIUM AND SMALL ENTERPRISES

Based on the information available with the company and relied upon by the auditors to the extent enterprise could be identified as Micro and Small, the following disclosure in respect of Medium and Small Enterprises as defined under Micro Small & Medium Enterprises Development Act, 2006 is as under.

Sr. No.	Particulars	2013-14 (`)
a)	The principal amount and the interest due thereon remaining unpaid to any supplier as Principal Amount Interest Amount	Nil Nil
b)	The amount of interest paid by the Company along with the amounts of the payment made to the supplier beyond the appointed day for the year ending March 31, 2014	Nil
c)	The amount of interest due and payable for the period of delay in making payment (beyond the appointed day during the year)	Nil
d)	The amount of interest accrued and remaining unpaid for the year ending March 31, 2014	Nil
e)	The amount of further interest remaining due and payable for the earlier years	Nil
f)	Total outstanding dues of Micro Enterprises and Small Enterprises	3,58,89,214
g)	Total outstanding dues of the creditors other than Micro Enterprises and Small Enterprises	12,13,29,824

27. PROVISIONS

a. Movement of provisions

	Provision for Warranty		Provision for leave Liability	
	As at 31-Mar-2014 (`)	As at 31-Mar-2013 (`)	As at 31-Mar-2014 (`)	As at 31-Mar-2013 (`)
Opening balance	2,11,35,409	1,89,54,016	1,42,96,341	1,08,21,643
Add : Provided during the year	1,67,64,796	1,90,66,485	21,38,231	45,08,036
	3,79,00,205	3,80,20,501	1,64,34,572	1,53,29,679
Less : Utilized during the year	92,68,219	1,68,85,092	5,31,228	10,33,338
Closing balance	2,86,31,986	2,11,35,409	1,59,03,344	1,42,96,341

b. Nature of provision

Warranties – The Company provides warranty for its products, undertaking to repair or replace the items that fail to perform satisfactorily during the warranty period. Provision made as on March 31, 2014 represents the amount of the expected cost based on past experience of meeting such obligations.

28. PRIOR PERIOD COMPARATIVES

The previous year's figures have been regrouped / reclassified to make them comparable with those of current year.

As per our report of even date
For Chandulal M. Shah & Co.
Chartered Accountants
FR No. 101698W

B. M. Zinzuvadiah
Partner
M. No. 109606

Place : Ahmedabad
Date : 6th May, 2014

For and on behalf of the Board
For Voltamp Transformers Limited

K. S. Patel	Chairman & MD	K. L. Patel	Vice Chairman & MD
K. G. Tuli	Director	V. L. Patel	Director
A. N. Shelat	Director	V. N. Madhani	Director & Company Secretary

Place : Vadodara
Date : 6th May, 2014

VOLTAMP TRANSFORMERS LIMITED

Regd. Office: Makarpura, Vadodara – 390 014, Gujarat.

Phone ++91 265 2642011/12, 3041403/480, Fax : 2646774, 3041499

E-mail : voltamp@voltamptransformers.com Website : www.voltamptransformers.com,

CIN: L31100GJ1967PLC001437

PROXY FORM

Name of the Member(s):
Registered Address:
E-mail Id:
Folio No./ DP Id & Client Id:

I/We, being the member (s) of shares of the Voltamp Transformers Limited, hereby appoint:

- 1. Name : Address :
Email Id : Signature :
- 2. Name : Address :
Email Id : Signature :
- 3. Name : Address :
Email Id : Signature :

as my/our Proxy to attend and vote (on a poll) for me/us on my/our behalf at the 47th Annual General Meeting of the Company to be held on Thursday, 14th August, 2014 at 10:00 A.M. and at any adjournment thereof in respect of resolutions as are indicated below:

Reso. No.	Description	For	Against
1.	Adoption of the Audited Statement of Profit and Loss for the Financial Year ended 31 st March, 2014, the Balance Sheet as on that date, the Directors' and the Auditors' Reports thereon.		
2.	Declaration of dividend on equity shares.		
3.	Re-appointment of Shri Vallabh N. Madhani, who retires by rotation and being eligible offers himself for re-appointment.		
4.	Appointment of Auditors of the Company and fixing their remuneration.		
5.	Appointment of Shri Kewalkrishna G. Tuli as an Independent Director		
6.	Approval of remuneration of Cost Auditors		

Signed this on ____ day of _____, 2014

Signature of Shareholder:

Affix 1 Revenue Stamp

Note: This Proxy form in order to be effective should be duly completed and deposited at the Registered Office of the Company not later than 48 hours before the commencement of the meeting.

------(TEAR FROM HERE)-----

VOLTAMP TRANSFORMERS LIMITED

Regd. Office: Makarpura, Vadodara – 390 014, Gujarat.

Phone ++91 265 2642011/12, 3041403/480, Fax : 2646774, 3041499

E-mail : voltamp@voltamptransformers.com Website : www.voltamptransformers.com,

CIN: L31100GJ1967PLC001437

ATTENDANCE SLIP

Folio No./DP Id - Client Id : _____

No. of Shares held : _____

I/We hereby record my/our presence at the 47th Annual General Meeting of Members of the Company being held at Auditorium of the Vadodara Chamber of Commerce & Industry, VCCI Commercial Complex, 2nd Floor, 73, GIDC, Makarpura, Vadodara – 390 010, on Thursday, 14th August, 2014 at 10:00 A.M.

Member's / Proxy's Name (in Block Letters)

Member's / Proxy's Signature

Notes :A Member/Proxy attending the meeting must complete this Attendance Slip and hand it over at entrance of meeting hall.

(TEAR FROM HERE)



VOLTAMP TRANSFORMERS LIMITED

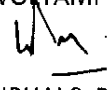
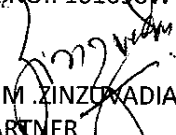

Registered Office & Works 1 :

**Makarpura, Vadodara – 390014, Gujarat (India)
Phone : +91 265 2642011 / 2642012 / 3041480
Fax : +91 265 2646774 / 3041499**

Works 2 :

**Vil. Vadadala, Jarod-Samlaya Road, Tehsil Savli,
Dist. Vadodara 391 520, Gujarat (India)
E-mail : voltamp@voltamptransformers.com
Website : www.voltamptransformers.com
CIN: L31100GJ1967PLC001437**

FORM A

1.	Name of the Company	Voltamp Transformers Limited
2.	Annual financial statements for the year ended	31 st March 2014
3.	Type of Audit observation	Unqualified
4.	Frequency of observation	Not applicable
5.	To be signed by –	FOR VOLTAMP TRANSFORMERS LTD
	CEO / CFO/Managing Director	 KANUBHAI S. PATEL CEO , CFO & MANAGING DIRECTOR
	Auditor of the Company	FOR CHANDULAL M. SHAH & CO. CHARTERED ACCOUNTANTS FR.NO.: 101698W  B. M. ZINZADIA PARTNER M.NO. 109606
	Audit Committee Chairman	FOR VOLTAMP TRANSFORMERS LTD  ARVIND N. SHELAT CHAIRMAN AUDIT COMMITTEE

