

20th ANNUAL REPORT 2013-14



**A new era dawns!**



**We have changed the face of many businesses.  
Time, we chose to change our own.**

The face of an identity determines amongst other things

vision, attitude and urge for action.

It defines your purpose and passion in your way forward.

**Just like it does in the new face of Sahyadri.**



“In the realm of sustainability resides the little universe of Sahyadri wherein it has carved a niche for itself as a competent player. A dynamic company led by young leaders, it radiates the energy that walks a new direction and talks innovation, in the expanding world of green. A grounded enterprise true to its values and discipline in structure & function, Sahyadri drives the steady foundation set by its founders, the bond it shares with people and high regard for processes to provide answers that take you further and farther”

# Message to the Shareholders

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## Dear Shareholders,

Sahyadri Industries Ltd (SIL) has embarked on the journey towards sustainability in building a formidable business organisation while generating long-term value for its stakeholders.

The journey towards enduring sustainability : Providing lasting answers in building solutions...

To grow, prosper, and remain sustainable, we must embrace change and transformation. Change requires leadership, courage and open culture. Transformation demands candour, trust and collaboration as we engage with many different stakeholders to find the best solutions. Above all, sustainability requires shared commitment, clear intent and a potent plan of action.

Our sustainability journey has already carried us far. Our accomplishments include significant solutions and innovations to the customer; improved employee safety and health; improved system reliability, investments in technologies and innovations that will shape the future of production, sales, the growth of our business, and dividends for our shareholders, a stronger balance sheet, new partnerships with many stakeholders, and improved service to our customers.

But in the previous financial year the road was paved with significant challenges for our company and our customers. A combination of factors have forced us to look at our business in a new light. Key reasons included eroding tolerance by customers for price increases; market dynamic, collective effect of rupee weakening on market, slow economic recovery in most of our states; the rising fiber cost to operate; the cost-effectiveness of our products compared with probable substitutes.

During the year, the world economy struggled on a path to uniform and widespread economic stability. Most emerging markets and developing economies showed moderate growth. The Indian economy slowed down in the last financial year and some of the sectors including the capital goods, automotive and construction were faced with demand erosion that is unlikely to turn around quicker.

Our business is build - in with a little flavour of seasonality that makes results vary from one quarter to another. We have discussions with the fiber suppliers and impressed upon them for stability in fibre prices.

A clear industrial policy with special emphasis on manufacturing competitiveness and infrastructure spending will be the key requirement for revival of demand in markets. We are developing a transition plan that shall offer innovative solutions to provide opportunity to the youth and women to become entrepreneurs and generate regular income, sustainable job creation; innovative solutions in building applications, faster and speedy construction. This will also transform the way in which we interact with our customers. All options are being analyzed.

This year we are specially focusing on furthering and strengthening export markets. Despite several challenges, the management team is currently working very hard to ensure successful take of various planned initiatives and projects that are expected to enhance SIL's market positioning and generate life cycle returns for its shareholders. This trend is likely to continue. With the election verdict in the form of a stable government at the centre, business confidence has grown and money will start flowing in the market. Rupee has also stabilized. It is expected that the new government will be decisive in its actions. This will bring in more opportunities for all of us. We shall gear up to face the expected increase in demand for our products and applications. We expect a good business year ahead.

We continue to engage and partner with stakeholders. We will work to strengthen these relationships. We trust that our stakeholders will be moving ahead in collaboration with us in our efforts.

Responsible businesses are increasingly seen as corporate citizens who must set examples, actively contribute to the well-being of society, not just in economic terms, but also through actions that are aimed at conserving the environment and contributing to the growth of the society. CSR initiative of SIL is in consonance with the corporate business philosophy

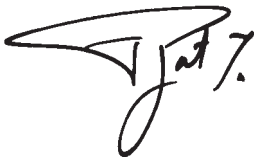
followed for undertaking socially useful programs for welfare & sustainable development of the society - this initiative is called SWASTIK DISHA. The objective of the SIL CSR Initiative is to directly and indirectly take up programs that benefit the society over a period of time ensure an increased commitment at all levels in the organization. Through our CSR activities, we further an opportunity to serve in growth of education, health care and wide cultural programs. A special focus area is the development of the country's youth, where programs for technical skills, personality development and communication training are given along with employment scope in the industry.

We believe, we will emerge on a stronger footing, through a series of management initiatives targeted at strengthening our core operations including investment in select facilities, new innovative initiatives, product rationalizations and right-sizing of manufacturing assets. We would like to place on record our appreciation to all employees, shareholders and other stakeholders, for their dedication and support. SIL is committed to improving the efficiencies in its operations and differentiating itself in the marketplace through customer focused innovation in products and services, so as to build a stronger and sustainable future for our company.

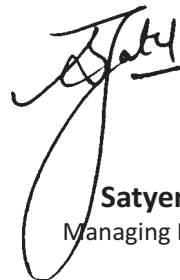
It is our constant endeavor to stay in tune with the evolving needs and expectations of society and stakeholders. We have taken several steps to respond positively to the challenges of the future and intend to build on them. We welcome your observations and suggestions to provide added impetus to our journey in providing solutions that are sustainable.

We have adopted corporate identity just to convey that, "we are at it"...

Truly yours,



**Jayesh Patel**  
Chairman



**Satyen Patel**  
Managing Director

# SAHYADRI INDUSTRIES LIMITED

## Board Of Directors

Mr. J. P. Patel	Chairman
Mr. S. V. Patel	Managing Director
Mr. P. L. Patel	Whole time Director
Mr. V. L. Patel	Whole time Director
Mr. D. B. Kasad	Director
Mr. S. U. Joshi	Director
Mr. S. U. Koshti	Director
Mr. J. G. Awate	Director
Mr. S. Y. Mestry	Director

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## Company Secretary

Jaiwant Rege

## Auditor

M/s. Parag Patwa & Associates,  
Chartered Accountants, Pune

## Registered Office

39/D, Swastik House, Gultekdi, J. N. Road,  
Pune - 411037

## Bankers:

Cosmos Co-Op Bank Limited  
Central Bank of India  
Corporation Bank  
HDFC Bank Limited  
Indian Overseas Bank  
Standard Chartered Bank  
ICICI Bank Ltd.

## Registrar & Share Transfer Agent

M/S Sharex Dynamic (India) Pvt. Ltd.  
Unit No. 1, Luthra Industrial Premises, Safed Pool,  
Andheri (E), Mumbai - 400 072  
Phone No (022) – 28515606/44  
Fax No (022) 28512885  
[www.sharexindia.com](http://www.sharexindia.com)

## Plants:

### Chinchwad

Plot No. 39, 44, 46 to 49, Block No. D III, MIDC,  
Chinchwad, Pune 411019.

### Kedgaon

Gat No. 14 & 15 (1), Village Kedgaon,  
Tal. Daund, District Pune.

### Perundurai

Plot No. KK2(N) and KK2(S), SIPCOT Industrial  
Growth, Centre, Perundurai 638052 ,Erode  
District, Tamilnadu.

### Mahuvej

S. No. 127, 128,129,186,187, 129/1/1,  
Block No. 88, 89, Village Mahuvej, Tal. Mangrol,  
Dist. Surat, Gujarat

## Website

[www.silworld.in](http://www.silworld.in)

## NOTICE

NOTICE is hereby given that the Twentieth Annual General Meeting of the members of Sahyadri Industries Limited will be held on **Friday, 8th August 2014 at 3.30 PM at Plot No. 39, Block No. D-III, MIDC, Chinchwad, Pune - 411 019**, to transact the following business:

### ORDINARY BUSINESS:

1. To consider and adopt the audited Balance Sheet as at 31st March 2014 and the Profit & Loss Account and the Cash Flow Statement for the year ended on that date and Reports of the Directors and Auditors thereon.
2. To declare dividend for the Financial Year ended 31st March 2014.
3. To re-appoint Mr. V.L.Patel as a director, who retires by rotation and being eligible offers himself for re-appointment.
4. To re-appoint Mr. P.L.Patel as a director, who retires by rotation and being eligible offer himself for re-appointment.
5. To re-appoint Mr. S. V. Patel as a director, who retires by rotation and being eligible offer himself for re-appointment.
6. To appoint Auditor of the Company to hold office from conclusion of this Annual General Meeting to the conclusion of next Annual General Meeting and fix their remuneration.

### SPECIAL BUSINESS:

7. To consider, and if thought fit, to pass, with or without modification(s), the following resolution as a special resolution:

**“RESOLVED THAT** in supersession of the Ordinary Resolution passed by the Members at the Annual General Meeting of the Company held on 23rd August 2010 and pursuant to the provisions to Section 180 (1) (c) of the Companies Act, 2013 and rules made thereunder (including any statutory modifications or re-enactments thereof for the time being in force), the consent of the Company be and is hereby accorded to the Board of Directors of the Company (Board) which shall be deemed to include any

Committee thereof, which the Board may have constituted or hereinafter constitute to exercise its powers including the powers conferred by this resolution and with the power to delegate such authority to any person or person (s) to borrow moneys in excess of the aggregate of the paid-up share capital and free reserves of the Company, provided that the total amount borrowed and outstanding at any point of time, apart from temporary loans obtained / to be obtained from the Company’s Bankers in the ordinary course of business, shall not be in excess of Rs.300 Crores/- (Rupees Three Hundred Crores only) over and above the aggregate of the paid-up Capital and free reserves (that is, reserves not set apart for any specific purpose) of the Company.”

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution the Board be and is hereby authorised to do all such acts, deeds, matters and things which it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in this regard, to finalise and execute all such deeds, documents and writings as it may deem necessary, desirable or expedient and to delegate all or any of its powers to any Committee of Director(s) or Whole Time Director or Director or Non Executive Director of the Company”

8. To consider, and if thought fit, to pass with or without modification(s), the following resolution as a special resolution:

**“RESOLVED THAT** in supersession of the Ordinary Resolution passed at the Annual General Meeting held on on 23rd August 2010 and pursuant to the provisions of Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), the consent of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as “the Board” which term shall also include the Finance Committee of Directors)

- (a) for mortgaging, hypothecating, charging and pledging and / or creating a floating charge and / or liens, charges and encumbrances of whatsoever nature on all or any of the Company’s assets and properties whether immovable, movable, current assets,

receivables or stock in trade (including raw materials, stores, spare parts and components, in stock or in transit) and work in process and the whole or substantially whole of all or any of the undertakings of the Company, wheresoever situate, present and future, on such terms and conditions and in such form and manner as the Board may think fit and proper, in favour of banks / financial institutions / other lenders / trustees of the holders of debentures / securities, for securing loans (including foreign currency loans) / debentures / securities, aggregating to a nominal value not exceeding Rs.300 Crores (Rupees Three Hundred Crores only) to be availed / issued from time-to-time in one or more tranches under its borrowing powers, together with interest, compound interest and all costs, charges and expenses and all other monies as may become due and payable by the Company in that behalf and to vary or modify existing securities, from time-to-time, in such manner and in such form on all or any of the properties or part of any of the property and the undertakings of the Company, both present and future, as may be decided by the Board and as agreed to by the said banks / financial institutions / other lenders / trustees of the holders of debentures / securities.

(b) to the Board of Directors of the Company agreeing with the said banks / financial institutions / other lenders / trustees of the holders of debentures / securities in terms of the facility agreement to reserve a right to take over the management of the business and/or the management of the concern of the Company in certain events."

9. To consider and, if thought fit, to pass, with or without modification(s), the following Resolution as a special resolution:

**"RESOLVED THAT** pursuant to the recommendation of the Nomination and Remuneration Committee and in accordance with the provisions of section 196, 197 and all other applicable provisions, if any, and Schedule V to the Companies Act, 2013, approval of members be and is hereby accorded for the reappointment of Mr. P. L. Patel as a Whole Time Director of the Company for a period three years with effect from July 1, 2014 and he be paid the following remuneration:

#### Remuneration

- a) Basic Salary : Rs. 3,50,000/- (Rs. Three Lakh Fifty Thousand only) per month (in the grade Rs 3,50,000-75,000-7,25,000)
- b) Allowances:
  - 1) House rent : House rent allowance of Rs.80,000/- (Eighty thousand only) per month.
  - 2) Leave travel allowance : Once in a year for self & family in accordance with Rules of the Company not exceeding one month's salary.
  - 3) Medical expenses : At Actuals
- c) Perquisites:
  - i. Payment of Bonus/ex-gratia amount as may be declared by the Company.
  - ii. Contribution to Provident Fund and Superannuation fund or Annuity fund in accordance with the Rules of the Company.
  - iii. Free use of car with driver for business of the Company.
  - iv. Free telephone facility at residence for official purpose.
  - v. Gratuity in accordance with the Rules of the Company.
  - vi. Mediciam Insurance coverage for self and family as per the Rules of the Company.
  - vii. Group Personal Accident Insurance cover as per the Rules of the Company.
  - viii. Entitlement to Leave and Leave encashment in accordance with the Rules of the Company.
  - ix. Fees of the clubs subject to maximum of two clubs. This will not include admission or life membership fees.
- d) Commission:
 

Such remuneration by way of commission not exceeding 1%, in addition to the salary, allowances and perquisites payable, calculated with reference to the net profits of the Company in a financial year, as may be determined by the Board of Directors of the Company at the end of each financial year. The aggregate of the remuneration and perquisites as aforesaid in any financial year shall not exceed the limits prescribed from time to time under section 197 and other applicable provisions, if any, of the Companies Act, 2013 read with Schedule V to the said Act in force.
- e) Minimum Remuneration:
 

Notwithstanding anything to the contrary herein contained, where in any financial year,



during the currency of tenure of the Whole Time Director, the Company has no profits or its profits are inadequate, the Company will pay remuneration by way of salary and perquisites as specified above, after ensuring compliance with the requirements of Section II of Part II of Schedule V appended to the Companies Act, 2013.

f) Other terms and conditions:

- I. The Whole-Time Director will perform his duties as such with regard to work of the Company allocated to him and he will also attend to such other business and carry out such other order and directions given by the Board from time to time as becomes necessary and shall comply with rules and regulations made by the Company. The Whole Time Director will be under the overall authority of the Board of Directors.
- II. The Whole Time Director shall act in accordance with the Articles of Association of the Company and shall abide by the provisions contained in Section 166 of the Companies Act 2013 with regard to the duties of directors.
- III. The Whole Time Director shall adhere to the Company's Code of Conduct for the Directors.
- IV. The office of the Whole Time Director may be terminated by the Company or the concerned Whole Time Director by giving other 6 (Six) months' prior notice in writing to the other party.

**RESOLVED FURTHER THAT** on the recommendation of the Nomination and Remuneration Committee, the Board of Directors shall have discretion and authority to modify the foregoing terms of remuneration if agreeable to Mr. P. L. Patel within, however, the maximum limit prescribed under Schedule V of the Companies Act, 2013.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to do all such acts, deeds and things as may be necessary to give effect to these resolutions."

10. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a special resolution:

**"RESOLVED THAT** pursuant to recommendation of the Nomination and Remuneration Committee and in accordance with the provisions of sections 196, 197 and all other applicable provisions, if any, and Schedule V to the Companies Act, 2013, approval of members be and is hereby accorded for the reappointment of Mr. V. L. Patel as a Whole Time Director of the Company for a period Three years with effect from July 1, 2014 and he be paid the following remuneration:

Remuneration

a) Basic Salary : Rs. 3,50,000/- (Rs. Three Lakh Fifty Thousand Only) per month.

(in the grade Rs 3,50,000-75,000-7,25,000)

b) Allowances:

1) House rent : House rent allowance of Rs.80,000/- (Rs. Eighty thousand only) per month.

2) Leave travel allowance : Once in a year for self & family in accordance with Rules of the Company not exceeding one month's salary.

3) Medical expenses : At actuals

c) Perquisites:

i. Payment of bonus/ex-gratia amount as may be declared by the Company.

ii. Contribution to Provident fund and Superannuation fund or Annuity fund in accordance with Rules of the Company.

iii. Free use of car with driver for business of the Company.

iv. Free telephone facility at residence for official purpose.

v. Gratuity in accordance with the Rules of the Company.

vi. Medclaim Insurance coverage for self and family as per the Rules of the Company.

vii. Group Personal Accident Insurance cover as per the Rules of the Company.

viii. Entitlement to Leave and Leave encashment in accordance with the Rules of the Company.

ix. Fees of the clubs subject to maximum of two clubs. This will not include admission or life membership fees.

d) Commission:

Such remuneration by way of commission not exceeding 1%, in addition to the salary, allowances and perquisites payable, calculated with reference to the net profits of

the Company in a financial year, as may be determined by the Board of Directors of the Company at the end of each financial year. The aggregate of the remuneration and perquisites as aforesaid in any financial year shall not exceed the limits prescribed from time to time under section 197 and other applicable provisions, if any, of the Companies Act, 2013 read with Schedule V to the said Act in force.

e) Minimum Remuneration:

Notwithstanding anything to the contrary herein contained, where in any financial year, during the currency of tenure of the Whole Time Director, the Company has no profits or its profits are inadequate, the Company will pay remuneration by way of salary and perquisites as specified above, after ensuring compliance with the requirements of Section II of Part II of Schedule V appended to the Companies Act, 2013.

f) Other Terms and Condition

- 1) The Whole-Time Director will perform his duties as such with regard to work of the Company allocated to him and he will also attend to such other business and carry out such other order and directions given by the Board from time to time as becomes necessary and shall comply with rules and regulations made by the Company. The Whole Time Director will be under the overall authority of the Board of Directors.
- 2) The Whole Time Director shall act in accordance with the Articles of Association of the Company and shall abide by the provision contained in Section 166 of the Companies Act 2013 with regard to the duties of directors.
- 3) The Whole Time Director shall adhere to the Company's Code of Conduct for the Directors.
- 4) The office of the Whole Time Director may be terminated by the Company or the concerned Whole Time Director by giving other 6 (Six) months prior notice in writing to the other party.

**RESOLVED FURTHER THAT** on the recommendation of the Nomination and Remuneration Committee, the Board of Directors shall have discretion and authority to modify the foregoing terms of remuneration if agreeable to Mr. V. L. Patel within, however, the

maximum limit prescribed under Schedule V of the Companies Act, 2013.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to do all such acts, deeds and things as may be necessary to give effect to these resolutions."

11. To consider and, if thought fit, to pass, with or without modification(s), the following Resolution as a special resolution:

**"RESOLVED THAT** pursuant to recommendation of the Nomination and Remuneration Committee and in accordance with the provisions of sections 196, 197 and all other applicable provisions, if any, and Schedule V to the Companies Act, 2013, approval of members be and is hereby accorded for the reappointment of Mr. J.P. Patel as a Executive Chairman of the Company for a period 3 years with effect from July 1, 2014 and he be paid the following remuneration:

**Remuneration**

- a) Basic Salary : Rs. 5,00,000/- (Rs. Five lac only) per month. (in the grade Rs 5,00,000-1,00,000-10,00,000)
- b) Allowances:
  - 1) House rent : House rent allowance of Rs.80,000/- (Rs. Eighty thousand only) per month.
  - 2) Leave travel allowance : Once in a year for self & family in accordance with Rules of the Company not exceeding one month's salary.
  - 3) Medical expenses : At actuals
- c) Perquisites:
  - i. Payment of bonus/ex-gratia amount as may be declared by the Company.
  - ii. Contribution to Provident fund and Superannuation fund or Annuity fund in accordance with Rules of the Company.
  - iii. Free use of car with driver for business of the Company.
  - iv. Free telephone facility at residence for official purpose.
  - v. Gratuity in accordance with the Rules of the Company.
  - vi. Mediclaim Insurance coverage for self and family as per the Rules of the Company.
  - vii. Group Personal Accident Insurance cover as per the Rules of the Company.

- viii. Entitlement to Leave and Leave encashment in accordance with the Rules of the Company.
- ix. Fees of the clubs subject to maximum of two clubs. This will not include admission or life membership fees.
- d) Commission:  
Such remuneration by way of commission not exceeding 1%, in addition to the salary, allowances and perquisites payable, calculated with reference to the net profits of the Company in a financial year, as may be determined by the Board of Directors of the Company at the end of each financial year. The aggregate of the remuneration and perquisites as aforesaid in any financial year shall not exceed the limits prescribed from time to time under sections 197 and other applicable provisions, if any, of the Companies Act, 2013 read with Schedule V to the said Act in force.
- e) Minimum Remuneration:  
Notwithstanding anything to the contrary herein contained, where in any financial year, during the currency of tenure of the Whole Time Director, the company has no profits or its profits are inadequate, the company will pay remuneration by way of salary, perquisites as specified above, after ensuring compliance with the requirements of Section II of Part II of Schedule V appended to the Companies Act, 2013.
- f) Other Terms and Condition
  - 1) The Executive Chairman will perform his duties as such with regard to work of the Company allocated to him and he will also attend to such other business of the company and carry out such other orders and directions given by the Board from time to time. He shall comply with the rules and regulations as may be made by the Company. The Executive Chairman will be under the overall authority of Board of Directors.
  - 2) The Whole Time Director shall act in accordance with the Articles of Association of the Company and shall abide by the provision contained in Section 166 of the Companies Act 2013 with regard to the duties of directors.
  - 3) The Executive Chairman shall adhere to the Company's Code of Conduct for the Directors.

- 4) The office of the Executive Chairman may be terminated by the Company or Executive Chairman by giving other 6 (Six) months prior notice in writing to the other party.

**RESOLVED FURTHER THAT** on the recommendation of the Nomination and Remuneration Committee, the Board of Directors shall have discretion and authority to modify the foregoing terms of remuneration if agreeable to Mr. J.P.Patel within, however, the maximum limit prescribed under Schedule V of the Companies Act, 2013.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to do all such acts, deeds and things as may be necessary to give effect to the resolutions."

12. To consider and, if thought fit, to pass, with or without modification(s), the following Resolution as a special resolution:

**"RESOLVED THAT** pursuant to recommendation of the Nomination and Remuneration Committee and in accordance with the provisions of sections 196, 197 and all other applicable provisions, if any, Schedule V to the Companies Act, 2013, approval of members be and is hereby accorded for the reappointment of Mr. S. V. Patel as a Managing Director of the Company for a period 3 years with effect from July 1, 2014 and he be paid the following remuneration:

Remuneration

- a) Basic Salary : Rs. 5,00,000/- (Rs. Five lac only) per month (in the grade Rs 5,00,000-1,00,000-10,00,000)
- b) Allowances:
  - 1) House rent : House rent allowance of Rs.80,000/- (Eighty thousand only) per month.
  - 2) Leave travel allowance : Once in a year for self & family in accordance with Rules of the Company not exceeding one month salary.
  - 3) Medical expenses : At actuals
- c) Perquisites:
  - i. Payment of bonus/ex-gratia amount as may be declared by the Company.

- ii. Contribution to Provident fund and Superannuation fund or Annuity fund in accordance with Rules of the Company.
  - iii. Free use of car with driver for business of the Company.
  - iv. Free telephone facility at residence for official purpose.
  - v. Gratuity in accordance with Rules of the Company.
  - vi. Mediclaim Insurance coverage for self and family as per Rules of the Company.
  - vii. Group Personal Accident Insurance cover as per Rules of the Company.
  - viii. Entitlement to Leave and Leave encashment in accordance with Rules of the Company.
  - ix. Fees of the clubs subject to maximum of two clubs. This will not include admission or life membership fees.
- d) Commission:  
Such remuneration by way of commission not exceeding 1%, in addition to the salary, allowances and perquisites payable, calculated with reference to the net profits of the Company in a financial year, as may be determined by the Board of Directors of the Company at the end of each financial year. The aggregate of the remuneration and perquisites as aforesaid in any financial year shall not exceed the limits prescribed from time to time under sections 197 and other applicable provisions, if any, of the Companies Act, 2013 read with Schedule V to the said Act be in force.
- e) Minimum Remuneration:  
Notwithstanding anything to the contrary herein contained, where in any financial year, during the currency of tenure of the Whole Time Director, the company has no profits or its profits are inadequate, the company will pay remuneration by way of salary, perquisites as specified above, after ensuring compliance with the requirements of Section II of Part II of Schedule V appended to the Companies Act, 2013.
- f) Other Terms and Condition
- 1) The Managing Director having been entrusted with the substantial power of the management of affairs of the Company, will perform his duties as such with regard to all work of the Company. He will manage and attend to the business of the Company and also carry out order and

directions given by the Board from time to time. He shall comply with the rules and regulations made by the Company. The Managing Director will be under the overall authority of the Board of Director.

- 2) The Managing Director shall abide by the provision contained in Section 166 of the Companies Act 2013 with regard to the duties of directors.
- 3) The Managing Director shall adhere to the Company's Code of Conduct for the Directors.
- 4) The office of the Managing Director may be terminated by the Company or Managing Director by giving other 6 (Six) months prior notice in writing to the other party.

**RESOLVED FURTHER THAT** on the recommendation of the Nomination and Remuneration Committee, the Board of Directors shall have discretion and authority to modify the foregoing terms of remuneration if agreeable to Mr. S.V.Patel within, however, the maximum limit prescribed under Schedule V of the Companies Act, 2013.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to do all such acts, deeds and things as may be necessary to give effect to these resolutions."

13. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an ordinary resolution:

**"RESOLVED that** in supersession of earlier resolution passed at the Annual General Meeting held on 29th September 1999 and pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof) read with Schedule IV to the Companies Act, 2013, Mr. D.B.Kasad, Director of the Company be and is hereby appointed as an Independent Director of the Company to hold office for a term of one year from 08th August 2014 to 7th August 2015.

**Resolved Further that** appointment of Mr. D.B.Kasad as an Independent Director be formalised through a letter of appointment a

draft of which is placed before this meeting under the initials of the Chairman for the purpose of identification which draft be and is hereby approved.

**Resolved Further that** Mr. J.P.Patel, Executive Chairman or Mr. S.V.Patel, Managing Director be and is hereby authorised to do all such acts, deeds, matters and things including signing of the aforesaid letter of appointment to give effect to this resolution.”

14. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an ordinary resolution:

**“RESOLVED that** in supersession of earlier resolution passed at the Annual General Meeting held on 19th September 2005 pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof) read with Schedule IV to the Companies Act, 2013, Mr. S.U.Koshti, Director of the Company be and is hereby appointed as an Independent Director of the Company to hold office for a term of one year from 08th August 2014 to 7th August 2015.

**Resolved Further that** appointment of Mr.S.U.Koshti as an Independent Director be formalised through a letter of appointment a draft of which is placed before this meeting under the initials of the Chairman for the purpose of identification which draft be and is hereby approved.”

**Resolved Further that** Mr. J.P.Patel, Executive Chairman or Mr. S.V.Patel, Managing Director be and is hereby authorised to do all such acts, deeds, matters and things including signing of the aforesaid letter of appointment to give effect to this resolution.”

15. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an ordinary resolution:

**“RESOLVED that** in supersession of earlier resolution passed at the Annual General Meeting held on 30th September 2009 pursuant to the provisions of Sections 149, 150, 152 and applicable provisions of the Companies Act,

2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof) read with Schedule IV to the Companies Act, 2013, Mr.S.Y.Mestry Director of the Company be and is hereby appointed as an Independent Director of the Company to hold office for a term of one year from 08th August 2014 to 7th August 2015.

**Resolved Further that** appointment of Mr.S.Y.Mestry as an Independent Director be formalised through a letter of appointment a draft of which is placed before this meeting under the initials of the Chairman for the purpose of identification which draft be and is hereby approved.

**Resolved Further that** Mr. J.P.Patel, Executive Chairman or Mr. S.V.Patel, Managing Director be and is hereby authorised to do all such acts, deeds, matters and things including signing of the aforesaid letter of appointment to give effect to this resolution.”

16. To consider and, if thought fit, to pass, with or without modification(s), the following Resolution as an ordinary resolution:

**“RESOLVED that** in supersession of earlier resolution passed at the Annual General Meeting held on 22nd September 2006 pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof) read with Schedule IV to the Companies Act, 2013, Mr.J.G.Awate, Director of the Company be and is hereby appointed as an Independent Director of the Company to hold office for a term of one year from 08th August 2014 to 7th August 2015.

**Resolved Further that** appointment of Mr.J.G.Awate as an Independent Director be formalised through a letter of appointment a draft of which is placed before this meeting under the initials of the Chairman for the purpose of identification which draft be and is hereby approved.

**Resolved Further that** Mr.J.P.Patel, Executive Chairman or Mr. S.V.Patel, Managing Director be and is hereby authorised to do all such acts, deeds, matters and things including signing of

the aforesaid letter of appointment to give effect to this resolution.”

17. To consider and, if thought fit, to pass, with or without modification(s), the following Resolution as an ordinary resolution:

**“RESOLVED that** in supersession of earlier resolution passed at the Annual General Meeting held on 19th September 2005 pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof) read with Schedule IV to the Companies Act, 2013, Mr. S.U.Joshi Director of the Company be and is hereby appointed as an Independent Director of

the Company to hold office for a term of one year from 08th August 2014 to 7th August 2015.

**Resolved Further that** appointment of Mr.S.U.Joshi as an Independent Director be formalised through a letter of appointment a draft of which is placed before this meeting under the initials of the Chairman for the purpose of identification which draft be and is hereby approved.

**Resolved Further that** Mr.J.P.Patel, Executive Chairman or Mr. S.V.Patel, Managing Director be and is hereby authorised to do all such acts, deeds, matters and things including signing of the aforesaid letter of appointment to give effect to this resolution.”

10th May 2014

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CIN No:L26956PN1994PLC078941

**On Behalf of the Board of Directors**

**Jayesh Patel**  
Chairman

**Satyen Patel**  
Managing Director

#### NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. The instrument appointing a proxy should, however, be deposited at the registered office of the Company not less 48 hours before the commencement of the meeting.  
A person can act as a proxy on behalf of members not exceeding fifty and holding in aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
2. A corporate members intending to depute its authorised representatives to attend the Meeting is requested to lodge with the Company well in advance a certified copy of the Board Resolution authorising its representative to attend and vote on their behalf at the meeting.

3. The Register of Members and Share Transfer Books of the Company shall remain closed from Saturday, 2nd August 2014 to Friday, 8th August 2014 (both days inclusive).
4. The Dividend, as recommended by the Board of Directors, if approved at the 20th Annual General Meeting, will be paid to those members who hold shares:
  - a) in the electronic mode, based on the beneficial ownership details received from National Securities Depository Limited and Central Depository Services (India) Limited as at the close of business hours on Friday, 1st August 2014, or
  - b) In physical form, if their names appear on the Company's Register of Members as at the close of business hours on Friday, 1st August 2014.
5. Members are requested to promptly notify any change in their address to the Company's Registrar & Transfer Agent namely, Sharex Dynamic (India) Pvt Ltd, Unit 1, Luthra Industrial Premises, Safed Pool, Andheri (E), Mumbai - 400 072. Shareholders holding shares in



dematerialized form shall inform any change in their details address and other to their respective Depository Participants only.

6. Members desiring any information about the Company's working are requested to write to the Company at an early date so as to enable the Company to reply at the Annual General Meeting.
7. The Annual Report of the Company circulated to the members will be made available on the Company's website at [www.silworld.in](http://www.silworld.in)
8. Copies of the Annual Report 2014 are being sent by electronic mode only to those members whose email addresses are registered with the Company / Depository Participant(s) for communication purposes unless .Any member may request 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. However such members are requested to register their respective e-mail address with the Company/ Depository Participant.
9. Pursuant to the provisions of Section 205C of the Companies Act 1956, the amount of dividend remaining unpaid or unclaimed for a period of seven years from the date of its transfer to the Unpaid Dividend Account of the Company is required to be transferred to the Investor Education and Protection Fund set up by the Government of India and no payment shall be made in respect of any such claims by the Fund. Unclaimed dividend amount in respect of final dividend declared during financial year 2006-07 will be transferred to Investor Education & Protection Fund on or after 25th October 2014. Members who have not yet encashed their dividend warrant(s) for the financial years 2006-2007 are requested to make their claims to the Company without any delay.  
Ministry of Corporate Affairs by its Notification Number G.S.R. 352 dated 10th May 2012 introduce Filing provision of Information regarding the unpaid and unclaimed amounts, within a period of 90 days after the holding of Annual General Meeting or the date on which it should have been held as per the provision of the section 166 of the act and every year there after till completion of seven year period identified the unclaimed amounts as referred to sub

section (2) of section 205C of the Companies Act, 1956, separately furnished and upload on its own website and also on the Ministry's website or any other website specified by the government through E-form 5 INV, separately for each year.

10. Members are requested to bring their attendance slip along with the copy of Annual Report to the meeting.
11. Additional information pursuant to Clause 49 of the Listing Agreement with the stock exchanges in respect of the Directors seeking appointment / re-appointment at the AGM is furnished and forms a part of the Notice.
12. Pursuant to Section 108 of the Companies Act, 2013, read with the relevant Rules of the Act, the Company is pleased to provide the facility to Members to exercise their right to vote by electronic means. The Members, whose names appear in the Register of Members / list of Beneficial Owners as on close of business hours on 30th June 2014 i.e. the date prior to the commencement of book closure date are entitled to vote on the Resolutions set forth in this Notice. The e-voting period will commence at 9.00 a.m. on Saturday, 2nd August, 2014 and will end at 5.00 p.m. on Monday, 04th August, 2014. The Company has appointed Mr.Sridhar Mudaliar, Practising Company Secretary, to act as the Scrutinizer, for conducting the scrutiny of the votes cast. The Members desiring to vote through electronic mode may refer to the detailed procedure on e-voting given hereinafter.

**The instructions for members for voting electronically are as under:-**

**In case of members receiving e-mail:**

- (i) Log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
- (ii) Click on "Shareholders" tab.
- (iii) Now, select the "Sahyadri Industries Ltd." from the drop down menu and click on "SUBMIT"
- (iv) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.

(vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.

(vii) If you are a first time user follow the steps given below:

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

(viii) After entering these details appropriately, click on "SUBMIT" tab.

(ix) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for

resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(xi) Click on the EVSN for the relevant business of Sahyadri Industries Limited on which you choose to vote.

(xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

(xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.

(xvii) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates.

- They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

- After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.

- The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.

- They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if



any, in PDF format in the system for the scrutinizer to verify the same.

**In case of members receiving the physical copy:**

- (A) Please follow all steps from sl. no. (i) to sl. no. (xvii) above to cast vote.
- (B) The voting period begins on 9.00 a.m. on Saturday, 2nd August, 2014 and will end at 5.00 p.m. on Monday, 04th August, 2014.. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 30th June 2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (C) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.co.in](http://www.evotingindia.co.in) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

**Statement to be annexed to notice pursuant to sections 102 of the Companies Act, 2013.**

**Item No. 7 and 8**

The members of the Company at their 16th Annual General Meeting held on 23rd August 2010 approved by way of an Ordinary Resolution under Section 293(1)(d) of the erstwhile Companies Act, 1956 borrowings over and above the aggregate of paid up share capital and free reserves of the Company provided that the total amount of such borrowings together with the amounts already borrowed and outstanding at any point of time shall not be in excess of 300 Crores (Rupees three hundred crores).

The Company has to secure borrowing by way of mortgage, hypothecation, charge etc. as may be required by the lenders. In terms of Section 180(1)(a) of the Companies Act 2013, it is proposed to seek members approval for creating charge/mortgage/hypothecation etc., on the assets of the Company (both present and future) in favour of the Bank(s) / Financial Institution(s) / other person. Section 180(1)(c) of the Companies Act, 2013 requires that the Board of Directors shall not borrow money in excess of the company's paid up share capital and free reserves, apart from temporary loans obtained from the company's bankers in the ordinary course of business, except with the consent of the company accorded by way of a special resolution.

It is, therefore, necessary for the members to pass a Special Resolution under Section 180(1)(a) and Section 180(1)(c) and other applicable provisions of the Companies Act, 2013, as set out at Item No. 7 and 8 of the Notice, to enable to the Board of Directors to borrow money in excess of the aggregate of the paid up share capital and free reserves of the Company and create a charge, mortgage, hypothecation on the moveable and immoveable properties of the Company.

The Board recommends the resolution at Item No. 7 and 8 for the approval of the members by way of special resolution.

None of the directors, key managerial personnel and their relatives are concerned or interested in the above resolution.

**Item No. 9**

The term of appointment of Mr. P. L. Patel as a Whole Time Director of the Company is ending on 30th June 2014. On 10th May 2014, the Board of Directors has decided subject to approval by the members to reappoint him as a Whole Time Director of Company for a further period of three years commencing on 1st July 2014. It is desired to reappoint him for further period of three years. The terms and conditions of his reappointment are stated in the proposed resolution.

As per section I of Part-II of Schedule V to the Companies Act, 2013, if the Company has adequate profits, the Board may fix/revise remuneration within the ceiling as provided in section 197 of that Act which is 10% of the net profits. He is looking after general management of the Company.

Mr.P.L.Patel has attained 70 years of age. The Directors recommend the resolution set out in item no.9 for approval of the members by way of special resolution.

Mr. P.L.Patel is interested in the resolution set out at Item No9 of the Notice, which pertains to his re-appointment and remuneration payable to him.

Mr.V.L.Patel and Mr. J.P.Patel, Directors and other relatives of Mr. P.L.Patel, who are shareholders of the Company may be deemed to be concerned or interested in this resolution to the extent Mr.P.L.Patel himself is interested.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in this resolution.

**Item No.10,11 and 12:**

The term of appointment of Mr. V.L.Patel, Whole Time Director, Mr. J.P.Patel, Chairman and Mr. S.V.Patel, Managing Director is ending on 30th June 2014. It is desired to reappoint him for further period of three years. The Board of Directors in its meeting held on May 10,2014 and subject to the approval of the shareholder has decided the terms of re-appointment and remuneration as contained in resolution no. 10,11 and 12.

As per section I of Part-II of Schedule V to the Companies Act, 2013, if the Company has adequate profits, the Board may fix/revise remuneration within the ceiling as provided in section 197 of that Act which is 10% of the net profits. In terms of section 197 and other applicable provision of the Companies Act 2013 read with Schedule V to the companies Act, 2013, the Board can revise the remuneration subject to approval of the shareholders in general meeting. Mr.V.L.Patel, Mr.J.P.Patel and Mr. S.V.Patel are interested in their respective resolutions set out at Item No.10,11 and 12 of the Notice, which pertain to their re-appointment and remuneration payable to him.

Mr. V.L.Patel and Mr. S.V.Patel, Directors are related to each other. Mr.P.L.Patel, Director is related to Mr.V.L.Patel and Mr.J.P.Patel. Other relatives of Mr.V.L.Patel, Mr. J.P.Patel and Mr. S.V.Patel may be shareholders of the Company. The interest in the resolutions of these related parties is co-existing to the extent of the interest of the concerned Directors seeking re-appointment to whom they are related.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in these resolutions.

The Directors recommend the resolution set out in item no.10,11 and 12 for approval of the members by way of special resolutions.

**Item No.13 to 17:**

Mr. D.B.Kasad is an independent director of the Company. He joined the Board in January 1999. Mr. D.B.Kasad is also the Chairman of the Audit Committee. He is also the member of Remuneration Committee and Investor Grievance Committee.

Mr. S.U. Koshti is an independent director of the Company. He joined the Board in June 2005. He is also the member of the Audit Committee, Investor

Grievance Committee and Remuneration Committee.

Mr. S.Y.Mestry is an independent director of the Company. He joined the Board in May 2009. He is the member of Audit Committee, Investor Grievance and Remuneration Committee.

Mr. J.G.Awate is an independent director of the Company. He joined the Board in January 2006.

Mr. S.U. Joshi is an independent director of the Company. He joined the Board in June 2005. Mr.S.U.Joshi is also the Chairman of the Investor Grievance Committee and Remuneration Committee. He is also the member of Audit Committee .

The Board of Directors of the Company has decided to adopt the provisions with respect to appointment and tenure of Independent Directors which is consistent with the Companies Act, 2013 . Accordingly, the Independent Directors will serve for not more than two terms on the Board of the Company. The transition to the compliance with provision of the Companies Act 2013 is being managed by re-appointment of independent directors for a term of one year at this Annual General Meeting as proposed in the respective resolutions. The Board of Directors will decide for the second term of appointment of independent directors in accordance with the provisions of the Companies Act 2013 at the appropriate time. The Company does not have any upper age limit of retirement of Independent Directors from the Board and their appointment and tenure will be governed by the provisions of Companies Act, 2013.

In terms of Section 149 and any other applicable provisions of the Companies Act, 2013, the present directors Mr.D.B.Kasad, Mr.S.U.Koshti, Mr.S.Y.Mestry, Mr. J.G.Awate and Mr.S.U.Joshi, being eligible, offer themselves for appointment as Independent Directors on the Board of the Company. In line with the requirements of the Companies Act, 2013, it is therefore proposed to appoint Mr.D.B.Kasad, Mr.S.U.Koshti, Mr.S.Y.Mestry, Mr.J.G.Awate and Mr. S.U.Joshi as Independent Directors on the Board of the Company for a term of one year, commencing on 08th August 2014.

The Company has received declarations from all the above Independent Directors stating that they meet with the criteria of Independence as prescribed under sub-section (6) of Section 149 of the Companies Act, 2013.

Notices have been received from Members proposing candidature of the above Directors for the office of Independent Director of the Company. In the opinion of the Board, Mr.D.B.Kasad, Mr.S.U.Koshti, Mr.S.Y.Mestry, Mr.J.G.Awate and Mr.S.U.Joshi fulfill the conditions specified in the Companies Act, 2013 and the Rules made thereunder for appointment as Independent Directors of the Company. A copy of the draft Letter of Appointment for each of the Independent Directors, setting out terms and conditions of their

appointment, is available for inspection at the Registered Office of the Company during business hours on any working day till the date of the meeting and is also available on the website of the Company.

None of the Directors or Key Managerial Personnel of the Company and their relatives, other than Independent Directors for their respective appointment, are concerned or interested, financially or otherwise, in these Resolutions. The Board recommends the ordinary resolutions as set out at item no.13 to17 for approval of the Member.

10th May 2014

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**On Behalf of the Board of Directors**

**Jayesh Patel**  
Chairman

**Satyen Patel**  
Managing Director

**Details of Directors seeking appointment or reappointment in the Annual General Meeting fixed on 08th August 2014. (In pursuance to clause 49 of the Listing Agreement)**

Name of the Director	Mr. P.L.Patel	Mr. V.L.Patel	Mr.J.P.Patel	Mr.S.V.Patel	Mr.D.B.Kasad	Mr.S.U.Koshti	Mr.S.Y.Mestry	Mr. J.G.Awate	Mr. S.U.Joshi
Date of Birth	10.10.1942	26.09.1953	09.01.1969	17.03.1977	04.04.1943	01.11.1947	25.08.1942	09.10.1943	01.11.1944
Date of Appointment	01.04.1997	30.06.1994	15.01.1999	01.08.1998	15.01.1999	10.06.2005	29.05.2009	30.01.2006	10.06.2005
Expertise in specific function areas	General Management	General Management	Overall Management	Overall Management	Overall Management	Income Tax & Management	General Management	Agriculture	Accounting, Taxation and Finance
List of outside Directorships held in other companies	Poonam Roofing Products Pvt. Ltd. PVRB Agro Products Pvt. Ltd.	Poonam Roofing Products Pvt. Ltd. PVRB Agro Products Pvt. Ltd. JVS Comatsco Industries Pvt. Ltd.	Poonam Roofing Products Pvt. Ltd. Sahyadri Enerco Private Limited.	Poonam Roofing Products Pvt. Ltd. Sahyadri Enerco Private Limited.	Nil	Nil	Saki Auto Products Pvt. Ltd. Roto Flax Machine Pvt. Ltd. Fore-Tech Engineering Pvt. Ltd.	Nil	Nil
Chairman/Member of the Committees of the Board of the Company	Nil	Nil	Nil	Nil	Chairman of Audit Committee. Member of Investor Grievance and Remuneration Committee.	Member of Audit Committee, Investor Grievance and Remuneration Committee.	Member of Audit Committee, Investor Grievance and Remuneration Committee.	Nil	Chairman of Investor Grievance & Remuneration Committee. Member of Audit Committee.
Chairman/Member of the Committees of the Board of other Companies	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Shareholding	283996	488435	515400	280226	Nil	Nil	Nil	Nil	865



## Directors' Report

To  
The Members,

Yours Directors have pleasure in presenting their Twentieth Annual Report together with the Audited statement of accounts for the Financial year ended March 31, 2014

### Results of operations

(Rs. In Lakhs)

Particulars	March 31, 2014	March 31, 2013
Sales & Other Income	37,378.97	41153.64
Profit Before Tax	(863.88)	2893.14
Provision for Tax	(262.07)	945.23
Profit after Tax	(601.81)	1947.91
Balance of Profit brought forward from previous Year	8810.03	7341.78
Profit Available for Appropriation	8202.22	9289.69
Dividend (Including Dividend Distribution Tax)	55.93	279.66
Transfer to General Reserve	0.00	200.00
Profit Carried to Balance-Sheet	8152.28	8810.03

### Business Performance

The sales and other income for the year ended 31st March 2014 was Rs. 37,378.97 lacs as against Rs.41153.64 lacs in the previous year, Our operating loss amounted to Rs. (863.88) lacs as against profit of Rs. 2893.14 lacs in the previous year. The net loss after tax was Rs. (601.81) lacs as against profit of Rs. 1947.91 lacs in the previous year. Please refer Management Discussion and Analysis Report(MDAR) for further details which forms a part of this Report.

### Dividend

We are please to recommend a dividend of 5%(Rs. 0.50 per share of Rs. 10 each) for the year ended March 31, 2014. The total amount of dividend, if approved by the shareholders will be Rs. 55.93 lacs (Including Dividend distribution tax and Surcharge)

The register of members and share transfer book will remain closed from Saturday, 2nd August 2014 to Friday ,8th August 2014 ( Both days Inclusive).The Company's Annual General Meeting has been scheduled on 08th August 2014.

### Directors

As per the provisions of Companies Act, 2013 and and Articles of Association of the Company, Mr. V.L.Patel ,Mr. P.L.Patel and Mr. J.P.Patel, Directors of the Company ,retire by rotation and are eligible for

re-appointment. The Company has received requisite notices in writing from member proposing Mr. D.B.Kasad, Mr. S.U.Koshti, Mr. S.Y.Mestry, Mr.J.G.Awate and Mr. S. U. Joshi for appointment as Independent Directors. The Company has received declarations from all the Independent Directors of the Company confirming that they meet with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Companies Act, 2013 and under Clause 49 of the Listing Agreement with the Stock Exchanges.

### Directors' Responsibility Statement

Board of Directors hereby state that

- i) that in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanations relating to material departures;
- ii) we have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as on March 31, 2014 and of the Loss of the Company for the year ended on that date;
- iii) we have taken proper and sufficient care for the maintenance of the adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets

of the Company and for preventing and detecting fraud and other irregularities; and

- iv) we have prepared the annual accounts on a going concern basis.

#### Auditors

The auditors, M/s. Parag Patwa & Associates, Chartered Accountants, Pune, retire at the ensuing Annual General Meeting and have confirmed their eligibility and willingness to accept office, if re-appointed.

#### Fixed deposit

We have not accepted any fixed deposits from public and, as such, no amount of principal or interest was outstanding as of the Balance Sheet date.

#### Corporate Governance

Pursuant to clause 49 of the Listing Agreement with Stock Exchange, a separate section titled Corporate Governance Report has been included in this annual report, along with the reports on Management Discussion & Analysis and Additional Shareholder Information.

All board members and senior management personnel have affirmed compliance with the code of conduct for the year 2013-14.

#### Particulars of employees

The Company has no employee whose particulars are required to be disclosed pursuant to section 217 (2A) of the Companies Act, 1956 read with companies (Particulars of Employee) Rules, 1975

#### Conservation of Energy, Technology Absorption, Foreign Exchange earnings and outgo:

The details about conservation of energy, technology absorption, foreign exchange earning and outgo as required by section 217(1)(e) of the Companies Act, 1956 and the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 are as given below.

#### Conservation of energy

#### FORM A

#### Conservation of energy: Not Applicable

#### FORM B

#### a) Research and Development

1. Specific Areas in which R & D carried out by the company: In respect of the Building Material division, the Company has been experimenting in varying ratio of raw materials for improving quality and reducing cost.
2. Benefits derived as a result of the above: In respect of Building Material, we have explored the possibilities to increase in productivity and reduction in cost.
3. Future Plan of action: Improve the input mix further.
4. Expenditure on R & D: No expenditure exclusively on R & D has been incurred during the year

#### B) Technology absorption, adaptation and innovation

No technology has been imported. The in-house technology is continuously upgraded to improve the overall performance of the Company.

#### C) Foreign exchange earnings & out go (Rs. In Lacs)

Foreign Exchange Earned Rs. 2018.84  
Foreign Exchange Outgo Rs. 8840.89

#### Acknowledgment:

We thank our customers, vendors, investors and bankers for their continued support during the year. We are grateful to the various state governments & local authorities for their continues co operation. We place on record our appreciation of the contribution made by our employees at all levels. Our consistent growth was made possible by their hard work, solidarity, cooperation and support.

On behalf of the Board of Directors of  
**SAHYADRI INDUSTRIES LIMITED**

**Jayesh Patel**  
Chairman

**Satyen Patel**  
Managing Director

Pune, May 10, 2014



## Management Discussion & Analysis Report.

### Industry Structure and Development :

#### Segment : Building Material

The Company is mainly engaged in the business of manufacture and sale of asbestos cement corrugated sheet as also Boards. The company is manufacturing roofing sheets non asbestos boards and its applications.

Asbestos Cement sheets have proven to be non corrosive, Fire – retardant, survive extreme weather pressure, weather proof, and improve the Aesthetics of the home and other structures where they are used. These qualities make 'Swastik' sheets ideal for roofing and side cladding of Industrial sheds, godowns, poultry sheds, houses etc There are some 20 known players in the industry catering to the domestic market and about 68 manufacturing units. The asbestos cement sheet industry is Rs 4500 crore industry and employs about 300,000 people. It contributes over 25% of the turnover to the government's exchequer by way of direct and indirect taxes.

#### Segment: Windmill

The development of wind power in India began in 1990, and has significantly increased in the last few years. India has the fifth largest electricity generation capacity in the world at more than 164,000 megawatt, however one still faces power shortage and load-shedding issues. Government has been striving hard to tackle this problem and bring power sufficiency in country, emphasising on generation of power through non conventional sources like wind energy which is environment friendly.

Installed capacity of wind power in India is estimated to be exceeding 2000 MW, mainly spread across Tamil Nadu Gujarat , Maharashtra , Karnataka , Rajasthan , Madhya Pradesh , Andhra Pradesh , Kerala , Orissa ,Wind power accounts for 13% of India's total installed power capacity and it generates 1.6% of the country's power. There is huge scope for growth of wind energy in India due to rising energy demand in India and India's obligation to encourage clean development.

#### Opportunities & Threats :

##### Segment: Building Material

The Company's business is mainly influenced by the activities of the Real estate and Construction industry of the rural economy. The much awaited boom in industrial and infrastructure development in 2014, particularly after the recent general

elections, is expected to boost the roofing market in India. Growth in these two critical sectors would spur the roofing industry. The roofing is a important component of the construction industry as it accounts for over 25% of total building material. There are many options in Indian roofing sector, such as asbestos cement fibre sheets, corrugated galvanised iron sheets, aluminum corrugated sheets, colour coated metal sheets, reinforced cement concrete, asphaltic roofing, PVC and clay tiles. Asbestos fibre cement sheets are more in demand in certain applications because they are considered to be strong and durable, weather proof and non - corrosive in nature. Asbestos roofing has the potential to become increasingly popular in the rural areas owing to the rise in rural income supported by government initiatives such as Mahatma Gandhi National Rural Employment Guarantee Act which promises employment to low income individuals. Affordable housing program both at the center and state level have also raised the prospects of the roofing industry. The positive effect of these provisions is likely increase in demand for these products.

The existing manufacturers and new entrants are in process of setting of new asbestos cement sheet production plants, will increase the competition and have effect on the margins.

#### Segment : Wind Mill

Currently the Company is operating 31 windmills situated in the state of Maharashtra, Tamilnadu & Rajasthan with the total capacity of 23.2 MW. Their operations are satisfactory. Our initiative with renewable green power generation has been one of the most acclaimed in the field of energy technology.

#### Risk & Concerns :

Non-availability of adequate and stable power, exchange rate fluctuations, increase in input cost such as cost of power, transport, and raw materials, inadequate monsoon, additional entrants increasing capacities and the mala fide campaign against asbestos products are the concerns to the industry as a whole. There is misconception that asbestos is hazardous to health. Asbestos Cement products are ecofriendly.

Short fall in power is met by captive power generation to a certain extent which helps production. The malafide anti asbestos product campaign is kept under control by the industry association by making their best efforts to bring the real situation before the public at large.

The Wind industry faces the challenges like insufficient grid infrastructure in many states, unattractive incentive policies and absence of an integrated policy framework.

**Competition:**

There are about 20 known players in the Indian roofing industry. The presence of unknown or unorganised player also pose a major threat to organised players in the industry. Urban consumers are shifting from conventional roofing system to high quality, more technically advanced system based on the purchasing power. There is also scope for expansion for metal roofing players due to the emerging concept of pre-engineered building. There are new capacities entering into the market to take advantage of growing demand.

**Financial performance**

The volume of the sales went down due to lagging demand as a result of untimely and erratic rainfall in some parts of the country during the previous year and selling prices were under pressure especially after the first quarter. The overall industry was reeling under low demand and rate pressure. Fortunately for the first time asbestos supplier have decreased their prices in dollar terms. The rupee which showed depreciating trends seems to have stabilised against its dollar. The better part is that things have started looking up and there is improvement in positive sentiments in the market which should spur demand.

Asbestos roofing sheet is a seasonal business and Company as also industry as whole depends upon seasonability of demand. However your Company has taken various new initiatives to insulate it from seasonability of demand. The Company is expanding its export footprint. Exports during the current period have doubled. The Company will continue to lay emphasis on exports compared to the corresponding previous period. The Company is erecting a new asbestos cement sheet manufacturing plant at Vijaywada. It is likely to commence operations during Financial Year 2014-15. It will bring reduction in freight costs.

**Carbon Credit**

Wind power projects are considered to be part of clean development mechanism under Kyoto Protocol and would be entitled to generate carbon credits in future. Wind power generation helps to mitigate the climate change; the wind power project activities significantly reduce the emissions of greenhouse gas to atmosphere and hence would

contribute to global efforts towards combating global warming.

**Bank and Financial Institutions**

The Company's working capital requirements are financed by consortium of seven bankers consisting of three Nationalised Banks, two Private sector Banks, one foreign bank and a Co-operative Bank. The term loans are advanced by individual member banks. The Company has commendable creditability with all bankers, due to much appreciated working capital management and empirical record of honoring all the financial commitments in a time. The Company respects the valuable banking support.

**Human Resources**

The Management of your Company strongly believes in maintaining not only cordial but close relations with its employees, which creates feeling of being family member, a 'Sahyadri' family member. It draws strength from such dedicated and committed employees members. The Company considers human resource to be an important valuable asset for the organization. The commitment and untiring efforts of employees at all levels have contributed immensely to the growth in operations of the Company over a period of time. The Directors of your Company wish to place on record their appreciation for the hard work and dedication of its employees at all levels.

**Internal Control System and Adequacy**

The Company has adequate internal control system and management information systems which are focused towards achieving efficiency in operations, optimum utilization of resources, safeguarding of assets and compliance with the applicable laws, rules, regulations and policies.

In addition to statutory auditors your Company's operations are audited by qualified internal auditors at corporate office, plants as well as all depots. The effectiveness of the internal control is regularly reviewed by the management and wherever required takes steps to modify or enhance the scope of the system. The Audit Committee reviews the audit system and internal control from time to time.

**Corporate Social Responsibility**

A socially active and responsible company, Sahyadri attempts to constantly work towards development of the society and its people.

By providing shelters to rural areas, Sahyadri has helped millions to upgrade from thatched (kaccha) roofs to more durable solutions. Shelters have also been developed for small-scale industries like



poulties, cattle sheds and cottage industries to promote better working conditions.

Apart from generating employment opportunities for skilled and unskilled workers, Sahyadri undertakes training activities for carpenters, installers and masons to enhance technical skills and eventually improve their standard of living. Besides your Company has been taking various initiatives like lending support to Non Profit Organisation Lakshya to promote players etc.

The Company is working in education sector and bearing a large part of educational expenses of Charitable Trusts namely Pune Vidyarthi Gruha and Mamata Bal Sadan.

The Company is providing training to girl students including students at Mamata Orphanage and also to the students of Pune Vidyarthi Gruha.

Sponsoring cash prizes to the topper of SSC at Narasimharaopalem village where the Company setting up upcoming plant is lauded locally. The Company is helping the same village by addressing their drinking water problem by digging bore wells.

#### **Cautionary statement**

It may be noted that the statements in the Management Discussion and Analysis Report describing the Company's objectives and predictions may be forward looking within the meaning of applicable rules and regulations. Actual results may differ materially from those either expressed or implied in the statements depending on circumstances.

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### **Corporate Governance Report**

Company belief that corporate governance is a key element in improving efficiency and growth as well as enhancing investor confidence .Company is committed to sound corporate practices based on Transparency and accountability.

Transparency and accountability are the two basic tenets of Corporate Governance. Responsible corporate conduct is integral to the way we do our business. Our actions are governed by our values and principles, which are reinforced at all levels within the Company. We are committed to doing things the right way which means taking business decisions and acting in a way that is ethical and is in compliance with the applicable legal requirements. Our Code of Business Principles is an extension of our values and reflects our business practices and regulatory compliance.

To succeed, we believe, requires the global standards of corporate behaviour towards everyone we work with, the communities we touch, and the environment on which we have an impact. This is our road to sustainable, profitable growth and creating long-term value for our shareholders, our people, and our business partners.

The Board of Directors of your Company is responsible and committed to sound principles of

Corporate Governance in the Company. The Board plays a critical role in overseeing how the management serves the short and long term interests of shareholders and other stakeholders. This belief is reflected in our governance practices, under which we strive to maintain an active, informed, and independent Board. We keep our governance practices under continuous review and benchmark ourselves to the best governed companies across the country.

#### **Board of Directors**

The Board of Directors (the Board) is entrusted with the ultimate responsibility of the management, general affairs, direction and performance of the Company and has been vested with the requisite powers, authorities and duties

The Board consists of 9 (Nine) Directors comprising four Executive Directors, and 5 (Five) Non-Executive Directors. The Chairman of the Board is a Executive Director. The Board represents an optimal mix of professionalism, knowledge and experience. The Independent Directors have confirmed that they satisfy the criteria laid for Independent Director as stipulated in clause 49(I)(A)(iii) of the listing agreement.



Director	Category	No. of Board Meetings attended during 2013-14	Whether last AGM attended	No. of committee positions held in other public limited companies
Mr. J. P. Patel	Executive Chairman	3	Yes	Nil
Mr. S.V. Patel	Managing Director	4	Yes	Nil
Mr. P. L. Patel	Whole time Director	3	Yes	Nil
Mr. V. L. Patel	Whole time Director	3	Yes	Nil
Mr. D. B. Kasad	Non-Executive Independent	4	No	Nil
Mr. S. U. Koshti	Non-Executive Independent	1	Yes	Nil
Mr. S. U. Joshi	Non-Executive Independent	4	Yes	Nil
Mr. J. G. Awate	Non-Executive Independent	4	Yes	Nil
Mr. S. Y. Mestry	Non-Executive Independent	4	Yes	Nil

### Board Meetings

The board meets frequently to discuss and decide on Company/business policy and strategy apart from other Board business. The Board/Committee meetings held each year are pre-scheduled. However, in case of a special and urgent business need, the Board's approval is taken by circulating the resolution, which is ratified in the next Board Meeting.

The agenda for the Board/Committee meetings is circulated among the Directors in advance to facilitate discussion for taking an informed decision.

During the year 2013-14, four Board Meetings were held on May 9, 2013, August 10, 2013, October 31, 2013 and January 21, 2014.

### Audit Committee

The Audit Committee of the Company comprises of Non-Executive Independent Directors only. The

Committee is headed by Mr. D B Kasad, and comprises of Mr. S. U. Joshi, Mr. S.U.Koshti and Mr. S.Y Mestry as its Members. All the current members of the Committee have the relevant experience in financial matters.

The terms of reference of the Audit Committee includes the following:

1. Overseeing the Company's financial reporting process and ensuring correct, adequate and credible disclosure of financial information;
2. Ensuring compliance of internal control systems and action taken on internal audit reports.
3. Apprising the Board on the impact of accounting policies, accounting standards and legislation.
4. Holding periodical discussion with statutory auditors on the scope and content of the audit.
5. Reviewing the Company's financial and risk management policies.

During the year 2013-14, four Audit Committee meetings were held on May 09, 2013, August 10, 2013, October 31, 2013 and January 21, 2014.

The composition of Audit Committee and the details of the meetings attended by the members thereof are as follows:

Committee Member	Designation	Category	No. of Meetings held	Meetings attended
Mr. D.B.Kasad	Chairman (w.e.f. 10.08.2013)	Non-Executive Independent	4	4
Mr. S. U. Koshti	Chairman (Upto 09.05.2013)	Non-Executive Independent	4	1
Mr. S. U. Joshi	Member	Non-Executive Independent	4	4
Mr. S.Y .Mestry	Member	Non-Executive Independent	4	4

### Remuneration Committee

The Remuneration Committee comprises solely independent directors. The members of the committee are Mr. S.U.Joshi (Chairman), Mr. S. U. Koshti, , Mr. D B Kasad, Mr. S.Y Mestry. The terms of reference of the committee are to review and recommend remuneration payable to the all Executive Directors of the Company. The details of remuneration paid to all directors for the year 2013-14 are as follows:

Name of director	Relationship with other directors	Salary, Perquisites & retirement benefits (Rs)	Commission Rs	Sitting Fees Rs	Total Rs
Mr. J. P. Patel	Son of P. L. Patel	21,00,000/-	-	-	21,00,000/-
Mr. S. V. Patel	Son of V. L. Patel	21,00,000/-	-	-	21,00,000/-
Mr. P. L. Patel	Father of J. P. Patel, Brother of V. L. Patel	21,00,000/-	-	-	21,00,000/-
Mr. V. L. Patel	Father of S. V. Patel, Brother of P. L. Patel	21,00,000/-	-	-	21,00,000/-
Mr. D. B. Kasad	-	-	-	8000/-	8000/-
Mr. S. U. Koshti	-	-	-	2000/-	2000/-
Mr. S. U. Joshi	-	-	-	8000/-	8000/-
Mr. J. G. Awate	-	-	-	8000/-	8000/-
Mr. S. Y. Mestry	-	-	-	8000/-	8000/-

The details of shares of the Company, held by the non-whole time Directors as on March 31, 2013 are set out in the following table:

Name of the Director	Instrument	No. of shares held
Mr. S. U. Joshi	Equity	865

### Investors' Grievances Committee

The Investors' Grievances Committee comprises of Mr. S. U. Joshi (Chairman), and Mr. S. U. Koshti (Members). Mr. D B Kasad (Member) The committee is mandated to oversee share transfers, transmission and review and redress shareholders' complaints. During the year four meetings of the investors' grievances committee were held on May 9, 2013, August 10, 2013, October 31, 2013 and January 21, 2014.

During the year under review 1 complaints was received from the shareholders. All the complaints were attended to and as at 31st March 2014, no complaints remained unattended. Besides 34 letters received from shareholders relating to change of address, nomination requests, queries relating to annual report, request for revalidation of dividend and non receipt of share certificates and other investor related matters. These letters have also been responded to.

### Name of the Compliance Officer:

Mr. Jaiwant Rege  
Company Secretary  
Phone: 020-26444625/26/27

### General Body Meetings

Date	Time	Special Resolution	Location	AGM/EGM
10.08.2013	3.30 p.m.	No	Block D-III, MIDC, Chinchwad, Pune 411019	AGM
14.08.2012	3.30 p.m.	No	Block D-III, MIDC, Chinchwad, Pune 411019	AGM
26.08.2011	3.30 p.m.	No	Block D-III, MIDC, Chinchwad, Pune 411019	AGM

No resolutions were passed by postal ballot in the year 2013-14.

#### Disclosures

1. There has been no materially significant related party transaction that may have potential conflict with the interests of company at large.
2. The Company has complied with the requirements of regulatory authorities on capital markets and no penalty/strictures were imposed on the Company during the last three years.
3. Whistle Blower Policy – As per the policy in force, no person irrespective of the status or level is denied access to the Audit Committee.
4. The board has reviewed non mandatory requirement of clause 49 of the Listing Agreement such as shareholders right, training of board members, evaluation of non-executive board member. The board has taken note of the same and shall consider adopting the same at an appropriate time.
5. Management Discussion and Analysis Report forms part of the Annual Report.

#### Means of Communication

Quarterly, annual results and notices are published in Free Press Journal & Navshakti. The results and official news releases are displayed on the Company's website [www.silworld.in](http://www.silworld.in)

#### General Shareholders Information

Annual General Meeting (AGM)

Date and time: Friday, 08th August 2014 at 3.30 PM

Venue: Plot No. 39, Block D-III, MIDC, Chinchwad, Pune - 411019

#### Financial Calendar

The Company follows April–March as its financial year. The results for every quarter beginning from April are declared within 45 days following the quarter except for the last quarter, for which the results are declared within 60 days from the end of quarter which is permitted under the Listing agreement.

#### Dates of Book Closure

From Saturday 2nd August 2014 to Friday, 08th August 2014(both days inclusive)

#### Dividend

Board of Directors has recommended payment of dividend of Rs. 0.50/- per share, for the financial year ended 31st March 2014, for approval of the shareholders at the AGM. Dividend, if declared at the AGM, will be paid within 30 days from the date of AGM.

#### Listing on Stock Exchange and Stock Code

The Company's shares are listed on the Bombay Stock Exchange Limited.

Stock Code: 532841

ISIN: INE280H01015

#### Market Price Data BSE

The monthly High and Low Quotations of Shares traded on Bombay Stock Exchange Limited, Mumbai is as follows:

Months	Stock Market Price on BSE		BSE Sensex		No of Trades
	High	Low	High	Low	
April 2013	46.70	39.65	19622.68	18144.22	87
May 2013	49.90	41.70	20443.62	19451.26	153
June 2013	46.70	37.00	19860.19	18467.16	100
July 2013	40.95	35.00	20351.06	19126.82	301
August 2013	36.50	31.35	19569.20	17448.71	172
September 2013	38.90	33.50	20739.69	18166.17	90



October 2013	38.00	33.00	21205.44	19264.72	160
November 2013	37.80	34.70	21321.53	20137.67	120
December 2013	41.50	33.00	21483.74	20568.70	95
January 2014	42.40	32.00	21409.66	20343.78	329
February 2014	34.45	28.40	21140.51	19963.12	407
March 2014	38.85	31.50	22467.21	20920.98	563

#### Registrar and Transfer Agent:

Sharex Dynamic (India) Private Limited  
 Unit No 1, Luthra Industrial Premises,  
 Safed Pool, Andheri (E), Mumbai 400 072  
 Phone: 022-28515606/44, Fax : 022-28542885  
 Email : sharexindia@vsnl.com

#### Share Transfer System

The entire work relating to share transfers, transmission and dematerialisation process of shares is handled by Registrar and Share Transfer Agent, Physical transfers are processed twice a month and demat transfers are processed in every eight day.

#### Shareholding Pattern as on 31st March 2014

Category	No of Shares Held	Percentage
Promoters & Promoter Group	6325685	66.158
Banks/Financial Institutions	1200	0.013
Bodies Corporate	1116556	11.678
General Public	2091091	21.87
Clearing Members	17779	0.186
NRI/OCBs	9189	0.095
<b>Total</b>	<b>9561500</b>	<b>100.00</b>

#### Distribution of Shareholding as at 31st March 2014

No of Shares	No of Holders	Percentage	Total Shares	Percentage
1 to 100	3003	64.69	236838	2.48
101-200	506	10.90	93483	0.98
201-500	525	11.31	202001	2.11
501-1000	284	6.12	229720	2.40
1001-5000	223	4.80	512678	5.36
5001-10000	47	1.01	340185	3.56
10001-100000	36	0.78	892194	9.33
100001 & above	18	0.39	7054401	73.78
<b>Total</b>	<b>4642</b>	<b>100.00</b>	<b>9561500</b>	<b>100.00</b>

#### Dematerialisation of shares as at 31st March 2014

Categories	Position as on 31st March 2014		Position as on 31st March 2013		Net Change during 2013-14	
	No of Shares	% to total Shareholding	No of Shares	% to total Shareholding	No of Shares	% to total Shareholding
Physical Demat	149108	1.56	149508	1.56	400	0.004
1) NSDL	8224956	86.02	8217084	85.94	7872	0.082
2) CDSL	1187436	12.42	1194908	12.50	7472	0.078
Sub Total	9412392	98.44	9411992	98.44	15344	0.004
<b>Total</b>	<b>9561500</b>	<b>100.00</b>	<b>9561500</b>	<b>100.00</b>	-	-



### Outstanding GDRs/ADRs, Warrants or any convertible instruments

There were no outstanding GDRs/ADRs/Warrants or any convertible instruments as at end of 31st March 2014.

### Plant Locations:

Plant	Location
Chinchwad	Plot No 39, 44, 46 to 49, Block No. D III, MIDC, Chinchwad, Pune 411019
Kedgaon	Gat No 14 & 15 (1), Village Kedgaon, Taluka: Daund, District : Pune
Perundurai	Plot No KK2(N) & KK2(S), SIPCOT Industrial Growth Center, Perundurai- 638052
Mahuvej	S. No 127, 128, 129, 186, 187, & 129/1/1, Block No. 88, 89, Village Mahuvej, Tal Mangrol, Dist. Surat, Gujarat

### Address for investor correspondence:

Sahyadri Industries Limited,  
39/D, Swastik House, Gultekdi, J.N.Marg, Pune- 411037  
Phone (020) 26444625/6/7, Fax: (020)26458888  
Email: cs@silworld.in

### Declaration by Chief Executive officer (CEO)

I, Satyen Patel, Managing Director of Sahyadri Industries Limited hereby declare that all the board members and senior managerial personnel have affirmed for the year ended 31st March 2014 compliance with the code of conduct of the company laid down for them

Place: Pune  
Date: 10th May 2014

Satyen Patel  
Managing Director

### AUDITOR'S CERTIFICATE ON COMPLIANCE OF CORPORATE GOVERNANCE

To  
The Members of  
SAHYADRI INDUSTRIES LIMITED,

We have examined the compliance of the conditions of Corporate Governance by SAHYADRI INDUSTRIES LIMITED for the financial year ended on March 31, 2014, as stipulated in Clause 49 of the Listing Agreement entered into by the Company with Stock Exchange in India.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. 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 explanations given to us and the representations made by the Directors and management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in 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 the efficiency or effectiveness with which the management has conducted the affairs of the Company

For **Parag Patwa & Associates**  
Chartered Accountant  
(Firm Regn No. 107387W)

Place: Pune  
Date: 10th May 2014

(CA P.I.Patwa)  
Membership No. 041529

**Certificate by Chief Executive Officer (CEO) & Chief Financial Officer for the year 2013-14**

- (a) We have reviewed financial statements and the cash flow statement for the year and that to the best of their knowledge and belief:
- (i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (ii) These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) We are, to the best of their knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that they have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and they have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the auditors and the Audit committee :
- (i) Significant changes in internal control over financial reporting during the year;
  - (ii) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - (iii) Instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

J.P.Patel  
Chairman

S.V. Patel  
Managing Director

M.K. Sharma  
CFO

Place : Pune

Date: 10th May 2014

## INDEPENDENT AUDITOR'S REPORT

The Members of  
Sahyadri Industries Limited.

### **Report on the Financial Statements**

We have audited the accompanying financial statements of **SAHYADRI INDUSTRIES LIMITED** (the "Company"), which comprise the Balance Sheet as at March 31, 2014, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended and a summary of the significant accounting policies and other explanatory information.

### **Management's Responsibility for the Financial Statements**

The Company's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in Section 211(3C) of the Companies Act, 1956 (the "Act") 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 controls relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We 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 the 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 Company's Internal Control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the 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 aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (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 Loss of the Company for the year ended on that date; and
- (c) In the case of the Cash Flow Statement, of the cash flows of the Company 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"), as amended, issued by the Central Government of India in terms of Section 227(4A) 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 purposes of our audit.
- (b) In our opinion, proper books of accounts as required by law have been kept by the Company so far as it appears from our examination of those books.
- (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement comply with the Accounting Standards referred to in Section 211(3C) 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 the written representations received from the directors as on March 31, 2014 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 Section 274(1)(g) of the Act.

For PARAG PATWA & ASSOCIATES  
CHARTERED ACCOUNTANTS  
FIRM REG. NO. 107387W

PLACE : PUNE

(CA P. I. PATWA)

Partner

DATE : 10th MAY, 2014

Membership No.041529



### **ANNEXURE TO THE AUDITOR'S REPORT**

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

- 1 (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of the fixed assets.
  - (b) As explained to us, the fixed assets were physically verified during the year by the Management in accordance with a phased programme of verification adopted by the Company which, in our opinion is reasonable having regard to size of the Company and nature of it's business. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
  - (c) The fixed assets disposed off during the year, in our opinion; do not constitute substantial part of the fixed assets of the Company.
- 2 (a) The inventories have been physically verified by the Management during the year at reasonable intervals. In our opinion and according to information and explanation given to us the frequency and procedure of such verification is reasonable in relation to the size of the Company and the nature of its business.
  - (b) In our opinion and according to information and explanation given to us the Company has maintained proper inventory records. The discrepancies noticed between the physical stocks and book records were not material and the same have been properly dealt with in the books of account.
- 3 a) The Company has not granted any loans secured or unsecured to the companies, firms or other parties covered in the register maintained under section 301 of the Act. Accordingly Para (iii)(b), (iii)(c) and (iii)(d) of paragraph 4 are not applicable.
  - b) The Company has accepted unsecured loans from parties covered in the register maintained under section 301 of the Act. The maximum amount involved during the year was ₹ 1491.65 Lakhs and yearend balance was ₹ 1412.65 Lakhs involving 6 parties.
  - c) According to the information and explanations given to us, the rate of interest and other terms and conditions of loans taken are not prima-facie prejudicial to the interest of the Company.
  - d) In our opinion and as per the records examined by us payment of principle and interest amount is regular.
- 4 In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventory, fixed assets and for the sale of goods & services. We have not observed any continuing major weaknesses in internal control systems during the course of our audit.
- 5 a) In our opinion and according to the information and explanations given to us, the particulars of contracts or arrangements referred to in section 301 of the Act that need to be entered into the register maintained under the said Section have been so entered.
  - b) In our opinion, and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under Section 301 of the Act, and exceeding the value of five lakh rupees in respect of any party during the year have been made at prices which appears reasonable according to information & explanation given to us.
- 6 In our opinion and according to the information and explanations given to us, the Company has not accepted any deposit from the public during the year.



- 7 In our opinion the Company has an internal audit system commensurate with the size and nature of its business.
- 8 We have broadly reviewed cost records maintained by the company pursuant to the rules made by the Central Government for maintenance of cost records u/s 209(1)(d) of the Companies Act, 1956 and are of the opinion that prima facie the prescribed records have been made and maintained. We have however, not made a detailed examination of records with a view to determine whether they are accurate or complete.
- 9 (a) According to the information and explanations given to us and according to the books and records as produced and examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues including provident fund, Investor Education & Protection Fund, employees' state insurance, Income Tax, Sales Tax, Wealth Tax, Customs Duty, Service Tax, Excise Duty and other material statutory dues as applicable to it, with appropriate authorities.
- (b) According to the information and explanations given to us during the year there are no undisputed amounts payable in respect of provident fund, Investor Education & Protection Fund, employees' state insurance, Income Tax, Wealth Tax, Sales Tax, Customs Duty, Service Tax, Excise Duty and other material statutory dues which have remained outstanding as at 31st March, 2014 for a period of more than six months from the date they became payable.
- (c) According to the information and explanations given to us and based on records of the Company no disputed dues are payable in respect of provident fund, Investor Education & Protection Fund, employees' state insurance, Wealth Tax, Customs Duty, Service Tax, Excise Duty and other material statutory dues as at 31st March, 2014 excepting disputed VAT, CST & Income Tax Liability as mentioned below:

Name of the structure	Nature of Dues	Amount (₹ in lacs)	Period to which the amount relates	Forum where dispute is pending
Karnataka VAT Act	VAT & CST Liability	4.24	2007-08	Joint Commissioner of Commercial Taxes, (Appeal) Karnataka
Karnataka VAT Act	VAT, Interest & Penalty	10.70	2008-09	Joint Commissioner of Commercial Taxes, (Appeal) Karnataka
Income Tax Act	Income Tax Liability	2.96	2010-11	Commissioner of Income Tax (Appeals)
Kerala VAT Act	VAT & Interest	9.16	2010-11	Asst. Commissioner, Commercial Taxes, Special Circle – II
West Bengal VAT Act	VAT & Penalty	45.30	2007-08	West Bengal Commercial Taxes Appellate & Revisional Board, Kolkata
Maharashtra Sales Tax	Tax, Interest & Penalty	0.06	2004-05	Tribunal



- 10 The Company does not have any accumulated losses and has not incurred any cash losses during the current financial year and the immediately preceding financial period.
- 11 Based on our audit procedures and according to the information and explanations provided to us, the Company has not defaulted in repayment of dues to the banks.
- 12 According to information and explanation given to us and based on the documents and records produced 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.
- 13 In our opinion, the Company is not a chit fund or a nidhi / mutual benefit fund / society.
- 14 In our opinion, the Company is not dealing in or trading of shares, debentures and other investments.
- 15 According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
- 16 In our opinion and according to the information and explanations given to us and on an overall examination, the term loans availed by the Company have been applied for the purpose for which they were raised other than temporary deployment pending application.
- 17 According to the information and explanations provided to us and on an overall examination of the balance sheet of the company, we are of the opinion that no funds raised on short term basis have been utilized for long term investments.
- 18 During the period covered by our audit report the company has not made any preferential allotment of shares to the parties or companies covered in the register maintained under Section 301 of the Companies Act, 1956.
- 19 The Company has not issued any debentures.
- 20 During the period covered by our audit report the Company has not raised any money by way of public issue.
- 21 During the course of our examination of the books of account carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year, nor we have been informed of such case by the management.

**FOR PARAG PATWA & ASSOCIATES**

CHARTERED ACCOUNTANTS

FIRM REG. NO. 107387W

(CA P. I. PATWA)

PLACE:PUNE

Partner

DATE: 10th May, 2014

Membership No.041529

**BALANCE SHEET AS AT MARCH 31, 2014**

₹ in Lacs except as otherwise stated

PARTICULARS	NOTE	As At March 31, 2014	As At March 31, 2013
<b><u>EQUITY AND LIABILITIES</u></b>			
<b><u>SHAREHOLDER'S FUND</u></b>			
Share Capital	3	956.15	956.15
Reserves and Surplus	4	<u>10,315.37</u>	<u>10,939.00</u>
		<b>11,271.52</b>	11,895.15
<b><u>NON - CURRENT LIABILITIES</u></b>			
Long-term borrowings	5	6,381.51	7,990.17
Deferred tax liabilities (Net)	6	2,578.50	2,840.57
Long Terms Provisions	7	<u>70.76</u>	<u>0.00</u>
		<b>9,030.77</b>	10,830.73
<b><u>CURRENT LIABILITIES</u></b>			
Short-term borrowings	8	7,608.03	9,197.76
Trade Payables	9	2,558.31	1,981.41
Other current liabilities	10	6,199.30	5,913.30
Short-term provisions	11	<u>119.30</u>	<u>446.71</u>
		<b>16,484.94</b>	<u>17,539.18</u>
Total :		<b><u>36,787.23</u></b>	<u>40,265.06</u>
<b><u>ASSETS</u></b>			
<b><u>NON - CURRENT ASSETS</u></b>			
<b><u>FIXED ASSETS</u></b>			
Tangible assets	12 (A)	16,225.19	17,359.04
Intangible assets	12 (B)	135.50	169.78
Capital work-in-progress	12 (C)	<u>4,271.76</u>	<u>307.76</u>
		<b>20,632.45</b>	17,836.58
<b><u>NON - CURRENT INVESTMENTS</u></b>	13	14.68	14.68
<b><u>LONG TERM LOANS &amp; ADVANCES</u></b>	14	1,693.02	1,574.51
<b><u>OTHER NON - CURRENT ASSETS</u></b>	15	745.38	782.88
<b><u>CURRENT ASSETS</u></b>			
Inventories	16	8,245.66	14,727.30
Trade receivables	17	3,356.47	3,408.37
Cash and cash equivalents	18	616.65	622.35
Short-term loans and advances	19	1,279.57	847.80
Other current assets	20	<u>203.34</u>	<u>450.60</u>
		<b>13,701.69</b>	<u>20,056.42</u>
Total :		<b><u>36,787.23</u></b>	<u>40,265.06</u>

Significant accounting policies and notes to Financial statements 1 to 43

The notes referred above forms an integral part of Balance Sheet

**As per our report of even date**  
**For Parag Patwa And Associates**  
**Chartered Accountants**

On behalf of Board of Directors

**(CA P. I. Patwa )**

Partner

(Mem No. 041529)

Place : Pune

Date : 10th May,2014

**S. V. Patel**  
 Managing  
 Director

**J. P. Patel**  
 Chairman

**Jaiwant Rege**  
 Company Secretary

**M. K. Sharma**  
 CFO

**STATEMENT OF PROFIT AND LOSS As On 31st March, 2014**

₹ in Lacs except as otherwise stated

PARTICULARS	NOTE	As At March 31, 2014	As At March 31, 2013
<b><u>INCOME</u></b>			
Revenue from operations	21	37,236.65	40,773.73
Other Income	22	142.32	379.92
<b>TOTAL REVENUE :</b>		<b><u>37,378.97</u></b>	<b><u>41,153.64</u></b>
<b><u>EXPENDITURE</u></b>			
Cost of Materials Consumed	23	18,655.01	24,645.16
Purchase of Stock-in-Trade	24	75.93	135.02
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	25	4,707.12	(3,921.84)
Employee benefit expenses	26	1,913.25	1,989.90
Finance cost	27	1,434.28	1,803.93
Depreciation and Amortization expenses		1,419.36	1,472.25
Other expenses	28	10,060.49	12,136.09
Self Produced material capitalised		(22.59)	0.00
<b>TOTAL EXPENSES :</b>		<b><u>38,242.85</u></b>	<b><u>38,260.51</u></b>
<b><u>PROFIT BEFORE TAX</u></b>		<b>(863.88)</b>	<b>2,893.14</b>
<b><u>TAX EXPENSES</u></b>			
Current Tax		0.00	103.74
Deferred Tax		(262.07)	841.49
Income Tax Pertaining to earlier period		0.00	0.00
<b><u>PROFIT FOR THE YEAR</u></b>		<b><u>(601.81)</u></b>	<b><u>1,947.91</u></b>
Earning per equity share of Face value of Rs.10 each:			
(1) Basic		(6.29)	20.37
(2) Diluted		(6.29)	20.37

Significant accounting policies and notes to Financial statements 1 to 43  
The notes referred above forms an integral part of statement of Profit And Loss

**As per our report of even date  
For Parag Patwa And Associates  
Chartered Accountants**

On behalf of Board of Directors

**(CA P. I. Patwa )**

Partner  
(Mem No. 041529)  
Place : Pune  
Date : 10th May,2014

**S. V. Patel**  
Managing  
Director

**J. P. Patel**  
Chairman

**Jaiwant Rege**  
Company Secretary

**M. K. Sharma**  
CFO

## CASH FLOW STATEMENT FOR THE PERIOD ENDED 31ST MARCH, 2014

₹ in Lacs except as otherwise stated

PARTICULARS	Current Year ₹	Previous Year ₹
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit/ (Loss) Before Tax and Extraordinary items	(863.88)	2,893.14
Adjustment for		
Provision for bad and doubtful debts	122.41	18.63
Unrealised Foreign Exchange Loss / (Gain) (Net)	(8.46)	(3.41)
Unrealised Foreign Exchange Loss / (Gain) of P.Y. now realised	3.41	0.00
Depreciation / Amortization	1,419.36	1,472.25
Preliminary expenses written off	0.37	0.37
(Profit)/Loss on sale of Assets/ investment	(0.07)	(12.07)
Adjustments relating to Earlier Years	28.36	8.75
Interest paid	1,434.28	1,803.93
Interest /Dividend Received	(46.29)	(60.77)
Provision for Leave Encashment and Gratuity	(33.06)	36.35
<b>Operating Profit/(Loss) before Working capital changes</b>	<b>2,056.43</b>	<b>6,157.17</b>
Adjustments for		
Sundry Debtors	(57.71)	(576.48)
Other receivables (Current and Non current)	(322.28)	(186.14)
Inventories	6,481.64	(4,886.67)
Sundry Creditors	580.60	(19.12)
Other Payable	(435.22)	74.30
Cash generated from operations	8,303.47	563.06
Taxes Paid	(70.44)	(560.02)
Prior Period Items	(28.36)	(8.75)
<b>NET CASH FROM OPERATING ACTIVITIES (A)</b>	<b>8,204.67</b>	<b>(5.71)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets(Net of earlier year Capital WIP if any)	(4,217.46)	(926.42)
Adjustment for creditors relating to capital purchases	406.99	(140.76)
Adjustment for advances relating to capital purchases	106.16	(126.01)
Sale of fixed Assets	2.82	13.59
Investments	0.00	0.34
Profit / (Loss) in sale of Investments	(0.53)	0.00
Interest/Dividend Received (including accrued if any)	26.83	47.84
<b>NET CASH FLOW FROM INVESTING ACTIVITIES (B)</b>	<b>(3,675.19)</b>	<b>(1,131.42)</b>
<b>C. NET CASH FROM FINANCING ACTIVITIES</b>		
Total Secured loans raised during the year	1,851.42	1,278.94
Less :-Total Repayment made during the year	1,715.94	1,799.51
Secured Loans Long Term	135.48	(520.56)
Secured Loans Short Term	(2,880.20)	3,843.81
Total Unsecured loans raised during the year	14.00	8.00
Less :-Total Repayment made during the year	87.10	564.20
Unsecured Loans Long Term	(73.10)	(556.20)
Dividend and Dividend Distribution Tax	(283.08)	(221.67)
Interest paid	(1,434.28)	(1,803.93)
<b>NET CASH USED IN FINANCING ACTIVITIES (C)</b>	<b>(4,535.19)</b>	<b>741.45</b>
<b>D. NET INCREASE IN CASH AND CASH EQUIVALENTS GENERATED DURING THE YEAR (A)+(B)+(C)</b>	<b>(5.70)</b>	<b>(395.69)</b>
Cash and Cash Equivalents Opening Balance	622.35	1,018.04
Cash and Cash Equivalents Closing Balance	616.65	622.35

As per our report of even date  
For Parag Patwa And Associates  
Chartered Accountants

On behalf of Board of Directors

(CA P. I. Patwa )

Partner

(Mem No. 041529)

Place : Pune

Date : 10th May,2014

S. V. Patel

Managing

Director

J. P. Patel

Chairman

Jaiwant Rege

Company Secretary

M. K. Sharma

CFO



**NOTES TO ACCOUNTS ANNEXED TO AND FORMING PART OF THE ACCOUNTS  
FOR THE YEAR ENDED 31 ST MARCH, 2014**

**1. CORPORATE INFORMATION :**

The company is engaged in the production of Cement Sheets and Accessories, trading of steel doors & in generation of wind power electricity . The company presently has four manufacturing units situated at Maharashtra, Tamilnadu and Gujarat. The company has set up Wind Turbine Generators in Maharashtra, Rajasthan & Tamilnadu.

**2. BASIS OF PREPARATION :**

The financial statements of the Company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material respects with the accounting standards notified under the Companies (Accounting Standard) Rules, 2006, (as amended) and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared on an accrual basis and under the historical cost convention.

**2.1 : SIGNIFICANT ACCOUNTING POLICIES FOLLOWED :**

**2.1.1 Fixed Assets :**

Fixed assets are stated at cost less accumulated depreciation. Cost of acquisition is inclusive of freight, non refundable duties and taxes, incidental expenses if any.

**2.1.2 Intangible assets:**

Intangible assets are stated at cost of acquisition less accumulated amortization.

**2.1.3 Depreciation/ Amortization :**

- i) Depreciation on fixed assets has been provided to the extent of depreciable assets on written down value method at the rates and in the manner prescribed in schedule XIV of the Companies Act, 1956 over their useful life except on fixed assets installed at Gujarat factory & Windmills installed at Chavaneshwar wherein depreciation is provided on straight line method in the manner prescribed in schedule XIV of Companies Act, 1956 over their useful life.
- ii) Lease hold land is amortized over the period of lease.
- iii) Computer software are amortized over period of 5 years.
- iv) Windmill rights are amortized over period of 10 years.

**2.1.4 Provision for Taxation & Deferred Tax :**

- i) Provision for current income tax is made on the assessable income at the tax rate applicable to the relevant assessment year, net off Minimum Alternate Tax credit available u/s 115JB of the Income Tax Act, 1961.
- ii) Deferred income taxes are recognized for the future tax consequences attributable to timing differences between the financial statement determination of income and their recognition for the tax purpose. The effect on deferred tax assets and liabilities of a change in tax rates is recognized as income using the tax rates and the tax laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognized and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.
- iii) MAT Credit is recognized as an asset only when & to the extent there is convincing evidence that the Company will pay normal income tax during the specified years. In the year in which the Minimum Alternative Tax (MAT) credit becomes eligible to be recognised as an asset in accordance with the recommendations contained in the Guidance Note issued by the Institute of Chartered Accountants of India, the said asset is created by way of credit to the Profit & Loss account & shown as MAT credit entitlement. The Company reviews the same at each balance Sheet date & drags down the carrying amount of MAT Credit entitlement to the extent there is no longer convincing evidence to the effect that the company will pay normal income tax during the specified period.

**2.1.5 Retirement and other employees Benefits :**

- i) Retirement benefit in the form of provident fund & super annuation /pension schemes, are defined contributions scheme and are charged to Profit & Loss account of the year when the contributions to the respective funds are due.
- ii) Gratuity Liability is a defined benefit obligation. The Company has taken an insurance policy under Group Gratuity Scheme with Life Insurance Corporation of India to cover the gratuity liability of the employees and amount paid



/ payable in respect of present value of liability for past services is charged to Profit & Loss account on the basis of actuarial valuation on the projected unit credit method made at the end of the financial year.

- iii) Long term compensated absences are provided for based on actuarial valuation at the end of the financial year. The actuarial valuation is done as per projected unit credit method.
- iv) Actuarial gains / losses are immediately taken to Profit & Loss Account and are not deferred.

#### **2.1.6 Investments**

Investments are stated at cost of acquisition less provision for diminution in value if any.

#### **2.1.7 Foreign Currency Transactions:**

- i) Foreign Currency transactions are accounted at exchange rates prevailing on the date of transactions. Monetary items denominated in foreign currency & outstanding at the balance sheet date are translated at the exchange rate prevailing on that date. In case of forward exchange contracts, the difference between the year end rate & rate on the date of the contract is recognised as exchange difference & the premium paid on forward contracts is recognised as expense over the life of the contract. Exchange differences arising on foreign currency transactions are accounted in the period in which they arise.
- ii) Derivative instruments & hedge accounting :

The company uses foreign currency forward contracts and currency options to hedge its risk associated with foreign currency fluctuations relating to certain firm commitments and forecasted transactions. The Company designates these hedging instruments as cash flow hedges applying the recognition and measurement principles set out in the Accounting Standard 30 "Financial Instruments : Recognition and Measurement" (AS 30).

The use of hedging instruments is governed by the Company's policy approved by the Board of Directors. The Company does not use Derivative financial instruments for speculative purposes.

Hedging instruments are initially measured at fair value, and are re-measured at subsequent reporting dates. Changes in fair value of these derivatives that are designated and effective as hedges of future cash flow are recognized directly in shareholder's fund and the ineffective portion, if any is recognized immediately in the Profit and Loss Account.

Changes in the fair value of derivative financial instruments that do not qualify for hedge accounting are recognized in the profit and loss account as they arise.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. At the time for forecasted transaction any cumulative gain or loss on the hedging instrument recognized in shareholder's fund is retained there until, the forecasted transaction occurs. If a hedge transaction is no longer expected to occur, the net cumulative gain or loss recognized in reserves is transferred to the Profit and Loss Account.

#### **2.1.8 Borrowing Costs:-**

The interest on working capital borrowed is charged against the profits for the year in which it is incurred. Interest on borrowing for capital asset is capitalized till the date of commencement of commercial use of the asset. Borrowing Cost also includes exchange differences arising from foreign currency borrowings to the extent that they are relating to interest component.

#### **2.1.9 Valuation of Inventory:**

- i) Raw material is valued at lower of moving weighted average cost(Net off Cenvat) & net realizable value. However material held for use in the production of inventories are not written down below cost, if the finished product in which they will be incorporated are expected to be sold at or above cost.
- ii) Work in Progress is valued at weighted average cost.
- iii) Finished goods are valued at lower of weighted average cost and net realizable value. Cost for this purpose includes direct cost, attributable overheads and excise duty. Doors are valued at moving weighted average cost. Pipes & other items meant for resale are valued at cost or net realizable value whichever is lower.
- iv) Stores & spares are valued at moving weighted average cost.
- v) In the opinion of the management the value of scrap and rejected material is nil and hence the same is not taken in inventories.



### **2.1.10 Revenue recognition**

- i) Sale: The sale of product is accounted for net of Sales Tax but including excise duty recovered. The sale is accounted on transfer of title of goods to the customer.
- ii) Export incentive receivable are accounted as accrued as and when finally quantified by appropriate authorities.
- iii) Debit / Credit arising out of revisions in prices of supplies, breakages and other claims are accounted for, in the year of its acceptance.
- iv) Carbon credit entitlement :- In the process of generation of wind power the company also generate carbon emission reduction units which may be negotiated for price in international market under Clean Development Mechanism(CDM) subject to completing formalities and obtaining certificate of Carbon Emission Reduction(CER) as per Kyoto Protocol. In addition company also explore the possibilities of negotiating Voluntary Emission Reduction (VER) in respect of some of the Company's wind power generation projects. Revenue from CER and VER is accounted on its realization.

### **2.1.11 Provisions :-**

A provision is recognized when there is a present obligation as a result of past event & it is probable that an outflow of resources will be required to settle the obligation & in respect of which a reliable estimate can be made. These are reviewed at each Balance sheet date & adjusted to reflect the current best estimates.

### **2.1.12 Lease :-**

Operating lease – Leases where lessor effectively retains substantially all the risks & benefits of ownership of the leased assets are classified as Operating leases. Operating lease charges are recognized as an expenses in the Profit & Loss account on a straight line basis over the lease term.

Finance lease – Leases under which the Company assumes substantially all the risks and rewards of ownership are classified as finance leases. The lower of fair value of asset and present minimum lease rentals is capitalized as fixed assets with corresponding amounts shown as lease liability. The principle component in the lease rentals is adjusted against lease liability and interest component is charged to Profit & Loss account.

### **2.1.13 Use of Estimates :-**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates & assumptions that affect the reported amounts of assets & liabilities at the date of the financial statements and the reported amounts of revenues and the expenses during the reporting period. Differences between actual results and estimates are recognized in the period in which the results are known/materialized.

### **2.1.14 Impairment of Assets :-**

The carrying amount of assets are reviewed at each Balance Sheet date for impairment based on internal / external factors. An asset is impaired when the carrying amount of the asset exceeds the recoverable amount. An impairment loss is charged to the Profit & Loss account in the year in which an asset is identified as impaired. An impairment loss recognized in prior accounting periods is reversed if there has been change in the estimate of the recoverable amount.

**As per our report of even date  
For Parag Patwa And Associates  
Chartered Accountants**

On behalf of Board of Directors

**(CA P. I. Patwa )**

Partner  
(Mem No. 041529)  
Place : Pune  
Date : 10th May, 2014

**S. V. Patel**  
Managing  
Director

**J. P. Patel**  
Chairman

**Jaiwant Rege**  
Company Secretary

**M. K. Sharma**  
CFO



## Notes on financial statement for the year ended March 31st,2014

₹ in Lacs except as otherwise stated

PARTICULARS	As At March 31, 2014	As At March 31, 2013
<b>3. SHARE CAPITAL</b>		
<b>Authorised Share Capital</b>		
120,00,000 Equity Shares of ₹ 10/- each (120,00,000)	1,200.00	1,200.00
<b>Issued, Subscribed and Paid Up</b>		
95,61,500 Equity Shares of ₹ 10/- each fully paid up and issued at par (95,61,500)	<u>956.15</u>	<u>956.15</u>
<b>Total :</b>	<u>956.15</u>	<u>956.15</u>

**3.1 Terms / rights attached to equity shares:**

The company has only one class of equity shares having a face value of ` 10/- per share. Each holder of equity share is entitled to one vote per share.

In the event of Liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company. The distribution will be in proportion to the number of equity shares held by the shareholders.

**3.2 The details of shareholders holding more than 5% of equity shares**

Name of the shareholders	% OF HOLDING	NUMBER	% OF HOLDING	NUMBER
Vallabh Lalaji Patel	5.11%	4,88,435	5.11%	4,88,435
Jayesh Purshottam Patel	6.06%	5,79,350	6.06%	5,79,350
Chetan Purshottam Patel	6.01%	5,74,323	6.01%	5,74,323
Shilpa Jignesh Patel	5.90%	5,64,150	5.90%	5,64,150
Trilochana Vipul Patel	6.05%	5,78,250	6.05%	5,78,250
Harsha Jayesh Patel	5.39%	5,15,400	5.39%	5,15,400
Purna Chetan Patel	5.44%	5,20,000	5.44%	5,20,000
Harimudra Securites Pvt. Ltd.	5.58%	5,33,682	5.58%	5,33,682

**4. RESERVES & SURPLUS****Capital Redemption Reserve**

As per last Balance-sheet 375.00 375.00

**General Reserve**

Balance as per last Balance Sheet 1,572.06 1,372.06

Add :- Transferred from Profit and Loss Account 0.00 200.00

**1,572.06** 1,572.06

**Hedge Reserve**

Balance as per last Balance Sheet 181.91 58.02

Add: Changes on re-measurement of Hedging instrument 34.11 123.89

**216.02** 181.91

**Profit and Loss A/c**

Balance as per last Balance Sheet 8,810.03 7,341.78

Add: Profit for the year (601.81) 1,947.91

**8,208.22** 9,289.69

Less: Appropriations

Transfer to General Reserve 0.00 200.00

Proposed dividend on equity shares 47.81 239.04

{Dividend per share ₹ 0.50 (previous year ₹ 2.50/-)}

Dividend Distribution tax 8.12 40.62

**8,152.28** 8,810.03

**Total :** 10,315.37 10,939.00



## Notes on financial statement for the year ended March 31st,2014

₹ in Lacs except as otherwise stated

PARTICULARS	As At March 31, 2014		As At March 31, 2013	
<b>5. LONG TERM BORROWINGS</b>				
	Current Maturity	Non Current	Current Maturity	Non Current
<b>Secured:</b>				
Rupee Term Loans from Banks *	1440.18	6,066.74	1193.82	5,455.67
Foreign Currency Term Loans from Banks **	<u>721.95</u>	<u>314.77</u>	<u>721.95</u>	<u>1,086.49</u>
	<b>2,162.13</b>	<b>6,381.51</b>	<b>1915.77</b>	<b>6,542.17</b>
<b>Unsecured</b>				
From Directors and Promoter group	1,362.00	0.00	0.00	1,448.00
	<u>1,362.00</u>	<u>0.00</u>	<u>0.00</u>	<u>1,448.00</u>
<b>Total :</b>	<b>3,524.13</b>	<b>6,381.51</b>	<b>1,915.77</b>	<b>7,990.17</b>
Less : Current maturities shown under current liabilities	<u>3,524.13</u>	<u>0.00</u>	<u>1,915.77</u>	<u>0.00</u>
	<b>0.00</b>	<b>6,381.51</b>	<b>0.00</b>	<b>7,990.17</b>

\*Rupee Term loans excepting loans against vehicles are secured by exclusive first charge on assets financed by / mortgaged to / hypothecation in favour of Term lending Bank and personal guarantee of four Directors in three cases and two directors in one case. Loans against vehicle are secured by hypothecation of vehicles purchased.

\*\*Foreign Currency Term loans are secured by exclusive first charge on assets financed, receivables of project financed and personal guarantee of one Director.

**5.1 Maturity profile of term loan are as set out below:**

Particulars	2015-16	2016-17	2017-18	2018-19	After 2019-20
Rupee Term Loans from Banks	1,704.32	1,581.68	1,191.94	925.29	663.51
Foreign Currency Term Loans from Banks	314.77	0.00	0.00	0.00	0.00

**6. DEFERRED TAX LIABILITY (NET):**

Deferred tax liability	2,578.50	2,840.57
<b>Total :</b>	<b>2,578.50</b>	<b>2,840.57</b>

**Components of Deferred tax assets /liabilities are as under :**

Deferred Tax liability on account of :		
a) Depreciation	2,854.66	2,970.87
	<u>2,854.66</u>	<u>2,970.87</u>
Deferred Tax asset on account of :		
a) Employee Benefits	49.78	78.41
b) Provision for Bad and Doubtful Debts	91.51	51.79
c) Provision in Diminution in Value of investments	0.10	0.10
d) Others	<u>134.78</u>	<u>0.00</u>
	<b>276.16</b>	<b>130.30</b>
Net Deferred Tax Liability	<b>2,578.50</b>	<b>2,840.57</b>

**7. LONG TERM PROVISIONS**

Provision for Employee Benefit	70.76	0.00
	<u>70.76</u>	<u>0.00</u>



## Notes on financial statement for the year ended March 31st,2014

₹ in Lacs except as otherwise stated

PARTICULARS	As At March 31, 2014	As At March 31, 2013
<b>8. SHORT TERM BORROWINGS:</b>		
<b>Secured:</b>		
<b>Working Capital Loans from Banks</b>		
Rupee Loans from Banks	2,835.69	4,428.62
Foreign Currency Loans from Banks	3,359.70	4,731.40
	6,195.38	9,160.01
<b>Unsecured:</b>		
From Directors and Promoter group	1,362.00	0.00
Inter-corporate Deposit from related parties	50.65	37.75
	1,412.65	37.75
<b>Total :</b>	<b>7,608.03</b>	<b>9,197.76</b>

8.1 Working Capital loans are secured by entire current assets of the Company, collateral security of fixed assets of the Company and personal guarantee of two Directors.

**9. TRADE PAYABLES**

Micro, small and medium enterprises	8.75	5.25
Others*	2,549.55	1,976.16
<b>Total :</b>	<b>2,558.31</b>	<b>1,981.41</b>

\*Includes payable to related parties of 26.45 (P.Y.2.87)

**9.1 As defined under Micro, Small and Medium Enterprises**

Development Act, 2006, the disclosure in respect of the amount payable to such enterprises as at 31st March, 2014 has been made in the financial statement based on information received available and identified by the company.

a) the principal amount remaining unpaid to any suppliers as at the end of each accounting year.	8.75	5.25
b) the interest due thereon remaining unpaid to any supplier as at the end of each accounting year.	0.60	0.18
c) the amount of interest paid by the Company in terms of Section 16, of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	0.00	0.00
d) the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year ) but without adding the interest specified under MSMED Act, 2006.	0.09	0.81
e) the amount of interest accrued and remaining unpaid at the end of each accounting year; and	0.69	0.99
f) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006	Nil	Nil



## Notes on financial statement for the year ended March 31st,2014

₹ in Lacs except as otherwise stated

PARTICULARS	As At March 31, 2014	As At March 31, 2013
<b>10. OTHER CURRENT LIABILITIES</b>		
Current maturities of Long term debts	2,162.13	1,915.77
Creditors for Capital expenditure	464.41	57.42
Advance from Customers *	598.05	533.13
Deposits from Stockists/dealer/supplier	1,069.54	972.81
Unclaimed dividend	13.92	17.34
VAT/Service tax/Withholding taxes, other taxes and contribution payables	898.35	1,316.35
Provision for expenses **	762.23	912.65
Other Payable ***	230.66	187.82
<b>Total :</b>	<b>6,199.30</b>	<b>5,913.30</b>
*Includes advance from related parties of 0.36 (P.Y.0.60)		
**Includes interest accrued but not due of 57.98 (P.Y.77.83)		
***Includes payable to employees, forward contact payables etc.		
<b>11. SHORT TERM PROVISIONS</b>		
Provision for Employee Benefit Expenses	62.99	166.81
Proposed Dividend	47.81	239.04
Provision for Dividend Distribution tax	8.12	40.62
Provision for Wealth Tax (Net of Taxes paid)	0.38	0.24
<b>Total :</b>	<b>119.30</b>	<b>446.71</b>
<b>13. NON-CURRENT INVESTMENTS</b>		
<b>Non Trade Investments</b>		
<b>Quoted - Equity shares (fully paid up)</b>		
Vaishno Cement Co. Ltd.	0.30	0.30
3000 Equity Shares of ₹ 10/- each		
Quoted Market Values not available	0.30	0.30
Less: Provision For Diminuation In Value Of Investments		
<b>(A)</b>	<b>0.00</b>	<b>0.00</b>
<b>Unquoted - Equity shares (valued at cost)</b>		
In equity shares of Associate companies		
4800 Fully paid up Equity Shares of ₹ 10 each of Sahyadri Enerco Pvt. Ltd.	0.48	0.48
14200 Equity Shares of ₹ 100/- each of Cosmos Co-operative Bank Ltd. (valued at cost)	14.20	14.20
<b>(B)</b>	<b>14.68</b>	<b>14.68</b>
<b>Total : A+B</b>	<b>14.68</b>	<b>14.68</b>

## Notes on financial statement for the year ended March 31st,2014

₹ in Lacs except as otherwise stated

PARTICULARS	As At March 31, 2014	As At March 31, 2013
<b>14. LONG TERM LOANS &amp; ADVANCES</b>		
(Unsecured, considered good unless otherwise stated)		
Advance income tax net of provisions	174.19	103.76
Deposits*	409.72	361.65
MAT Credit entitlement	1,109.10	1,109.10
<b>Total :</b>	<b>1,693.02</b>	<b>1,574.51</b>
*Includes deposits to related parties of 52.10 (P.Y.57.10)		
<b>15. OTHER NON-CURRENT ASSET</b>		
Hedge Receivable	475.07	490.73
Others* (Net of reserve for doubtful receivable if any)	270.32	292.15
<b>Total :</b>	<b>745.38</b>	<b>782.88</b>
*Includes amount paid for common power infrastructure for windmills.		
<b>16. INVENTORIES</b>		
(As valued, verified and certified by Management)		
Raw Material	2,386.70	4,416.86
Raw Material in transit	209.52	0.00
Stores , Spares	329.96	354.28
Work-in-Progress	8.52	8.24
Finished Goods	5,061.89	9,731.16
Stock of Traded Goods	170.63	207.92
Stock Lying with Contractor	78.45	8.85
<b>Total :</b>	<b>8,245.66</b>	<b>14,727.30</b>
16.1 For mode of valuation refer note number 2.1.9		
<b>17. TRADE RECEIVABLES</b>		
(Unsecured, Considered good unless otherwise stated)		
Debts Outstanding for a period exceeding six months from due date of payment		
Considered Good	318.67	379.62
Considered Doubtful	257.58	159.62
	576.25	539.24
Less :Provision for Doubtful Debts	257.58	159.62
	318.67	379.62
Other Debts	3,037.80	3,028.74
	<b>3,356.47</b>	<b>3,408.37</b>
<b>18. CASH AND CASH EQUIVALENTS</b>		
Cash in Hand	7.11	18.06
Cheques and Drafts on Hand	0.00	13.96
<b>Balance with banks-</b>		
In Current Accounts*	142.00	288.22
In Deposit accounts**	467.54	302.11
<b>Total :</b>	<b>616.65</b>	<b>622.35</b>

\*Balance with bank includes balance in unclaimed dividend A/c of ₹ 13.92 lacs (previous year ₹ 17.34 lacs)

\*\*Deposit with banks includes restricted bank deposit of ₹ 55.17 (previous year ₹ 100.68) on account of margin money for Guarantees and L/C's. Deposits with bank also includes deposit of ₹ 27.88 (previous year ₹ 234.51) with maturity of more than 12 months, which includes restricted deposits of ₹ 27.52. Deposits other than restricted deposits can be withdrawn by the company at any point without prior notice or penalty on the principal.



## Notes on financial statement for the year ended March 31st,2014

₹ in Lacs except as otherwise stated

PARTICULARS	As At March 31, 2014	As At March 31, 2013
<b>19. SHORT TERMS LOAN &amp; ADVANCE</b>		
<b>(Unsecured considered good unless otherwise stated)</b>		
Balance with Custom, Central Excise and VAT authorities	281.73	223.51
Imprest balance with employees*	41.70	15.70
Interest accrued on Deposits	41.56	22.09
Pre-paid expenses	199.81	176.22
Advance for capital purchases	38.69	144.85
Advance to Suppliers**	676.08	265.43
<b>Total :</b>	<b><u>1,279.57</u></b>	<b><u>847.80</u></b>
*Includes due from related parties of 14.94 (P.Y.NIL)		
**Includes due from related parties of NIL (P.Y.1.56)		
<b>20. OTHER CURRENT ASSETS</b>		
Others*	203.34	450.60
<b>Total :</b>	<b><u>203.34</u></b>	<b><u>450.60</u></b>
*Includes stock of promotional material and service tax/excise pending avaiement		
	<b>Year Ending</b>	<b>Year Ending</b>
	<b>March 31, 2014</b>	<b>March 31, 2013</b>
<b>21. REVENUE FROM OPERATIONS</b>		
Sale of Products	39,915.22	43,680.66
Income from Services	2.96	1.25
Other Operating Revenues	113.81	180.10
	<b>40,031.99</b>	<b>43,862.00</b>
Less: Excise duty recovered	2,795.34	3,088.28
<b>Total :</b>	<b><u>37,236.65</u></b>	<b><u>40,773.73</u></b>
<b>21.1 : Sale of Product</b>		
Sheets and Accessories	38,373.78	41,992.63
Doors	157.63	148.44
Power	1,376.35	1,539.59
Other	7.46	0.00
	<b><u>39,915.22</u></b>	<b><u>43,680.66</u></b>
<b>22. OTHER INCOME</b>		
Interest Income	35.89	29.38
Dividend Income	10.40	31.39
Profit on Sale of asset	0.59	12.07
Other non - operating income *	95.44	234.69
Net gain on exchange fluctuation	0.00	72.39
<b>Total :</b>	<b><u>142.32</u></b>	<b><u>379.92</u></b>
*Includes Debts Write off previously now recovered of 88.47 (P.Y. Keyman Insurance Maturity Proceeds of 219.60)		
<b>23. COST OF MATERIAL CONSUMED</b>		
	<b><u>18,655.01</u></b>	<b><u>24,645.16</u></b>
<b>23.1 Raw Material Components and Consumption</b>		
Cement	4,690.20	7,000.99
Fibre	11,680.02	15,276.32
FLYASH and Others	2,284.80	2,367.85
	<b><u>18,655.01</u></b>	<b><u>24,645.16</u></b>
<b>23.2 Breakup of raw material consumption into imported and indigenous is provided in note number 30</b>		



## Notes on financial statement for the year ended March 31st,2014

₹ in Lacs except as otherwise stated

PARTICULARS	Year Ending March 31, 2014	Year Ending March 31, 2013
<b>24. PURCHASE OF STOCK-IN-TRADE</b>		
Doors and its accessories	75.93	135.02
<b>Total :</b>	<u>75.93</u>	<u>135.02</u>
<b>25. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRANSIT</b>		
<b>Opening Stock :</b>		
Work In Progress	8.24	11.58
Finished Goods	9,731.16	5,823.72
Traded goods	<u>207.92</u>	<u>190.19</u>
	9,947.32	6,025.48
<b>Less:- Closing Stock :</b>		
Work In Progress	8.52	8.24
Finished Goods	5,061.89	9,731.16
Traded goods	<u>169.80</u>	<u>207.92</u>
	5,240.21	9,947.32
Changes in inventories of finished goods, work-in-progress and stock-in-trade	<u>4,707.12</u>	<u>(3,921.84)</u>
<b>26. EMPLOYEE BENEFIT EXPENSE</b>		
Salaries , Wages, Bonus and leave Encashment	1,714.59	1,779.38
Contribution to the Provident Fund and other Funds	122.44	142.68
Welfare Expenses	76.23	67.85
<b>Total :</b>	<u>1,913.25</u>	<u>1,989.90</u>
<b>26.1 Additional disclosure as per AS 15 is provided in note number 37</b>		
<b>27. FINANCE COST</b>		
Interest Expenses	1,415.01	1,770.73
Applicable net loss on foreign currency transaction and translation	19.27	33.20
<b>Total :</b>	<u>1,434.28</u>	<u>1,803.93</u>
<b>28. OTHER EXPENSES</b>		
<b>(A) Manufacturing expenses:</b>		
Stores and Consumables *	469.41	602.72
Power, fuel(Diesel) and Water Charges	858.76	1,881.08
Labour charges, sub-contracting charges and machine hire charges	631.32	599.80
Machinery and Moulds maintenance	566.75	436.34
Insurance	15.06	15.03
Packing expenses	13.41	22.18
Rent Manufacturing	22.80	22.80
Other manufacturing expenses	164.91	218.33
<b>(A)</b>	<u>2,742.42</u>	<u>3,798.28</u>

\*Breakup of stores and consumable consumption into imported and indigenous is provided in note number 31

## Notes on financial statement for the year ended March 31st,2014

₹ in Lacs except as otherwise stated

PARTICULARS	Year Ending March 31, 2014	Year Ending March 31, 2013
<b>(B)Administration, selling and establishment expenses:</b>		
Professional and Consultancy fees	157.30	197.37
Travelling, conveyance and vehicle maintenance	450.98	329.71
Postage, telegram, telephone and telex	71.16	76.36
Rent	68.44	68.60
Building Repairs and maintenance	40.37	27.35
Repairs and maintenance - Windmill	320.80	50.20
Rates and Taxes	27.58	11.56
Insurance	15.18	13.71
Annual listing fees	0.25	0.25
Windmill Expenses	148.74	30.66
Excise Duty *	708.85	1,863.41
VAT and Service Tax	146.57	97.69
Power, fuel and water charges	17.47	24.76
Other Repairs	58.51	114.41
Donations	3.30	6.45
Bank Charges	84.95	119.22
Discounts and Rate difference	787.54	1,553.03
Breakages and Damages	973.09	1,057.46
Sales promotion and Advertisement Expenses	570.90	398.56
Commission on sales	154.49	137.12
Carriage outward and Forwarding Expenses	1,579.71	1,505.16
Remission,Bad Debts and rebate	5.65	35.52
Exchange fluctuation loss	2.52	0.00
Preliminary Expenses written off	0.37	0.37
Provision for Bad and Doubtful debts / receivable	122.41	18.63
Remuneration to auditors	7.84	7.62
Penalty	0.05	0.53
Prior period items	28.36	8.75
Other Miscellaneous Expenses	764.71	583.34
<b>(B)</b>	<b><u>7,318.07</u></b>	<b><u>8,337.81</u></b>
<b>Total : (A)+(B)</b>	<b><u>10,060.49</u></b>	<b><u>12,136.09</u></b>

\* Excise duty shown under expenditure represents the aggregate of excise duty borne by the company and difference between excise duty on opening and closing stock of finished goods.

**28.1 Payment to Auditors**

(In respect of debit to Profit and Loss A/c)

**(A) Towards Audit Fees**

Audit Fees	5.75	5.50
Tax Audit Fees	2.00	1.75
Service Tax	0.09	0.37
	<u>7.84</u>	<u>7.62</u>

**(B) Towards Other Services**

(Debited to Professional and Consultancy expenses)

Taxation matters	2.00	1.50
Certification Work etc.	1.33	0.91
	<u>3.33</u>	<u>2.41</u>

**(C) Towards Cost Audit Fees**

(Debited to Professional and Consultancy expenses)

Cost Audit Fees	0.20	0.20
	<u>0.20</u>	<u>0.20</u>
<b>Total : (A)+(B)+(C)</b>	<b><u>11.37</u></b>	<b><u>10.23</u></b>

**28.2** Expenditure in foreign currency on various accounts are reported in note number 33



## Notes on financial statement for the year ended March 31st,2014

₹ in Lacs except as otherwise stated

PARTICULARS	Year Ending March 31, 2014		Year Ending March 31, 2013	
<b>29 : CONTINGENT LIABILITIES AND COMMITMENTS ( TO THE EXTENT NOT PROVIDED FOR)</b>				
<b>29.1 Contingent Liabilities not provided for :</b>				
a) Bank Guarantees	26.47		66.71	
b) Due towards disputed statutory liability (Total amount disputed ₹ 72.42, amount paid ₹ 5.33, net under protest ₹ 67.09)	67.09		5.29	
c) Claims against the company not acknowledged as debts	0.33		0.00	
<b>29.2 Commitments</b>				
a) Estimated amount of contracts remaining to be executed on Capital Account net of advances and not provided for	1210.37		2368.27	
<b>30 : Consumption of Raw Material</b>				
Imported	11,765.97	63.07%	14552.99	59.05%
Indigenous	6,889.04	36.93%	10092.17	40.95%
	<u>18,655.01</u>		<u>24645.16</u>	
<b>31 : Consumption of Store and Consumables</b>				
Imported	28.48	6.07%	4.24	0.70%
Indigenous	440.93	93.93%	598.49	99.30%
	<u>469.41</u>		<u>602.73</u>	
<b>32 : Value of Imports on C.I.F. basis</b>				
a) Raw Materials	9,164.52		13093.57	
b) Consumables and Stores	20.36		11.15	
c) Capital Goods	0.00		22.41	
d) Trading items	53.71		207.68	
<b>33 : Expenditure in foreign currency</b>				
a) Foreign Exchange Outgo on foreign tour	67.97		15.80	
b) Foreign Exchange Outgo on Interest	119.98		149.32	
c) Foreign Exchange Outgo on Commission	2.61		0.16	
d) Foreign Exchange Outgo on Exhibition	10.51		2.86	
e) Foreign Exchange Outgo on Consultancy	11.23		10.82	
<b>34 : Remittances in foreign currencies on accounts of Dividend to non - resident share holders.</b>				
	NIL		NIL	
<b>35 : Foreign Exchange Earnings</b>				
On account of export of goods on FOB basis	2,018.84		876.96	
<b>36 : PROJECT DEVELOPMENT EXPENDITURE</b>				
Project Development Expenditure is included under the head capital work in progress under fixed assets. Details are as under -				
<b>Particulars</b>	<b>2013-2014</b>	<b>2012-2013</b>		
Opening balance	116.61	46.08		
Add - Expenditure incurred	450.72	70.53		
	567.33	116.61		
Less - Capitalised during the year	0.00	0.00		
	<u>567.33</u>	<u>116.61</u>		

## Notes on financial statement for the year ended March 31st,2014

₹ in Lacs except as otherwise stated

**37 : Disclosure pursuant to Accounting Standard 15 ( Revised) Employees Benefits**

The Company has adopted revised Accounting Standard 15 " Employees Benefits", issued by the Institute of Chartered Accountants of India, which is effective from 1st April,2007.

As per Accounting Standard 15 "Employees Benefits", the disclosure of employee benefits as defined in the Accounting Standard are given below.

**A. Defined contribution plan**

Contribution to the defined contribution plan recognized as expense for the year are as under

Particulars	2013-2014 ₹	2012-2013 ₹
Employers Contribution to Provident Fund (Including administrative expenses)	100.64	81.06

The Provident Fund contributions are contributed to the Regional Provident Fund Commissioner.

**B. Defined Benefit Plan**

The Employee Gratuity Fund Scheme and Leave Encasement is defined benefit plan. The present value of the obligation is based on Actuarial Valuation using Projected unit credit method.

PARTICULARS	2013-2014		2012-2013	
	GRATUITY	LEAVE ENCASHMENT	GRATUITY	LEAVE ENCASHMENT
<b>Expenses to be recognized in Profit and Loss A/c</b>				
Current service cost	27.14	30.99	27.04	26.92
Interest cost	11.47	8.93	10.67	7.38
Expected return on plan assets	(10.04)	0.00	(9.14)	0.00
Net actuarial losses/(gain)	(25.75)	(38.91)	1.73	7.51
<b>Total Expense</b>	<b>2.81</b>	<b>1.00</b>	<b>30.32</b>	<b>41.81</b>
<b>Reconciliation of opening and closing balance of changes in present value of defined benefit obligation</b>				
Opening defined benefit obligation as on 1-4-2013	155.35	118.99	135.69	96.51
Service cost	27.14	30.99	27.04	26.92
Interest cost	11.47	8.93	10.67	7.38
Actuarial gain/losses	(25.91)	(38.91)	2.19	7.51
<b>Benefits paid</b>	<b>(20.44)</b>	<b>(11.95)</b>	<b>(20.24)</b>	<b>(19.32)</b>
<b>Liabilities extinguished on settlement</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>Closing defined benefit obligations as on 31-3-2014</b>	<b>147.61</b>	<b>108.04</b>	<b>155.35</b>	<b>118.99</b>
<b>Reconciliation of opening and closing balance of changes in fair value of plan assets</b>				
Opening fair value of plan assets as on 1-4-2013	107.53	0.00	101.74	0.00
Expected return on plan assets	10.04	0.00	9.14	0.00
Contribution by employer	24.92	0.00	16.45	0.00
Actuarial gain/(losses)	(0.16)	0.00	0.45	0.00
Benefits paid	(20.44)	0.00	(20.24)	0.00
<b>Closing balance of fair value of plan assets as on 31-3-2014</b>	<b>121.90</b>	<b>0.00</b>	<b>107.53</b>	<b>0.00</b>
<b>Net liability recognized in the balance sheet as on 31-3-2014</b>				
Defined benefit obligation as on 31-3-2014	147.61	108.04	155.35	118.99
Fair value of plan assets as on 31-3-2014	121.90	0.00	107.53	0.00
<b>Present value of unfunded obligation as on 31-3-2014</b>	<b>25.71</b>	<b>108.04</b>	<b>47.82</b>	<b>118.99</b>
Long Term unfunded obligations	0.00	70.76	0.00	0.00
Short Term unfunded obligations	25.71	37.28	47.82	118.99
Actuarial Assumptions				
Discount rate (per annum)	9.00%	9.00%	7.90%	7.90%
Salary increment rate (per annum)	7.00%	7.00%	7.00%	7.00%
Expected rate of return on assets	9.15%	0.00%	9.15%	0.00%
Expected average remaining working lives of employees (years)	6.11	6.12	6.10	6.10

## Notes on financial statement for the year ended March 31st,2014

₹ in Lacs except as otherwise stated

**38 Disclosure as required by AS - 11 "The Effect of changes in Foreign Exchange Rates" :****38.1 Forward Cover Contracts :**

The company has used forwardcover contracts to hedge its exposure to the movements in foreign currency exchange rates. Such forward covers are used to reduce the risk which may result from foreign rates fluctuations, and is not used by the company for trading or speculation purposes.

The details of such forward contracts are as under :

## a) Details of Derivative Instruments (for hedging) :

Particulars	Amount in Foreign Currency	Currency	Equivalent Amt in ₹	Purpose
Cross Currency interest rate Swap	17.25	USD	1036.72	For repayment of External Commercial Borrowing
	(33.25)	USD	(1808.44)	

## b) Details of forward contracts for currency related risk :

Particulars	Currency	Amount in Foreign Currency		Equivalent INR	
		2013-14	2012-13	2013-14	2012-13
Forward contracts	USD	49.65	83.97	2983.73	4566.87

## c) Details of foreign currency exposures that are not hedged by a derivative instrument or otherwise :

Particulars	Currency	Amount in Foreign Currency		Equivalent INR	
		2013-14	2012-13	2013-14	2012-13
Creditors	USD	0.08	0.99	5.09	53.87
Debtors	USD	14.78	6.07	888.42	330.40
Foreign Currency Borrowings including interest payable net of forward contract	USD	6.45	3.51	387.49	191.10

**38.2 Cash Flow Hedge (Disclosure as required by AS - 30 "Financial Instruments : Recognition and Measurement")**

a) In accordance with its risk management policy and business plan, the company has hedged its cash flows. The Company has entered into Derivative contracts to offset the foreign currency risk and floating interest risk arising from the amounts denominated in currencies other than the Indian rupee and rate of interest determined at LIBOR. The counter party to the Company's foreign currency interest swap contracts is a bank. These contracts are entered into to hedge the foreign currency risks of firm commitments and highly probable forecasted transactions. The Management has assessed the effectiveness of its hedging contracts outstanding as on March 31, 2014 as required by AS 30 and accordingly the MTM Gain of 34.11 is recognized in the Hedging Reserve.

b) The following are the outstanding derivative Contracts entered into by the Company which have been designated as Cash Flow Hedges as on March 31, 2014 :

Type of Cover	Amount Outstanding at year end in Foreign Currency USD	Fair Value Gain/(Loss) ₹	Amount Outstanding at year end ₹	Exposure
Cross Currency Interest Swap	17.25 (33.25)	34.11 (123.89)	1036.72 (1808.44)	i)Buy ii) Floating Rate to Fixed Rate



### Notes on financial statement for the year ended March 31st,2014

₹ in Lacs except as otherwise stated

The movement in hedging reserve during period ended March 31, 2014 for derivatives designated as Cash Flow Hedges is as follows :

Particulars	2013-2014	2012-2013
Balance at the beginning of the year	181.91	58.02
Gain/(Losses) transferred to income statement on occurrence of forecasted hedge transaction	Nil	Nil
Changes in the fair value of effective portion of outstanding cash flow derivative	34.11	123.89
Net derivative gain/(losses) related to discounted cash flow hedge Balance at the end of the year	216.02	181.91

#### 39 : Operating Lease :

Where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, they are classified as Operating Lease.

Operating lease payments are recognised as an expense in the Profit and Loss Account.

Particulars	F.Y. 2013-14	F.Y. 2012-13
<u>Non cancellable operating lease obligations</u>		
- Not Later than one year	3.45	3.04
- Later than one year but not later than five years	13.84	13.80
- Later than five years	64.93	68.41
<b>Total</b>	<b>82.21</b>	<b>85.25</b>

Rental expenses of 3.04 (P.Y. 3.00 ) in respect of obligation under non-cancellable operating leases have been charged to Profit and Loss Account. Further a sum of 88.20 (P.Y. 88.40) has been charged to Profit and Loss Account in respect of cancellable operating leases.

General description of leasing arrangements :

- (i) The company has taken premises, Vehicle, Plant and Machinery on operating lease.
- (ii) Lease rentals are charged to the Profit and Loss Account for the year.
- (iii) There are no sub-leases.
- (iv) These leases are usually renewable by mutual consent on mutually agreeable terms.
- (v) Future lease rental payments are determined on the basis of the lease payments as per the agreement.

#### 40 : Earning per Share (EPS) - The numerator and denominator used to calculate Basic and Diluted Earnings per Share

- Profit attributable to the Equity Shareholders (₹) - A	(601.81)	1947.91
- Basic / Weighted average number of Equity Shares outstanding during the year - (B)	9561500	9561500
- Nominal value of Equity Shares (₹)	10	10
- Basic / Diluted Earning per Share (₹) - (A)/(B)	(6.29)	20.37



## Notes on financial statement for the year ended March 31st,2014

₹ in Lacs except as otherwise stated

**41 : Segment wise Revenue/ Results and Capital Employed (₹. In lakhs)****A) Segment Revenue**

a) Building Material	35,860.30	39,234.14
b) Power Generation	2,007.09	1,664.78
<b>Sub Total</b>	<b>37,867.39</b>	<b>40,898.92</b>
Less : Inter Segment Revenue	630.74	125.20
Net Sales / Income from Operations	<u>37,236.65</u>	<u>40,773.71</u>

**B) Segment Results Profit (+) / Loss(-) before tax and interest from each segment**

a) Building Material	(439.91)	3,572.55
b) Power Generation	867.99	829.06
<b>Sub Total</b>	<b>428.08</b>	<b>4,401.61</b>
Less :- (I) Interest	1,434.28	1,803.93
(II) Unallocable Expenditure net of unallocable Income	0.00	0.00
Add:- Un-allocable income Net of unallocable Expenditure	142.32	295.46
Profit Before Income Tax	<u>(863.88)</u>	<u>2,893.15</u>

**C) Capital Employed**

a) Building Material	6,714.42	7,696.36
b) Power Generation	4,522.18	4,138.96
c) Unallocable	34.71	59.24
<b>TOTAL</b>	<b>11,271.30</b>	<b>11,894.55</b>

## Notes :-

- 1) The Company has two business segments namely Building Material Products and Power Generation by Windmills.
- 2) Segment Revenue include External Sales directly identifiable with segment.
- 3) Inter segment Revenue includes power generation for captive consumption.
- 4) Expenses and assets those are directly identifiable are considered for Segment Reporting.

**42 : List of persons and the relationship with related parties with whom transaction have taken place during the year with value of transactions as required by Accounting Standard 18 "Related Party Disclosure" is enclosed in Annexure.**

**43 : Previous years figures have been regrouped and rearranged wherever necessary.**

As per our report of even date  
For Parag Patwa And Associates  
Chartered Accountants

On behalf of Board of Directors

(CA P. I. Patwa )

Partner

(Mem No. 041529)

Place : Pune

Date : 10th May, 2014

S. V. Patel  
Managing  
Director

J. P. Patel  
Chairman

Jaiwant Rege  
Company Secretary

M. K. Sharma  
CFO

## Schedules attached to and forming part of the Balance Sheet as at MARCH 31, 2014

₹ in Lacs except as otherwise stated

SCHEDULE 12 :-FIXED ASSETS										
PARTICULARS	GROSS BLOCK				DEPRECIATION/AMORTISATION				NET BLOCK	
	AS AT 01.04.2013	ADDITIONS DURING THE YEAR	DEDUC- TIONS	AS AT 31.03.2014	AS AT 01.04.2013	FOR THE YEAR	DEDUC- TIONS	AS AT 31.03.2014	AS AT 31.03.2014	AS AT 31.03.2013
	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹
<b>(A) TANGIBLE ASSET SHEET ASSETS</b>										
LAND	592.70	56.99	0.00	649.69	0.00	0.00	0.00	0.00	649.69	592.34
LEASE HOLD LAND	437.47	0.00	0.00	437.47	43.44	5.44	0.00	48.89	388.59	394.03
LAND DEVELOPMENT & FENCING	147.91	0.00	0.00	147.91	0.00	0.00	0.00	0.00	147.91	148.27
FACTORY BUILDING	5,077.30	0.00	0.00	5,077.30	1,612.28	192.60	0.00	1,804.88	3,272.43	3,465.03
BUILDING (Other than Factory Building)	1,726.14	18.36	0.00	1,744.50	207.00	49.23	0.00	256.23	1,488.27	1,519.13
PLANT & MACHINERY	3,577.22	60.72	0.00	3,637.94	1,665.62	233.05	0.00	1,898.67	1,739.27	1,911.61
ELECTRICAL INSTALLATION	451.69	0.00	0.00	451.69	233.87	29.41	0.00	263.28	188.41	217.82
COMPUTERS	107.63	53.22	0.16	160.69	87.69	17.93*	0.16	105.46	55.23	19.94
COMPUTER PERIPHERALS	52.06	1.52	0.00	53.58	30.67	3.06	0.00	33.73	19.84	21.39
FURNITURE	101.49	1.49	0.00	102.98	72.56	6.51	0.00	79.06	23.91	28.93
VEHICLES	284.46	46.60	21.51	309.55	160.71	41.22	19.28	182.65	126.91	123.76
TEMPLATES, MOULDS & OTHER EQUIPMENTS	1,298.95	0.00	0.00	1,298.95	1,138.86	33.14	0.00	1,172.00	126.96	160.09
OFFICE EQUIPMENT	113.44	4.84	0.00	118.29	52.79	9.41	0.00	62.20	56.09	60.65
LABORATORY EQUIPMENTS	33.39	9.38	0.00	42.77	18.88	2.96	0.00	21.83	20.94	14.51
ELECTRICAL GENSET	378.93	0.00	0.00	378.93	217.11	22.60	0.00	239.71	139.22	161.83
TROLLEYS	8.45	0.00	0.00	8.45	8.42	0.01	0.00	8.42	0.02	0.03
SCALE MACHINE	28.84	0.30	0.00	29.14	12.08	2.30	0.00	14.38	14.77	16.75
MATERIAL HANDLING EQUIPMENT	1,221.86	0.00	0.00	1,221.86	456.16	108.82	0.00	564.98	656.89	765.71
CANTEEN EQUIPMENTS	0.54	0.00	0.00	0.54	0.14	0.06	0.00	0.20	0.34	0.40
<b>WINDMILL ASSETS</b>										
LAND FOR WINDMILL	26.63	0.00	0.00	26.63	0.00	0.00	0.00	0.00	26.63	26.63
BUILDING	7.69	0.00	0.00	7.69	2.26	0.27	0.00	2.53	5.16	5.43
WIND ENERGY CONVERTORS	12,723.44	0.00	0.00	12,723.44	5,029.21	625.59	0.00	5,654.80	7,068.64	7,694.23
ELE. INSTALLATION (WINDMILL)	53.14	0.00	0.00	53.14	42.60	1.47	0.00	44.07	9.07	10.54
<b>SUB -TOTAL</b>	<b>28,451.37</b>	<b>253.43</b>	<b>21.66</b>	<b>28,683.14</b>	<b>11,092.33</b>	<b>1,385.06</b>	<b>19.44</b>	<b>12,457.95</b>	<b>16,225.19</b>	<b>17,359.05</b>
<b>(B) INTANGIBLE ASSET SHEET ASSETS</b>										
COMPUTER SOFTWARE	142.22	0.06	0.00	142.28	122.44	10.12	0.00	132.56	9.72	19.78
<b>WINDMILL ASSETS</b>										
INTANGIBLE RIGHTS	194.05	0.00	0.00	194.05	44.05	24.22	0.00	68.27	125.78	150.00
<b>SUB -TOTAL</b>	<b>336.28</b>	<b>0.06</b>	<b>0.00</b>	<b>336.33</b>	<b>166.50</b>	<b>34.34</b>	<b>0.00</b>	<b>200.84</b>	<b>135.50</b>	<b>169.78</b>
<b>TOTAL ASSETS</b>	<b>28,787.65</b>	<b>253.49</b>	<b>21.66</b>	<b>29,019.47</b>	<b>11,258.83</b>	<b>1,419.40</b>	<b>19.44</b>	<b>12,658.79</b>	<b>16,360.69</b>	<b>17,528.83</b>
<b>(C) CAPITAL WORK IN PROGRESS</b> (Including Expenses pending Capitalization)	307.76	3,964.01	0.00	4,271.76	0.00	0.00	0.00	0.00	4,271.76	307.76
<b>TOTAL CAPITAL WORK IN PROGRESS</b>	<b>307.76</b>	<b>3,964.01</b>	<b>0.00</b>	<b>4,271.76</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>4,271.76</b>	<b>307.76</b>
<b>GRAND TOTAL (A)+(B)+(C)</b>	<b>29,095.41</b>	<b>4,217.49</b>	<b>21.66</b>	<b>33,291.24</b>	<b>11,258.83</b>	<b>1,419.40</b>	<b>19.44</b>	<b>12,658.79</b>	<b>20,632.45</b>	<b>17,836.59</b>
*Includes depreciation capitalised during the year of ₹ 0.04										

## ANNEXURE - RELATED PARTY DISCLOSURES AS PER AS - 18

List of persons & the relationship with related parties with whom transaction have taken place during the year with value of transactions  
(as certified by management)

**NAME OF THE RELATED PARTY -****I) Associates -**

a) Poonam Roofing Products Pvt.Ltd.      b) Poonam Tiles      c) Sahyadri Enerco Pvt. Ltd.

**II ) Key Management Personnel -**

a) Mr.Vallabh L. Patel - Director      b) Mr. Purushottam L. Patel - Director  
c) Mr.Jayesh P. Patel - Director      d) Mr.Satyen V. Patel - Director

**III ) Relatives of Key Management Personnel -**

a) Mr. V. V. Patel      b) Mr. Chetan P. Patel      c) Mrs. B.P.Patel      d) Mr. J.V. Patel  
e) Mrs. Geeta S.Patel      f) Mrs. Harsha J. Patel      g) Mrs. Kalpana Patel      h) Ms. Malvi Patel  
i) Master Jigar J. Patel      j) Mrs. Rashmi P Patel      k) Mrs. Purna C Patel      l) Mrs. Shilpa J Patel  
m) Mrs. Trilochana V Patel      n) Mr. Hitendra Patel      o) Ms. Sanskriti C Patel      p) Mrs. P. V. Patel

**Transactions during the year with related parties**

₹ in Lacs except as otherwise stated

Nature of Transactions	Associates		Key Management Personnel		Relatives Of Key Management Personnel	
	2013-2014	2012-2013	2013-2014	2012-2013	2013-2014	2012-2013
<b>1) Transactions during the year</b>						
<b>a) Unsecured Loan</b>						
a Taken during the year	14.00	8.00	0.00	0.00	0.00	0.00
b Repaid during the year	1.10	6.00	86.00	272.00	0.00	286.20
<b>b) Revenue Items</b>						
Labour Charges Expenses	72.41	82.77	0.00	0.00	0.00	0.00
Lease Charges Expenses	22.80	22.80	0.00	0.00	0.00	0.00
Trade Mark Fees	35.13	39.85	0.00	0.00	0.00	0.00
Raw Material Purchases	0.00	994.59	0.00	0.00	0.00	0.00
<b>c) Interest</b>						
Interest on Unsecured Loan paid during the year	4.61	4.04	91.55	102.96	57.75	64.06
<b>d) Rent paid</b>	0.90	0.90	0.55	3.31	5.76	5.76
<b>e) Managerial Remuneration paid during the year</b>	0.00	0.00	89.03	282.27	0.00	2.07
<b>f) Dividend Paid</b>	0.84	0.67	39.09	31.27	116.38	93.11
(Provided in 2012-13 paid during the year)						
<b>g) Share Application Money received back</b>	0.00	8.10	0.00	0.00	0.00	0.00
<b>2) Balance outstanding as on year end</b>						
a) Debts Due	26.81	0.60	0.00	2.87	0.00	0.00
b) Debts receivable	0.00	1.56	0.00	0.00	0.00	0.00
c) Unsecured Loan / ICD	50.65	37.75	812.00	898.00	550.00	550.00
d) Deposits	41.10	41.10	0.00	5.00	11.00	11.00
e) investment in equity Shares	0.48	0.48	0.00	0.00	0.00	0.00
f) Share Application Money pending allotment	7.48	7.48	0.00	0.00	0.00	0.00
g) Debit balance in imprest a/c	0.00	0.00	14.94	0.00	0.00	0.00

**Gratuity Contribution :-**

The contribution to gratuity funds has been made on a group basis & separate figures applicable to an individual employee are not available & therefore, contribution to gratuity funds has not been considered in the above computation.

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**As per our report of even date  
For Parag Patwa And Associates  
Chartered Accountants**

On behalf of Board of Directors

**(CA P. I. Patwa )**  
Partner  
(Mem No. 041529)  
Place : Pune  
Date : 10th May,2014

**S. V. Patel**  
Managing  
Director

**J. P. Patel**  
Chairman

**Jaiwant Rege**  
Company Secretary

**M. K. Sharma**  
CFO





## SAHYADRI INDUSTRIES LIMITED

## ATTENDANCE SLIP

## TWENTIETH ANNUAL GENERAL MEETING - 8TH AUGUST, 2014

Name of the Member /Proxy : \_\_\_\_\_

Registered Folio No : \_\_\_\_\_

DP ID &amp; Client ID No : \_\_\_\_\_

No of Shares Held : \_\_\_\_\_

I certify that I am a member/proxy for the member of the Company.

I hereby record my presence at the TWENTIETH ANNUAL GENERAL MEETING of the Company at the Plot No.39, D III block, MIDC, Chinchwad, Pune 411019 at 3.30 p.m. On 8th August 2014.

\_\_\_\_\_  
Name of the member/proxy\_\_\_\_\_  
\*\*Signature of the member/proxy

Note: Please fill up this attendance slip and hand it over at the entrance of the meeting hall. Members are requested to bring their copies of the Annual Report to the meeting.

\*\* To be signed at the time of handing over slip.



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**SAHYADRI INDUSTRIES LIMITED**

Regd. Office: 39/D, Swastik House, J. N. Road, Gultekdi, Pune 411037  
 T:+20 2644 4625/26/27 F:+20 2644 4624/2645/8888  
 E: cs@silworld.in , info@silworld.in W: www.silworld.in  
 CIN No:L26956PN1994PLC078941

**PROXY FORM**

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

Name of the Member(s) : \_\_\_\_\_  
 Registered Address : \_\_\_\_\_  
 Signature : \_\_\_\_\_  
 Folio No/Client ID : \_\_\_\_\_  
 \*DP ID : \_\_\_\_\_

I/We being the member(s) of \_\_\_\_\_ shares of the above named company hereby appoint:

1) Name : \_\_\_\_\_  
 Address : \_\_\_\_\_  
 Email ID : \_\_\_\_\_  
 Signature : \_\_\_\_\_ or failing him;

2) Name : \_\_\_\_\_  
 Address : \_\_\_\_\_  
 Email ID : \_\_\_\_\_  
 Signature : \_\_\_\_\_ or failing him;

3) Name : \_\_\_\_\_  
 Address : \_\_\_\_\_  
 Email ID : \_\_\_\_\_  
 Signature : \_\_\_\_\_ or failing him;

As my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at Twentieth Annual General Meeting of the Company to be held on Friday, August 8, 2014 at 3.30 p.m. at No.39, D III block, MIDC, Chinchwad, Pune 411019 and at any adjournment thereof in respect of such resolutions as are indicated below:

Sr. No.	Resolutions	For	Against
1	Consider and adopt the audited Balance Sheet as at 31st March 2014 and the Profit & Loss Account and the Cash Flow Statement for the year ended on that date and Reports of the Directors and Auditors thereon.		
2	Declaration of Dividend on Equity Shares		
3	Re-appointment of Mr.V.L.Patel who retires by rotation		
4	Re-appointment of Mr.P.L.Patel who retires by rotation		
5	Re-appointment of Mr.S.V.Patel who retires by rotation		
6	Appointment of Auditor and fixing their remuneration		



Sr. No.	Resolutions	For	Against
7	Special Resolution under Section 180 (1) (c) of the Companies Act 2013 for borrowing an amount not exceeding Rs.300 crores		
8	Special Resolution under Section 180 (1) (a) of the Companies Act 2013 for creating a mortgage on undertaking for an amount not exceeding Rs.300 crores		
9	Re-appointment of Mr. P.L.Patel as whole time director.		
10	Re-appointment of Mr. V.L.Patel as whole time director.		
11	Re-appointment of Mr. J.P.Patel as Executive Chairman.		
12	Re-appointment of Mr. S.V.Patel as Managing Director.		
13	Appointment of Mr.D.B.Kasad as an Independent Director.		
14	Appointment of Mr.S.U.Koshti as an Independent Director.		
15	Appointment of Mr.S.Y.Mestry as an Independent Director.		
16	Appointment of Mr.J.G.Awate as an Independent Director.		
17	Appointment of Mr.S.U.Joshi as an Independent Director.		

## Notes:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting
2. For the resolutions, explanatory statements and Notes, please refer to the Notice of 20th Annual General Meeting
3. \*\* It is optional to put 'X' in the appropriate column against the Resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all resolution, your proxy will be entitled to vote in the manner as he / she thinks appropriate
4. Please complete all details including details of member(s) in the above box before submission.
5. Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.
6. In the case of jointholders, the signature of any one holder will be sufficient, but names of all the jointholders should be stated.

\*Applicable for investors holding shares in electronic form.

Affix Re. 1  
Revenue  
Stamp



## **SAHYADRI INDUSTRIES LTD.**

Swastik House, 39 D, Gultekdi, Jawaharlal Nehru Marg, Pune - 411 037, India.

Tel: +91 20 26444625/26/27, 26452064 Fax: +91 20 26458888, 2644 4624

Email: [cs@silworld.in](mailto:cs@silworld.in), [info@silworld.in](mailto:info@silworld.in) Website : [www.silworld.in](http://www.silworld.in)

CIN No: L26956PN1994PLC078941