

43rd ANNUAL REPORT
2014 - 2015



GALADA

POWER AND TELECOMMUNICATION LTD.



SAVING ENERGY THROUGH PIONEERING TECHNOLOGY



ROD PLANT



CONDUCTOR PLANT

CREED

To recognize brotherhood of all human beings and to help bring peace and prosperity to everyone through technology innovations and excellence in engineering.

To keep up promises and to practice absolute sincerity and faithfulness in all dealings.

To aim for the prosperity of the coming generations.

To uphold integrity in every walk of life and at any cost.

To believe that everything is possible in this world by clear thinking and positive action with utmost belief in God.

MESSAGE FROM MANAGING DIRECTOR

I am extremely happy to present the 43rd Annual report of this 'Living and Learning' company 'GALADA' which is unique in a way. It is different from others because it has a purpose to pursue and that is to "Save Energy through Pioneering Technology" and strive for enabling every Indian citizen to enjoy electricity.



Team GALADA, functioning as a human work community, is now in the vicinity of a definite recovery to become an active participant in Government of India's mission to make available 24x7 electric power to one and all and create wealth for them as well as for the Nation.

Generation of power in India is mostly on coal pit heads or hydel generation points whereas consumers are spread across the country. Unless the country is well connected with an efficient Central Transmission Grid, Power for distribution will not be available. Hence the company has decided to add substantial manufacturing capacity to produce high quality overhead transmission conductors for 400kv to 800kv lines. As a result many conductor manufacturing customers have patronized the subcontract manufacturing facility of GALADA. This year Wire Rod capacity plus Distribution Conductor capacity will be more than matched by the Transmission Conductor capacity. With this, a net profit for the year 2015-16 is in sight. Financial year 2014-15 gave us this profound learning.

OTS process is on and with confidence we can say that in next four to five years your company will be a net worth positive company and also a dividend paying company, which it was earlier.

The company's policy of creating satisfied customers has enabled it to retain them and get from them better deals.

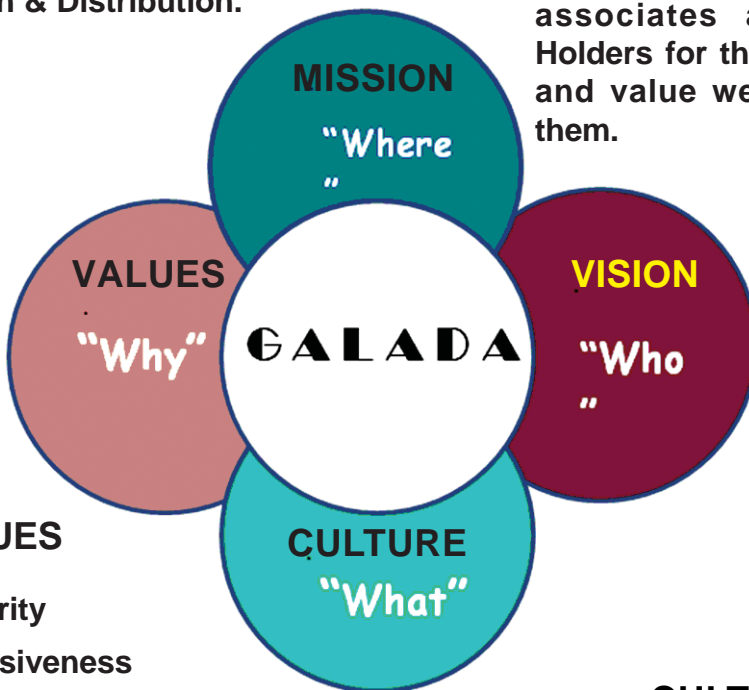
Team GALADA, includes all human beings on shop floor, offices, customer end, lending institutions, supplier organizations and the share holders who have made it possible with their whole hearted support to achieve a grand recovery and serve the Nation for decades to come.

MISSION

Ever Alert to anticipate and provide the best over-head conductors and knowledge relating to usage in order to excite our customers to be the most efficient in Electric Power Transmission & Distribution.

VISION

To continue as the most admired company by our Customers, business associates and Share-Holders for the experience and value we share with them.



VALUES

- Integrity
- Inclusiveness
- Innovation
- Environment friendliness
- Passion for excellence

CULTURE

- Accountability
- Excellence
- Speed
- Customer focus
- Product development

BOARD OF DIRECTORS

Chairman	Shri S.M. Kankaria
Directors	Shri S.V. Kanaka Seshu Shri M.C. Galada Shri M.L. Sachdeva Ms. Ameeta Trehan
Managing Director	Shri D. C. Galada
Executive Director	Shri Devendra Galada
Vice President, Secretary & CFO	Shri V. Subramanian
Auditors	M/s. Brahmayya & Co Chartered Accountants, Flat No. 404, Golden Green Appts, Erramanzil Colony, Hyderabad – 500 082.
Stock Exchange	The Stock Exchange, Mumbai Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001.
Registered Office	P 2/6, I.D.A., Block 1/1, Uppal, Hyderabad – 500 039.
Factory	Village Khadoli, Silvassa, U. T. of Dadra & Nagar Haveli.
Administrative Office	3 rd Floor, F 301, Galada Towers, Begumpet, Hyderabad – 500 016.

NOTICE

NOTICE is hereby given that the Forty Third Annual General Meeting of the Company will be held on Wednesday, the 30th September, 2015 at Hotel Kamat Lingapur, Chikoti Gardens, Begumpet, Hyderabad-500 016 at 10 a.m to transact the following items of business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Accounts of the Company for the year ended 31st March, 2015 and the Reports of the Directors' and Auditors thereon.
2. To appoint Director in place of Sri M.C Galada who retires by rotation and being eligible, offers himself for re-appointment.
3. To ratify the reappointment of M/s Brahmayya & Co., Chartered Accountants (Firm Registration No.000513S) as statutory auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to authorize the Board to fix their remuneration as may be mutually agreed

SPECIAL BUSINESS

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

"Resolved that Ms Ameeta Trehan (holding Din 07087510) who was appointed by the Board of Directors as an Additional Director of the Company with effect from 09.02.2015 and who holds office upto the date of this Annual General Meeting, pursuant to the applicable provisions of the Companies Act, 2013 including any Schedules and relevant rules thereof and in respect of whom the Company has received a notice in writing under the applicable provisions of the Companies Act, 2013 and the Rules thereof (including any statutory modification(s) or re-enactment thereof) proposing her candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for 5 (five) consecutive years for a term upto 30.09.2020."

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

"Resolved that pursuant to the provisions of Sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactments thereof, for the time being in force), Shri M L Sachdeva (Din : 02435891), who qualifies for being appointed as an Independent Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for 5 (five) consecutive years for a term upto 30.09.2020."

6. To consider and if thought fit, to pass with or without modification the following resolution as Special Resolution for the re-appointment of Shri D C Galada, Managing Director of the Company in accordance with Schedule V to the Companies Act, 2013 as amended from time to time for a further period of five (5) years valid upto 31.12.2020 on the same terms, conditions and managerial remuneration approved in the Annual General Meeting held on 30th November, 1994 and also as renewed in the subsequent meetings held on 29.09.1995, 29.12.2000 ,29.09.2006 and 30.09.2011.

"Resolved that the approval of and sanction of the Company pursuant to the provisions, if applicable, of the Companies Act, 2013 and in particular Schedule V thereto, be and is hereby accorded to the re-appointment of Shri D C Galada, Managing Director for a further period of five (5) years valid upto 31.12.2020 on the following terms and conditions:

1. Salary
Rs.41,000 per month including dearness allowance and all other allowances.
2. Perquisites
Provision of perquisites and benefits classified into three categories A, B, C as appearing hereinafter:-

Category A

- i. Housing : The expenditure by the Company on hiring furnished accommodation for the appointee will be subject to the following ceiling:
Sixty percent of the salary, over and above ten percent payable by the appointee.
- ii. The expenditure incurred by the Company on gas, electricity, water and furnishings shall be as per actuals.
- iii. Medical Reimbursement: Expenses incurred for the appointee and the family as per company norms.
- iv. Leave Travel Concession: For the appointee and his family once in a year as per Company rules.
- v. Club fees: Fees of clubs subject to a maximum of two clubs. This will not include admission and life membership fee.
- vi. Personal Accident Insurance: Premium not exceeding Rs.4,000 per annum.

Explanation: For the purpose of Category "A", "family" means the spouse, the dependant children and dependant parents of the appointee.

Category B

1. Contribution to provident fund, superannuation fund or annuity fund will not be included in the computation of ceiling on perquisites.
2. Gratuity payable should not exceed half a month's salary for each completed year of service.
3. Encashment of leave at the end of the tenure will not be included in the computation of the ceiling on perquisites.

Category C

Provision of car for use on Company's business and telephone at residence will not be considered as perquisites.

"Resolved further that the consent of the Company be and is hereby accorded, pursuant to applicable provisions of the Act, for payment and/or provision of the aforesaid remuneration, benefits and perquisites to Shri D C Galada, Managing Director as minimum remuneration in the event of absence or inadequacy of profits in any financial year of the Company during his term of office".

By order of the Board

Sd/-
V Subramanian
Vice President & Secretary

Place : Hyderabad
Date : 14.8.2015

NOTES:

1. A Member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on poll instead of himself. The proxy not be a member of the Company. Proxy Form to be effective must be filed with the Company at the Registered Office not later than forty-eight hours before the commencement of the meeting.
2. The Explanatory Statement pursuant to Section 102 (1) of the Companies Act, 2013 setting out material facts in respect of the special businesses of this notice is annexed hereto.
3. Shareholders are requested to bring their copy of the Annual Report to the Meeting
4. Members/ Proxies should fill the Attendance Slip for attending the Meeting.
5. Members who hold shares in dematerialized form are requested to write their client ID and DPID numbers and those who hold shares in physical form are requested to write their folio number in the attendance slip for attending the meeting.
6. The register of members will be closed from 24.09.2015 to 30.09.2015
7. The equity shares of the Company are listed at BSE Limited and the listing fees have been paid up-to-date.
8. Electronic copy of the AGM Notice of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent to all the members whose email IDs are registered with the Company/ Depository Participants for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Notice of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode.
9. The instructions for shareholders voting electronically are as under:
 - (i) The voting period begins on 27.09.2015 and ends on 29.09.2015. During this period, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on 23.09.2015 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
 - (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
 - (iii) Click on Shareholders.
 - (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) The following steps are to be followed.

For Members holding shares in Demat Form and Physical Form	
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> • Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. • In case the sequence number is less than 8 digits, enter the applicable number of 0s before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1, then enter RA00000001 in the PAN field.
DOB	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.

- (vii) After entering these details appropriately, click on “SUBMIT” tab.
- (viii) Members holding shares in physical form will then directly reach the Company Selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (x) Click on the EVSN relevant for Galada Power and Telecommunication Ltd (EVSN No 150813002).
- (xi) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiii) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xiv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xv) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (xvi) If Demat account holder has forgotten the same password, then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvii) Note for Non – Individual Shareholders and Custodians
- Non-Individual shareholders (i.e. HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves as Corporates.

- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details, a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts, they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
10. 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.com, under help section or write an email to helpdesk.evoting@cdslindia.com
 11. M/s S V Achary & Co, Company Secretaries represented by Mr. S.V. Narayana Charyulu Practicing Company Secretary (Membership No. 5981) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
 12. The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period, unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman / Managing Director of the Company.
 13. The Results shall be declared on or after the AGM of the Company. The results declared along with the Scrutinizer's report shall be placed on the Company's website www.galadapower.com and on the website of CDSL within three (3) days of passing of the resolutions of the AGM of the Company and communicated to BSE Ltd.

INFORMATION ON DIRECTOR SEEKING REAPPOINTMENT AT THE FORTHCOMING ANNUAL GENERAL MEETING.

1. Name of the Director : Sri M.C Galada
2. Date of birth : 30.05.1925
3. Date of last appointment : 28.09.2012
4. Expertise : Having more than 6 decades Industrial /
Business experience.
5. List of Public Ltd Companies in which outside Directorship was held as on 31st March, 2015:
Nil

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 (1) OF THE COMPANIES ACT, 2013

Item No 4

Ms Ameeta Trehan is a Post Graduate and has rich experience in Finance. She was appointed as Additional Director by the Board at its meeting held on 09.02.2015 She is holding directorship in one more company. The Board is of the opinion that Ms Ameeta Trehan fulfils the conditions specified in the Companies Act, 2013 for such an appointment and hence recommends the resolution for approval of the Shareholders. No Director / Key Managerial Personnel and their relatives are concerned or interested in this resolution.

Item No 5

Mr. M L Sachdeva is a Transmission and Sub-station Expert having more than 5 decades experience. He is already a Director on our Board and the present resolution is to appoint him as Independent Director for 5 years not liable to retire by rotation under the relevant provisions of the Companies Act, 2013. The Board is of the opinion that Mr M L Sachdeva fulfils the conditions specified in the Companies Act, 2013 for such an appointment and hence recommends the resolution for approval of the Shareholders. No Director / Key Managerial Personnel and their relatives are concerned or interested in this resolution.

Item 6.

This item relates to the re-appointment of Shri D C Galada, Managing Director for a further period of five (5) years valid upto 31.12.2020.

Shri D C Galada was re-appointed for a period of five (5) years from 01.01.2011 to 31.12.2015 as Managing Director of the Company in the Annual General Meeting held on 30th September, 2011. His term expires on 31.12.2015 and the appointment is to be renewed for a further period of five (5) years as per Schedule V to the Companies Act, 2013. His re-appointment was approved by the Remuneration Committee and Board of Directors in their meetings held on 14th August, 2015.

Sri D.C.Galada managed the Company very efficiently during the period of sickness and kept its operations continuing in spite of serious challenges faced by the Company from all quarters. The initiatives and strategies taken by Sri D.C.Galada has not only helped the Company to keep its operations going but also is now all set to lift the Company from the present sickness. The continuance of Sri D.C.Galada at the helm of affairs of the Company at this juncture is absolutely necessary for its rehabilitation

Shri D C Galada is the son of Shri Mahaveer Chand Galada, Director of the Company and brother of Shri Devendra Galada, Executive Director of the Company.

Section 196 (3) of the Act, inter alla, provides that no company shall continue the employment of a person who has attained the age of seventy years as Managing Director, unless it is approved by the members by passing a Special Resolution. Schedule V to the Act contains a similar relaxation. As the age of Mr D C Galada is more than 70 years, the continuation of his employment as Managing Director requires the approval of members by a Special Resolution.

Accordingly, approval of the members is sought for passing the Special Resolution as set out at Item No 6 of the Notice.

DIRECTORS' REPORT

Your Directors have pleasure in presenting the 43rd Annual Accounts of the Company for the financial year ended 31st March, 2015

1. Financial Highlights

Particulars	Amount (Rs.Lacs)	
	Year ended 31.03.2015	Year ended 31.03.2014
Sale value of production	927	1549
Gross profit	172	19
Interest	289	593
Cash loss	117	574
Dep & w/o	68	302
Exceptional Item	(7708)	(862)
Profit before tax	7523	(14)
Profit after tax	7523	(14)
Dividend	—	—

2. DIVIDEND

In view of the operating loss suffered by the Company during the period under report, your Directors are not in a position to recommend any dividend for the year 2014-15

3. PRODUCTION AND SALES

The Company has not been operating its Uppal (Hyderabad) plant since May 2000 and at present only its Silvassa plant is working. As the banks suspended all the credit facilities earlier made available, the Company revised its business strategy by accepting and executing job orders. This is reflected in continuance of business in spite of absence of working capital facilities. The Company produced 9492 Mts of Conductor during the year under Report as compared to 4347 Mts in the previous year.

4. REFERENCE TO BIFR

The Company was declared as a sick industrial undertaking by BIFR in September, 2001 and Industrial Development Bank of India (IDBI) was appointed as the "Operating Agency" to examine the viability of the Company and formulate a scheme for its revival. As required, the Company submitted its Rehabilitation Proposal to IDBI and others in November, 2001 for their consideration. After a series of discussion, at the instance of the lending institutions, the Company submitted its revised Rehabilitation Proposal in October, 2003 and requested the institutions for its early consideration. After examining the proposal and further discussion, the Lenders initially gave time to the Company upto 30th September, 2004, which was later on extended upto 30th June, 2005, to show significant operational improvement in its performance. The Lenders also advised the Company to look into the possibility of one-time settlement of dues and the Company earnestly pursued the matter with the Lenders

BIFR vide its order dated 14.09.2007 confirmed its opinion of winding up in terms of Section 20(1) of the Sick Industrial Companies (Special Provisions) Act. The Company preferred an appeal and got stayed the aforesaid Order.

In the meantime, the Company's efforts to make a breakthrough in the matter has borne fruit and IDBI, SASF & UTI have agreed for one-time settlement of their dues. As regards others, modalities are being worked out. It is hoped that with massive investment planned in Power Sector, the situation is expected to turn-around in favour of the Company.

5. Contract / arrangement with related party

All contracts / arrangements / transactions entered by the Company during the financial year with related parties, were in the ordinary course of business and on an arm's length basis. Your Directors draw attention of the members to Note 45 to the financial statement which sets out related party disclosures.

6. Particulars of loans, investments and guarantees

The Company did not give any loan, make investment or provide guarantee u/s 186 of the Companies Act, 2013 during the financial year

7. Management Discussion and Analysis

a. Business review and outlook

The power sector, after going through a turbulent time for over a decade, has started looking up due to reforms initiated by the successive Governments. This augurs well for the aluminium industry, particularly for those like us engaged in the manufacture and supply of electrical conductors for overhead power transmission and distribution lines.

b. Internal Control System and their adequacy.

The Company has a proper and adequate system of internal controls with laid-down policies and procedures for all its operations and financial functions to see that all its assets are safeguarded and protected against loss from any unauthorized use or disposition and all financial records are maintained properly. The Company's Board has an Audit Committee which consists of two independent Directors to review, inter alia, the significant findings of the internal audit.

c. Rehabilitation Scheme.

BIFR vide its order dated 14.09.2007 confirmed its opinion of winding up in terms of Section 20(1) of the Sick Industrial Companies (Special Provisions) Act. The Company preferred an appeal before the Hon'ble High Court of Andhra Pradesh which has stayed BIFR order.

In the meantime, the Company's efforts to make a break through in the matter has borne fruit and IDBI, SASF & UTI have agreed for one time settlement of dues. As regards others, modalities are being worked out. It is hoped that with massive investment planned in Power Sector, the situation is expected to turn- around in favour of the Company.

d. Material developments in human resources / industrial relations.

The Company values human resource as one of its most important assets and is strengthening it in line with its growth plans. The Company has always had an excellent track record of cordial and harmonious industrial relations. This year too, the industrial relations in the Company have been very cordial and not a single man-day was lost on this account.

e. Cautionary Statement.

Statements in the Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations may be 'forward-looking statements' within the meaning of applicable securities law and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions affecting demand / supply and price conditions in the domestic and overseas markets in which the Company operates, changes in the Government regulations, tax law and other statutes and other incidental factors.

8. Composition of Directors

The Board of Directors as at 31.03.2015 comprises seven directors, of which five are non-executive. The Chairman is non-executive and the number of independent directors, i.e. those who have no business relationship with the Company is three. The composition is as under:

Name of the Director	Position
Executive	
Sri D C Galada	Promoter & Managing Director & CEO
Sri Devendra Galada	Promoter & Executive Director
Non-Executive Promoter	
Sri S M Kankaria	Promoter & Chairman
Sri M C Galada	Promoter Director
Non-Executive Independent	
Sri M L Sachdeva	Director
Ms Ameeta Trehan	Director
Nominee Director - Independent	
Sri S V Kanaka Seshu	Nominee of APIDC

9. Meetings of each Director:

Five Board Meetings were held during the year, the dates being 30.05.2014, 09.08.2014, 14.11.2014, 09.02.2015 and 28.03.2015. The last AGM was held on 30.09.2014.

The attendance record of the Directors at the Board Meetings and the last Annual General Meeting (AGM) is given below:

Name of the Director	Attendance Particulars		No. of other Directorships and other Committee Membership / Chairmanship.	
	Board Meeting	Last AGM	Other Directorships	Committee Memberships* (of which Chairman)
Sri		(Y/N)		
S M Kankaria	2	N	-	-
D C Galada	5	Y	1	-
Devendra Galada	5	Y	-	-
M C Galada	4	N	1	-
T B Subramaniam*	2	Y	2	2 (2)
M L Sachdeva	5	N	-	-
S V Kanaka Seshu	3	N	2	-
Ms Ameeta Trehan**	2	N	1	-

Note: Only three committees, namely, Audit Committee, Shareholders / Investor Grievance Committee and Remuneration Committee have been considered.

* Expired on 20.08.2014

** Appointed as Additional Director w.e.f 09.02.2015

10. Policy for selection of Directors

The Board formulated the following policy for selection of Directors and determining their Independence.

1) Introduction

- a) The Company believes that an enlightened Board consciously creates a culture of leadership to provide a long-term vision and policy approach to improve the quality of governance. Towards this, the Company ensures constitution of Board of Directors with an appropriate composition, size, diversified expertise and experience and commitment to discharge their responsibilities and duties effectively.
- b) The Company recognizes the importance of Independent Directors in achieving the effectiveness of the Board. The Company aims to have an optimum combination of Executive, Non-Executive and Independent Directors.

2) Scope

This Policy sets out the guiding principles for identifying persons who are qualified to become Directors and to determine the independence of Directors, in case of their appointment as independent directors of the Company.

3) Policy

a) Qualifications and Criteria

- i) The Board, shall review on an annual basis, appropriate skills, knowledge and experience required of the Board as a whole and its individual members. The objective

is to have a Board with diverse background and experience that are relevant for the Company's global operations.

- ii) In evaluating the suitability of individual Board member, the following factors are taken into account
- General understanding of the Company's business dynamics, global business and social perspective;
 - Educational and professional background
 - Standing in the profession
 - Personal and Professional ethics, integrity and values;
 - Willingness to devote sufficient time and energy in carrying out their duties and responsibilities effectively.
- iii) The proposed appointee shall also fulfill the following requirements:
- Shall possess a Director Identification Number;
 - Shall not be disqualified under the Companies Act, 2013;
 - Shall give his written consent to act as a Director;
 - Shall endeavor to attend all Board Meetings and wherever he is appointed as a Committee Member, the Committee Meetings;
 - Shall abide by the Code of Conduct established by the Company for Directors and Senior Management Personnel;
 - Shall disclose his concern or interest in any company or companies or bodies corporate, firms, or other association of individuals including his shareholding at the first meeting of the Board in every financial year and thereafter whenever there is a change in the disclosures already made;
 - Such other requirements as may be prescribed, from time to time, under the Companies Act, 2013, Equity Listing Agreements and other relevant laws.

b) Criteria of Independence

- i) The Board shall assess the independence of Directors at the time of appointment / re-appointment and the Board shall assess the same annually. The Board shall re-assess determinations of independence when any new interests or relationships are disclosed by a Director.
- ii) The Independent Directors shall abide by the "Code for Independent Directors" as specified in Schedule IV to the Companies Act, 2013.

c) Other directorships / committee memberships

- i) The Board members are expected to have adequate time and expertise and experience to contribute to effective Board performance. Accordingly, members should voluntarily limit their directorships in other listed public limited companies in such a way that it does not interfere with their role as directors of the Company. The Board shall take into account the nature of and the time involved in a Director's service on other Boards, in evaluating the suitability of the individual Director.
- ii) A Director shall not serve as Director in more than 20 companies of which not more than 10 shall be Public Limited Companies.

- iii) A Director shall not serve as an Independent Director in more than 7 Listed Companies and not more than 3 Listed Companies in case he is serving as a whole-time Director in any Listed Company.
- iv) A Director shall not be a member in more than 10 Committees or act as Chairman of more than 5 Committees across all companies in which he holds directorships.

For the purpose of considering the limit of the Committees, Audit Committee and Stakeholders' Relationship Committee of all Public Limited Companies, whether listed or not, shall be included and all other companies including Private Limited Companies, Foreign Companies and Companies under Section 8 of the Companies Act, 2013 shall be excluded.

11. Remuneration Policy

The following Remuneration Policy for Directors, Key Managerial Personnel and other employees is followed

1. Introduction

Galada Power and Telecommunication Ltd., (GPTL) recognizes the importance of aligning the business objectives with specific and measurable individual objectives and targets. The Company has therefore formulated the remuneration policy for its directors, key managerial personnel and other employees keeping in view the following objectives:

- a) Ensuring that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate to run the company successfully.
- b) Ensuring that relationship of remuneration to performance is clear and meets the performance benchmarks.
- c) Ensuring that remuneration involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the company and its goals.

2. Scope

This policy sets out the guiding principles for the Nomination and Remuneration Committee for recommending to the Board the remuneration of the directors, key managerial personnel and other employees of the Company.

3. Policy

- a) **Remuneration to Managing Director, Executive Director and Key Managerial Personnel.**
 - i) The Board on the recommendation of Nomination and Remuneration Committee, shall review and approve the remuneration payable to Managing Director and Executive Director of the Company within overall limits approved by the shareholders.
 - ii) The Board, on the recommendation of the Committee, shall also review and approve the remuneration payable to the Key Managerial Personnel of the Company.
 - iii) The remuneration structure to the Managing Director, Executive Director and Key Managerial Personnel shall include the following components:
 - * Basic Pay
 - * Perquisites and Allowances
 - * Retiral benefits

b) Remuneration to Non-Executive Directors.

Non-Executive Directors shall be entitled to sitting fees for attending the meetings of the Board and the Committees thereof. The Non-Executive Directors shall also be entitled to reimbursement of expenses in addition to the sitting fees.

c) Remuneration to other employees

Employees shall be assigned grades according to their qualifications and work experience, competencies as well as their roles and responsibilities in the organization. Individual remuneration shall be determined within the appropriate grade and shall be based on various factors such as job profile, skill sets, seniority, experience and prevailing remuneration levels for equivalent jobs.

12. Declaration by Independent Director

The Company received necessary declarations from each Independent Director u/s 149 (7) of the Companies Act, 2013 to the effect that he / she meets the criteria of independence laid down in Section 149(6) of the Companies Act, 2013.

13. Board Evaluation

The evaluation of all the Directors and the Board as a whole was conducted based on the criteria and frame work adopted by the Board as envisaged in the Companies Act, 2013.

14. Training of Independent Directors

Every new Independent Director of the Board attends an orientation programme to get familiarized with the Company's strategy, operations, product, service, markets, organization structure, finance, human resources, technology, quality, facilities and risk management.

15. Changes in the Board of Directors.

1. Mr T B Subramanian expired on 20.08.2014 and the Board places on record its appreciation for the services rendered by him during his tenure with the Company.
2. Ms Ameeta Trehan who is well versed with the Indian financial system was appointed as Additional Director w.e.f 09.02.2015 to hold office till the date of AGM. The Company seeks your support in confirming the appointment of Ms Ameeta Trehan in the ensuing AGM.
3. As per the provisions of the Companies Act 2013, Mr M C Galada retires at the ensuing AGM and being eligible, seeks reappointment. The Board recommends his reappointment.
4. The Companies Act, 2013 provides for the appointment of Independent Directors upto 5 consecutive years on the Board of the Company. Accordingly, the Board recommends the appointment of Shri M L Sachdeva and Ms Ameeta Trehan as Independent Directors for 5 consecutive years on the Board of our Company and the support of the member is sought for in this regard.

16. Committees of the Board

Consequent to the demise of Shri T B Subramaniam and the induction of Ms Ameeta Trehan on our Board, the following Committees are reconstituted with effect from 09.02.2015.

a. Audit Committee

1	Ms Ameeta Trehan	Chairman
2	Shri M L Sachdeva	Member
3	Shri M C Galada	Member

b. Nomination and Remuneration Committee

1	Shri M L Sachdeva	Member
2	Ms Ameeta Trehan	Chairman

c. Shareholder’s / Investor’s Grievance Committee

1	Ms Ameeta Trehan	Chairman
2	Shri M C Galada	Member

17. Director’s Responsibility Statement

- a. In the preparation of the annual accounts for the year ended March 31, 2015, the applicable accounting standards read with requirements set out under Schedule III to the Act, have been followed and there are no material departures from the same;
- b. The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31,2015 and of the profit of the Company for the year ended on that date;
- c. The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. The Directors have prepared the annual accounts on a ‘going concern’ basis;
- e. The Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively;
- f. The directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

18. Auditors & Auditor’s Report

1. Statutory Auditors

M/s Brahmayya & Co, Chartered Accountants hold office till the conclusion of the ensuing Annual General Meeting and are eligible for reappointment. They have confirmed their eligibility to the effect that their re-appointment, if made, would be within the prescribed limits under the Act and that they are not disqualified for re-appointment.

2. Cost Auditors

The provision of the Companies Act, 2013 in this regard are not applicable to the Company.

3. Secretarial Auditor

The Board appointed S V Achary & Company, Company Secretaries to conduct Secretarial Audit for the financial year 2014-15. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark and was taken on record by the Board in their meeting held on 30.05.2015. The Audit Report is attached herewith as Annexure I.

19. Explanation / comments by the Board on the qualification, reservation, adverse remark or disclaimer made by the Statutory Auditor in his report

1. Additional interest / liquidated damages payable to Financial Institutions and others are not provided as the Company has sought waiver of these amounts from the Institutions. The Company has already received approvals from IDBI, SASF & UTI and as regards others, modalities are being worked out.
2. Interest on working capital demand loan has not been provided from the date of initiation of legal proceedings by Banks.

As regards observations at para 7(b) forming part of Annexure to Auditor's Report, we submit that the payment of arrears of sales tax and property tax is being suitably dealt with in the Rehabilitation Package / OTS proposal. As regards the re-appointment of Executive Director and Managing Director, we submit that the re-appointments are made on the same terms and conditions stipulated on 30.11.1994 and no increase whatsoever is considered pending the complete turn-around of the Company. The equipment in transit is inspected by the Company officials at regular intervals and the equipment can be commissioned once it is cleared from the Customs under the Rehabilitation Scheme which is yet to be formulated.

20. Annual Return

Extract of Annual Return of the Company is attached herewith as Annexure II

21. Risk Management

The Company manages, monitors and reports on the principal risk and uncertainties that can impact its ability to achieve its strategic objectives. The Company's management systems, organization structure, processes, standards, code of conduct and behavior govern the business of the Company and manage the associated risks

22. Internal financial control

The Company has in place adequate internal financial controls with reference to financial statements. During the year, such controls were tested and no reportable material weakness in the design or operation was observed.

23. Conservation of energy, technology absorption and foreign exchange earnings loutgo

A. Conservation of Energy

The Company has been vigorously implementing various measures for energy conservation such as installation of sophisticated power saving furnaces in the heat treatment and ageing operations and carrying out modifications on a continuing basis for conservation of energy in other fields. The additional cost incurred is more than offset by the reduction in production cost due to lower consumption of energy per unit of output.

B. Technology Absorption

The efforts of the Company are focused on improvement of" existing products and standardization. There is no bought - out technology from foreign countries to be absorbed by the company.

C. Foreign Exchange Earnings and Outgo

There are no foreign exchange earnings and outgo during the period under report.

24. General

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review

1. Details relating to deposits covered under Chppter V of the Act
2. Issue of equity shares with differential rights as to dividend, voting or otherwise.
3. Issue of shares (including sweat equity shares) to employees of the Company under any scheme
4. Neither the Managing Director nor the Executive Director of the Company receives any remuneration or commission from any of its subsidiaries
5. No significant or material orders were passed by the regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.

Your Directors further state that during the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act 2013.

ACKNOWLEDGMENTS

The Board of Directors would like to place on record their deep appreciation and sincere thanks for the continues cooperation, guidance, support and assistance provided during the period under review by all the stake holders.

By order of the Board

D C Galada
Managing Director

Devendra Galada
Executive Director

Place : Hyderabad

Date : 30.05.2015

ANNEXURE I TO BOARDS' REPORT

Form No. MR-3

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

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2015

To,
The Members,
GALADA POWER AND TELECOMMUNICATION LIMITED.

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

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

We have examined the books, papers, minute books, forms and returns filed and other records maintained by GALADA POWER AND TELECOMMUNICATION LIMITED ("the Company") and relied on the information provided by the management and its officers for the financial year ended on 31st March, 2015 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment received by the Company during the financial year 2014-2015;
- (v) The following Regulations prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- (d) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (e) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (vi) The industry specific Acts, labour and other applicable laws as provided by the management of the Company.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above. We have also examined compliance with the applicable clauses of The Listing Agreement entered into by the Company with Bombay Stock Exchange Limited.

We report that

The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent as per the provisions of the Act and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

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

For S.V. Achary & Co
Company Secretaries
Sd/-
S.V. NARAYANA CHARYULU
Membership Number: 5981
Certificate of Practice Number: 4768

Place : Hyderabad

Date : 26-05-2015

Note: This report is to be read with our letter of even date which is annexed as 'Annexure' and forms an integral part of this report.

To,
The Members,
GALADA POWER AND TELECOMMUNICATION LIMITED,
Hyderabad.

Our report of even date is to be read with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these Secretarial Records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of Secretarial Records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial Records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Where ever required, we have obtained Management Representation about the compliance laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For S.V. Achary & Co
Company Secretaries

Sd/-

S.V. NARAYANA CHARYULU
Practicing Company Secretary
Membership Number: 5981
Certificate of Practice Number: 4768

Place: Hyderabad
Date: 26-05-2015

ANNEXURE II TO BOARDS' REPORT
**FORM NO. MGT 9
 EXTRACT OF ANNUAL RETURN**
As on 31.03.2015

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

I. REGISTRATION & OTHER DETAILS:

1. CIN	L64203AP1972PLC001513
2. Registration Date	24-06-1972
3. Name of the Company	GALADA POWER AND TELECOMMUNICATION LTD
4. Category/Sub-category of the Company	PUBLIC COMPANY / LIMITED BY SHARES
5. Address of the Registered office & contact details	P 2/6, IDA, BLOCK III, UPPAL, HYDERABAD – 500039 PHONE NO – 040-27766224 / 5
6. Whether listed company	YES
7. Name, Address & contact details of the Registrar & Transfer Agent, if any.	VENTURE CAPITAL AND CORPORATE INVESTMENT LTD, 12-10-167, BHARATHNAGAR, HYDERABAD 500 018 PHONE - 040 – 23818475 / 6

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

Name and Description of main products / services	NIC Code of the Product / service	% to total turnover of the company
ALUMINIUM WIRE RODS / CONDUCTORS	242- MANUFACTURE OF NON- FERROUS METALS	100%

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -
 NIL**

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

(i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2014]				No. of Shares held at the end of the year [As on 31-March-2015]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	1106022	70999	1177021	15.71	1106022	70999	1177021	15.71	0
Sub -total (A) (1)	1106022	70999	1177021	15.71	1106022	70999	1177021	15.71	0
(2) Foreign	0	0	0	0	0	0	0	0	0
Sub -total (A) (2)	0	0	0	0	0	0	0	0	0
Total shareholding of Promoter (A)	1106022	70999	1177021	15.71	1106022	70999	1177021	15.71	0
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	0	200	200	0.01	0	200	200	0.01	0
b) Banks / FI	1094277	1200	1095477	14.62	1094276	1200	1095476	14.62	0
Sub-total (B)(1):-	1094277	1400	1095677	14.63	1094276	1400	1095676	14.63	0
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	1198098	42680	1240778	16.57	1229220	42180	1271400	16.98	(+)0.41
b) Individuals	0	0	0	0	0	0	0	0	0
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	2009805	813464	2823269	37.70	1811885	737265	2549150	34.03	(-)3.67
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	1127384	11400	1138784	15.20	1273549	70899	1344448	17.95	(+)2.75
c) Others									
Clearing Members	14351	0	14351	0.19	52185	0	52185	0.70	(+)0.51
Sub-total (B)(2):-	4349638	867544	5217182	69.66	4366839	850344	5217183	69.66	0
Total Public Shareholding (B)=(B)(1)+ (B)(2)	5443915	868944	6312859	84.29	5461115	851744	6312859	84.29	0
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	6549937	939943	7489880	100.00	6567137	922743	7489880	100.00	0

(ii) Shareholding of Promoter-

Sl No	Shareholder's Name	Shareholding at the beginning of the year		Shareholding at the end of the year		Increase /decrease in share holding during the year (2014-15)		
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company	Date	No. of Shares	Reason
1	Amita Galada	145287	1.94	145287	1.94	No Change		
2	Aditya Kumar Kankaria	19000	0.25	19000	0.25			
3	Binod Chand Kankaria	30800	0.41	30800	0.41			
4	Biraj Kavar Galada	67000	0.89	67000	0.89			
5	Chandra Kant Kankaria	38200	0.51	38200	0.51			
6	Devendra Galada	145090	1.94	145090	1.94			
7	Dharam Chand Galada	190050	2.54	190050	2.54			
8	Gaurav Kankaria	5500	0.07	5500	0.07			
9	Lalit Kumar Kankaria	48670	0.65	48670	0.65			
10	M C Galada	59399	0.79	59399	0.79			
11	Manisha Kankaria	9100	0.12	9100	0.12			
12	Manohar Kumar Kankaria	37460	0.50	37460	0.50			
13	Phool Kumari Kankaria	28650	0.38	28650	0.38			
14	Pramila Kankaria	52864	0.71	52864	0.71			
15	Sandip Kumar Kankaria	20700	0.28	20700	0.28			
16	Sardarmull Kankaria	36023	0.48	36023	0.48			
17	Shail Galada	29591	0.40	29591	0.40			
18	Shashi Kankaria	39300	0.52	39300	0.52			
19	Snehlata Galada	141737	1.89	141737	1.89			
20	Subhas Chand Kankaria	32600	0.44	32600	0.44			
	Total	1177021	15.71	1177021	15.71			

(iii) Change in Promoters' Shareholding

SI No	Particulars	No. of shares	% of total shares of the company
	At the beginning of the year	1177021	15.71
	Date wise Increase / Decrease in Promoters Shareholding during the year	No change	
	At the end of the year	1177021	15.71

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

SI No	Name	No. of shares (as on 31.03.2015)	No of shares (as on 31.03.2014)	Increase / decrease in shareholding during the year (2014-15)	
				No of shares	Reason
1	GIICL	178465	178465	No change	
2	DD Investment and Leasing Pvt Ltd	503126	504126	(-) 1000	Transfer
3	IDBI	1043068	1043069	(-)1	Transfer
4	Ecoman Vinimay P Ltd	100000	100000	No change	
5	Motilal Oswal Financial Services Ltd	240920	240770	(+)150	Transfer
6	Hemant Kumar Gupta	243778	146094	(+) 97684	Transfer
7	Sharon Gupta	135461	90933	(+) 44528	Transfer
8	Shweta Mehul Shah	180424	150265	(+)30159	Transfer
9	Mehul Rashmikanth Shah	127062	37810	(+)89252	Transfer
10	Preeti Mishra	75742	9975	(+)65767	Transfer

(v) Shareholding of Directors and Key Managerial Personnel:

SI No	Name	Shareholding at the beginning of the year (as on 01.04.2014)	Change during the year (2014-15)	Shareholding at the end of the year (as on 31.03.2015)
1	Dharam Chand Galada	190050	0	190050
2	Devendra Galada	145090	0	145090
3	Mahaveer chand Galada	59399	0	59399

V) INDEBTEDNESS

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	802560115	7022033	0	809582148
ii) Interest due but not paid	886343377	0	0	886343377
iii) Interest accrued but not due	936986	0	0	936986
Total (i+ii+iii)	1689840478	7022033	0	1696862511
Change in Indebtedness during the financial year				
* Addition	0	0	0	0
* Reduction	872324740	0	0	872324740
Net Change	(872324740)	0	0	(872324740)
Indebtedness at the end of the financial year				
i) Principal Amount	672931056	7022033	0	679953089
ii) Interest due but not paid	144584682	0	0	144584682
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	817515738	7022033	0	824537771

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

SI No.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
		Dharam chand Galada	Devendra Galada	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	492000	480000	972000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	537257	368774	906031
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	0	0	0
2	Stock Option	0	0	0
3	Sweat Equity	0	0	0
4	Commission - as % of profit - others, specify...	0	0	0
5	Others, please specify	0	0	0
	Total (A)	1029257	848774	1878031
	Ceiling as per the Act	1029257	848774	

B. Remuneration to other directors

SI No	Particulars of Remuneration	Name of Directors				Total Amount
		T B Subramaniam	Kanaka Seshu	M L Sachdeva	Ameeta Trehan	
1	Independent Directors					
	Fee for attending board committee meetings	2000	1500	4000	2000	9500
	Commission	0	0	0	0	0
	Incidental Expenses	0	0	0	0	0
	Total (1)	2000	1500	4000	2000	9500
2	Other Non-Executive Directors	M C Galada	S M Kankaria			
	Fee for attending board committee meetings	4000	1000			5000
	Commission	0	0			0
	Incidental Expenses	0	0			0
	Total (2)	4000	1000			5000
	Total (B)=(1+2)					14500
	Total Managerial Remuneration					1892531
	Overall Ceiling as per the Act					1892531

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

SI No	Particulars of Remuneration	CS & CFO
1	Gross salary	
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	538140
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	480000
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	0
2	Stock Option	0
3	Sweat Equity	0
4	Commission	
	- as % of profit	0
	others, specify...	0
5	Others, please specify	0
	Total	1018140

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: - NIL

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF GALADA POWER AND TELECOMMUNICATION LIMITED, HYDERABAD.

Report on the Financial Statements:

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

Management's Responsibility for the Financial Statements:

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

Auditor's Responsibility:

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

An audit involves performing procedures to obtain audit evidence about the amounts and 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 financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances.

An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Basis for Qualified Opinion:

- a. The Company has not provided for the liability amounting to Rs.6,077 lakhs due up to 31st March, 2014 on account of additional interest and liquidated damages payable to the Financial Institutions for non compliance with the terms of sanction of loans and / or repayment schedules.

- b. The Company has not provided for the liability on account of interest on recalled bank working capital loans amounting to Rs.23,929 lakhs up to 31st March, 2014 and Rs.2,569 lakhs for the year.

Consequent to the above, the loss for the year and the liabilities as at 31.03.2015 is understated by Rs.2,569 lakhs and Rs. 32,575 lakhs respectively.

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

Emphasis of Matter:

We draw attention to the following matters in the Notes to the financial statements:

- a. Note 1 to the financial statements regarding the preparation of the financial statements on a going concern basis, despite substantial erosion of the net worth, lower cash inflows from the existing business activities and Continuous default in payment of dues to banks / financial institutions and the legal proceedings initiated by the Bankers of the Company for the recovery of the debts.
- b. Note 30 to the financial statements on suitability of Equipment in Transit for its intended use
- c. Note 33 to the financial statements regarding the appointment and payment of Managerial Remuneration.
- d. Note 38 to the financial statements on non compliance with the provisions of Sec-205-A (1) of the Companies Act, 1956 regarding transfer of unpaid dividend to a special Bank Account.

Our opinion is not qualified in respect of these matters.

Report on Other Legal and Regulatory Requirements:

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) Except for the effects of the matter described in the Basis for Qualified Opinion paragraph above, in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books
 - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) Except for the effects of the matter described in the Basis for Qualified Opinion paragraph above, in our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) The matter described in the Basis for Qualified Opinion paragraph above, in our opinion, may have an adverse effect on the functioning of the Company.

- (f) On the basis of the written representations received from the directors as on 31st March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 48 to the financial statements
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. According to the information and explanations given to us, there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

for BRAHMAYYA & CO;
Chartered Accountants
Firm's Registration Number: 000513S

(P. CHANDRAMOULI)

Partner

Membership Number: 025211

Place : Hyderabad

Date : 30.05.2015

Annexure to the Auditor's Report:

The Annexure referred to in Para 1 under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date, to the members of GALADA POWER AND TELECOMMUNICATION LIMITED, HYDERABAD, for the year ended March 31, 2015.,

1.
 - a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - b. As explained to us, the management has physically verified the fixed assets during the year and there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of the assets. No discrepancies were noticed on such verification.
2.
 - a. The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
 - b. In our opinion, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
 - c. The Company is maintaining proper records of inventory. The discrepancies noticed on physical verification between the physical stocks and book records were not material.
3.
 - a. During the year, the Company has not granted any loans, secured or unsecured to Companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act, 2013.
 - b. In view of our comment in paragraph (a) above, Clause (III) (a) and (b) of paragraph 3 of the aforesaid order are not applicable to the Company.

4. In our opinion and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the Company and the nature of its business with regard to purchase of inventory and fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control system.
5. The Company has not accepted any deposits from the public. Hence the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013, and the rules framed there under, do not apply to this Company.
6. We have broadly reviewed the cost records maintained by the Company pursuant to sub-section (1) of section 148 of the Companies Act, 2013 and are of the opinion that prime facie the prescribed accounts and records have been made and maintained. We have however not made a detailed examination of the cost records with a view to determine whether they are accurate or Complete.
7.
 - a. According to the records of the Company, the company regular in depositing undisputed statutory dues including provident fund, employees 'state insurance, income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues with the appropriate authorities.
 - b. According to the records of the Company, no un disputed statutory dues including provident fund, employees 'state insurance, income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues were in arrears as at March 31, 2015 for a period of more than six months from the date they became payable except the following.

Nature of Statute	Nature of the Dues	Amount Rs.	Period to which the amount relates	Due date	Date of payment
The Companies Act, 1956	Investor Education and Protection Fund	115,56,699	1996	30.12.2003	Not yet paid
APGST Act	IFST Loan Differed Sales Tax Sales tax	3,11,190	1988	25.07.1997	Not yet paid
		67,10,843	1996	01.04.2001	
		5,25,000	2000	01.08.2001	
AP Municipalities Act, 1965	Property Tax	9,84,920	1997 to 2011	1997- 2011	Not yet paid
		2,07,075	2011 to 2012	30.09.2011	
		2,07,075	2011 to 2012	31.03.2012	
		2,07,075	2012 to 2012	30.09.2012	
		2,07,075	2012 to 2013	31.03.2013	
		2,07,075	2013 to 2014	30.09.2013	
		2,07,075	2013 to 2014	31.03.2014	
2,07,075	2014 to 2015	30.09.2014			
Customs Act 1942	Duty on Imports	30,02,346			Not yet paid

- c. According to the records of the Company and the information and explanations given to us, there were no dues of income tax or sales tax or wealth tax or service tax or duty of customs or duty of excise or value added tax or cess have not been deposited on account of any dispute.
- d. According to the information and explanations given to us , there were no amounts which were required to be transferred to Investor Education and Protection Fund. Therefore, the provisions of clause 3 (vii) (c) of the Companies (Auditor's Report) Order, 2015 are not applicable to the Company.
8. The accumulated losses of the Company as at the end of the financial year under reference are more than fifty percent of net worth of the Company. The Company has incurred cash losses during the year covered by our audit and also in the immediately preceding financial year.
9. In our opinion the company has defaulted in repayment of dues to financial institutions, banks and debenture holders. However, the period and amount of default is not furnished as the Company has submitted its rehabilitation proposal to re schedule all dues payable to the financial institutions, banks and debenture holders.
10. The Company has not given any guarantee for the loans taken by others from banks and financial institutions.
11. During the year the Company has not obtained any term loans. Therefore, the provisions of clause 3 (xi) of the Companies (Auditor's Report) Order, 2015 are not applicable to the Company.
12. Based upon the audit procedures performed and according to the information and explanations given to us, we report that no fraud on or by the Company has been noticed or reported during the year.

for BRAHMAYYA & CO;
Chartered Accountants
Firm's Registration Number: 000513S

(P. CHANDRAMOULI)
Partner
Membership Number: 025211

Place : Hyderabad
Date : 30.05.2015

BALANCE SHEET AS AT 31 MARCH , 2015.

PARTICULARS	NOTES	31.03.2015 Rs.	31.03.2014 Rs.
EQUITY AND LIABILITIES			
Share holders funds			
Share Capital	04	74,898,800	74,898,800
Reserves and Surplus	05	<u>(674,142,851)</u>	<u>(1,518,980,075)</u>
		<u>(599,244,051)</u>	<u>(1,444,081,275)</u>
Non - Current liabilities			
Long Term Borrowings	06	150,380,000	217,791,456
Long - Term Provisions	07	<u>631,113</u>	<u>581,034</u>
		<u>151,011,113</u>	<u>218,372,490</u>
Current liabilities			
Short term borrowings	08	419,746,482	419,746,482
Trade Payables	09	20,896,359	25,187,443
Other Current Liabilities	10	281,253,109	1,091,333,070
Short - Term Provisions	11	<u>1,909,950</u>	<u>1,852,676</u>
		<u>723,805,900</u>	<u>1,538,119,671</u>
TOTAL		<u>275,572,962</u>	<u>312,410,886</u>
ASSETS			
Non - Current assets			
Fixed Assets			
Tangible Assets	12	79,578,912	93,642,665
Machinery in Transit (refer Note:30)		113,210,705	113,210,705
Long-Term Loans and Advances	13	<u>8,429,198</u>	<u>5,800,949</u>
		<u>201,218,815</u>	<u>212,654,319</u>
Current Assets			
Inventories	14	1,388,862	5,197,226
Trade Receivables	15	17,906,722	21,839,268
Cash and Cash Equivalents	16	32,654,571	42,615,241
Short-Term Loans and Advances	17	11,223,525	21,771,673
Other Current Assets	18	<u>11,180,467</u>	<u>8,333,159</u>
		<u>74,354,147</u>	<u>99,756,567</u>
TOTAL		<u>275,572,962</u>	<u>312,410,886</u>

NOTES FORMING PART OF FINANCIAL STATEMENTS
01 - 49

for and on behalf of the Board

 per our report of even date
for BRAHMAYYA & CO.,
 Chartered Accountants
 Firm's Registration Number: 000513S

 D C GALADA
 Managing Director

 DEVENDRA GALADA
 Executive Director

 V SUBRAMANIAN
 Vice President, Secretary & CFO

 P.CHANDRAMOULI
 Partner
 Membership Number: 025211
 Place: Hyderabad
 Date : 30.05.2015

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

PARTICULARS	NOTES	31.03.2015 Rs.	31.03.2014 Rs.
INCOME			
Revenue from Operations	19	64,074,778	152,178,203
Other Income	20	32,253,506	7,134,154
TOTAL REVENUE		96,328,284	159,312,357
EXPENSES			
Cost of Material Consumed	21	-	68,284,312
(Increase)/Decrease in Inventories	22	3,663,434	4,404,381
Employee Benefits Expense	23	25,650,155	24,174,184
Finance Costs	24	28,896,488	59,341,942
Depreciation Expense	25	6,790,668	12,129,833
Other Expenses	26	49,820,093	78,575,291
TOTAL EXPENSES		114,820,838	246,909,943
PROFIT/(LOSS) BEFORE EXCEPTIONAL ITEMS AND TAX		(18,492,554)	(87,597,586)
EXCEPTIONAL ITEMS: waivers by Term Lenders	27	770,827,504	86,207,907
PROFIT/(LOSS) BEFORE TAX		752,334,950	(1,389,679)
TAX EXPENSE		-	-
PROFIT/(LOSS) FOR THE YEAR AFTER TAX		752,334,950	(1,389,679)
EARNINGS PER EQUITY SHARE OF Rs.10/-EACH			
Basic and diluted	28	100.45	(0.19)

NOTES FORMING PART OF FINANCIAL STATEMENTS01 - 49

for and on behalf of the Board

 per our report of even date
for BRAHMAYYA & CO.,
 Chartered Accountants
 Firm's Registration Number: 000513S

 D C GALADA
 Managing Director

 DEVENDRA GALADA
 Executive Director

 P.CHANDRAMOULI
 Partner

 V SUBRAMANIAN
 Vice President, Secretary & CFO

 Membership Number: 025211
 Place: Hyderabad
 Date : 30.05.2015

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

PARTICULARS	NOTES	31.03.2015 Rs.	31.03.2014 Rs.
A CASH FLOW FROM OPERATING ACTIVITIES			
Net Profit/(Loss) before Tax		752,334,950	(1,389,679)
Adjustments for:			
Depreciation		6,790,668	12,129,833
Net gain on sale of Tangible assets		(25,457,395)	(16,466)
Bad Debts written off		-	18,104,460
Inventories Written off		43,011	-
Sales Tax Written off		509,021	-
Interest (Net)		24,971,649	54,617,378
Excess Provisions Written Back		(571,868)	(41,319)
Waivers from lenders		(770,827,504)	(86,207,907)
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES		(12,207,468)	(2,803,700)
Adjustments for:			
Increase / (decrease) in Long Term Provisions		50,079	52,638
Increase / (decrease) in Trade Payables		(4,291,084)	(34,142,114)
Increase / (decrease) in Other Current liabilities		757,732,695	2,081,503
Increase / (decrease) in Short Term Provisions		57,274	5,089
(Increase) / decrease in Long Term Loans and advances		(2,628,249)	8,232,053
(Increase) / decrease in Short Term Loans and advances		10,548,148	(10,065,386)
(Increase) / decrease in Inventories		3,765,353	29,215,940
(Increase) / decrease in Trade Receivables		3,932,546	18,672,949
(Increase) / decrease in Other Current Assets		(280,233)	1,122,582
Direct Taxes Paid (net of refunds)		(2,125,328)	(1,532,707)
NET CASH FROM OPERATING ACTIVITIES		(A) 754,553,733	10,838,847
B CASH FLOW FROM INVESTING ACTIVITIES:			
Purchase of Fixed Assets		(2,356,635)	(5,083,102)
Sale of Fixed Assets		25,407,823	267,500
Interest received		3,966,096	4,248,634
NET CASH USED IN INVESTING ACTIVITIES		(B) 27,017,284	(566,968)
C CASH FLOW FROM FINANCING ACTIVITIES			
Increase / (decrease) in Long Term Borrowings		(20,274,368)	(289,548)
Interest paid		(771,257,319)	-
NET CASH GENERATED IN FINANCING ACTIVITIES (C)		(791,531,687)	(289,548)
NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)		(9,960,670)	9,982,331
Cash and Cash equivalents as at beginning of the year		42,615,241	32,632,910
Cash and Cash equivalents as at the end of the year #		32,654,571	42,615,241
# including restricted balance of		6,924,652	3,535,862

for and on behalf of the Board

per our report of even date
for **BRAHMAYYA & CO.**,
Chartered Accountants
Firm's Registration Number: 000513S

D C GALADA
Managing Director

DEVENDRA GALADA
Executive Director

V SUBRAMANIAN
Vice President, Secretary & CFO

P.CHANDRAMOULI
Partner

Membership Number: 025211
Place: Hyderabad
Date : 30.05.2015

NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31st MARCH 2015**1. NATURE OF OPERATIONS :**

GALADA POWER AND TELECOMMUNICATION LIMITED has been incorporated on 24.06.1972. At present the Company is engaged in the business of manufacturing Aluminum conductors and other allied products. The Company has recorded a net loss of Rs.2,753.92 Lakhs for the year and has accumulated losses of Rs.39,531.67 Lakhs as at March 31, 2014, resulting in substantial erosion of the net worth. Further, there were lower cash inflows from the existing business activities. The Company has defaulted in payment of dues to banks / financial institutions and could not comply with the terms of sanction and / or repayment schedules of the lending institutions and Banks; consequently all the lending institutions recalled the loans and the Bankers of the Company also initiated legal proceedings for the recovery of the debts. The matter was referred to Board for Industrial and Financial Reconstruction (BIFR) and the Company had been declared sick. Later on, BIFR confirmed their opinion for winding up in terms of Section 20(1) of the Sick Industrial Companies (Special Provisions) Act, 1985 vide order dt:14-09-2007. The Company preferred an appeal before AAIFR which confirmed the BIFR order. The Company further preferred an appeal before the Hon'ble High Court of Andhra Pradesh which has stayed BIFR order and further hearings are in progress. As the Management of the Company is of the view that an acceptable and viable rehabilitation package can be worked out since all term lenders individually have in principle consented for financial restructuring and some of the lenders have already agreed for financial reconstruction, the accompanying financial statements have been prepared on a "going concern" basis.

2. BASIS OF ACCOUNTING: The financial statements have been prepared to comply in all material respects with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, and the relevant provisions of the Companies Act, 2013 and in accordance with Generally Accepted Accounting Principles in India under the historical cost convention and on accrual basis, except in case of assets for which provision for impairment is made and revaluation is carried out. The accounting policies are consistent with those used in the previous year.

3. SIGNIFICANT ACCOUNTING POLICIES:**a) Use of estimates:**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

b) Fixed Assets:

Fixed assets are stated at cost (or revalued amounts, as the case may be), less accumulated depreciation, amortisation and impairment losses if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

Borrowing costs relating to acquisition of fixed assets which take substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

c) Depreciation:

i. Depreciation is provided considering the useful lives of respective assets, as provided and prescribed under schedule II of the Companies Act, 2013.

- II. Fixed Assets costing rupees Five thousand or less are fully depreciated in the year of acquisition.

d) Impairment:

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life. Reversal of impairment losses recognised in prior years is recorded when there is an indication that the impairment losses recognised for the asset are no longer exist or have decreased.

e) Inventories:

- i. Raw materials, components, stores and spares are valued at lower of cost and net realizable value. However, raw materials and other items held for use in the production of inventories are not written down below the cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost is determined on FIFO basis.
- ii. Goods in transit are valued at Cost.
- iii. Finished goods, Work in progress, Scrap, by-products and loose tools are valued at lower of cost and net realizable value.
- iv. Cost includes direct materials, labour and a proportion of manufacturing overheads based on normal operating capacity. Cost is determined on FIFO basis and Cost of finished goods includes excise duty.
- v. Net realisable value is the estimated selling price in the ordinary course of business, less estimated selling costs.

f) Prior period items:

All items of income/expenditure pertaining to prior period, which are material, are accounted through "prior period adjustments" and the others are shown under respective heads of account in the Profit and Loss Account.

g) Investments:

Investments that are readily realisable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments. Current investments are carried at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value of each long term investment is made to recognize a decline other than temporary in nature.

h) Revenue Recognition:

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Specifically the following basis is adopted:

- i. **Sale of Goods:** Revenue is recognized when the significant risks and rewards of ownership of goods have passed to the buyer, which generally coincides with delivery. Sales are inclusive of excise duty and value added tax/sales tax and is net of sales

returns and discounts. Revenue from export sales is recognised on the date of bill of lading. Revenue on account of price escalations is accounted for on acceptance of such claims by the buyers.

- ii. **Income from Services:** Revenue is recognized as and the Services rendered as per the terms of individual Service Contract. Income from Services is accounted inclusive of service tax.
- iii. **Interest:** Revenue is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.
- iv. **Other Sundry incomes:** Insurance claims, conversion escalations are accounted for on accrual basis.

i) Government Grants and Subsidies:

Grants and subsidies from the government are recognized when there is reasonable assurance that the grant/subsidy will be received and all attaching conditions will be complied with.

When the grant or subsidy relates to an expense item, it is recognized as income over the periods necessary to match them on a systematic basis to the costs, which it is intended to compensate. Where the grant or subsidy relates to an asset, its value is deducted from the gross value of the assets concerned in arriving at the carrying amount of the related asset. Government grants in the form of non-monetary assets given at a concessional rate are accounted for on the basis of their acquisition cost.

j) Retirement and Other Employee Benefits:

- i. Gratuity liability is a defined benefit obligation and is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year.
- ii. The Provident Fund is a defined contribution scheme and the contributions are charged to the profit and loss account of the year when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the respective trusts.
- iii. Short term compensated absences are provided on an estimated basis. Long term compensated absences are provided for based on actuarial valuation on project unit credit method carried by an actuary as at the end of the year.
- iv. Actuarial gains/losses are immediately taken to profit and loss account and are not deferred.

k) Borrowing Costs: Borrowing costs that are directly attributable to the acquisition, construction or production of Fixed Assets, which take substantial period of time to get ready for their intended use, are capitalized. Other Borrowing costs are recognized as an expense in the year in which they are incurred.

l) Leases: Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased assets are classified as operating leases. **Where the Company is the lessee:** Operating lease payments are recognised as an expense in the profit and loss account on a straight-line basis over the lease term.

Where the Company is the lessor :

Assets subject to operating leases are included in fixed assets. Lease income is recognized in the profit and loss account. Costs, including depreciation are recognised as an expense

in the profit and loss account.

m) Earnings per Share (Basic and Diluted):

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

n) Taxes on Income:

Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act 1961 enacted in India. Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the Balance Sheet date. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. If the Company has carry forward of unabsorbed depreciation and tax losses, deferred tax assets are recognised only, if there is virtual certainty supported by convincing evidence that such deferred tax assets can be realised against future taxable profits.

o) Cash Flow Statement: Cash flows are reported using indirect method. Cash and cash equivalents in the cash flow statement comprise cash at bank, cash/cheques in hand and Fixed Deposits with Banks.

p) Contingent Liabilities: A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The company does not recognize a contingent liability but discloses its existence in the financial statements.

q) Provisions: A provision is recognised when there is a present obligation as a result of past event and 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. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

S.NO.	PARTICULARS	31.03.2015 Rs.	31.03.2014 Rs.																						
04. SHARE CAPITAL:																									
	AUTHORISED:																								
	10,900,000 Equity Shares of Rs.10/- each	109,000,000	109,000,000																						
	10,000 - 9.5% Cumulative Redeemable Preference Shares of Rs.100/- each	1,000,000	1,000,000																						
	TOTAL	110,000,000	110,000,000																						
	ISSUED:																								
	7,489,880 Equity Shares of Rs.10/- each	74,898,800	74,898,800																						
	10,000 - 9.5% Cumulative Redeemable Preference Shares of Rs.100/- each	1,000,000	1,000,000																						
	TOTAL	75,898,800	75,898,800																						
	SUBSCRIBED AND PAID - UP:																								
	7,489,880 Equity Shares of Rs.10/- each	74,898,800	74,898,800																						
	TOTAL	74,898,800	74,898,800																						
a.	Rights attached to equity Shares: The company has only one class of equity shares having a par value of Rs.10/- per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.																								
b.	Details of shareholders holding more than 5% shares in the company																								
		<table border="1"> <thead> <tr> <th colspan="2">31.03.2015</th> <th colspan="2">31.03.2014</th> </tr> <tr> <th>Nos</th> <th>Percentage</th> <th>Nos</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>Equity Shares of Rs.10/- each fully paid</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Industrial Development Bank of India</td> <td>1,043,069</td> <td>13.93</td> <td>1,043,069</td> <td>13.93</td> </tr> <tr> <td>DD Investment and Leasing Private Limited</td> <td>503,126</td> <td>6.73</td> <td>504,126</td> <td>6.73</td> </tr> </tbody> </table>		31.03.2015		31.03.2014		Nos	Percentage	Nos	Percentage	Equity Shares of Rs.10/- each fully paid				Industrial Development Bank of India	1,043,069	13.93	1,043,069	13.93	DD Investment and Leasing Private Limited	503,126	6.73	504,126	6.73
31.03.2015		31.03.2014																							
Nos	Percentage	Nos	Percentage																						
Equity Shares of Rs.10/- each fully paid																									
Industrial Development Bank of India	1,043,069	13.93	1,043,069	13.93																					
DD Investment and Leasing Private Limited	503,126	6.73	504,126	6.73																					
05. RESERVES AND SURPLUS:																									
	Capital Redemption Reserve	100,000	100,000																						
	Securities Premium Reserve	137,336,800	137,336,800																						
	Share Forfeiture Account	7,500,000	7,500,000																						
	Capital Reserve	51,125,000	51,125,000																						
	Add: Additions during the year (refer Note : 32)	100,854,691	-																						
		151,979,691	51,125,000																						
	Surplus i.e. balance in Statement of Profit and Loss :																								
	Opening Balance	(1,715,041,875)	(1,713,652,196)																						
	Less : Carrying amount of the assets whose remaining Useful life is nil	(8,352,417)	-																						
	Add: Net Profit / (loss) transferred from Statement of Profit and Loss	752,334,950	(1,389,679)																						
	Closing Balance	(971,059,342)	(1,715,041,875)																						
	TOTAL	(674,142,851)	(1,518,980,075)																						

S.NO.	PARTICULARS	31.03.2015 Rs.	31.03.2014 Rs.
06. LONG TERM BORROWINGS:			
	Term Loans: (Secured) #		
	Industrial Investment Bank of India (refer note: 37)##	40,000,000	40,000,000
	Industrial Development Bank of India	-	80,000,000
	Stressed Assets Stabilisation Fund	149,700,000	-
	Less: Current maturities	48,320,000	-
		101,380,000	-
	Unit Trust of India	15,000,000	-
	Less: Current maturities	6,000,000	-
		9,000,000	-
	Debentures:(Secured)		
	477,000 - 17.5% Redeemable Non - Convertible Debentures Rs.100/- each issued to Unit Trust of India	-	47,700,000
	500,000 - 18% Redeemable Non Convertible Debentures Rs.100/- each issued to Industrial Development Bank of India	-	50,000,000
	Other Loans and Advances:		
	Hire purchase loans Secured by Vehicles	-	91,456
	TOTAL	150,380,000	217,791,456
#	Term Loans are secured by the mortgage of Land, Buildings, Plant and Machinery and uncalled portion of capital, present and future on Pari-Passu basis and irrevocable personal guarantee of one of the Directors of the Company.		
##	The loan is already overdue for repayment and the company is in continuous default in repayments. However ,as the company's rehabilitation proposal submitted to BIFR is pending with the Hon'ble High Court of AP ,the loan is continued to be classified as long term ,which are otherwise current dues.		
07. LONG TERM PROVISIONS:			
	Provision for employee benefits:		
	Provision for Leave Encashment	631,113	581,034
	TOTAL	631,113	581,034
08. SHORT TERM BORROWINGS:(Secured)			
	Working Capital Loan from Syndicate Bank	264,135,400	264,135,400
	Working Capital Loan from Canara Bank (refer note:37)	155,611,082	155,611,082
	TOTAL	419,746,482	419,746,482

S.NO.	PARTICULARS	31.03.2015 Rs.	31.03.2014 Rs.
<p>The Working Capital facilities from Canara Bank and Syndicate Bank are secured by hypothecation of all movable assets of the Company and a second charge on all Fixed Assets of the Company and irrevocable personal guarantees of five of the Directors of the Company. As the company could not Comply with the terms of sanction, the Bankers have initiated legal Proceedings for recovery of above debts.</p>			
09. TRADE PAYABLES:			
	Creditors for Supplies and Services (refer Note :42)	18,450,376	22,987,478
	Creditors for accrued wages and Salaries	2,445,983	2,199,965
	TOTAL	20,896,359	25,187,443
10. OTHER CURRENT LIABILITIES:			
	Current maturities of long term borrowings:		
	Interest Free Sales Tax Loan	311,190	311,190
	Sales Tax Deferment	6,710,843	6,710,843
	Hire Purchase instalments	91,456	274,368
	Stressed Assets Stabilisation Fund	48,320,000	-
	Unit Trust of India	6,000,000	-
	Lease Rentals Payable to IDBI	-	8,500,000
	DPG Instalments Due to IDBI	-	107,854,691
	Interest accrued and due on Debentures	-	301,412,636
	Interest accrued and due on Term Loans	20,531,823	325,021,316
	Interest Payable on assigned liabilities	124,052,859	-
	Interest accrued and not due on Term Loans	-	936,986
	Interest accrued and due on DPG Instalments	-	259,909,425
	Assigned liabilities	48,393,118	48,393,118
	Advance from Customers	45,005	4,084,674
	Trade/ Security Deposits	4,750,641	5,118,829
	Other Advances	2,525,000	2,500,000
	Other liabilities:		
	Excise Duty Payable	1,104	404,082
	Sales Tax Payable	529,835	900,350
	Withholding Taxes payable	163,549	133,295
	Municipal taxes Payable	2,641,520	2,227,370
	Due to Directors	491,770	245,493
	Interest on Trade Payable	702,576	702,576
	Unpaid Dividends	11,556,699	11,556,699
	Other Statutory dues	158,452	211,689
	Other Payables	3,275,669	3,923,440
	TOTAL	281,253,109	1,091,333,070
11. SHORT TERM PROVISIONS:			
	Provision for employee benefits:		
	Provision for Leave Encashment	8,347	7,864
	Provision for Gratuity	1,901,603	1,844,812
	TOTAL	1,909,950	1,852,676

12. TANGIBLE ASSETS :

(Amount in Rupees)

S. No.	PARTICULARS	GROSS BLOCK					DEPRECIATION					NET BLOCK		
		AS AT 01.04.2014	ADDI-TIONS	DEDU-CTIONS	AS AT 31.03.2015	UPTO 31.03.2014	FOR THE YEAR	ON DEDUC-TIONS	ADJUST-MENTS***	UPTO 31.03.2015	AS AT 31.03.2015	AS AT 31.03.2014	AS AT 31.03.2015	
1	Land	11,743,132	-	538,100	11,205,032	-	-	-	-	-	-	-	11,205,032	11,743,132
2	Buildings: Factory Office	50,777,354 12,239,572	333,290	667,534	51,110,644 11,572,038	23,602,973 3,020,240	1,521,649 192,089	- 150,465	-	25,124,622 3,061,864	-	-	25,986,022 8,510,174	27,174,381 9,219,332
3	Plant and Equipment	183,452,022	1,819,825	-	185,271,847	143,991,748	4,127,767	-	8,097,233	156,216,748	-	-	29,055,099	39,460,274
4	Furniture and Fixtures	1,640,229	120,000	-	1,760,229	1,255,612	158,362	-	-	1,413,974	-	-	346,255	394,617
5	Vehicles	6,411,661	-	1,032,589	5,379,072	1,224,465	708,156	810,455	-	1,122,166	-	-	4,256,906	5,167,196
6	Office Equipment	1,004,704	-	-	1,004,704	692,639	29,921	-	167,982	890,542	-	-	114,162	312,065
7	Data Processing Equipments	789,558	83,520	-	873,078	627,890	52,724	-	87,202	767,816	-	-	105,262	161,668
	Total	268,058,232	2,356,635	2,238,223	268,176,644	174,415,567	6,790,668	960,920	8,352,417	188,597,732	-	-	79,578,912	93,642,665
	Previous Year	263,759,227	5,083,102	784,097	268,058,232	162,818,798	12,129,833	533,064	-	174,415,567	-	-	93,642,665	100,940,429

*** refer note : 31

S.NO.	PARTICULARS	31.03.2015 Rs.	31.03.2014 Rs.
13. LONG TERM LOANS AND ADVANCES:			
(unsecured and considered good)			
	Capital advances	3,400,000	771,751
	Security Deposits:		
	Earnest Money Deposits	1,535,000	1,535,000
	Other Deposits	244,198	244,198
	Deposits for Power Supply #	3,250,000	3,250,000
	# in the form of Fixed Deposits with Banks		
	TOTAL	<u>8,429,198</u>	<u>5,800,949</u>
14. INVENTORIES (at Cost):			
	Raw Material	-	43,011
	Work in Process	11,410	11,410
	Finished Goods	9,939	3,673,373
	Stores and Spares	1,367,513	1,469,432
	TOTAL	<u>1,388,862</u>	<u>5,197,226</u>
15. TRADE RECEIVABLES:			
(unsecured and considered good)			
	Due for more than six months	16,483,975	16,380,435
	Due for less than six months	1,422,747	5,458,833
	TOTAL	<u>17,906,722</u>	<u>21,839,268</u>
16. CASH AND CASH EQUIVALENTS:			
	Balances with Banks:		
	on Current accounts	6,291,627	6,343,808
	Cash on Hand	83,172	128,254
	Other Bank balances		
	Deposits with original maturity of more than twelve months	19,355,120	32,607,317
	Margin money deposits	6,924,652	3,535,862
	TOTAL	<u>32,654,571</u>	<u>42,615,241</u>

S.NO.	PARTICULARS	31.03.2015 Rs.	31.03.2014 Rs.
17. SHORT TERM LOANS AND ADVANCES: (unsecured and considered good)			
	Advances for purchases and expenses	28,200	276,359
	Other Deposits	-	12,000,000
	Staff Advances	272,900	117,450
	Balance with Statutory Authorities.	10,922,425	9,377,864
	TOTAL	11,223,525	21,771,673
18. OTHER CURRENT ASSETS:			
	Advance Income Tax	7,605,554	5,480,226
	Interest accrued	1,833,633	2,209,740
	Accrued Job Work Charges	316,241	464,307
	Prepaid Expenses	98,164	178,886
	Claims Recoverable	1,326,875	-
	TOTAL	11,180,467	8,333,159
19. REVENUE FROM OPERATIONS:			
Sale of Goods:			
	Finished Goods		
	Aluminum Conductor	4,204,897	90,462,665
Sale of Services:			
	Conversion Charges	57,694,416	62,307,917
Other Operating Income			
	Certification Charges	2,624,350	7,010,250
	Others	-	1,873,300
	Revenue from Operations (gross)	64,523,663	161,654,132
	Less: Excise Duty	448,885	9,475,929
	Revenue from Operations (Net)	64,074,778	152,178,203
20. OTHER INCOME:			
	Interest Income		
	Bank Deposits	3,589,989	4,206,876
	Income Tax	-	76,880
	Other Non Operating Income		
	Net Gain on Sale of Tangible Assets	25,457,395	16,466
	Rentals earned	2,431,684	2,625,638
	Excess Provisions and Credit Balances Written Back	571,868	41,319
	Miscellaneous Receipts	202,570	166,975
	TOTAL	32,253,506	7,134,154

S.NO.	PARTICULARS	31.03.2015 Rs.	31.03.2014 Rs.
21. COST OF MATERIAL CONSUMED:			
	Inventory at the Beginning of the year	43,011	13,971,660
	Add: Purchases	-	54,355,663
		43,011	68,327,323
	Less: Cost of Inventory written off	43,011	-
	Less: Inventory at the Closing of the year	-	43,011
	Cost of raw material consumed	-	68,284,312
<u>Details of Raw material consumed</u>			
	Aluminum	-	57,859,017
	Steel Rod	-	8,042,712
	Packing Materials	-	2,382,583
		-	68,284,312
<u>Details of Inventory</u>			
	Packing Materials	-	43,011
		-	43,011
22. (INCREASE)/DECREASE IN INVENTORIES:			
Inventory at the End of the year			
	Finished Goods	9,939	3,673,373
	Scrap	11,410	11,410
		21,349	3,684,783
Inventory at the Beginning of the year			
	Finished Goods	3,673,373	2,580,094
	Stock In Process	-	5,392,630
	Scrap	11,410	116,440
		3,684,783	8,089,164
	Increase/(Decrease) in Inventories	(3,663,434)	(4,404,381)
23. EMPLOYEE BENEFITS EXPENSE:			
	Salaries, Wages and Bonus	23,167,961	21,680,305
	Contribution to Provident and Other Funds	825,843	706,879
	Staff Welfare Expenses	1,451,202	1,547,539
	Gratuity	205,149	239,461
	TOTAL	25,650,155	24,174,184

S.NO.	PARTICULARS	31.03.2015 Rs.	31.03.2014 Rs.
24. FINANCE COSTS:			
	Interest expense	28,561,638	40,474,754
	Interest on Debentures	-	18,349,500
	Hire Purchase Charges	311,704	229,976
	Bank Charges	23,146	287,712
	TOTAL	28,896,488	59,341,942
25. DEPRECIATION AND AMORTISATION EXPENSE:			
	Depreciation on tangible assets	6,790,668	12,129,833
	TOTAL	6,790,668	12,129,833
26. OTHER EXPENSES:			
	Stores Consumed	10,565,877	13,135,845
	Manufacturing Expenses	11,471,263	13,024,572
	Freight and Transport	322,536	2,576,098
	Rates and Taxes #	560,133	2,815,061
	Power and Fuel	13,876,030	13,366,832
	Rent	736,800	723,550
	Insurance	261,906	278,328
	Travelling and Conveyance	2,446,404	2,852,418
	Vehicle Maintenance	910,577	1,034,374
	Legal and Professional Charges	1,371,964	1,614,584
	Payments to Auditors		
	as auditors	75,000	75,000
	for certification	14,000	14,000
	for tax audits	26,000	26,000
	Repairs and Maintenance to:		
	Machinery	1,150,278	2,258,925
	Own Buildings	544,499	713,764
	Other Assets	123,088	129,029
	Security Charges	2,491,453	2,446,177
	Bad debts written off	-	18,104,460
	Inventory written off	43,011	-
	Miscellaneous Expenses	2,829,274	3,386,274
	TOTAL	49,820,093	78,575,291

includes Excise Duty borne by the Company and the difference between Excise Duty on Opening and Closing Stocks of finished /saleable goods.

S.NO.	PARTICULARS	31.03.2015 Rs.	31.03.2014 Rs.
27. WAIVERS BY TERM LENDERS			
	Interest/Lease Rentals waived by IDBI	618,258,934	86,207,907
	Interest waived by UTI	152,568,570	-
	TOTAL	770,827,504	86,207,907

28. EARNING PER SHARE:

Net Profit for the year attributable to Equity Shareholders	Weighted average number of equity Shares of Rs.10/each	752,334,950	(1,389,679)
		7,489,880	7,489,880
Earnings per Share (Basic and Diluted)		100.45	(0.19)

29. ANALYSIS OF MATERIALS CONSUMED:

	31.03.2015		31.03.2014	
	Percentage	Value in Rs.	Percentage	Value in Rs.
Imported	-	-	-	-
Indigenous	100.00	10,565,877	100.00	81,420,157
TOTAL	100.00	10,565,877	100.00	81,420,157

- 30.** During the financial year 1996-97 the Company has imported one Continuous Casting and Rolling Line Equipment and bonded at Customs Warehouse, Mumbai. The Company is awaiting the final sanction of the Rehabilitation Package, so as to get clear the Equipment under EPGC Scheme with a concessional Rate of Customs Duty as a part of Rehabilitation Package. The Equipment is inspected by the Company officials at regular intervals. However the Equipment is not tested for technical obsolescence, normal wear and tare, impairment loss and also suitability for its intended use, since the said Equipment was imported a long back. No provision is also made in the books of account for the Customs Duty payable on the import and also Storage Charges payable to Warehousing Corporation.
- 31.** Depreciation for the year is provided as per Schedule II of the Companies Act, 2013, accordingly Rs. 8,352,417/- being the remaining Carrying amount of the assets whose remaining useful life is nil is recognised in the opening balance of retained earnings.
- 32.** The principal amounts waived by term lenders pursuant to the Rehabilitation Scheme under OTS amounting to Rs.100,854,691/- is directly credited to Capital Reserve and interest waived amounting Rs. 770,827,504/- is credited to Profit and Loss as Exceptional Items.
- 33.** Appointment and payment of Managerial Remuneration:

- a. The reappointment of Executive Director with effect from 01.04.2002 is subject to the conditions laid down in schedule XIII to the Companies Act, 1956. However, the Company has not obtained Central Government approval pursuant to the said conditions for payment of remuneration from that date amounting to Rs.10,031,810/- (including for Current year Rs.848,774/-) and accordingly the provisions of Section 309(5A) of the Companies Act, 1956 are applicable. However, the said amount is charged to the profit and loss account as managerial remuneration, as the management is of the view that the said provisions are not applicable to the Company, as the matter is a part of Rehabilitation Scheme referred to **BIFR** under the Sick Industrial Companies (Special Provisions) Act, 1985.
 - b. The appointment of Managing Director with effect 01.01.2006 is subject to the conditions laid down in schedule XIII to the Companies Act, 1956. However, the Company has not obtained Central Government approval pursuant to the said conditions for payment of remuneration from that date amounting to Rs.9,959,153/- (including for Current year Rs.1,029,257) and accordingly the provisions of Section 309(5A) of the Companies Act, 1956 are applicable. However, the said amount is charged to the profit and loss account as managerial remuneration, as the management is of the view that the said provisions are not applicable to the Company, as the matter is a part of Rehabilitation Scheme referred to **BIFR** under the Sick Industrial Companies (Special Provisions) Act, 1985.
34. No Debenture Redemption Reserve is created in respect of the Debentures redeemed during the year as the said debentures were converted into loans by the Debenture holders pursuant to the Rehabilitation Scheme .
 35. Additional Interest and Liquidated damages payable to the financial institutions for non compliance with terms of sanctions and/or repayment schedules amounting to Rs.6,077 lakhs (on assigned loan) from 01.07.1997 to 31.03.2014 is not provided in the books of account.
 36. Interest on Working Capital Loans from Banks, amounting to Rs.23,929 lakhs (including on assigned loan) from 01.07.2000 to 31.03.2014 and Rs. 2,569 lakhs for the current year is not provided in the books of account.
 37. During the year IIBI and Canara Bank have assigned their rights ,titles and interests in their financial assistance granted by them to the Company to Edelweiss Assets Reconstruction Company Limited .Since the Company started negotiations with them for settlement no provision is made in the books of account for additional interest and liquidated damages for the year.
 38. The Company has declared dividend for the year 1995-96 in the Annual General Meeting held on 30.12.96 and unpaid amount of Rs.115,56,699/- has become due for transfer to Investor Education and Protection Fund. The Company has not complied with the provisions of Sec-205-A (1) of the Companies Act, 1956 regarding transfer of unpaid dividend to a special bank account and the interest payable for such non compliance amounting to Rs. 249.32 lakhs up to 31st March, 2014 and Rs.13.87 lakhs for the year is not provided in the books of account. However, the Company is of the opinion that the said Provisions are not applicable to the Company, as the same is payable to the share holders and has been included in its rehabilitation proposal as payable at a later date.
 39. The ICICI Bank Limited has assigned all the amounts due to it by the Company to a third party with effect from 01.01.2006 on "as is where is" basis pending legal documentation and other negotiations as to the repayment with the third party, the total amount due as at 31st December, 2005 including principal on account of this mutual agreement was classified as assigned liabilities and shown as other current liability.
 40. The Company is in the process of obtaining confirmation of balances from the parties included under Borrowings, Trade Payables and Other current Liabilities.
 41. In the opinion of the management, the current assets, loans and advances are expected to realise at least the amount at which they are stated, if realised in the ordinary course of business and provision for all known liabilities have been adequately made in the accounts.

42. Disclosure of Sundry Creditors under Trade Payables is based on the information available with the Company regarding the status of the suppliers as defined under the “Micro, Small and Medium Enterprises Development Act, 2006” and relied upon by the Auditors. During the year, there were no transactions with Micro and Small Enterprises; hence the disclosures as per Micro, Small and Medium Enterprise Development Act, 2006, are not applicable to the Company for the time being.
43. Disclosure relating to the Gratuity liability (not funded) as per Accounting Standard 15 “Employee Benefits”

	Particulars	31.03.2015 Rs.	31.03.2014 Rs.
a)	The amounts recognised in the Balance Sheet		
	Present Value of obligation	4,924,780	4,472,058
	Fair value of plan assets	3,023,177	2,627,246
	Net liability recognised in the Balance sheet	1,901,603	1,844,812
b)	Changes in the present value of the defined obligation		
	Opening defined benefit obligation	4,472,058	4,024,408
	Current service Cost	139,962	126,077
	Interest Cost	357,765	321,953
	Actuarial (gain)/loss on obligation	139,962	(380)
	Benefits paid	(45,005)	—
	Closing defined benefit obligation	4,924,780	4,472,058
c)	Changes in the Fair value of Plan assets		
	Opening Fair value of Plan assets	2,627,246	2,181,155
	Contributions	148,358	237,902
	Actual returns on plan assets	247,573	208,189
	Closing Fair value of Plan assets	3,023,177	2,627,246
d)	The amounts recognised in the Profit and Loss account		
	Current service Cost	139,962	126,077
	Interest Cost	357,765	321,953
	Actual returns on plan assets	(247,573)	(208,189)
	Actuarial (gain)/loss on obligation	(45,005)	(380)
	Net benefit Expenditure	205,149	239,461
e)	Principal actuarial assumptions		
	Mortality table (LIC)	1994-96	1994-96
	Discount Rate	8.00%	8.00%
	Rate of escalation in Salary (per annum)	4.00%	4.00%
	Attrition Rate	1.00%	1.00%
	Retirement Age in years	58 years	58 years

The rate of escalation in compensation considered in the above valuation is estimated taking into account inflation, seniority, promotion and other relevant factors and the above information is certified by an actuary.

44. The Companies main business is manufacturing of Aluminum Conductors and other allied products and all other activities of the Company revolve around the main business and as such there are no separate reportable segments as per the Accounting Standard AS 17 “ Segment Reporting” as specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

45. The details of related party transactions in terms of Accounting Standard (AS 18) are as follows:

a. Names of related parties and relation with the company:

i. Key Management Personnel:

Sri Dharam Chand Galada	Managing Director
Sri Devendra Galada	Executive Director

ii. Relatives of Key Management Personnel:

Sri Mahavir Chand Galada	Father of Managing Director
Smt. Snehalata Galada	Wife of Managing Director
Sri Shail Galada	Son of Managing Director
Sri Shashi Galada	Son of Managing Director
Sri Ewanth Kumar Parekh	Son - in - law of Managing Director

b. Particulars of Transactions during the year:	31.03.2015 Rs.	31.03.2014 Rs.
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Key Management Personnel

Sri Dharam Chand Galada		
Managerial Remuneration	1,029,257	979,491
Sri Devendra Galada		
Managerial Remuneration	848,774	937,250

Relatives of Key Management Personnel

Smt. Snehlatha Galada		
Payment of Rent	114,000	114,000
Sri Shail Galada		
Payment of Rent	93,000	93,000
Remuneration	958,171	882,828
Sri Shashi Galada		
Payment of Rent	93,000	93,000
Sri Ewanth Kumar Parekh		
Remuneration	1,165,512	1,073,908

c. Balances due from / (due to) as at the year end

Sri Dharam Chand Galada	(291,759)	(148,528)
Sri Devendra Galada	(200,011)	(96,965)

46. In terms of Accounting Standard (AS 22) on “Accounting for Taxes on Income” as specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, there is a net deferred tax asset as on 31st March, 2015. In the absence of convincing evidence regarding the availability of sufficient taxable income in near future against which the deferred tax asset can be adjusted, the Company has not recognised the deferred tax asset arising due to tax effect of timing differences at present.

47. As required by Accounting Standard (AS 28) "Impairment of Assets", the management has carried out the assessment of impairment of assets and no impairment loss has been recognized during the year.

48. Contingent liabilities and Commitments :

Particulars	31.03.2015	31.03.2014
	Rs.	Rs.
Contingent liabilities:		
Bank guarantees and Letters of credit	6,924,652	3,535,862
Claims against the Company not acknowledged as debts	17,470,260	33,542,529
Income Tax demands disputed by the Company	50,54,342	50,54,342
Commitments:		
Duty Payable on Imports in Transit	3,002,346	3,002,346
Estimated amount of contracts remaining to be executed on capital account and not Provided for	6,353,750	1,190,324

49. Previous year figures are regrouped and reclassified where ever necessary to make them comparable with those of current year.

per our report of even date
for Brahmayya & Co.
Chartered Accountants
Firms' Registration Number: 000513S

for and on behalf of the Board

D.C.GALADA
Managing Director

DEVENDRA GALADA
Executive Director

P. CHANDRAMOULI
Partner
Membership Number: 025211

Place : Hyderabad
Date : 30.05.2015

V.SUBRAMANIAN
Vice President , Secretary & CFO

Galada Power and Telecommunication Ltd CIN : L64203TG1972PLC001513

ATTENDENCE SLIP

Regd.Office : P 2/6, IDA, Block III, Uppal, HYDERABAD – 500 039. (TELANGANA). India

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

DP Id*	
Client Id*	

Folio No	
No of Shares	

NAME AND ADDRESS OF THE SHAREHOLDER

I hereby record my presence at the 43rd ANNUAL GENERAL MEETING of the Company held on Wednesday, 30.09.2015 at 10.00 a.m at Hotel Kamat Lingapur, Chitkoti Gardens, Begumpet, Hyderabad.

*Applicable for investors holding shares in electronic form.

Signature of Shareholder / Proxy

PROXY FORM

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

Galada Power and Telecommunication Ltd CIN:L64203TG1972PLC001513

Regd.Office : P 2/6, IDA, Block III, Uppal, HYDERABAD – 500 039. (TELANGANA). India

Name of the member	
Registered address	

e-mail Id	
Folio No / *Client Id	
*DP Id	

I/We being the members of Galada Power and Telecommunication Ltd held _____ Shares, hereby appoint: _____ of _____ having e-mail id _____ whose signature is appended below as my / our proxy to attend and vote for me / us and on my/our behalf at the 43rd ANNUAL GENERAL MEETING of the Company, to be held on Wednesday, 30.09.2015 at 10.00 a.m at Hotel Kamat Lingapur, Chitkoti Gardens, Begumpet, Hyderabad and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolutions	for	Against
1. Adoption of Accounts, Reports of the Board of Directors and Auditors		
2. Re-appointment of Director, who retires by rotation		
3. Ratifying the reappointment of Auditors		
4. Appointment of Ms Ameeta Trehan as Independent Director for 5 years		
5. Appointment of Shri M L Sachdeva as Independent Director for 5 years		
6. Re-appointment of Shri D C Galada as Managing Director for 5 years		

Signed this _____ day of _____ 2015

Signature of shareholder

- Notes :
- 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.
 - A Proxy need not be a member of the Company.

Affix a Rs.1/- Revenue Stamp

Galada Power & Telecommunication Ltd
F301, Galada Towers Begumpet Hyderabad 500016.
Ph : 040-27766225 / 224

SHARE NOMINATION FORM
FORM 2B

(To be filled in by individual applying singly or jointly and to be submitted in duplicate)

I/We.....andthe holders of Shares of M/s. Galada Power and Telecommunication Limited wish to make a nomination and do hereby nominate the following person in whom all rights of transfer and/or amount payable in respect of shares shall vest in the event of my/our death.

S. No.	Certificate No.	Distinctive No.		No. of Shares
		From	To	
1)				
2)				
3)				
4)				
5)				
6)				

Attach sheet with details if no of share certificates are more.

Name and Address of Nominee with Contact No

Name :

Address :

.....

.....

* Date of Birth :

*(To be furnished in case the nominee is a minor)

Name and Address of Nominee with Contact No

Name :

Address :

.....

.....

Registered Holders – Folio No.....

Signature :

Name :

Address :

.....

.....

Signature :

Name :

Address :

.....

.....

INSTRUCTIONS

1. Please read the instructions given below very carefully and follow the same to the letter. If the form is not filled as per instructions, the same will be rejected.
2. The nomination can be made by individuals only. Non individuals including society, trust, body corporate, partnership firm, Karta of Hindu Undivided Family, holder of power of attorney cannot nominate. If the Shares are held jointly all joint holders shall sign (as per the specimen registered with the Company) the nomination form.
3. A minor can be nominated by a holder of Shares and in that event the name and address of the Guardian shall be given by the holder.
4. The nominee shall not be a trust, society, body corporate, partnership firm, Karta of Hindu Undivided Family, or a power of attorney holder. A non-resident Indian can be a nominee on re-patriable basis.
5. Transfer of Shares in favour of a nominee and repayment of amount to nominee shall be a valid discharge by a company against the legal heir.
6. Only one person can be nominated for a given folio.
7. Details of all holders in a folio need to be filled; else the request will be rejected.
8. The nomination will be registered only when it is complete in all respects including the signature of (a) all registered holders (as per specimen lodged with the company) and (b) the nominee.
9. Whenever the Shares in the given folio are entirely transferred, transposition or dematerialized with some other folio, then this nomination will stand rescinded.
10. Upon receipt of a duly executed nomination form, the Registrar and Transfer Agent of the company will register the form and allot a registration number. The registration number and folio no. should be quoted by the nominee in all future correspondence.
11. The nomination can be varied or cancelled by executing fresh nomination form.
12. The company will not entertain any claims other than those of a registered nominee unless so directed by a Court.
13. The intention regarding nomination / nomination form shall be filed **in duplicate** with the Company at F301, Galada Towers Begumpet Hyderabad 500016.



NEW MULTI-STRAND MACHINE



BLOOD DONATION CAMP

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BOOK-POST**

If undelivered please return to :



GALADA

POWER AND TELECOMMUNICATION LTD.

3rd Floor, 301, Galada Towers, Begumpet, Hyd-500 016.

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