






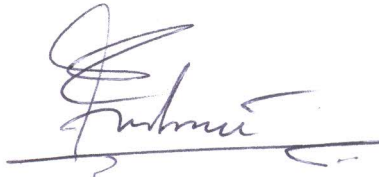
Since 1907

Jost's Engineering Company Limited

Registered Office: Great Social Building, 60 Sir Phirozeshah Mehta Road, Mumbai 400 001, India
CIN: L28100MH1907PLC000252 Phone +91-22-61202300 Fax +91-22-61202345
E-Mail jostsho@josts.in Website www.josts.com

Form A (Pursuant to Clause 31 of the Listing Agreement)

Format of Covering letter of the annual audit report to be filled with Stock Exchange

1	Name of the Company	Jost's Engineering Company Limited
2	Annual financial statements for the year ended	31st March, 2014
3	Type of Audit observation	Un-qualified
4	Frequency of observation	For the last many years
5	to be signed by-	
	CEO/Managing Director	
	CFO	
	Auditor of the company	
	Audit Committee Chairman	





Jost's Engineering Company Limited

Annual Report 2013-14

Board of Directors

B. H. Reporter, Chairman

Shailesh Sheth

Marco Wadia

F. K. Banatwalla

Pradeep Bhargava

Mrs. Parviz Batliwala

Vice President and Company Secretary

C. B. Sagvekar

Registered Office

Great Social Building,
60, Sir Phirozeshah Mehta Road,
Mumbai - 400 001.

Tel. : 91-22-6120 2300

Fax : 91-22-6120 2345

Thane Factory

C-7, Wagle Industrial Estate,
Road No. 12,

Thane - 400 604.

Tel. : 91-22-6117 4000

Fax : 91-22-6117 4020

Bankers

HDFC Bank Ltd.

The Zoroastrian Co-operative Bank Ltd.

Standard Chartered Bank

The South Indian Bank Ltd.

Alandi Factory

Gat No. 226, Alandi Markal Road,
Dhanore, Khed, Pune - 412 105.

Tel. : 91-2135-679160

Solicitors

M/s. Crawford Bayley and Company

Branches (Sales Offices)

Bengaluru

Baroda

Chennai

Kolkata

New Delhi

Pune

Secunderabad

Auditors

M/s. Sorab S. Engineer & Co.

Chartered Accountants

Registrar and Share Transfer Agents

M/s. Computech Sharecap Limited

147, Mahatma Gandhi Road,

3rd Floor, Opp. Jehangir Art Gallery,

Fort, Mumbai - 400 001.

Tel. : 91-22-2263 5000 / 01 / 02

Fax : 91-22-2263 5005

Annual General Meeting

Day and Date : Thursday, the 10th July, 2014

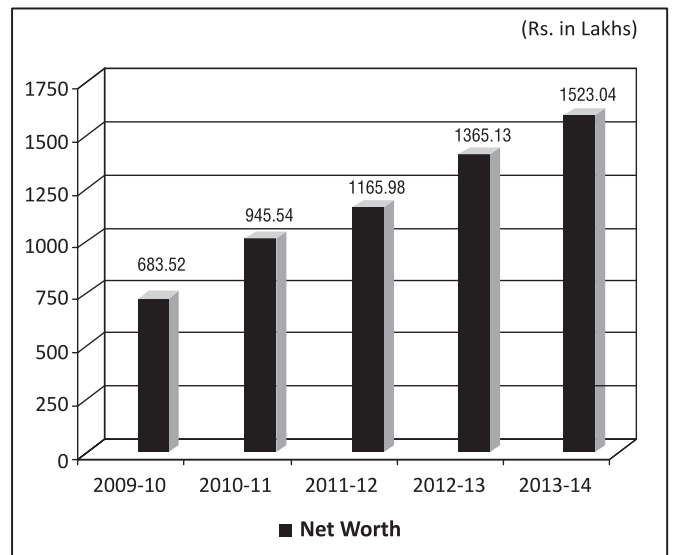
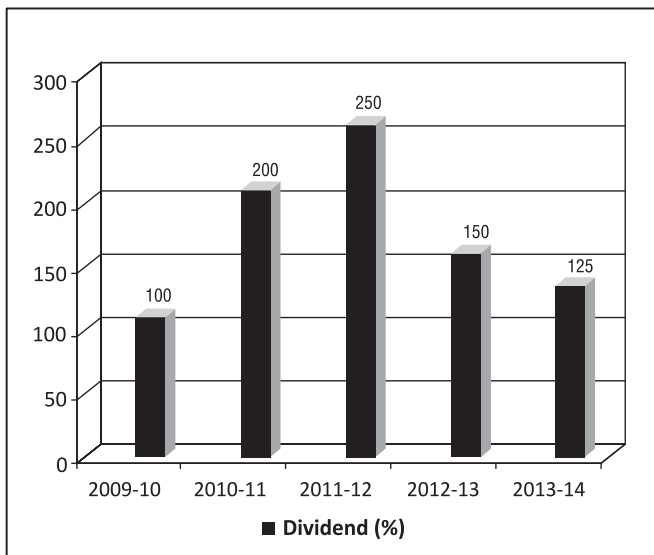
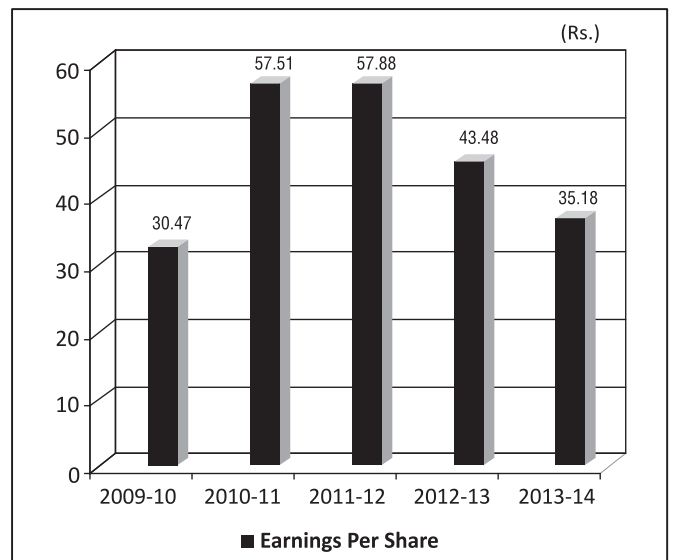
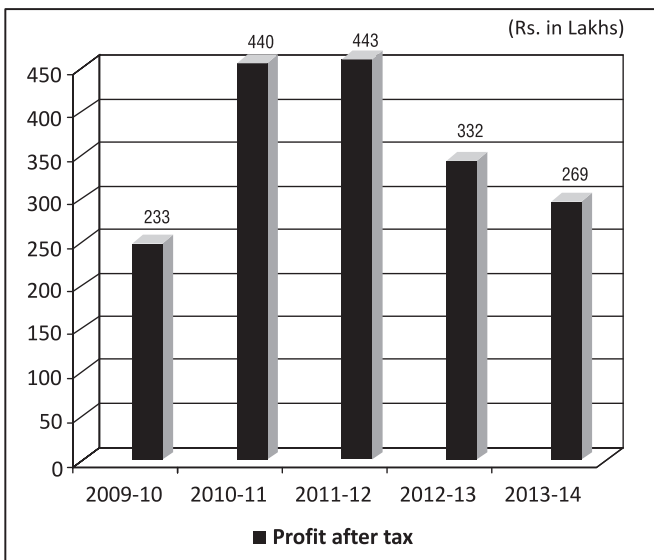
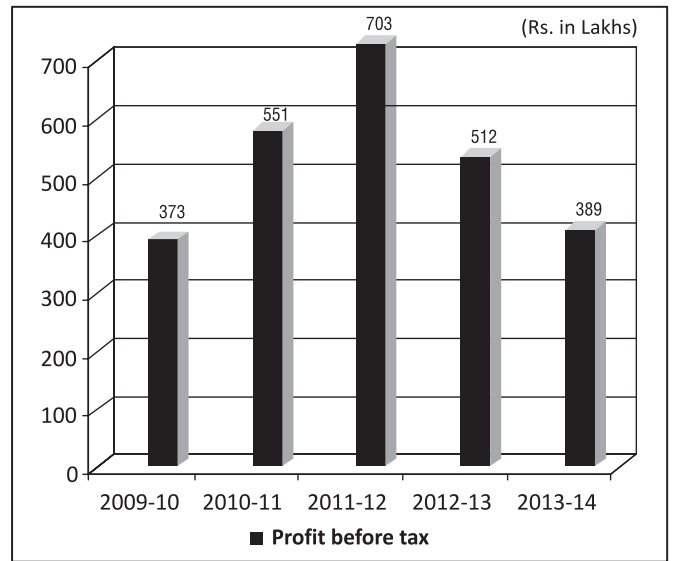
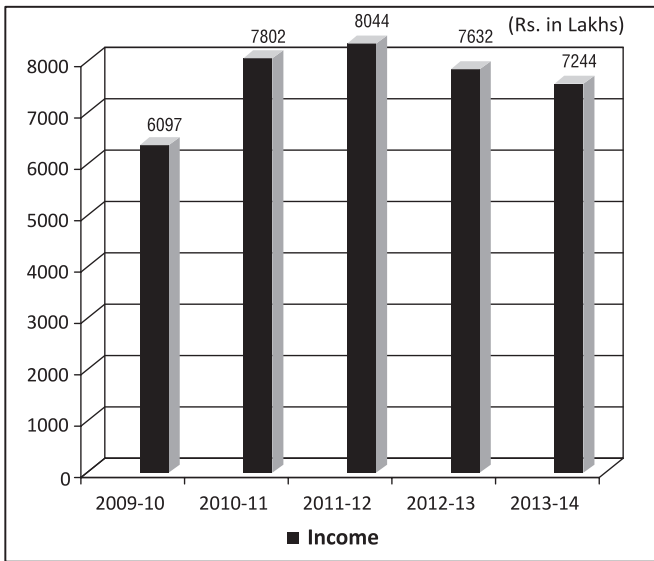
Venue : Great Social Building,
60, Sir Phirozeshah Mehta Road,
Mumbai - 400 001.

Time : 4.30 P.M.

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Financial Highlights



Notice

Notice is hereby given that the hundred and seventh Annual General Meeting of the members of Jost's Engineering Company Limited will be held at Great Social Building, 60 Sir Phirozeshah Mehta Road, Mumbai - 400 001 on Thursday, the 10th July, 2014 at 4.30 p.m. to transact the following business :

ORDINARY BUSINESS

1. To receive and adopt the Profit and Loss Statement for the year ended 31st March, 2014 and the Balance Sheet as at that date together with the Reports of Directors and Auditors thereon.
2. To declare a dividend.
3. To appoint a Director in place of Mr. B. H. Reporter, who retires by rotation and being eligible offers himself for reappointment.
4. To appoint a Director in place of Mrs. Parviz Batliwala, who retires by rotation and being eligible offers herself for reappointment.
5. To appoint M/s. Sorab S. Engineer & Co., Chartered Accountants (Firm Registration No.110417W) as Auditors to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

SPECIAL BUSINESS

6. To consider and, if thought fit, to pass, with or without modification the following resolution as an Ordinary Resolution :

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof) read with Schedule IV to the Companies Act, 2013, Mr. Shailesh Sheth, Director in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years from 1st April, 2014 to 31st March, 2019.”
7. To consider and, if thought fit, to pass, with or without modification the following resolution as an Ordinary Resolution :

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof) read with Schedule IV to the Companies Act, 2013, Mr. Marco Wadia, Director in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years from 1st April, 2014 to 31st March, 2019.”
8. To consider and, if thought fit, to pass, with or without modification the following resolution as an Ordinary Resolution :

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof) read with Schedule IV to the Companies Act, 2013, Mr. F. K. Banatwalla, Director in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years from 1st April, 2014 to 31st March, 2019.”

9. To consider and, if thought fit, to pass, with or without modification the following resolution as an Ordinary Resolution :

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof) read with Schedule IV to the Companies Act, 2013, Mr. Pradeep Bhargava, Director in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years from 1st April, 2014 to 31st March, 2019.”

By Order of the Board

C. B. Sagvekar

Vice President and Company Secretary

Mumbai, 21st May, 2014.

Registered Office:

Great Social Building,
60, Sir Phirozeshah Mehta Road,
Mumbai - 400 001.

Notes :

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

The Instrument of Proxy in order to be effective, should be deposited at the Registered Office of the Company duly completed and signed, not less than 48 hours before the commencement of the meeting. A Proxy form is sent herewith. Proxies submitted on behalf of the companies, societies, etc. must be supported by an appropriate resolution / authority, as applicable.

2. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, in respect of Item Nos.6 to 9 of the Notice set out above, is annexed hereto.
3. The Register of Members and Share Transfer Books of the Company will remain closed from 8th July, 2014 to 10th July, 2014 (both days inclusive).
4. (i) The Dividend, after declaration, will be paid to those shareholders whose names appear on the Register of Members on 10th July, 2014. The dividend in respect of shares held in the electronic form will be paid to the beneficial owners of shares whose names appear in the list furnished by the Depositories as at the end of business hours on 7th July, 2014.
- (ii) The payment of dividend will be made through National Electronic Clearing System (NECS). Members holding shares in demat/electronic form are hereby informed that bank particulars registered with their respective depository accounts will be used by the Company for payment of dividend through NECS. The Company or its Registrars cannot act on any request received directly from the Members holding shares in demat/electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant of the Members.

The members holding shares in physical form and desirous of receiving dividend through NECS, are requested to provide their bank account number, name and address of the bank quoting their folio number directly to the Company's Registrar and Share Transfer Agent, namely, M/s. Computech Sharecap Limited, latest by 3rd July, 2014, failing which dividend will be paid by DD / Cheque.

5. Pursuant to the provisions of Section 205A(5) of the Companies Act, 1956, the dividends which remain unpaid/unclaimed for a period of seven years from the date of transfer to Unpaid Dividend Account of the Company shall be transferred to the Investor Education and Protection Fund (IEPF) established by the Central Government. Accordingly, the Company has transferred to IEPF all unclaimed / unpaid dividends in respect of the financial years upto 31st March, 2006. Shareholders who have not encashed their dividend warrant(s) so far, for the financial years ended 31st March, 2007 to 31st March, 2013 are requested to make their claim to the Company immediately quoting their folio numbers. It may also be noted that according to the provisions of Section 205C of the Companies Act, 1956, once the unclaimed dividend is transferred to IEPF, as above, no claim shall lie in respect thereof against the Fund or the Company
6. The Company has appointed M/s. Computech Sharecap Limited, Tappelbar Building, 147 Mahatma Gandhi Road, 3rd Floor, Opp. Jehangir Art Gallery, Fort, Mumbai 400 001 as Registrar and Share Transfer Agents for share registry work both for physical and electronic mode. The Members are therefore, requested to address the correspondence relating to the share registry both in physical and electronic mode to the said Registrar and Share Transfer Agents. Members may also please note that the Company's shares are available for demat with both the depositories, namely, Central Depository Services (India) Limited (CDSL) and National Securities Depository Limited (NSDL).
7. Electronic copy of the Annual Report 2013-14 is being sent to the members whose E-mail Ids are registered with the Company / Depository Participants for receiving documents electronically. For members who have not registered their E-mail Ids, the physical copy of the Annual Report 2013-14 is being sent in the permitted mode. Such members are requested to register their E-mail Ids with the Company's Registrars and Share Transfer Agents, M/s. Computech Sharecap Limited or Depository Participant by submitting the consent form attached at the end of the Annual Report. The members who register their E-mail Ids for receiving documents electronically will be entitled to receive such documents in the physical form, upon request.

8. **Voting through electronic means**

Pursuant to the provisions of Section 108 of the Companies Act, 2013, Rule 20 and Rule 21 of Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting services provided by Central Depository Services (India) Limited (CDSL). It is hereby clarified that it is not mandatory for a member to vote using the e-voting facility and a member may avail of the facility at his / her / its discretion, subject to compliance with the instructions prescribed below :

Procedure / Instructions for e-voting are as under :

- (1) In case of Members receiving AGM Notice by e-mail :
 - (a) Open e-mail.
 - (b) The said e-mail contains your user id and password for e-voting. Please note that the password is an initial password.
 - (c) Open your web browser during the voting period and log on to the e-voting website www.evotingindia.com.
 - (d) Now, click on "Shareholders" to cast your votes.

- (e) Now, select the Electronic Voting Sequence Number “EVSN” alongwith “JOST'S ENGINEERING COMPANY LIMITED” from the drop down menu and click on “SUBMIT”.
- (f) Now, fill up the following details in the appropriate boxes :

User ID	For members holding shares in Demat Form : a) For NSDL :- 8 Character DP ID followed by 8 Digit Client ID; b) For CDSL :- 16 digits beneficiary ID; For Members holding shares in Physical Form :- - Folio Number registered with the Company
Password	Your unique password is printed on the Attendance Slip / e-mail
PAN *	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department.

- * Members who have not updated their PAN with the Company / Registrar and Share Transfer Agent / Depository Participant are requested to use default number JOSCEV1234 in the PAN field.
- (g) After entering these details appropriately, click on “SUBMIT” tab.
- (h) Members holding shares in Physical form will then reach directly to the voting screen.
- (i) Members holding shares in Demat form will now reach Password Change menu wherein they are required to mandatorily change their login password in the new password field. The new password has to be minimum eight characters consisting of atleast one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character. Kindly note that this password is to be also used by the Demat holders for voting for resolution 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.
- (j) You can also update your mobile number and e-mail ID in the user profile details of the folio which may be used for sending communication(s) regarding CDSL e-voting system in future. The same may be used in case the Member forgets the password and the same needs to be reset.
- (k) If you are holding shares in Demat form and had logged on to www.evotingindia.com and casted your vote earlier for EVSN of any company, then your existing login id and password are to be used.
- (l) For Members holding shares in physical form, the password and default number can be used only for e-voting on the resolutions contained in the Attendance Slip.
- (m) On the voting page, you will see Resolution Description and against the same the option “YES/NO” for voting. Enter the number of shares (which represents number of votes) under YES/NO or alternatively you may partially enter any number in YES and partially in NO, but the total number in YES and NO taken together should not exceed your total shareholding.
- (n) Click on the Resolution File Link if you wish to view the entire AGM Notice.
- (o) 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.
- (p) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.

- (q) Institutional members (i.e., other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution / Authority letter etc., to the Scrutinizer through e-mail at sandeepdar.cs@gmail.com with a copy marked to helpdesk.evoting@cdslindia.com. File naming convention should be “Corporate Name EVSN”. The documents should reach the Scrutinizer on or before the close of working hours on 3rd July, 2014.
- (r) In case you have any queries or issues regarding e-voting, please contact helpdesk.evoting@cdslindia.com.
- (2) In case a Member receives physical copy of the Notice of AGM (for members whose email IDs are not registered with the Registrars and Share Transfer Agents / Depository Participant(s) or requesting physical copy) in the permitted mode :

- (a) Initial password as below is given in the attendance slip for the AGM :

EVSN (Electronic Voting Sequence Number)	USERID	PASSWORD
XXXXXXX	XXXXXXXXXX	XXXXXXXXXXXXXX

- (b) Please follow all steps from Sr.No.(1)(c) to (1)(r) above to cast your vote.

- (3) General :

- (a) In case of any queries regarding e-voting you may refer to the “user manual for shareholders to cast their votes” available at www.evotingindia.com under “HELP”.
- (b) If you are already registered with CDSL for e-voting then you can use your existing user ID and password for casting your vote.
- (c) The e-voting period commences on Tuesday, 1st July 2014, (9-00 a.m.) and ends on Thursday, 3rd July 2014, (5-30 p.m.). During the e-voting period, shareholders of the Company, holding shares either in physical form or in dematerialised form, as on the cut-off date of 30th May, 2014, may cast their votes electronically. Once the vote on a resolution is cast by the shareholder, he shall not be allowed to change it subsequently.
- (d) The voting rights of the shareholders shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date of 30th May, 2014.
- (e) Mr. Sandeep Dar, Practising Company Secretary, Navi Mumbai, has been appointed as Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- (f) The scrutinizer shall within a period of not exceeding three working days from the conclusion of the e-voting period unblock the votes in the presence of at least two witnesses not in employment of the Company and make a scrutinizer’s report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
9. The results of the e-voting along with the scrutinizer's report shall be placed in the Company’s website www.josts.com and on the website of CDSL within two days of passing of the resolution at the AGM of the Company. The results will also be communicated to the stock exchange where the shares of the Company are listed.
10. The Members who continue to hold shares in physical form are requested to intimate any change in their address immediately to the Company’s Registrar and Share Transfer Agents, M/s. Computech Sharecap Limited, Unit : Jost’s Engineering Company Limited, quoting their folio numbers. The Members holding shares in dematerialised form are requested to get their change of address recorded with the concerned depository participants.

Explanatory Statement pursuant to Section 102 of the Companies Act, 2013.

Item No. 6

Mr. Shailesh Sheth, 67, has done his MBA from the Indian Institute of Management (IIM), Ahmedabad. He is a Director on the Board of various Companies, such as, Bharat Fritz Werner Ltd, A.T.E. Enterprises Pvt. Ltd., A.T.E. Pvt. Ltd. and KNF Pumps + Systems (India) Pvt. Ltd.

Mr. Shailesh Sheth has been a Non-Executive Director of the Company since 1997. Pursuant to the provisions of Section 149(4) of the Companies Act, 2013 ('Act'), every listed Company is required to appoint atleast 1/3rd of the total number of Directors as Independent Directors as defined under section 149(6) of the Act. In order to comply with this requirement, the Board of Directors of your Company, after reviewing the provisions of the Act, are of the opinion that Mr. Shailesh Sheth fulfills the conditions specified in the Act and Rules made thereunder to be eligible for appointment as an Independent Director.

Pursuant to Section 160 of the Act, the Company has received notice, together with requisite deposit of Rs.1 lakh, from a member signifying his intention to propose Mr. Shailesh Sheth as a candidate for the office of an Independent Director of the Company.

The Board of Directors of your Company believes that Mr. Shailesh Sheth's knowledge and experience would benefit the Company and recommends the resolution in relation to appointment of Mr. Shailesh Sheth as an Independent Director pursuant to provisions of Section 149 read with Schedule IV of the Act for the approval by the shareholders of the Company. In terms of provisions of Section 149(13) of the Act, Mr. Shailesh Sheth shall not be liable to retire by rotation.

Except Mr. Shailesh Sheth, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their respective relatives are concerned or interested in the resolution set out in Item No.6.

Item No. 7

Mr. Marco Wadia, 58, holds Bachelor Degree in Law and since 2001 is a Partner in the firm of M/s. Crawford Bayley & Co., Mumbai, a reputed firm of Solicitors & Advocates. He is a Director on the Board of various Companies, such as, Zuari Agro Chemicals Limited, Johnson & Johnson Limited, Chambal Fertilisers and Chemicals Limited., Gobind Sugar Mills Limited, Paradeep Phosphates Limited, Stovec Industries Limited, Simon India Limited, Zuari Global Limited, Amphenol Interconnect India Private Limited, Amphenol Omniconnect India Private Limited.

Mr. Marco Wadia has been a Non-Executive Director of the Company since 1998. Pursuant to the provisions of Section 149(4) of the Companies Act, 2013 ('Act'), every listed Company is required to appoint atleast 1/3rd of the total number of Directors as Independent Directors as defined under section 149(6) of the Act. In order to comply with this requirement, the Board of Directors of your Company, after reviewing the provisions of the Act, are of the opinion that Mr. Marco Wadia fulfills the conditions specified in the Act and Rules made thereunder to be eligible for appointment as an Independent Director.

Pursuant to Section 160 of the Act, the Company has received notice, together with requisite deposit of Rs.1 lakh, from a member signifying his intention to propose Mr. Marco Wadia as a candidate for the office of an Independent Director of the Company

The Board of Directors of your Company believes that Mr. Marco Wadia's knowledge and experience would benefit the Company and recommends the resolution in relation to appointment of Mr. Marco Wadia as an Independent Director pursuant to provisions of Section 149 read with Schedule IV of the Act for the approval by the shareholders of the Company. In terms of provisions of Section 149(13) of the Act, Mr. Marco Wadia shall not be liable to retire by rotation.

Except Mr. Marco Wadia, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their respective relatives are concerned or interested in the resolution set out in Item No.7.

Item No. 8

Mr. F. K. Banatwalla, 65, is B.Com., LLB, CAIIB(1). He is a Director on the Board of various Companies, such as, Simmonds Marshall Ltd, Uni-Abex Alloy Products Limited, Oil Field Instrumentation India Pvt. Ltd., Gramos Chemicals India Pvt. Ltd., Bullows India Private Limited, Bullows Paint Equipment Private Limited, Clover Realty & Infrastructure Pvt. Ltd., Clover Infotech Pvt. Ltd., Sameera Developers Pvt. Ltd., Logical Properties Pvt. Ltd., Worthwhile Properties Pvt. Ltd. and Amalfi Realty Pvt. Ltd.

Mr. F. K. Banatwalla has been a Non-Executive Director of the Company since 2009. Pursuant to the provisions of Section 149(4) of the Companies Act, 2013 ('Act'), every listed Company is required to appoint atleast 1/3rd of the total number of Directors as Independent Directors as defined under section 149(6) of the Act. In order to comply with this requirement, the Board of Directors of your Company, after reviewing the provisions of the Act, are of the opinion that Mr. F. K. Banatwalla fulfills the conditions specified in the Act and Rules made thereunder to be eligible for appointment as an Independent Director.

Pursuant to Section 160 of the Act, the Company has received notice, together with requisite deposit of Rs.1 lakh, from a member signifying his intention to propose Mr. F. K. Banatwalla as a candidate for the office of an Independent Director of the Company.

The Board of Directors of your Company believes that Mr. F. K. Banatwalla's knowledge and experience would benefit the Company and recommends the resolution in relation to appointment of Mr. F. K. Banatwalla as an Independent Director pursuant to provisions of Section 149 read with Schedule IV of the Act for the approval by the shareholders of the Company. In terms of provisions of Section 149(13) of the Act, Mr. F. K. Banatwalla shall not be liable to retire by rotation.

Except Mr. F. K. Banatwalla , being an appointee, none of the Directors and Key Managerial Personnel of the Company and their respective relatives are concerned or interested in the resolution set out in Item No.8.

Item No. 9

Mr. Pradeep Bhargava, 65, is graduate in Electronics from IISC, Bangalore and holds a management degree from IIM, Ahmedabad. He is a Director on the Board of various Companies, such as, Cummins India Limited, Cummins Generator Technologies India Ltd, Rajkumar Forge Limited, Cummins Technologies India Ltd., Persistent Systems Limited, Torrent Pharmaceuticals Ltd., Pragati Leadership Institute Pvt. Ltd. and Automotive Stampings and Assemblies Limited.

Mr. Pradeep Bhargava has been a Non-Executive Director of the Company since 2009. Pursuant to the provisions of Section 149(4) of the Companies Act, 2013 ('Act'), every listed Company is required to appoint atleast 1/3rd of the total number of Directors as Independent Directors as defined under section 149(6) of the Act. In order to comply with this requirement, the Board of Directors of your Company, after reviewing the provisions of the Act, are of the opinion that Mr. Pradeep Bhargava fulfills the conditions specified in the Act and Rules made thereunder to be eligible for appointment as an Independent Director.

Pursuant to Section 160 of the Act, the Company has received notice, together with requisite deposit of Rs.1 lakh, from a member signifying his intention to propose Mr. Pradeep Bhargava as a candidate for the office of an Independent Director of the Company.

The Board of Directors of your Company believes that Mr. Pradeep Bhargava's knowledge and experience would benefit the Company and recommends the resolution in relation to appointment of Mr. Pradeep Bhargava as an Independent Director pursuant to provisions of Section 149 read with Schedule IV of the Act for the approval by the shareholders of the Company. In terms of provisions of Section 149(13) of the Act, Mr. Pradeep Bhargava shall not be liable to retire by rotation.

Except Mr. Pradeep Bhargava, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their respective relatives are concerned or interested in the resolution set out in Item No.9.

By Order of the Board

C. B. Sagvekar

Vice President and Company Secretary

Mumbai, 21st May, 2014.

Registered Office:

Great Social Building,
60, Sir Phirozeshah Mehta Road,
Mumbai - 400 001.

Directors' Report

The Directors present herewith their Hundred and Sixth Annual Report with the Audited Statement of Accounts for the year ended 31st March, 2014.

	Year ended 31-3-2014	Previous Year ended 31-3-2013
	Rs. Lakhs	Rs. Lakhs
1. Financial Results		
Profit / (Loss) before tax	388.99	512.45
Less: Provision for Income-tax	120.00	180.00
Profit / (Loss) after tax	268.99	332.45
Balance brought forward from previous year	962.36	796.72
Amount available for appropriation	1231.35	1129.17
Less: Appropriations		
Proposed dividend	95.58	114.70
Tax on proposed dividend	15.50	18.61
General Reserve	27.00	33.50
Balance carried forward	1093.27	962.36

2. Dividend

The Directors are pleased to recommend a dividend of Rs.12.50 (125%) per share for the financial year ended 31st March, 2014.

3. Operations

Income for the year under review was Rs.7244 Lakhs as against Rs.7632 Lakhs in the previous year. The profit before tax was Rs.389 Lakhs as against Rs.512 Lakhs in the previous year. Generally business should continue to progress. Barring unforeseen circumstances, there should be improved results in the current year.

4. Particulars of Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

Information pursuant to Section 217(1)(e) of the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 is given in the Annexure "A" to the Directors' Report.

5. Particulars of employees

Statement pursuant to Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975, as amended, is not annexed to this report as no employee was in receipt of the remuneration in excess of the prescribed sum during the year.

6. Directors' Responsibility Statement pursuant to Section 217 (2AA) of the Companies Act, 1956.

It is hereby confirmed that

- (i) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (ii) the Directors had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- (iii) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) the Directors had prepared the annual accounts on a going concern basis.

7. Directors

- (i) In accordance with Article 122 of the Articles of Association of the Company, Mr.B.H. Reporter and Mrs. Parviz Batliwala retire by rotation at the ensuing Annual General Meeting and being eligible offer themselves for reappointment.
- (ii) Pursuant to the provisions of Section 149 (4) of the Companies Act, 2013 "Act", every listed Company is required to appoint 1/3rd of the total number of Directors as Independent Directors, as defined under section 149(6) of the Act. In order to comply with this requirement, the Board of Directors of the Company, after reviewing the provisions of the Act are of the opinion that Mr. Shailesh Sheth, Mr. Marco Wadia, Mr.F.K. Banatwalla and Mr. Pradeep Bhargava, Non Executive Directors of the Company, fulfill the conditions specified in the Act and Rules made thereunder to be eligible for appointment as Independent Directors.

Accordingly, the Board recommends the resolutions in relation to the appointment of the said Independent Directors pursuant to the provisions of Section 149 read with Schedule IV of the Act for the approval of the Shareholders of the Company.

8. Auditors

- (i) Messrs. Sorab S. Engineer & Co., Chartered Accountants, the Auditors of the Company retire at the ensuing Annual General Meeting and being eligible offer themselves for reappointment.
- (ii) Pursuant to the Order No.52/26/CAB.2010 dated 24th January, 2012, issued by the Ministry of Corporate Affairs, Cost Audit Branch, the Company has appointed M/s.Devarajan Swaminathan & Company, Cost Accountants, Thane (Firm Registration No.100669) as Cost Auditor to audit the Cost Accounting records of the Company for the Financial Year 2013-2014.

The Cost Audit Report for the Financial Year 2012-2013 was filed with Ministry of Corporate Affairs (MCA) on 27th December, 2013.

On behalf of the Board of Directors

B. H. Reporter
Chairman

Mumbai, 21st May, 2014.

Annexure “A” to the Directors’ Report

Information required under the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988.

(A) Conservation of Energy

a) Energy Conservation Measures taken

Monthly monitoring of electricity and water consumption in factory is done by Maintenance Dept. The usage of lights, AC is monitored by all concerned.

b) Additional Investments and proposals, if any, being implemented for reduction of consumption of energy

New energy efficient generator, energy efficient air-conditioners, new affluent treatment system, CFL lights have already been put in place in the factory.

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

The expenses on energy have been held at reasonable level energy costs do not have major impact on product-costs.

d) Total energy consumption and energy consumption per unit of production as per Form A of the annexure in respect of industries specified in the schedule thereto.

As the Company is not covered under the list of specified industries, Form A is not attached.

(B) Technology Absorption

I Research and Development (R&D)

1. Specific areas in which R&D carried out by the Company

Most of the current products are available in AC Technology keeping in line with global Trends. Reach Truck fully designed by product development group has been launched. Electric fork-lift is expected to gather momentum in current year.

2. Future Plan of Action

Product development Team is working on further Technology upgrades.

3. Expenditure on R&D

We have spent around one percent of turnover in Engineering and Product development in Material Handling division.

II Technology absorption, adaptation and innovation:

1. Efforts made towards technology absorption, adaptation and innovation

Customisation continues to be focus area for special applications.

2. Benefits derived as a result of the above efforts:

This has mainly helped us in new customer acquisition.

3. Technology imported during the last 5 years:

No technology has been imported during the last 5 years.

(C) Foreign Exchange Earnings and Outgo

(a) Activities related to exports, initiatives taken to increase exports, development of new export markets for products and services and export plans.

The Company is currently focussing on local markets.

(b) Total foreign exchange used and earned

The information is contained in Note No.33 to 35 on page no.37.

On behalf of the Board of Directors

B. H. Reporter
Chairman

Mumbai, 21st May, 2014.

General Shareholder Information

Attendance of Directors at Board Meetings and last Annual General Meeting

Name of the Director	Attendance at Meetings during 2013-14	
	Board Meetings	Last AGM
Mr. B. H. Reporter	6	Yes
Mr. Marco Wadia	6	Yes
Mr. Shailesh Sheth	5	Yes
Mr. F. K. Banatwalla	5	Yes
Mr. Pradeep Bhargava	5	Yes
Mrs. Parviz Batliwala	2	Yes

Sitting Fees to Directors :

The following directors have been paid sitting fee during the year 2013-14.

Name of the Director	Sitting fees paid (Rs.)
Mr. B. H. Reporter	30,000
Mr. Marco Wadia	30,000
Mr. Shailesh Sheth	25,000
Mr. F. K. Banatwalla	25,000
Mr. Pradeep Bhargava	25,000
Mrs. Parviz Batliwala	10,000

Listing :

The Company's Equity shares have been listed on Mumbai Stock Exchange.

Shareholding Pattern as on 31st March, 2014.

A. Shareholding of Promoter and Promoter group	No. of Shares	%
(i) Indian	3,35,910	43.93
(ii) Foreign (NRI)	34,000	4.45
Sub-Total	3,69,910	48.38
B. Public Shareholding		
(i) Financial Institutions/Banks	595	0.08
(ii) Bodies Corporate	3,096	0.40
(iii) Individuals	3,91,049	51.14
Sub-Total	3,94,740	51.62
GRAND TOTAL	7,64,650	100.00

Shares held in physical / demat mode as on 31st March, 2014.

	Demat	Physical	Total
No. of Shares	6,87,231	77,419	7,64,650
%	89.87	10.13	100.00
No. of Folios	1220	319	1539

To our Shareholders

We have just finished one of the toughest years and hopefully are entering into a promising one now.

The results of the year 2013-14 are at lower levels as compared to those of the previous year. Income for the year is Rs. 7244 lakhs as against Rs.7632 lakhs in the previous year. Profit before tax is lower at Rs. 389 lakhs as against Rs. 512 lakhs in the previous year. The Board of Directors has recommended a dividend of Rs. 12.50 per share (125%) for the year 2013-14.

The year 2013-14, continued much like the earlier year with a further downturn in the economic scenario, investments in capital goods, especially in the segments to which our company caters. The overall growth prospects of our customers continued to be low and the tight liquidity position in the market adversely affected order bookings for most of our products / product lines. Normally, the customers have larger procurement in the last quarter but in this year this trend was missing to a large extent due to customers preferring to hold and defer their purchases. This resulted in lower invoicing volume and in turn resulted into lower over all profitability.

Some of the key segments like Power and Automobiles to which our company caters, continued to show declining performance. Inflation continued to be high which created huge pressure on margins. Organized as well as unorganized competition made it difficult to recover higher costs.

With sustained sales efforts, we managed to restrict the fall in the revenues to five-percent, despite a larger fall in order booking. With strict expense management, we were able to curtail expenditure to a level lesser than in previous year.

In **Engineered Products Division**, we operate in various private and Government segments. Automobile and Power segments showed decline in capital investments which adversely affected our key product lines like Electrical and Simulation. These were partly compensated by higher investments by other customers in R&D and Education segments. However, delayed investment decisions by our customers affected order booking especially in Public Sector Undertakings.

Going forward, we hope that a stable Government at the center will boost capital goods investments which should benefit our company.

We plan to further strengthen our market presence with a view to make our customer relations deeper and more broad based. We also plan to strengthen our services, leading to better market access.

Industrial Finishing business though was on decline, we were able to manage better by focusing on 'value-creation' by offering more safety in operations, better returns and better quality for products to customers.

The **Material Handling Division** was also adversely affected as growth plans of customers got delayed and replacement plans were postponed. In current year, we expect to see this business pick up strongly. However, a lot of competition from unorganized sector and imports is expected to put a pressure on our margins.

With our increased range of products, we are better placed now to respond to the increase in level of activities which is expected in the current year, especially in warehousing and logistics industries. We plan to sharpen our focus on Key Accounts and existing customers while continuing to add new customers.

Human resources and talent management continues to be the key challenge. Training, re-structuring, better employee engagement continue to be our thrust areas in this regard.

We thank our Employees, Principals, Bankers, Suppliers, Shareholders and all the people associated with the Company, for their total co-operation and support.

Mumbai, 21st May, 2014.

B. H. Reporter
Chairman

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF JOST'S ENGINEERING COMPANY LIMITED

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards notified under the Companies Act, 1956 ("the Act") read with the General Circular 15/2013 dated 13th September 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
- (b) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.

2. As required by Section 227(3) of the Act, we report that:
- a. we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books and proper returns adequate for the purposes of our audit have been received from the branches not visited by us;
 - c. the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account and with the returns received from the branches not visited by us;
 - d. in our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards notified under the Companies Act, 1956 ("the Act") read with the General Circular 15/2013 dated 13th September 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013;
 - e. on the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

For **Sorab S. Engineer & Co.**
Chartered Accountants
Firm Registration No. 110417W

C.A. N. D. Anklesaria
Partner

Mumbai: 21st May, 2014.

Membership No. 10250

ANNEXURE TO THE AUDITORS' REPORT
Referred to in paragraph 1 of our Report of even date.

- i. a. The Company has maintained proper records showing full particulars including quantitative details and situation of its Fixed Assets.
- b. All the assets have not been physically verified by the management during the year but 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 its assets. We are informed that no material discrepancies were noticed on such verification.
- c. According to the information and explanations given to us, the Company has not disposed off substantial part of its fixed assets during the year.
- ii. a. The inventory has been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable.
- b. In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and nature of its business.
- c. On the basis of our examination of the records of inventory, we are of the opinion that the Company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material.
- iii. a. The Company has neither granted nor taken any loans, secured or unsecured, to/from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Accordingly, the clauses 4 (iii) (b) to (g) of the Order are not applicable.
- iv. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to purchases 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 the internal controls.
- v. a. In our opinion and according to the information and explanations given to us, the particulars of contracts or arrangements that need to be entered into the register maintained under section 301 of the Companies Act, 1956 have been so entered.
- b. In respect of transactions in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 in respect of any party, the same have been made at prices which are reasonable having regard to the prevailing market prices or at prices for which similar transactions have been made with other parties, except for transactions of special nature where comparable alternative quotations were not available or where a comparison of prices could not be made since there were no similar transactions with other parties.
- vi. The Company has not accepted any deposits from the public to which the provisions of section 58A, 58AA or any other relevant provisions of Companies Act, 1956 and the rules framed there under would apply.
- vii. In our opinion and according to the information and explanations given to us, the Company has an internal audit system commensurate with its size and nature of its business.
- viii. We have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records under Section 209 (1) (d) of the Companies Act, 1956 in respect of products manufactured by the Company. We are of the opinion that prima facie the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of these records.

ANNEXURE TO THE AUDITORS' REPORT (contd.)

Referred to in paragraph 1 of our Report of even date.

- ix. a. The Company is generally regular in depositing undisputed statutory dues, including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and any other material statutory dues with the appropriate authorities. There are no outstanding statutory dues as at the last day of the financial year which were outstanding for a period of more than six months from the date they became payable.
- b. According to the records of the Company as at 31st March 2014, the following are the particulars of disputed dues on account of Income Tax, Sales Tax, Service Tax, Custom Duty and Excise Duty matters which have not been deposited.

Name of the Statute	Nature of Dues	Amount (Rs. in Lakhs)	Forum where dispute is pending
The Andhra Pradesh General Sales Tax Act, 1956	Works Contract Tax	19.78	Assistant Commissioner of Sales Tax (Appeals) Kanchipuram
The Tamil Nadu General Sales Tax, 1959.	Sales Tax	120.73	Deputy Commissioner (CT) Sales Tax Appellate Tribunal, Chennai.
The Central Sales Tax Act, 1956 & Bombay Sales Tax Act, 1956	Sales Tax 2005-06	0.33	Deputy Commissioner of Sales Tax, Mazgaon, Mumbai.
The Central Sales Tax Act, 1956	Sales Tax Asst. Year 2002-03	155.96	Jt. Commissioner of Sales Tax (Appeals)
The Central Sales Tax Act, 1956	Sales Tax Asst. Year 2003-04	138.66	Jt. Commissioner of Sales Tax (Appeals)
The Bombay Sales Tax Act, 1956	Sales Tax Asst. Year 2003-04	211.78	Jt. Commissioner of Sales Tax (Appeals)
The Central Sales Tax Act 1956	Sales Tax Asst. Year 2008-09	19.18	Asst. Commissioner of Sales Tax Business Audit I Mumbai
MVAT Act, 2002	Sales Tax Asst. Year 2008-09	3.25	Asst. Commissioner of Sales Tax Business Audit I Mumbai
Central Excise Act	Central Excise	22.10	Additional Commissioner of Central Excise, Mulund Division
Central Excise Act	Central Excise	14.54	Additional Commissioner of Central Excise, Mulund Division
Central Excise Act	Central Excise	31.81	Additional Commissioner of Central Excise, Mulund Division
Central Excise Act	Central Excise	303.11	CESTAT, Mumbai
Central Excise Act	Central Excise	108.21	Commissioner of Central Excise, Mulund Division
Central Excise Act	Central Excise	743.54	CESTAT, Mumbai
Central Excise Act	Central Excise	38.20	Additional Commissioner of Central Excise, Mulund Division
Central Excise Act	Service Tax	4.27	Assistant Commissioner of Service Tax, Mulund
Central Excise Act	Service Tax	0.39	Assistant Commissioner of Service Tax, Mulund
Central Excise Act	Service Tax	0.78	Assistant Commissioner of Service Tax, Division VI, Mumbai
Central Excise Act	Service Tax	1.58	CESTAT, Mumbai
Central Excise Act	Service Tax	5.09	CESTAT, Mumbai
The Income Tax Act, 1961	Income Tax	7.00	CIT (A)-5
The Income Tax Act, 1961	Income Tax	47.71	CIT (A)-5

ANNEXURE TO THE AUDITORS' REPORT (contd.)

Referred to in paragraph 1 of our Report of even date.

- x. The Company has no accumulated losses as at 31st March, 2014 and it has not incurred any cash losses in the financial year ended on that date or in the immediately preceding financial year.
- xi. In our opinion and according to the information and explanations given by the Management, during the year there is no default in the repayment of dues to any financial institutions or banks.
- xii. In our opinion and according to the information and explanations given by the Management, the Company has not granted any loans and advances on the basis of security by way of pledge of Shares, Debentures or any other security.
- xiii. In our opinion, the Company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore, the provisions of clause 4 (xiii) of the Order are not applicable.
- xiv. In our opinion, the Company is not dealing or trading in shares, securities, Debentures and any other investments. Therefore, the provisions of clause 4(xiv) of the Order are not applicable.
- xv. In our opinion and according to the information and explanations given by the management, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
- xvi. On the basis of the records examined by us, and relying on the information compiled by the Company for co-relating the funds raised to the end-use of term loans, we state that the Company has, prima facie, applied the term loans for the purpose for which they were obtained.
- xvii. According to the information and explanations given to us, and on an overall examination of the financial statements and after placing reliance on the reasonable assumptions made by the Company for classification of Short term and Long term usage of the funds, we are of the opinion that, prima facie, no funds raised on short term basis have been utilized for long term investment.
- xviii. According to the information and explanations given to us, the Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956.
- xix. According to the information and explanations given to us the Company has not issued any debentures during the year
- xx. The Company has not made any public issues during the year.
- xxi. Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the year.

For **Sorab S. Engineer & Co.**
Chartered Accountants
Firm Registration No. 110417W

C.A. N. D. Anklesaria
Partner

Mumbai: 21st May, 2014.

Membership No. 10250

Balance Sheet as at 31st March, 2014

Particulars	Note No.	As at 31st March 2014 Rs. Lakhs	As at 31st March 2013 Rs. Lakhs
I. EQUITY AND LIABILITIES			
1) Shareholders' funds:			
(a) Share Capital	2	76.46	76.46
(b) Reserves and Surplus	3	1,446.58	1,288.67
2) Non-current liabilities:			
(a) Long-term borrowings	4	3.68	18.46
(b) Other Long term liabilities	5	21.46	23.61
(c) Long-term provisions	6	347.47	363.33
3) Current liabilities:			
(a) Short-term borrowings	7	99.76	196.05
(b) Trade payables	38	1,662.18	1,388.37
(c) Other current liabilities	8	411.14	550.94
(d) Short-term provisions	9	188.58	296.73
Total		<u>4,257.31</u>	<u>4,202.62</u>
II. ASSETS			
Non-current assets			
1 (a) Fixed assets			
(i) Tangible assets		237.34	273.13
(ii) Intangible assets		4.65	6.42
(iii) Capital work-in-progress		—	—
	10	<u>241.99</u>	<u>279.55</u>
(b) Non-current investments	11	1.00	1.00
(c) Long-term loans and advances	12	18.01	14.16
2 Current assets			
(a) Current investments	13	8.92	12.56
(b) Inventories	14	1,053.59	866.14
(c) Trade receivables	15	2,363.05	2,413.28
(d) Cash and Cash Equivalents	16	247.07	293.29
(e) Short-term loans and advances	17	318.49	316.97
(f) Other current assets	18	5.19	5.67
Total		<u>4,257.31</u>	<u>4,202.62</u>

Summary of Significant Accounting Policies 1

Notes referred to above form an integral part of the Balance Sheet and should be read in conjunction therewith

As per our report of even date attached

For **SORAB S. ENGINEER & CO.**

Chartered Accountants

Firm Registration No. 110417W

C.A. N. D. ANKLESARIA

Partner

Membership No. 10250

Mumbai, 21st May, 2014

For and on behalf of the Board

B. H. Reporter Chairman

F. K. Banatwalla Director

C. B. Sagvekar Vice President and
Company Secretary

Mumbai, 21st May, 2014

Statement of Profit and Loss for the year ended 31st March, 2014

Particulars	Note No.	For the year ended	For the year ended
		31st March 2014	31st March 2013
		Rs. Lakhs	Rs. Lakhs
I. Revenue from operations	19	7,230.07	7,620.58
II. Other income	20	13.73	11.68
III. Total Revenue (I + II)		7,243.80	7,632.26
IV. Expenses:			
Cost of Materials Consumed	30	3,157.23	2,855.63
Purchases of Traded Goods	32	1,334.27	2,076.33
Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	21	31.80	(234.42)
Employee benefits expenses	22	1,203.99	1,297.42
Other expenses	23	1,051.21	1,030.26
Finance costs	24	23.74	26.90
Depreciation and amortization expenses	10	52.57	67.69
Total expenses		6,854.81	7,119.81
V. Profit before exceptional and extraordinary items and tax (III-IV)		388.99	512.45
VI. Exceptional items		-	-
VII. Profit before extraordinary items and tax (V-VI)		388.99	512.45
VIII. Extraordinary Items		-	-
IX. Profit before tax (VII-VIII)		388.99	512.45
X. Tax expense:			
(1) Current tax		120.00	180.00
(2) Deferred tax		-	-
(3) Short / (excess) provision for previous years		-	-
XI. Profit for the year (IX-X)		268.99	332.45
XII. Earnings per equity share: (in Rs.)	41		
(1) Basic		35.18	43.48
(2) Diluted		35.18	43.48

Summary of Significant Accounting Policies 1

Notes referred to above form an integral part of the statement of Profit and Loss and should be read in conjunction therewith

As per our report of even date attached

For **SORAB S. ENGINEER & CO.**

Chartered Accountants

Firm Registration No. 110417W

C.A. N. D. ANKLESARIA

Partner

Membership No. 10250

Mumbai, 21st May, 2014

For and on behalf of the Board

B. H. Reporter Chairman

F. K. Banatwalla Director

C. B. Sagvekar Vice President and
Company Secretary

Mumbai, 21st May, 2014



Cash Flow Statement for the year ended 31st March, 2014

	31st March, 2014 Rs. Lakhs	31st March, 2013 Rs. Lakhs
A) CASH FLOW FROM OPERATING ACTIVITIES:		
NET PROFIT BEFORE TAX	388.99	512.45
ADJUSTMENTS FOR:		
DEPRECIATION	52.57	67.69
DIVIDEND INCOME	(1.52)	(2.26)
INTEREST EXPENSES	23.74	26.90
INTEREST INCOMES	(10.71)	(9.42)
(PROFIT) / LOSS ON SALE OF ASSETS	(0.05)	3.92
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	453.02	599.28
ADJUSTMENTS FOR:		
TRADE AND OTHER RECEIVABLES	45.34	212.56
INVENTORIES	(187.45)	(253.92)
TRADE PAYABLES	119.10	(181.59)
CASH GENERATED FROM OPERATIONS	430.01	376.33
DIRECT TAXES	(209.03)	(220.02)
CASH FLOW BEFORE EXTRAORDINARY ITEMS	220.98	156.31
EXTRAORDINARY ITEMS	-	-
NET CASH FROM OPERATING ACTIVITIES	A 220.98	156.31
B) CASH FLOW FROM INVESTING ACTIVITIES:		
PURCHASE OF INVESTMENTS	3.63	(10.11)
PURCHASE/ADDITIONS TO FIXED ASSETS	(16.31)	(92.26)
SALE OF FIXED ASSETS	1.35	2.11
INTEREST RECEIVED	10.71	9.42
DIVIDEND RECEIVED	1.52	2.26
NET CASH USED IN INVESTING ACTIVITIES	B 0.90	(88.58)
C) CASH FLOW FROM FINANCING ACTIVITIES:		
PROCEEDS FROM (REPAYMENT OF) BORROWINGS	(111.06)	193.97
DIVIDENDS PAID - ON EQUITY SHARES INCLUDING TAX	(133.30)	(222.17)
INTEREST PAID	(23.74)	(26.90)
NET CASH USED IN FINANCING ACTIVITIES	C (268.10)	(55.10)
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	A+B+C (46.22)	12.63
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	293.29	280.66
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	247.07	293.29

Notes : 1. Figures in brackets represent deductions/outflows.
2. The figures for the previous year have been regrouped wherever necessary.

As per our report of even date attached

For **SORAB S. ENGINEER & CO.**

Chartered Accountants

Firm Registration No. 110417W

C. A. N. D. ANKLESARIA

Partner

Membership No. 10250

Mumbai, 21st May, 2014

For and on behalf of the Board

B. H. Reporter Chairman

F. K. Banatwalla Director

C. B. Sagvekar Vice President and
Company Secretary

Mumbai, 21st May, 2014

Notes to the Financial Statements for the year ended 31st March, 2014

Note 1.

Significant Accounting Policies:

(a) Basis of accounting:

The Financial statements are prepared under the historical cost convention on an accrual basis and are in accordance with the requirements of the Companies Act, 1956 and comply with the Accounting Standards referred to in sub-section (3C) of Section 211 of the said Act.

The preparation of financial Statements requires the management to make estimates and assumptions in the reported amounts of assets and liabilities (including current liabilities) as of the date of the financial statements and the reported income and expenses during the reporting period. Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ from these estimates.

(b) Fixed assets and Depreciation/Amortisation:

(1) All fixed assets are at cost of acquisition less depreciation/amortisation.

(2) Depreciation has been provided on the written down value method at the rates specified in Schedule XIV to the Companies Act, 1956 except as stated hereunder:

- | | | |
|---|---|--|
| (i) Leasehold land | : | 1% on the straight-line method. |
| (ii) Furniture and fixtures | : | 25% on Office Equipment in Factories and service centres on written down value method. |
| (iii) Intangible assets being SAP software including implementation charges | : | 20% on the straight line method. |

Depreciation on additions to fixed assets has been provided on a prorata basis from the date of such additions.

(c) Borrowing costs:

Borrowing costs that are directly attributable to the acquisition of qualifying assets are capitalised for the period until the asset is ready for its intended use. A qualifying asset is an asset that necessarily takes substantial period of time to get ready for its intended use. Other borrowing costs are recognised as an expense in the period in which they are incurred. No borrowing costs were eligible for capitalisation during the year.

(d) Inventories:

Inventories are valued at cost or net realisable value whichever is lower. Cost is arrived at on the basis of weighted average method and includes applicable production overheads.

(e) Investments:

- (i) Long-term investments are stated at cost. Provision for diminution is made to recognise a decline, other than temporary, in the value of long-term investments, where applicable.
- (ii) Current Investments are stated at lower of cost and fair value.

(f) Impairment of Assets:

An asset is considered as impaired in accordance with Accounting Standard 28 on Impairment of Assets when at the balance sheet date there are indications of impairment and the carrying amount of the assets, or where applicable the cash generating unit to which the asset belongs, exceeds its recoverable amount (i.e. the higher of the asset's net selling price and value in use). The carrying amount is reduced to the recoverable amount and the reduction is recognized as an impairment loss in the statement of profit and loss.

Notes to the Financial Statements for the year ended 31st March, 2014

Note 1. Significant Accounting Policies: (contd.)

(g) Retirement Benefits:

The Company has various schemes of Retirement benefits such as Provident Fund, Superannuation and Gratuity. The Superannuation and Gratuity Schemes are duly approved by Income-tax authorities and the Company's contributions to all these schemes are charged against revenue every year. The Gratuity and Superannuation Fund benefits are administered by a Trust formed for this purpose through the Life Insurance Corporation of India. In respect of gratuity, a provision has been made on the basis of an actuarial valuation as at the end of the year.

The liability in respect of employees eligible for Leave encashment is provided for on the basis of an actuarial valuation as at the end of the year.

(h) Foreign currency transactions:

Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of the transaction. In respect of monetary items denominated in foreign currencies, exchange differences arising out of settlement or on conversion at the closing rate are recognised in the statement of Profit and Loss, there being no liability incurred in foreign exchange for the purpose of acquiring fixed assets.

(i) Taxation:

Provision for taxation has been made in accordance with the Income-tax laws and rules prevailing at the time of the relevant assessment years. Deferred tax has not been recognised in view of the position stated in Note 39.

(j) Earning per share:

The Company reports basic and diluted earning per share (EPS) in accordance with Accounting Standard 20 Earnings per share.

(k) Contingent Liabilities:

Provision is made for all known liabilities. Contingent liabilities, if any, are disclosed in the accounts by way of a note.

Notes to the Financial Statements for the year ended 31st March, 2014

Note 2: Share Capital

Paid up share capital

Particulars	As at 31 March 2014		As at 31 March 2013	
	Number	Rs. Lakhs	Number	Rs. Lakhs
Authorised				
Equity Shares of Rs. 10/- each	1,000,000	100.00	1,000,000	100.00
Issued				
Equity Shares of Rs. 10/- each	764,650	76.47	764,650	76.47
Subscribed & Fully Paid up				
Equity Shares of Rs. 10/- each	764,590	76.46	764,590	76.46
Subscribed but not fully Paid up				
Equity Shares of Rs. 10/- each	60	0.01	60	0.01

a. Reconciliation of shares outstanding at the beginning and end of the year

Particulars	Equity Shares	
	Number	Rs. Lakhs
Shares outstanding at the beginning of the year	764,650	76.46
Shares Issued during the year	–	–
Shares bought back during the year	–	–
Shares outstanding at the end of the year	764,650	76.46

b. The Equity Shares of the Company have voting rights and are subject to the restrictions as prescribed under the Companies Act, 1956.

c. The Company has no holding Company or subsidiaries or associates of holding Company.

d. List of shareholders holding more than 5% shares

Name of Shareholder	As at 31 March 2014		As at 31 March 2013	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Mr. Burjor H. Reporter	76,420	9.99	74,420	9.73
Mrs. Aloo B. Reporter	73,450	9.61	73,450	9.61
Mrs. Parviz J. Batliwala	39,000	5.10	41,000	5.36
Bullows India Private Limited	71,040	9.29	71,040	9.29
Phiroze Sethna Private Limited	76,000	9.94	76,000	9.94

e. During the last 5 years, the Company has neither issued any bonus shares nor allotted any shares pursuant to a contract without payment being received in Cash.

No shares have been bought back during the last 5 years.

f. Unpaid calls

As per records of the Company, no calls remain unpaid by the directors and officers of the Company as on 31st March, 2014.

g. As per records of the Company, no shares have been forfeited by the Company during the year.

Notes to the Financial Statements for the year ended 31st March, 2014

Note 3: Reserves and Surplus

Particulars	As at 31 March 2014 Rs. Lakhs	As at 31 March 2013 Rs. Lakhs
a. Securities Premium Account		
As per last Balance Sheet	115.79	115.79
b. General Reserve		
Opening Balance	210.52	177.02
(+) Current Year Transfer	27.00	33.50
Closing Balance	<u>237.52</u>	<u>210.52</u>
c. Profit and Loss A/c		
Opening balance	962.36	796.72
(+) Net Profit/(Net Loss) For the current year	268.99	332.45
(-) Proposed Equity Dividend	95.58	114.70
(-) Distribution Tax on Proposed Equity Dividend	15.50	18.61
(-) Transfer to Reserves	27.00	33.50
Closing Balance	<u>1,093.27</u>	<u>962.36</u>
Total	<u><u>1,446.58</u></u>	<u><u>1,288.67</u></u>

Note 4: Long Term Borrowings

Secured

a. Loans from banks

Secured by hypothecation of underlying assets

Long Term Debt

3.68 18.46

Total

3.68 18.46

Details of terms of Repayments

The above Loans are repayable in monthly instalments over a period of 3 years.

There has been no default in repayment of Principal and Interest on the above Loans.

Note 5: Other Long Term Liabilities

a. Dealer Deposits

21.46 23.61

Total

21.46 23.61

Note 6: Long Term Provisions

Provision for employee benefits

Superannuation

49.58 65.55

Gratuity

220.06 208.54

Leave Encashment

77.83 89.24

Total

347.47 363.33

Notes to the Financial Statements for the year ended 31st March, 2014

Note 7: Short Term Borrowings

Particulars	As at 31	As at 31
	March 2014	March 2013
	Rs. Lakhs	Rs. Lakhs
Cash Credit From a Bank		
Secured by hypothecation of stock and book debts and an equitable mortgagage of the Company's Properties at Thane on a pari-passu basis	99.76	196.05
There has been no default in the repayment of principal and interest.		
Total	<u>99.76</u>	<u>196.05</u>

Note 8: Other Current Liabilities

(a) Current Maturities of Long Term Debt	15.64	16.88
(b) Income received in advance	23.09	22.75
(c) Dealer Deposits	2.41	11.81
(d) Unpaid dividends	14.99	13.49
(e) Other current liabilities	160.10	172.41
(f) Other Payables		
Central Excise, Customs Duty, VAT and Service Tax Payable	4.89	66.95
Tax Deducted at Source	11.25	14.06
Salary and Reimbursements	104.28	106.40
Provident Fund and other Employee Deductions	14.96	15.69
Advances from Customers	59.53	110.50
Total	<u>411.14</u>	<u>550.94</u>

Note 9: Short Term Provisions

Particulars	As at 31 March 2014		As at 31 March 2013	
	Rs. Lakhs	Rs. Lakhs	Rs. Lakhs	Rs. Lakhs
Provisions				
Provision for tax	1,125.49		1,005.49	
Less: Advance payment of income-tax	1,098.93	26.56	889.91	115.58
Provision for warranty claims		6.27		14.39
Proposed Equity Dividend		95.58		114.70
Distribution Tax on Proposed Equity Dividend		15.50		18.61
Provision for employee benefits				
Superannuation		1.19		0.97
Gratuity		21.78		12.50
Leave Encashment		21.70		19.98
Total		<u>188.58</u>		<u>296.73</u>

Notes to the Financial Statements for the year ended 31st March, 2014

Note 10: Fixed Assets

Rs. Lakhs

A Gross block, accumulated depreciation and net block

Particulars	Gross Block				Accumulated Depreciation				Net Block	
	Balance as at 1st April 2013	Additions during the year	Deletion/ adjustments during the year	Balance as at 31st March 2014	Balance as at 1st April 2013	Dep. charge for the year	Dep. due to deletion/ adjustments	Balance as at 31st March 2014	Balance as at 31st March 2013	Balance as at 31st March 2014
a) Tangible Assets										
Leasehold Land	1.02	–	–	1.02	0.52	0.01	–	0.53	0.50	0.49
Buildings	42.61	–	–	42.61	39.95	0.27	–	40.22	2.66	2.39
Computers & Peripherals	277.12	1.48	1.77	276.83	255.08	9.10	1.64	262.54	22.04	14.29
Furniture and Fixtures	75.49	0.70	0.29	75.90	63.49	2.28	0.18	65.59	12.00	10.31
Office Equipment	21.21	–	–	21.21	18.29	0.73	–	19.02	2.92	2.19
Plant & Machinery	480.48	12.63	4.08	489.03	277.78	29.10	3.30	303.58	202.70	185.45
Vehicles	57.74	–	3.42	54.32	27.43	7.81	3.14	32.10	30.31	22.22
Total	955.67	14.81	9.56	960.92	682.54	49.30	8.26	723.58	273.13	237.34
(Previous Year)	(876.95)	(102.12)	(23.39)	(955.67)	(642.74)	(57.16)	(17.36)	(682.54)	(234.21)	(273.13)
b) Intangible Assets										
Technical Know-How	102.01	–	–	102.01	102.01	–	–	102.01	–	–
Trademarks	0.02	–	–	0.02	0.02	–	–	0.02	–	–
Computer Software	116.52	1.50	–	118.02	110.10	3.27	–	113.37	6.42	4.65
Total	218.55	1.50	–	220.05	212.13	3.27	–	215.40	6.42	4.65
(Previous Year)	(214.44)	(4.11)	–	(218.55)	(201.60)	(10.53)	–	(212.13)	(12.83)	(6.42)
Total	1,174.22	16.31	9.56	1,180.97	894.67	52.57	8.26	938.98	279.55	241.99
(Previous Year Total)	(1,091.38)	(106.23)	(23.39)	(1,174.22)	(844.34)	(67.69)	(17.36)	(894.67)	(247.04)	(279.55)

Note: As per Accounting Standard - 28 - "Impairment of Assets" issued by the Institute of Chartered Accountants of India, no provision for Impairment of Assets is required.

Notes to the Financial Statements for the year ended 31st March, 2014

Note 11: Non Current Investments

Particulars	Nominal Value Rs.	Number of Shares	As at 31 March 2014 Rs. Lakhs	As at 31 March 2013 Rs. Lakhs
A Trade Investments (At Cost)				
a. Investment in Equity instruments (Unquoted) (Fully Paid up)				
Zoroastrian Co-operative Bank Ltd.	25	4,000	1.00	1.00
Total (A)			<u>1.00</u>	<u>1.00</u>
Total			<u><u>1.00</u></u>	<u><u>1.00</u></u>
a Aggregate Book Value of Investments				
Unquoted - At Cost			1.00	1.00
b There is no diminution in the value of the Investment.				

Note 12: Long Term Loans and Advances

a. Security Deposits

Unsecured, considered good	18.01	14.16
Total	<u><u>18.01</u></u>	<u><u>14.16</u></u>

Note 13: Current Investments (At cost)

Particulars	NAV as on 31st March 2014 Rs. Lakhs	Number	As at 31 March 2014 Rs. Lakhs	As at 31 March 2013 Rs. Lakhs
A. Investments in Mutual Funds				
Reliance Money Manager Fund	1,002.10	890.775	8.92	12.56
Total			<u><u>8.92</u></u>	<u><u>12.56</u></u>
a Aggregate Book Value of Investments				
Quoted - At Cost			8.92	12.56

Footnote:

Market Value of Quoted Investments - Rs. 8.93 Lacs (Previous Year - Rs. 12.56 Lacs)

Notes to the Financial Statements for the year ended 31st March, 2014

Note 14: Inventories (Valued at lower of cost or net realisable value)

Particulars	As at 31 March 2014 Rs. Lakhs	As at 31 March 2013 Rs. Lakhs
a. Raw Materials and components	495.32	276.00
b. Work-in-progress	189.44	165.76
c. Finished goods	–	25.66
d. Stock-in-trade	367.22	397.04
e. Stores and spares	1.61	1.68
Total	1,053.59	866.14

Note 15: Trade Receivables

Trade receivables outstanding for a period less than six months from the date they are due for payment

Unsecured, considered good	1,479.04	1,486.47
	<u>1,479.04</u>	<u>1,486.47</u>

Trade receivables outstanding for a period exceeding six months from the date they are due for payment

Unsecured, considered good	884.01	926.81
Unsecured, considered doubtful	57.60	73.95
	<u>941.61</u>	<u>1,000.76</u>
Less: Provision for doubtful debts	57.60	73.95
	<u>884.01</u>	<u>926.81</u>
Total	2,363.05	2,413.28

Note 16: Cash and Cash Equivalents

Cash and cash equivalents

a. Cash on Hand	1.17	3.50
b. Balances with Banks on Current Accounts (with Scheduled Banks)	100.44	152.86
	<u>101.61</u>	<u>156.36</u>

Other Bank Balances

a. Balances held for unpaid dividends	14.99	13.49
b. Bank Deposits as Margin money	130.47	123.44
	<u>145.46</u>	<u>136.93</u>
Total	247.07	293.29

Notes to the Financial Statements for the year ended 31st March, 2014

Note 17: Short term loans and advances

Particulars	As at 31 March 2014		As at 31 March 2013	
	Rs. Lakhs	Rs. Lakhs	Rs. Lakhs	Rs. Lakhs
Advances Recoverable in Cash or in Kind				
Unsecured, considered good	164.82		278.56	
Unsecured, considered doubtful	11.59	176.41	17.07	295.63
Less : Provision for doubtful advances		11.59		17.07
		164.82		278.56
Balances with government authorities		153.67		38.41
Total		318.49		316.97

Note 18: Other Current Assets

Interest Accrued on Bank Deposits	5.19	5.67
Total	5.19	5.67

Notes to the Financial Statements for the year ended 31st March, 2014

Note 19: Revenue from operations

Particulars	For the year ended 31 March 2014 Rs. Lakhs	For the year ended 31 March 2013 Rs. Lakhs
A Sale of manufactured goods	5,007.60	4,341.23
Less: Excise duty	469.39	422.14
Sale of manufactured goods (net of excise)	4,538.21	3,919.09
B Sale of traded goods	1,708.31	2,510.91
Other Operating Revenues		
C Commission Income	582.43	758.65
D Sale of services	392.59	413.59
E Scrap and sundry sales	8.53	11.33
F Other operating income	-	7.01
Total	7,230.07	7,620.58

Note 20: Other Income

A Interest Income	10.71	9.42
B Dividend Income	1.52	2.26
C Net gain/loss on foreign currency transactions and translation (NET)	1.45	-
D Net gain/loss on sale of fixed assets (NET)	0.05	-
Total	13.73	11.68

Note 21: Changes in Inventories

Changes in Inventories of Finished Goods,
Work-in-Progress and Stock in Trade

Opening Stocks :

Finished Goods - Manufactured	25.66	17.91
Finished Goods - Traded	397.04	310.97
Work-in-Progress	165.76	25.16
	588.46	354.04

Less: Closing Stocks :

Finished Goods - Manufactured	-	25.66
Finished Goods - Traded	367.22	397.04
Work-in-Progress	189.44	165.76
	556.66	588.46
	31.80 *	(234.42)

* Includes increase in Excise Duty on Closing Stock of
Finished Goods Rs. Nil (Previous year increase of Rs. 1.04 Lakhs)

Notes to the Financial Statements for the year ended 31st March, 2014

Note 22: Employee Benefit Expenses

Particulars	For the year ended 31 March 2014 Rs. Lakhs	For the year ended 31 March 2013 Rs. Lakhs
A Salaries and incentives	1,057.62	1,154.13
B Contributions to provident and other funds	105.05	102.63
C Staff welfare expenses	41.32	40.66
Total	1,203.99	1,297.42

Note 23: Other Expenses

a Sub contract and labour charges	70.46	105.22
b Stores and spare parts consumed (indigenous)	11.63	14.06
c Fuel and power	35.85	35.31
d Repairs to buildings	0.02	0.42
e Repairs to machinery	4.96	6.29
f Rent	90.17	94.85
g Rates and taxes	18.33	11.08
h Insurances	12.68	12.92
i Travelling expenses	118.52	135.47
j Postage, telephone and internet	36.33	40.06
k Printing and stationery	13.60	13.55
l Legal and professional charges	129.77	114.51
m Conveyance expenses	75.26	75.19
n Provision for doubtful debts	42.79	49.05
o Provision for doubtful advances & Deposits	-	7.57
p Bad debts written off	-	-
q Freight on sales	155.00	114.78
r Commission expense	50.33	33.47
s Motor vehicle expense	9.31	8.75
t Commission to directors	9.00	13.00
u Net gain/loss on sale of fixed assets (NET)	-	3.92
v Directors' fees	1.45	1.15
w Net gain/loss on foreign currency transactions and translation (NET)	-	0.01
x Miscellaneous expenses	165.75	139.63
Total	1,051.21	1,030.26

Note 24: Finance Costs

A Interest expense	23.74	26.90
Total	23.74	26.90

Notes to the Financial Statements for the year ended 31st March, 2014

25. Capital and other Commitments:

Estimated amount of contracts to be executed on capital account and not provided for as at 31st March 2014 – Rs. Nil (Previous year Rs. Nil).

	As At		As At	
	31.03.2014		31.03.2013	
	Rs. Lakhs		Rs. Lakhs	
26. Contingent Liabilities not provided for:				
i) Disputed Sales Tax matters		669.67		647.24
ii) Disputed Service Tax matters		12.11		5.52
iii) Bank Guarantees for performance contracts		479.22		546.99
iv) Disputed Income Tax Matters		54.70		Nil
v) Central excise matters		1287.50		164.60
vi) Other disputed matters		8.50		8.50
	Qty.	March, 2014	Qty.	March, 2013
	Nos.	Rs. Lakhs	Nos.	Rs. Lakhs
27. Sales:				
Material Handling Equipment	2738	4024.18	2484	3919.09
Other Equipment	1157	1273.15	1325	1135.96
Components, accessories, spares, etc. (Including traded goods)		949.19		1374.95
		6246.52		6430.00
28. Opening Stock of Finished Goods:				
Material Handling Equipment	4	25.66	4	17.91
Other Equipment	279	159.66	222	128.46
Components, accessories, spares, etc. (Including traded goods)		237.38		182.50
		422.70		328.87
29. Closing Stock of Finished Goods:				
Material Handling Equipment	0	0.00	4	25.66
Other Equipment	290	231.30	279	159.66
Components, accessories, spares, etc. (Including traded goods)		135.92		237.38
		367.22		422.70
30. Cost of Materials consumed:				
Steel	202.66 tons	80.25	188 tons	76.99
Batteries	639.00 Nos.	365.33	743 Nos.	357.71
Others		2711.65		2420.93
Value of raw materials and components consumed		3157.23		2855.63

Notes to the Financial Statements for the year ended 31st March, 2014

		March, 2014 Rs. Lakhs		March, 2013 Rs. Lakhs
31. Value of imported raw materials and components consumed	9.29%	293.21	11.59%	330.85
Value of indigenous raw materials and components consumed	90.71%	2864.02	88.41%	2524.78
	<u>100.00%</u>	<u>3157.23</u>	<u>100.00%</u>	<u>2855.63</u>

Consumption in quantity and value has been ascertained on the basis of opening stock plus purchases less closing stock and includes adjustments on account of excesses and shortages as ascertained on physical count.

	Qty. Nos.		Qty. Nos.	
32. Purchase of Traded goods:				
Other Equipment	1168	980.81	1382	1184.42
Components, accessories, spares, etc.		353.46		891.91
		<u>1334.27</u>		<u>2076.33</u>
33. C.I.F. value of imports in respect of:				
(i) Components		452.22		305.75
(ii) Traded Goods		262.54		588.79
34. Expenditure in Foreign Currency:				
(i) Travelling		4.36		5.92
(ii) Exhibition		3.43		Nil
(iii) Membership Subscription		0.02		Nil
35. Earnings in Foreign Exchange:				
(i) Commission		573.84		742.55
(ii) Export of goods (F.O.B. value)		29.54		Nil
36. Details of Auditors' Remuneration: (Excluding Service Tax)				
(a) Audit fees		11.00		8.00
(b) Report under Section 44AB of Income-tax Act, 1961		4.00		3.00
(c) Other services		6.80		5.25
(d) Reimbursement of out-of-pocket expenses		0.43		0.38

37. Transactions with related parties as identified by the Company and relied upon by the Auditors:

(a) Names of related parties and nature of relationship:

Bullows India Private Limited
Bullows Paint Equipment Private Limited
Phiroze Sethna Private Limited
Gramos Chemicals (India) Private Limited

} Associate Companies

B. H. Reporter, Chairman
F. K. Banatwalla
S. Sheth
M. Wadia
P. Bhargava
Parviz Batliwala

} Board of Directors, being Key Management Personnel

Notes to the Financial Statements for the year ended 31st March, 2014

37. (b) Nature of transactions:	March, 2014	March, 2013
Associate Companies:	Rs. Lakhs	Rs. Lakhs
Purchase of Machinery / Goods		
Bullows Paint Equipment Private Limited	0.45	Nil
Sale of Goods		
Bullows Paint Equipment Private Limited	1.70	14.45
Phiroze Sethna Private Limited	0.34	1.60
Services Rendered		
Phiroze Sethna Private Limited	Nil	0.36
Amount Received Against Expenses		
Bullows Paint Equipment Private Limited	2.56	3.27
Phiroze Sethna Private Limited	Nil	Nil
Amount Paid Against Expenses		
Gramos Chemicals (India) Pvt. Ltd.	36.40	33.71
Phiroze Sethna Private Limited	Nil	3.22
Receivable As At The End of The Year		
Phiroze Sethna Private Limited	Nil	0.06
Bullows Paint Equipment Private Limited	0.04	17.39
Payable As At The End of the year		
Bullows Paint Equipment Private Limited	Nil	Nil

Key Management Personnel;

Names of the Directors	March, 2014		March, 2013	
	Commission	Sitting	Commission	Sitting
	Paid	fees paid	Paid	fees paid
B. H. Reporter	8.00	0.30	10.00	0.25
S. Sheth	1.25	0.25	1.63	0.20
M. Wadia	1.25	0.30	1.63	0.25
F. K. Banatwalla	1.25	0.25	1.63	0.25
Pradeep Bhargava	1.25	0.25	1.63	0.20
Parviz Batliwala	0.00	0.10	0.00	0.00

Notes to the Financial Statements for the year ended 31st March, 2014

38. Micro and Small Enterprises Dues

The Company has not received any intimation from suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures regarding:

- (a) Amount due and outstanding to suppliers as at the end of the accounting year.
- (b) Interest paid during the year.
- (c) Interest payable at the end of the accounting year.
- (d) Interest accrued and unpaid at the end of the accounting year.

have not been given.

The Company is making efforts to get the confirmations from the suppliers as regards their status under the Act.

39. Deferred Tax :

Nature of timing difference	Deferred tax (Liability)/Asset As At 31st March, 2013 Rs. Lakhs	Credit/(charge) for the year Rs. Lakhs	Deferred tax (Liability)/Asset As At 31st March, 2014 Rs. Lakhs
Deferred Tax Assets (DTA)			
(a) Provision for doubtful debts	31.96	5.30	26.66
(b) Disallowances U/S 43B	139.54	2.05	137.49
Sub-total	171.50	7.35	164.15
Deferred Tax Liabilities (DTL)			
(a) On Depreciation	(6.55)	(1.81)	(8.36)
Sub-total	(6.55)	(1.81)	(8.36)
As a measure of prudence DTA has been restricted to the extent of DTL.	6.55	1.81	8.36
Net Amount	Nil	Nil	Nil

Notes to the Financial Statements for the year ended 31st March, 2014

40. Segment Information

(i) Primary Segments - Business Segment	Material Handling	Engineered Products	31.03.2014 Rs. Lakhs Total
A REVENUE:			
Segment revenue			
Sales to external customers	4781.33 [4584.68]	1465.19 [1845.32]	6246.52 [6430.00]
Commission income	17.31 [220.27]	565.12 [538.38]	582.43 [758.65]
Other income	179.30 [251.52]	223.27 [180.24]	402.57 [431.76]
	<u>4977.94</u> [5056.47]	<u>2253.58</u> [2563.94]	<u>7231.52</u> [7620.41]
Income from Interest / Dividend	0.63 [0.05]	1.68 [1.23]	2.31 [1.28]
Unallocated income	-	-	9.97 [10.57]
Total			<u>7243.80</u> <u>[7632.26]</u>
B RESULTS:			
Segment results/operating (loss)/profit	314.75 [560.53]	417.97 [325.41]	732.72 [885.94]
Unallocated income (Including income from Interest/Dividend)			9.97 [10.57]
Unallocated expenses			329.96 [357.16]
Interest Expenses			23.74 [26.90]
(Loss)/profit before tax			388.99 [512.45]
Provision for taxation - current tax			120.00 [180.00]
Excess Provisions for Income Tax in respect of earlier years			0.00 [0.00]
Profit after tax			<u>268.99</u> <u>[332.45]</u>

Notes to the Financial Statements for the year ended 31st March, 2014

40. Segment Information (contd.)

			31.03.2014
(i) Primary Segments - Business Segment (contd.)	Material Handling	Engineered Products	Rs. Lakhs Total
C OTHER INFORMATION:			
a) Segment assets	2824.28 [2379.38]	1126.20 [1461.51]	3950.48 [3840.89]
b) Unallocated assets			306.83 [361.73]
Total assets			4257.31 [4202.62]
c) Segment liabilities	1892.35 [1660.27]	544.91 [658.82]	2437.26 [2319.09]
d) Unallocated liabilities (Including share capital and reserves)			1820.05 [1883.53]
Total liabilities			4257.31 [4202.62]
e) Cost incurred during the financial year to acquire segment fixed assets	12.82 [87.42]	1.50 [12.21]	14.32 [99.63]
f) Cost incurred during the financial year to acquire segment fixed assets (Unallocated)			1.99 [6.61]
g) Depreciation	28.41 [30.82]	18.17 [22.57]	46.58 [53.39]
h) Depreciation (Unallocated)			5.99 [14.30]
i) Non-cash expenses other than depreciation	0.00 [0.00]	0.00 [0.00]	0.00 [0.00]

Note:

The Company has disclosed Business Segments as the Primary Segments. The segments have been identified taking into account the nature of the products, the differing risks & returns, the organisational structure and internal reporting system. The Company's operations predominantly relate to manufacturing of Material Handling Equipment.

The other Business Segment reported is Engineered Products

There are no reportable geographical segments as the export turnover is not significant. Segment results include the respective amounts identifiable to each of the segments as also amounts allocated on a reasonable basis.

41. Earning per Share

	Year ended March '2014	Year ended March '2013
i. Profit after tax (Rs. in Lakhs)	268.99	332.45
ii. Weighted average number of Equity Shares (Nos.)	764650	764650
iii. Earning per share (Rs.) (Basic and Diluted)	35.18	43.48
iv. Face value per share (Rs.)	10	10

Notes to the Financial Statements for the year ended 31st March, 2014

42. Disclosure in respect of provision for Warranty Claims:

Particulars	2013-14 Rs. Lakhs	2012-13 Rs. Lakhs
Opening provision	14.39	13.66
Provision reversed during the year on account of expiry of warranty period	21.30	–
Fresh provision made for current year	13.18	0.73
Closing Provision	6.27	14.39

43. During the Year the Company has provided Rs.44.79 Lakhs (Previous Year Rs. 37.44 Lakhs) on account of Gratuity and Rs. 13.47 Lakhs (Previous Year Rs. 15.42 Lakhs) on account of Superannuation Payable to its employees. The amounts due as on 31st March 2014 to the Gratuity Fund and Superannuation Fund are Rs. 241.83 Lakhs (Previous Year Rs. 221.04 Lakhs) and Rs.50.77 Lakhs (Previous Year Rs.66.52 Lakhs) respectively.

44. Employee Benefits:

Consequent to the adoption of Accounting Standard on Employee Benefits (AS15) (Revised 2005) issued by the Institute of Chartered Accountants of India, the following disclosures have been made as required by the Standard:

DEFINED BENEFIT PLANS

A. CONTRIBUTION TO GRATUITY FUND

The details of the Company's Gratuity Fund for its employees are given below which have been certified by Life Insurance Corporation of India as on 31st March, 2014 and relied upon by the auditors.

I. Components of Employer Expenses:

	Particulars	31.03.2014 Rs. Lakhs	31.03.2013 Rs. Lakhs
(a)	Current Service Cost	12.82	13.08
(b)	Interest Cost	20.62	20.66
(c)	Expected Return on Plan Assets	1.90	2.95
(d)	Curtailment Cost/Credit	–	–
(e)	Past service Cost	–	–
(f)	Settlement Cost	–	–
(g)	Actuarial Losses/(Gains)	9.02	9.65
(h)	Total Expense recognised in Statement of Profit and Loss under payments to and Provisions for Employees	40.56	37.44

II. Net Liability/(Asset) recognised in Balance Sheet as at 31st March, 2014

	Particulars	31.03.2014 Rs. Lakhs	31.03.2013 Rs. Lakhs
(a)	Present Value of obligation as at 31st March 2014	272.51	257.80
(b)	Fair Value of Plan Assets as at 31st March, 2014	24.66	24.51
(c)	Liability/(Asset) recognised in the Balance Sheet	247.85	233.29

Notes to the Financial Statements for the year ended 31st March, 2014

44. Employee Benefits (contd.)

DEFINED BENEFIT PLANS (contd.)

III. Change in Defined Benefit Obligation (DBO) during the year ended 31st March, 2014

	Particulars	31.03.2014 Rs. Lakhs	31.03.2013 Rs. Lakhs
(a)	Present Value of Obligation as at 31st March, 2013	257.80	258.20
(b)	Current Service Cost	12.82	13.08
(c)	Interest Cost	20.62	20.66
(d)	Curtailment Cost / Credit	-	-
(e)	Settlement Cost / Credit	-	-
(f)	Plan Amendments	-	-
(g)	Acquisitions	-	-
(h)	Actuarial Loss / (Gain)	9.02	9.65
(i)	Benefit Paid	27.75	43.79
(j)	Present value of Obligation as at 31st March, 2014	272.51	257.80

IV. Change in the fair value of Plan Assets

	Particulars	31.03.2014 Rs. Lakhs	31.03.2013 Rs. Lakhs
(a)	Present value of Plan Assets as at 31st March, 2013	24.51	44.35
(b)	Acquisition Adjustment	-	-
(c)	Expected Returns on Plan Assets	1.90	2.95
(d)	Actuarial Gain/(Loss)	-	-
(e)	Actual Company contribution	26.00	21.00
(f)	Benefits Paid	(27.75)	(43.79)
(g)	Fair Value of Plan Assets as at 31st March, 2014	24.66	24.51

V. Actuarial assumptions:

	Particulars	31.03.2014	31.03.2013
(a)	Discount Rate	8%	8%
(b)	Salary Escalation	3%	3%

The estimates of future salary increase considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

Notes to the Financial Statements for the year ended 31st March, 2014

44. Employee Benefits (contd.)

DEFINED BENEFIT PLANS (contd.)

B. LEAVE ENCASHMENT

Payments to and Provisions for Employees is net of Rs. 3.68 Lakhs (Previous Year includes Rs.16.05 Lakhs) towards provision made as per Actuarial Valuation in respect of accumulated Leave Encashment.

DEFINED CONTRIBUTION PLANS

The company has recognised the following amounts in the Statement of Profit and Loss for Defined Contribution Plans:

Particulars	31.03.2014 Rs. Lakhs	31.03.2013 Rs. Lakhs
Provident Fund (State Plan)	25.54	44.55
Employees State Insurance (State Plan)	3.58	3.89
Superannuation Fund	13.47	15.42

45. Certain balances for the receivables and payables of the Company are subject to reconciliation, confirmation and consequential adjustments/provisions, the amounts whereof have not been determined.

46. The figures for the previous year have been regrouped/restated wherever necessary to conform to the classification of the current year.

Signatures to Notes 1 to 46

As per our Report of even date attached

For **SORAB S. ENGINEER & CO.**

Chartered Accountants

Firm Registration No.110417W

C. A. N. D. ANKLESARIA

Partner

Membership No. 10250

Mumbai, 21st May, 2014

For and on behalf of the Board

B. H. Reporter Chairman

F. K. Banatwalla Director

C. B. Sagvekar Vice President and
Company Secretary

Mumbai, 21st May, 2014