


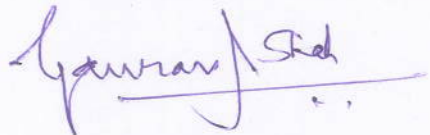

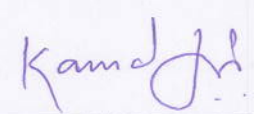
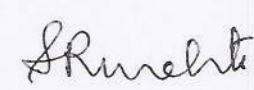
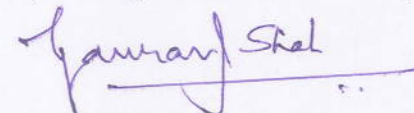


FORM A**(Pursuant to Clause 31(a) of Listing Agreement)**

1.	Name of the Company	:	Kalpataru Power Transmission Limited
2.	Annual Financial Statements for the year ended	:	Standalone financial statements for the year ended 31 st March, 2014
3.	Type of Audit observation	:	Unqualified
4.	Frequency of observation	:	N.A.
5.	To be signed by-		
	- GEO/Managing Director		Ranjit Singh 
	- Director-Finance & CFO		Kamal Jain 
	- Audit Committee Chairman		Sajjanraj Mehta 
	- Auditor of the Company		Refer our Audit Report dated May 29, 2014 on the standalone financial statements of the Company For DELOITTE HASKINS & SELLS Chartered Accountants (Firm Registration No 117365W)  (Gaurav J Shah) (Partner) (Membership No. 35701) Ahmedabad, 28 th August, 2014

FORM A

(Pursuant to Clause 31(a) of Listing Agreement)

1.	Name of the Company	:	Kalpataru Power Transmission Limited
2.	Annual Financial Statements for the year ended	:	Consolidated financial statements for the year ended 31 st March, 2014
3.	Type of Audit observation	:	Unqualified
4.	Frequency of observation	:	N.A.
5.	To be signed by-		
	- CEO/Managing Director		Ranjit Singh 
	- Director-Finance & CFO		Kamal Jain 
	- Audit Committee Chairman		Sajjanraj Mehta * 
	- Auditor of the Company		<p>Refer our Audit Report dated May 29, 2014 on the Consolidated financial statements of the Company</p> <p>For DELOITTE HASKINS & SELLS Chartered Accountants (Firm Registration No 117365W)</p>  <p>(Gaurav J Shah) (Partner) (Membership No. 35701)</p> <p>Ahmedabad, 28th August, 2014</p>

KALPATARU POWER TRANSMISSION LIMITED

Regd. Office: Plot No. 101, Part III, G.I.D.C. Estate,
Sector – 28, Gandhinagar – 382 028, Gujarat, India
CIN : L40100GJ1981PLC004281

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT THE THIRTY-THIRD ANNUAL GENERAL MEETING OF THE MEMBERS OF KALPATARU POWER TRANSMISSION LIMITED WILL BE HELD AT 4.00 P.M., ON SATURDAY, THE 27TH DAY OF SEPTEMBER, 2014 AT KALPA-VRIKSHA LEARNING CENTRE, A-1 & A-2, GIDC ELECTRONIC ESTATE, SECTOR-25, GANDHINAGAR - 382 016 TO TRANSACT THE FOLLOWING BUSINESSES:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2014, Statement of Profit and Loss for the year ended on that date and the Reports of the Board of Directors and the Auditors thereon.
2. To declare dividend on Equity Shares.
3. To re-appoint the Auditors and to fix their remuneration and in this regards pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 139, 141, 142 and other applicable provisions, if any, of the Companies Act, 2013, and Rules framed thereunder, as amended from time to time, M/s. Deloitte Haskins & Sells, Chartered Accountants, Ahmedabad (Firm Registration No.117365W) be and are hereby re-appointed as the Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the thirty seventh Annual General Meeting of the Company, subject to ratification by the shareholders annually, at a remuneration to be decided by the Board of Directors in consultation with M/s. Deloitte Haskins & Sells, Chartered Accountants, Ahmedabad plus applicable tax and re- imbursement of travelling and out of pocket expenses incurred by them for the purpose of audit.”

SPECIAL BUSINESS

4. To consider and if thought fit to pass, with or without modification(s), the following Resolution as a **Special Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 14 and all other applicable provisions of the Companies Act, 2013 read with Rules framed thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force), the draft regulations contained in the Articles of Association submitted to this Annual General Meeting and initialed by the Chairman for the purpose of identification, be and are hereby approved and adopted in substitution, and to the entire exclusion, of the regulations contained in the existing Articles of Association of the Company.”

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

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

“RESOLVED THAT in supersession of the previous resolutions passed by the shareholders in this regard and pursuant to the provisions of Section 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 for the time being in force), approval of the Company be and is hereby accorded to vary the terms of Mr. Ranjit Singh’s appointment as a Director (DIN : 01651357), by making his office liable to retire by rotation.”

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

“RESOLVED THAT in supersession of the previous resolutions passed by the shareholders in this regard and pursuant to the provisions of Section 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 for the time being in force), approval of the Company be and is hereby accorded to vary the terms of Mr. Manish Mohnot’s appointment as a Director (DIN : 01229696), by making his office liable to retire by rotation.”

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

“RESOLVED THAT, pursuant to the provisions of Section 152 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Parag M. Munot (DIN : 00136337), who was appointed as a Director liable to retire by rotation vide resolution passed at the Annual General Meeting held on 30th September 1991 and whose term is expiring at this Annual General Meeting and 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 of the Company, be and is hereby appointed as a Director of the Company whose office shall not be liable to retire by rotation.”

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

“RESOLVED THAT, in supersession of the previous resolutions passed by the shareholders in this regard and pursuant to the provisions of Section 152 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), approval of the Company be and is hereby accorded

to vary the terms of Mr. Mofatraj P. Munot's appointment as a Director (DIN: 00046905), who was appointed as a Director liable to retire by rotation at the Annual General Meeting held on 26th December 1989, by making his office not liable to retire by rotation."

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

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. Sajjanraj Mehta (DIN: 00051497), who was appointed as a Director liable to retire by rotation vide resolution passed at the Annual General Meeting held on 24th July 1999 and 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 for a term of five consecutive years commencing from 1st April, 2014."

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

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. Vimal Bhandari (DIN : 00001318), who was appointed as a Director liable to retire by rotation vide resolution passed at the Annual General Meeting held on 24th August 2002 and 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 for a term of five consecutive years commencing from 1st April, 2014."

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

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. Narayan Seshadri (DIN: 00053563), who was appointed as a Director liable to retire by rotation vide resolution passed at the Annual General Meeting held on 14th July 2007 and whose term expires at this Annual General Meeting and 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 for a term of five consecutive years commencing from 1st April, 2014."

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

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. Mahendra G. Punatar (DIN: 00533198), who was appointed as a Director liable to retire by rotation vide resolution passed at the Annual General Meeting held on 29th July 2009 and whose term expires at this Annual General Meeting and 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 for a term of five consecutive years commencing from 1st April, 2014."

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

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152, 161 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. K. V. Mani (DIN: 00533148), who was appointed by the Board of Directors as an additional director of the Company and who holds office up to the date of this Annual General Meeting pursuant to the provisions of Section 161 of the Companies Act, 2013 and 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 for a term of five consecutive years commencing from 1st April, 2014."

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

"RESOLVED THAT in supersession of the previous resolutions in this regard and pursuant to the provisions of section 180 (1) (c) and all other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification or re-enactment thereof, for the time being in force) and subject to any other approval that may be required, consent of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the **Board** which term shall include any committee thereof) to borrow any sum or sums of money from time to time at its discretion for the purpose of the business of the Company, which together with the monies already borrowed by the Company, (apart from the temporary loans obtained by the Company from the Company's Bankers in the ordinary course of business) shall not exceed in aggregate Rs. 1,000/- Crores (Rupees One Thousand Crores) over and above the paid up capital

and free reserves of the Company, (i.e. reserves not set apart from any specific purpose) **AND THAT** the Board be and is hereby empowered and authorized to arrange and fix the terms and conditions of all such monies to be borrowed from time to time as to interest, repayment, security or otherwise as it may think fit.

“RESOLVED FURTHER THAT the Board be and is hereby authorised to take all such steps as may be deemed necessary, proper or expedient to give effect to this resolution.”

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

“RESOLVED THAT in supersession of the resolution passed by the members of the Company on 4th August, 2012 and pursuant to the provisions of section 180 (1) (a) and all other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification or re-enactment thereof, for the time being in force) and subject to any other approval that may be required, the consent of the Company be and is hereby accorded to the creation by the Board of Directors of the Company (hereinafter referred to as the **Board** which term shall include any committee thereof) of mortgage and / or charge, in addition to the mortgages and / or charges created by the Company, in such form and manner and with such ranking as to priority and for such time and on such terms as the Board may determine, on all or any of the movable and / or immovable, tangible and / or intangible properties of the Company, both present and future and / or whole or any part of the undertaking (s) of the Company, in favour of the lender(s), agent(s), trustee(s), for securing the borrowing of the Company availed / to be availed by way of loan(s) (in foreign currency and / or rupee currency) and / or securities issued or to be issued by the Company (comprising fully / partly convertible debentures and / or non-convertible debentures with or without detachable or non-detachable warrants and / or secured premium notes and / or floating rate notes / bonds or other debt instruments), from time to time, for an amount not exceed in aggregate Rs. 10,000/- Crores (Rupees Ten Thousand Crores) (including the temporary loans obtained by the Company from the Company’s bankers in the ordinary course of business) over and above the paid up capital and free reserves of the Company, together with interest at the agreed rate, additional interests, compound interest in case of default, accumulated interest, liquidated damages, commitment charges, premia on pre-payment, remuneration of agent(s) / trustee(s), premium, if any, on redemption, all other costs, charges and expenses, including any increase as a result of devaluation / revaluation / fluctuation in the rates of exchange and all other monies payable by the Company in terms of loan agreement(s), heads of agreement(s), debenture trust deed or any other documents entered into / to be entered into between the Company and the lender(s) / agent(s) / trustee(s) / in respect of the said loans / borrowings / debentures and containing such specific terms and conditions and covenants in respect of enforcement of security as may be stipulated in that behalf and agreed to between the Board and the lender(s) / agent(s) / trustee(s).

“RESOLVED FURTHER THAT the Board be and is hereby authorised to take all such steps as may be deemed necessary, proper or expedient to give effect to this resolution.”

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

“RESOLVED THAT pursuant to the provisions of Sections 42, 71 and all other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder, (including any statutory modification(s) or re-enactment thereof, for the time being in force) and pursuant to the provisions of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 and/or SEBI (Issue and Listing of Debt Securities) Regulation, 2008 as amended from time to time and other applicable SEBI regulations and guidelines, if any, the provisions of Memorandum and Articles of Association of the Company and subject to any other approvals that may be required, consent of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as “the Board” which term shall be deemed to include any Committee of Directors which the Board may have constituted to exercise any or all of its powers including the powers conferred by this resolution), to make an offer of or invite subscription to secured / unsecured redeemable non-convertible debentures (hereinafter referred to as **NCDs**), during the period of 1 (one) year from the date of this Annual General Meeting for an aggregate amount not exceeding Rs. 500 Crores (Rupees Five Hundred Crores only), in one or more series / tranches, on a private placement basis, to one or more persons, bodies corporate, banks/financial institutions, mutual funds, NBFC, other investors / investing agencies etc. upon the terms and condition as may be decided by the Board in its absolute discretion.

RESOLVED FURTHER THAT without prejudice to the generality of the above and for the purpose of giving effect to the above, the Board be and is hereby authorised to determine as to the time of issue of the NCDs, the terms of the issue, number of NCDs to be allotted in each tranche, issue price, rate of interest, redemption period, security, listing on one or more recognized stock exchanges and all such terms as are provided in offering of a like nature as the Board may in its absolute discretion deem fit and to make and accept any modifications in the proposal as may be required by the authorities involved in such issues and to perform all such acts, deeds, matters and things execute all such deeds and documents as may be necessary and settle any questions or difficulties that may arise in regard to the said issue(s).

RESOLVED FURTHER THAT the approval is hereby accorded to the Board to appoint lead managers, arrangers, underwriters, depositories, registrars, trustees, bankers, lawyers, advisors and all such agencies as may be involved or concerned in such offerings and to remunerate them by way of commission, brokerage, fees or the like (including reimbursement of their actual expenses) and also to enter into and execute all such arrangements, contracts/ agreements, memorandum, documents etc., with such agencies.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do such acts, deeds, things and execute all such documents, undertaking as may be necessary for giving effect to this resolution."

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

"**RESOLVED THAT** pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), consent of the Company be and is hereby accorded to the remuneration payable to the Cost Auditors appointed by the Board of Directors of the Company to conduct the audit of the cost records of the Company for the financial year ending 31st March, 2015, as set out in the Statement annexed to the Notice convening this Annual General Meeting.

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

NOTES

- (A) **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (MEETING) IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**

The proxy form duly completed and signed, should be lodged with the Company, at its registered office at least 48 hours before the time of the meeting.

Pursuant to provision of Section 105 of the Companies Act, 2013, a person can act as a proxy on behalf of members not exceeding 50 (fifty) and holding in the aggregate not more than ten percent of the total share capital of the company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder. A proxy form is attached with the said Notice.

- (B) The Explanatory Statement, pursuant to Section 102 of the Companies Act, 2013 in respect of the special business is annexed hereto.
- (C) Corporate members intending to send their authorised representatives to attend the Meeting are requested to send to the Company a certified copy of the Resolution authorising their representative to attend and vote on their behalf at the meeting.
- (D) In case of joint holders attending the Meeting, only such joint holder who is high in the order of names will entitled to vote.
- (E) MEMBERS HOLDING EQUITY SHARES IN ELECTRONIC FORM, AND PROXIES THEREOF, ARE REQUESTED TO BRING THEIR DP ID AND CLIENT ID FOR IDENTIFICATION. Members / proxies are requested to bring their attendance slip alongwith the copy of Annual Report of the Company.

- (F) Member / proxy holder shall hand over the attendance slip, duly filled in all respect, at the entrance for attending the meeting.

- (G) Members desirous for any information or queries on accounts / financial statements or relating thereto are requested to send their queries at least ten days in advance to the Company at its registered office address to enable the Company to collect the relevant information and answer them in the Meeting.

- (H) Pursuant to the provisions of Section 91 of the Companies Act, 2013 the Register of Members and Share Transfer Books of the Company will remain closed from Monday, 22nd September, 2014 to Saturday, 27th September, 2014 (both days inclusive) in connection with AGM and for determining the entitlement of the shareholders to the payment of dividend.

- (I) The dividend as recommended by the Board, if declared at the meeting, will be paid to those members whose names appear on the Company's Register of Members on relevant date of book closure. In respect of the shares in electronic form, the dividend will be payable on the basis of beneficial ownership as per details furnished by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for this purpose and will be paid through ECS / NECS / electronic transfer. In respect to those shareholders holding shares in physical form or ECS / NECS / electronic payment rejected, dividend will be paid by dividend warrant. The Company or its Registrars and Transfer Agents, Link Intime India Private Limited "Link Intime" cannot act on any request received directly from the members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participants.

- (J) All documents referred to in the notice and the explanatory statement requiring the approval of the Members at the Meeting and other statutory registers shall be available for inspection by the Members at the registered office of the Company during office hours on all working days between 11.00 a.m. and 1.00 p.m. on all days except Saturdays, Sundays and public holidays, from the date hereof up to the date of the annual general meeting

- (K) Members holding shares in physical form are requested to promptly notify in writing any changes in their address/ bank account details to **Link Intime India Private Limited**, 303, 3rd Floor, Shoppers's Plaza - 5, Near Government Society, Opp. - Municipal Market, C G Road, Navrangpura, Ahmedabad - 380009. Members holding shares in electronic form are requested to notify the changes in the above particulars, if any, directly to their Depository Participants (DP).

- (L) **Equity shares of the Company are under compulsory demat trading by all investors. Considering the advantage of scripless trading, members are encouraged to consider dematerialisation of their shareholding so as to avoid inconvenience in future.**

- (M) **Communication through e-mail:** The Companies (Management and Administration) Rules, 2014 allow companies to give notice through electronic mode. Further, in line with circular issued by the Securities and Exchange

Board of India (SEBI) and consequent changes in the listing agreement read with Rule 11 of the Companies (Accounts) Rules, 2014 companies can send Annual Report in electronic mode to Members who have registered their e-mail addresses for the purpose.

In view of the above, the Company would communicate the important and relevant information, events and send the documents including the intimations, notices, annual reports, financial statements etc. in electronic form, to the email address of the respective members.

To support green initiative of the Government in full measure, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses in the following manner:

- a. In respect of electronic holdings with the Depository through their concerned Depository Participants.
- b. Members who hold shares in physical form are requested to register their e-mail with rahul.shah@kalpatarupower.com quoting your name and folio number.

(N) Information as required under clause 49 (iv) (g) (i) of the listing agreement regarding appointment / reappointment of Directors and explanatory statement pursuant to Section 102 of the Companies Act, 2013 in respect of the special business are annexed hereto.

(O) In terms of the provisions of Section 124 of the Companies Act, 2013, the amount of dividend not encashed or claimed within 7 (seven) years from the date of its transfer to the unpaid dividend account, will be transferred to the Investor Education and Protection Fund established by the Government. Accordingly, the unclaimed dividend in respect of financial year 2006-07 was due for transfer to the said Fund and will be transferred during August / September, 2014. In terms of provisions of Section 124 of the Companies Act, 2013 no claim shall lie against the Company or the said Fund after the said transfer.

(P) Members who have neither received nor encashed their dividend warrant(s) for the financial years from 2007-08 upto 2012-13, are requested to write to the Company, mentioning the relevant Folio number or DP ID and Client ID, for issuance of duplicate/revalidated dividend warrant(s).

(Q) The Ministry of Corporate Affairs (MCA) on 10th May, 2012 notified the IEPF (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012 (IEPF Rules), which is applicable to the Company. The objective of the IEPF Rules is to help the shareholders ascertain status of the unclaimed amounts and overcome the problems due to misplacement of intimation thereof by post etc. In terms of the said IEPF Rules, the Company has uploaded the information in respect of the Unclaimed Dividends on the website of the Company viz. www.kalpatarupower.com Voting through electronic means

Pursuant to provision in Listing Agreement, Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote at the 33rd Annual General Meeting (AGM) by electronic means and the business will be transacted through e-Voting Services provided by Central Depository Securities Limited (CDSL).

Necessary arrangements have been made by the Company with Central Depository Service (India) Limited (CDSL) to facilitate eVoting. The Company has appointed Mr. Urmil Ved, to act as the Scrutinizer, for conducting the scrutiny of votes cast electronically, in a fair and transparent manner. The Company may vary dates as mentioned herein, if necessary to meet the compliance or circumstances so warrant.

The Members must refer to the detailed procedure on electronic voting provided below.

- (i) Log on to the e-voting website www.evotingindia.com
- (ii) Click on "Shareholders" tab
- (iii) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (iv) Enter the Image Verification as displayed and Click on Login.
- (v) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vi) If you are a first time user follow the steps given below:

PAN*	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> • Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the last 8 digits of the demat account/folio number in the PAN field. • In case the folio number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with folio number 100 then enter RA00000100 in the PAN field.
DOB#	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details#	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. <ul style="list-style-type: none"> • Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the number of shares held by you as on the cut-off date 22.08.2014 in the Dividend Bank details field.

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

(viii) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

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

(x) Click on the EVSN for the relevant <Company Name> on which you choose to vote.

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

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

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

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

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

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

(xvii) Note for Non-individual / institutional / Corporate Shareholders

- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to www.evotingindia.com and register themselves as Corporates.
- They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com.
- After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
- The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF

format in the system for the scrutinizer to verify the same.

Other information

(A) The voting period begins on 21.09.2014 (9:00 a.m.) and ends on 23.09.2014 (6:00 p.m.). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 22.08.2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(B) The voting rights of shareholders shall be in proportion to their shares of the Paid Up Equity Share Capital of the Company.

(C) The Scrutinizer shall, within a period not exceeding three (3) working days from the conclusion of the e-voting period, unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any and submit forth with to the Chairman of the Company.

(D) The Results shall be declared on the date of AGM of the Company. The Results along with the Scrutinizer's Report shall be placed on the Company's website www.kalpatarupower.com and on the website of CDSL <https://www.evotingindia.co.in> within two days of the passing of the resolutions at the AGM of the Company.

(E) The resolutions shall be deemed to be passed on the date of the Annual General Meeting, subject to receipt of sufficient votes.

(F) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com

By Order of the Board
For **KALPATARU POWER TRANSMISSION LTD.**

Place : Mumbai
Date : August 4, 2014

Sd/-
Rahul Shah
Company Secretary

ANNEXURE TO THE NOTICE

Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013.

Item No. 4

As the members of the Company are aware, the existing Articles of Association (**AoA**) of the Company are based on the Companies Act, 1956 and several regulations in the existing AoA contain references to specific Sections of the Companies Act, 1956.

With majority of the provisions of the Companies Act, 2013 having been notified, several regulations of the existing AoA of the Company require alteration or deletion to bring the AoA in conformity with the Companies Act, 2013. Accordingly, it is proposed to replace the entire existing AoA by a new set of Articles of Association.

The new AoA are based on Table 'F' of the Companies Act, 2013 and contain such other provisions which the Board of Directors of the Company (**Board**) considers appropriate and desirable such as appointment of directors whose office is not liable to retire by rotation, appointment of alternate directors, issue of convertible and non-convertible securities.

The proposed new draft of AoA is being uploaded on the Company's website for perusal by the shareholders and is also available for inspection by the Members at the Registered Office of the Company during the time as mentioned in notes to this Notice.

The Board recommends the resolution at Item No. 4 for your approval.

None of the Directors or any key managerial personnel of the Company or any of their relatives is concerned or interested, financially or otherwise, in the resolution at out at Item No. 4.

Item Nos. 5-8

Mr. Mofatraj P. Munot was appointed by the shareholders of the Company at the Annual General Meeting held on 26th December 1989, as a Director liable to retire by rotation, pursuant to the provisions of the Companies Act, 1956.

Mr. Parag M. Munot was appointed by the shareholders of the Company at the Annual General Meeting held on 30th September 1991, as a Director liable to retire by rotation, pursuant to the provisions of the Companies Act, 1956. The term of Mr. Parag M. Munot expires at the forthcoming Annual General Meeting.

Mr. Mofatraj P. Munot and Mr. Parag M. Munot have been associated with the Company for over 2 decades and have been instrumental in the growth and expansion of the Company. In light of their substantial ownership interest in the Company and their continued contribution to the development of the Company, it is proposed that (i) the terms of appointment of Mr. Mofatraj P. Munot as a Director be varied such that the office of Mr. Mofatraj P. Munot is not liable to retire by rotation; and (ii) Mr. Parag M. Munot be reappointed as a Director whose office is not liable to retire by rotation, as the term of his office expires at this Annual General Meeting.

The Company has received a notice in writing from a member along with the deposit of requisite amount under Section 160 of the Act proposing the candidatures of Mr. Parag M. Munot for the office of a Director of the Company.

Mr. Manish Mohnot was appointed as a Director by the shareholders of the Company at the Annual General Meeting held on 14th July 2007 and Mr. Ranjit Singh was appointed as

a Director by the shareholders of the Company at the Annual General Meeting held on 25th July 2013, each of whose offices are presently not liable to retire by rotation.

Section 152(6) of the Companies Act, 2013 provides that not less than two-thirds of the total number of directors of a public company shall be persons whose period of office is liable to determination by retirement of directors by rotation, where the total number of directors do not include independent directors. By virtue of Section 152(6) of the Companies Act, 2013, not more than 2 (two) Directors on the Board can be appointed as Directors whose office are not liable to retire by rotation.

Since it is proposed that Mr. Parag M. Munot and Mr. Mofatraj P. Munot be the Directors on the Board whose offices are not liable to retire by rotation, the terms of Mr. Manish Mohnot's and Mr. Ranjit Singh's appointment as Directors will have to be varied such that Mr. Manish Mohnot and Mr. Ranjit Singh be appointed as Directors whose offices are liable to retire by rotation.

The Board has at its meeting held on 4th August, 2014, subject of the approval of the shareholders of the Company, approved (i) the appointment of Mr. Parag M. Munot as a Director whose office shall not be liable to retire by rotation; and (ii) the variation in terms of Mr. Mofatraj P. Munot's, Mr. Manish Mohnot's and Mr. Ranjit Singh's appointment as Directors, in the manner set out above.

The Board recommends the resolutions at Item Nos. 5-8 for your approval.

Mr. Ranjit Singh is interested in the resolution at Item No. 5 since it pertains to change in terms of his appointment. None of the other Directors or key managerial personnel of the Company or any of their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 5

Mr. Manish Mohnot is interested in the resolution at Item No. 6 since it pertains to change in terms of his appointment. None of the other Directors or key managerial personnel of the Company or any of their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 6.

Mr. Parag M. Munot is interested in the resolution at Item No. 7 since it pertains to his appointment. None of the other Directors or key managerial personnel of the Company or any of their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 7.

Mr. Mofatraj P. Munot is interested in the resolution at Item No. 8 since it pertains to change in terms of his appointment. None of the other Directors or key managerial personnel of the Company or any of their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 8.

Item No. 9 to 12

Pursuant to the provision of clause 49 of the Listing Agreement entered into by the Company with stock exchanges on which the shares of the Company are listed, the Company had appointed Mr. Sajjanraj Mehta, Mr. Vimal Bhandari, Mr. Narayan Seshadri and Mr. Mahendra G. Punatar as Independent Directors of the Company vide separate resolutions. Each of the said Independent Directors was appointed as a director liable to retire by rotation, in compliance with the Companies Act, 1956. The terms of Mr. Narayan Seshadri and Mr. Mahendra G. Punatar expire at the forthcoming Annual General Meeting.

Pursuant to provision of Section 149 of the Companies Act, 2013 (which was notified on 1st April, 2014), every listed public company is required to have at least one-third of the total number of directors as independent directors. In terms of Section 149(10) of the Companies Act, 2013 an independent director may be appointed by a company for a consecutive period of 5 years.

Brief resume and other details of the Mr. Sajjanraj Mehta, Mr. Vimal Bhandari, Mr. Narayan Seshadri and Mr. Mahendra G. Punatar, as required under Clause 49 of the Listing Agreement entered into by the Company with stock exchanges on which the shares of the Company are listed, are set out in the annexure to the Explanatory Statement.

In light of the experience and expertise of the aforesaid Directors and the contribution made by them to the Company, the Board is of the view that their continued association would be of immense benefit to the Company and that the Company should continue to avail their services. It is, therefore, proposed that each of Mr. Sajjanraj Mehta, Mr. Vimal Bhandari, Mr. Narayan Seshadri and Mr. Mahendra G. Punatar be appointed as an Independent Director of the Company for a consecutive period of 5 (five) years commencing from 1st April 2014.

Each of Mr. Sajjanraj Mehta, Mr. Vimal Bhandari, Mr. Narayan Seshadri and Mr. Mahendra G. Punatar has given a declaration to the Board that he meets the criteria of independence as provided under Section 149(6) of the Act and under clause 49 for the Listing Agreement. The Board is of the opinion that each of the said Directors fulfills the conditions specified in the Companies Act, 2013 and Rules made thereunder for being appointed as independent directors and that each such Director is independent of the management of the Company.

The Company has received notices in writing from member(s) along with the deposit of requisite amount under Section 160 of the Act proposing the candidatures of each of Mr. Sajjanraj Mehta, Mr. Vimal Bhandari, Mr. Narayan Seshadri and Mr. Mahendra G. Punatar for the office of a Director of the Company.

The terms and conditions of appointment of the above Directors shall be open for inspection by the Members at the Registered Office of the Company during the time as mentioned in notes to this Notice.

The Board recommends the resolutions at Item Nos. 9-12 for your approval.

Mr. Sajjanraj Mehta is interested in the resolution at Item No. 9 since it pertains to his appointment. None of the other Directors or key managerial personnel of the Company or any of their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No.9.

Mr. Vimal Bhandari is interested in the resolution at Item No. 10 since it pertains to his appointment. None of the other Directors or key managerial personnel of the Company or any of their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No.10.

Mr. Narayan Seshadri is interested in the resolution at Item No. 11 since it pertains to his appointment. None of the other Directors or key managerial personnel of the Company or any of their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No.11.

Mr. Mahendra G. Punatar is interested in the resolution at Item No. 12 since it pertains to his appointment. None of the other Directors or key managerial personnel of the Company or any of their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No.12.

Item No. 13

Mr. K. V. Mani was appointed as an additional director of the Company by the Board by resolution by circulation dated 20th January, 2014 passed on 21st January, 2014. As per the provisions of Section 161 of the Companies Act, 2013, Mr. K. V. Mani holds office as an additional director till the date of the forthcoming Annual General Meeting. In terms of Section 149 (10) of the Act an Independent Director may be appointed by a company for a consecutive period of 5 years.

Mr. K. V. Mani holds a degree in Engineering and is a MBA from IMD, Switzerland. He is a seasoned professional in transmission & distribution business with more than four decades of unparallel experience in construction, project management and overseas marketing. Mr. K. V. Mani does not hold any shares of the Company.

In light of the experience and expertise of Mr. K. V. Mani, the Board is of the view that his association with the Company would be of immense benefit to the Company and that the Company should continue to avail his services. It is, therefore, proposed that Mr. K. V. Mani, be appointed as an Independent Director of the Company for a consecutive period of 5 (five) years commencing from 1st April 2014.

Mr. K. V. Mani has given a declaration to the Board that he meets the criteria of independence as provided under Section 149(6) of the Act and under clause 49 for the Listing Agreement. The Board is of the opinion Mr. K. V. Mani fulfills the conditions specified in the Companies Act, 2013 and Rules made thereunder for being appointed as an independent director and that he is independent of the management of the Company.

The Company has received a notice in writing from a member along with the deposit of requisite amount under Section 160 of the Act proposing the candidatures of Mr. K. V. Mani for the office of a Director of the Company.

The terms and conditions of appointment of Mr. K. V. Mani shall be open for inspection by the Members at the Registered Office of the Company during the time as mentioned in notes to this Notice.

The Board recommends the said resolutions at Item no. 13 for your approval.

Mr. K. V. Mani is interested in the resolution at Item No. 13 since it pertains to his appointment. None of the other Directors or key managerial personnel of the Company or any of their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No.13.

Item No. 14

The members of the Company authorised the Board to borrow upto an aggregate amount of Rs. 1,000/- Crores (Rupees One Thousand Crores only) in excess of the paid up capital and free reserve of the company, by way of ordinary resolution passed under section 293(1)(d) of the Companies Act, 1956, at the annual general meeting held on 14th July, 2007.

Section 180(1)(c) of the Companies Act, 2013 (which was notified on 12th September 2013) provides that the board of directors of a company cannot borrow in excess of such company's paid up share capital and free reserves, apart from temporary loans obtained from the company's bankers in the ordinary course of business, except with the consent of the company accorded by way of a special resolution. The Ministry of Corporate Affairs has vide the General Circular No. 4/2014 dated 25th March 2014 clarified that an ordinary resolution passed under Section 293(1) (d) of the Companies Act, 1956 will remain valid for a period of

1 (one) year from the date of notification of Section 180 of the Companies Act, 2013 i.e. upto 11th September, 2014.

Accordingly, it is necessary for the members of the Company to pass a special resolution under Section 180(1)(c) of the Companies Act, 2013, to enable to the Board to borrow monies from time to time at its discretion for the purpose of the business of the Company, which together with the monies already borrowed by the Company do not exceed Rs. 1,000/- Crores (Rupees One Thousand Crores only) (apart from the temporary loans obtained by the Company from the Company's bankers in the ordinary course of business) in excess of the paid-up capital and free reserves of the Company.

The Board recommends the resolution at Item No. 14 for your approval.

None of the Directors or any key managerial personnel of the Company or any of their relatives is concerned or interested, financially or otherwise, in the resolution at out at Item No. 14.

Item No. 15

The members of the Company authorised the Board to create charge / mortgage / hypothecate on the properties of the Company for the purpose of securing the borrowings availed by the Company of sums not exceeding Rs. 7,500 crores (Rupees Seven Thousand Five Hundred Crores only) by way of an ordinary resolution passed under section 293(1)(a) of the Companies Act, 1956, at the annual general meeting held on 4th August, 2012. Under Section 180(1)(a) of the Companies Act, 2013 the said power can be exercised by the Board only with the consent of the Company by way of a special resolution.

Being engaged in the business of EPC contracting, the Company will always need high credit facilities to sustain the growth and execute high value contracts. Apart from regular working capital, the Company needs long term debts for its ongoing capex requirement from time to time. These credit facilities are secured by way of charge/ mortgage over the assets of the Company. The management feels that the existing limit of Rs. 7,500 Crores is expected to fall short as increased business requirements warrant higher credit facilities from banks and financial Institutions from time to time. It is, therefore, proposed that the Board be authorized to create charge / mortgage / hypothecate on the properties of the Company for the purpose of securing the borrowings availed by the Company of sums not exceeding Rs. 10,000 crores (Rupees Ten Thousand Crores) over and above the paid up capital and free reserves of the Company.

The Board recommends the resolution at Item No. 15 for your approval.

None of the Directors or any key managerial personnel of the Company or any of their relatives is concerned or interested, financially or otherwise, in the resolution at out at Item No. 15.

Item No. 16

Section 42 of the Companies Act, 2013 read with the Companies (Prospectus and Allotment of Securities) Rules, 2014 provides that a company cannot issue securities on a private placement basis unless the proposed offer of securities or invitation to subscribe to securities has been previously approved by the shareholders of such company, by a special resolution for each offer or invitation, and further provides that in case of an offer or invitation for secured / unsecured non-convertible redeemable debentures (NCDs), it shall be sufficient if the company passes a special resolution once a year for all the offers and invitations for such

NCDs to be made during the said year.

In order to meet the financial needs of the Company, the Company may make an offer of NCDs or invite subscription to NCDs on private placement basis, in one or more tranches, during the period of 1 (one) year from the date of passing of the special resolution by the members, for an aggregate amount not exceeding Rs. 500 Crores (Rupees Five Hundred Crores). It is proposed that the Board be authorized to issue NCDs within the aforesaid limits, on such terms and conditions as it may deem fit.

The Board recommends the resolution at Item No. 16 for your approval.

None of the Directors or any key managerial personnel of the Company or any of their relatives is concerned or interested, financially or otherwise, in the resolution at out at Item No. 16.

Item No. 17

The Board, on the recommendation of the Audit Committee, has approved the appointment and remuneration of M/s K. G. Goyal & Associates as a cost auditor of the Company to conduct the audit of the cost records of biomass power plants and tower manufacturing plants of the Company for the financial year ending 31st March 2015, for a remuneration of Rs. 1,00,000 (Rupees one lakh only) plus applicable Taxes and reimbursement of out of pocket expenses.

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the shareholders of the Company.

Accordingly, consent of the members is sought for passing an ordinary resolution as set out at Item No. 17 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending 31st March, 2015.

The Board recommends the resolution at Item No. 17 for your ratification.

None of the Directors or any key managerial personnel of the Company or any of their relatives is concerned or interested, financially or otherwise, in the resolution at out at Item No. 17.

By Order of the Board

For **KALPATARU POWER TRANSMISSION LTD.**

Sd/-

Place : Mumbai
Date : August 4, 2014

Rahul Shah
Company Secretary

Important Communication to Members

The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the companies and has issued circulars stating that service of notice/documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government, members who have not registered their e-mail address, so far, are requested to get their e-mail addresses, in respect of electronic holding with the Depository through their concerned Depository Participants. Members who hold shares in Physical form, are requested to get their shares dematerialized.

Annexure to the Explanatory Statement

Information pursuant to Clause 49 of the Listing Agreement with regard to Directors seeking appointment / re-appointment as the forthcoming Annual General Meeting

Mr. Parag Munot - Promoter Director

Mr. Parag Munot is a MBA from Carnegie Mellon, USA. He is the Managing Director of Kalpataru Ltd. and has been leading the Group's Real Estate Development and Property Management business for two decades. At Group level, he drives new business initiatives and provides strategic support. Mr. Parag M. Munot holds 13,463,615 Shares of the Company. Set out below is a list of other public companies in which Mr. Parag M. Munot is a director;

List of other Directorship			
1	Kalpataru Limited	35	Kalpataru Retail Ventures Private Limited
2	Kalpataru Constructions Private Limited	36	Kalpataru Theatres Private Limited
3	Kalpataru Properties Private Limited	37	Shouri Properties Private Limited
4	Prime Properties Private Limited	38	K. V. Property Ventures Private Limited
5	K. C. Holdings Private Limited	39	Appropriate Developers Private Limited
6	Hedavkar Mechanical Works Private Limited	40	Mrigashish Constructions Private Limited
7	Padmanagar Constructions Private Limited	41	Shouri Constructions Private Limited
8	Shouri Investment & Trading Company Private Limited	42	Bhramar Investments And Trading Company Private Limited
9	Karmayog Builders Private Limited	43	Sfurti Impex Private Limited
10	Kalpataru Holdings Private Limited	44	Sfurti Multitrade Private Limited
11	Kalpataru Premises Private Limited	45	Azure Tree Properties Private Limited
12	Locksley Hall Hill Resort Private Limited	46	Azure Tree Constructions Private Limited
13	Parag-Prem Builders Private Limited	47	Rainbow Prints Private Limited
14	Rajasthan Stones Private Limited	48	Ashoka Properties Private Limited
15	Kalpataru Viniyog Private Limited	49	Azure Tree Property Ventures Private Limited
16	Aseem Properties Private Limited	50	Appropriate Orchards Private Limited
17	Yugdharm Real Estate Private Limited	51	Axiom Enviro Farms Private Limited
18	Punarvasu Holding And Trading Company Private Limited	52	Ascent Orchards Private Limited
19	Mrigashish Investment And Trading Company Private Limited	53	Databank Trading Company (India) Private Limited
20	Punarvasu Constructions Private Limited	54	Kalpataru Constructions (Poona) Private Limited
21	Omega Realtors Private Limited	55	Aura Real Estate Private Limited
22	Flex-O-Poly Private Limited	56	Abacus Real Estate Private Limited
23	Databank Stationery Private Limited	57	Astrum Developers Private Limited
24	Durable Stationery Private Limited	58	Arimas Developers Private Limited
25	Databank Office Staples (India) Private Limited	59	Krish Landscapes Private Limited
26	Yugdharam Holdings Private Limited	60	Agile Real Estate Private Limited
27	Ascent Enviro Farms Private Limited	61	Arman Villas Private Limited
28	P K Velu & Company Private Limited	62	Ananta Villas Private Limited
29	MPM Holding Private Limited	63	Kiyana Properties Private Limited
30	Caprihans International Impex Private Limited	64	Korum Malls Private Limited
31	Kalpataru E-Vision Private Limited	65	Kalpataru Plaza Private Limited
32	India Office Solutions Private Limited	66	Classic Buildhome Private Limited
33	Kalpataru Energy (India) Private Limited	67	Energy Link (India) Limited
34	Lifestyle Property Ventures Private Limited		

Chairmanship/Membership of Committees of the Board of other Companies

Kalpataru Limited –
 Audit Committee - Member
 IPO Committee - Member
 Executive Committee - Member

Mr. Sajjanraj Mehta – Independent Director

Mr. Sajjanraj Mehta is a Chartered Accountant with over 38 years of experience. He is a renowned senior professional and expert in the field of Accounting, Tax and Corporate law. He holds 10,000 Equity Shares of the Company. Mr. Sajjanraj Mehta is a director of Kalpataru Limited, and is also a member of the audit committee and the shareholders/ investors grievance committee of Kalpataru Limited.

Mr. Vimal Bhandari – Independent Director

Mr. Vimal Bhandari is a Commerce Graduate from Mumbai University and a Chartered Accountant by qualification. He has over 26 years of experience in financial services industry. He is currently serving as the Managing Director and Chief Executive Officer of Indostar Capital Finance Ltd., prior to which he was the Country Head of AEGON N.V. He has also served as an Executive Director of IL&FS Ltd. for a period of 12 years and is also on the Board of many prominent Indian companies. He attended Advanced Management Programs at the International Institute of Management, Lausanne, Switzerland, as a part of his continuing professional education. Mr. Vimal Bhandari does not hold any shares of the Company. Set out below is a list of other public companies in which Mr. Vimal Bhandari is a director:

#	List of other Directorship	Chairmanship/Membership of Committees of the Board of other Companies
1.	Bayer Cropsience Limited.	(a) Audit Committee - Member (b) Remuneration Committee - Chairman
2.	The Ratnakar Bank Limited.	(a) Audit Committee – Chairman (b) HR Committee of the Board – Member
3.	Piramal Glass Limited.	(a) Audit Committee – Chairman (b) Nomination & Remuneration Committee-Chairman
4.	Indostar Capital Finance Limited	(a) Grievance Redressed Committee-Member (b) Asset Liability Management Committee-Member (c) Executive Committee – Member (d) Management Committee – Chairman (e) Banking Committee – Member
5.	DCM Shriram Limited	Debenture Committee - Member
6.	JK Tyer & Industries Limited	
7.	Bharat Forge Limited	
8.	IndoStar Asset Advisory Private Limited	

Mr. Narayan Seshadri – Independent Director

Mr. Narayan Seshadri is a Science Graduate and a Chartered Accountant. He has over 26 years of consulting experience in the field of finance, accounts, tax and business strategy. He was the Managing Partner of KPMG India their heading Business Advisory practice. Mr. Seshadri is the founder of Tranzmute Capital & Management Pvt. Ltd., established with objective of providing new ideas, management and capital to first generation entrepreneurs and family businesses. Mr. Narayan Seshadri does not hold any shares of the Company. Set out below is a list of other public companies in which Mr. Narayan Seshadri is a director

#	List of other Directorship	Chairmanship/Membership of Committees of the Board of other Companies
1.	PI Industries Limited	(a) Audit Committees-Member (b) Management Committee-Member (c) Remuneration Committee-Member (d) ESOP Committee-Member
2.	SBI Capital Markets Limited.	(a) Committee of Directors (b) Audit Committee (c) Remuneration/HR Committee-Member (d) Risk Management Committee-Member
3.	Magma Fincorp Limited	(a) Audit Committee-Chairman (b) Nomination & Remuneration Committee-Member (c) Investment Committee-Member
4.	IRIS Business Services Limited	Audit Committee-Member
5.	Astra Zeneca Pharma India Limited.	Remuneration Committee-Member
6.	International Asset Reconstruction Company Private Limited.	(a) Audit Committee-Member (b) Asset Acquisition and Reconstruction Committee-Member
7.	Wabco India Limited	

#	List of other Directorship	Chairmanship/Membership of Committees of the Board of other Companies
8.	Sundaram Investments Limited	
9.	Radiant Life Care Private Limited	
10.	Tranzmute Capital & Management Private Limited	
11.	A20 Software India Private Limited	
12.	Halcyon Resources & Management Private Limited	
13	Halcyon Enterprises Private Limited.	

Mr. Mahendra G. Punatar – Independent Director

Mr. Mahendra G. Punatar holds Masters in Structural Engineering from University of Michigan, U.S.A. and has more than 51 years of experience in transmission line. He is an industry veteran and has been instrumental in the growth of KPTL from its initial years. Mr. Mahendra G. Punatar holds 7,000 shares of the Company. Mr. Mahendra G. Punatar is a director of JMC Projects (India) Limited, and is also a member of the audit committee and the remuneration committee of JMC Projects (India) Limited.

Mr. K. V. Mani – Additional & Independent Director

Mr. K. V. Mani, BE, MBA (IMD Switzerland), an expert in the filed of T&D business with more than 46 years of experience across Project Management, Marketing, Construction and International Business. He has been associated with the Company for more than a decade and served as the Managing Director during 2001 to 2009. Mr. K. V. Mani does not hold any shares of the Company. No other public companies in which he is a director.



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Annual Report 2013 - 14



KALPA-TARU[®]
POWER TRANSMISSION LIMITED

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Forward-Looking Statements

In this annual report we have disclosed forward looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements, written and oral, that we periodically make contain forward looking statements that set out anticipated results based on the management's plan and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipate', 'estimate', 'expects', 'project', 'intends', 'plans', 'believes' and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Investors should bear this in mind. We undertake no obligation to publicly update any forward looking statements, whether as a result of new information, future information or otherwise.



How would you describe a company that is a global leader with deep R&D focus, is backed by world-class infrastructure, represented by leading global talent who leverage modern tools and processes to address the diverse needs of its client spread across 40 nations?

Truly Global



KPTL is one such company. Since its first export order in 1995, KPTL has actively espoused global best practices across the entire organization and has evolved as a truly global organization. Two decades after moving its turf from domestic to global, KPTL today is one of the largest providers of world-class Transmission and Distribution (T&D) solutions to 40 countries across the globe. Today, around 65% of the Company's order book is through its global operations.

All through this journey, the Company has placed a consistent thrust on continuous improvement through innovation, process enhancement and on developing world-class capabilities. The Company inducts and nurtures industry leading talent that leverages modern systems & processes to enhance client comfort and productivity. The Company provides an engaging work environment, global exposure, healthy work-life balance and high growth opportunities to its employees.

KPTL houses world's largest tower testing, R&D centers and uses modern tools and technologies such as helicopter simulation across its various projects. The Company has developed strong alliances and partnerships with global EPC contractors such as ABB, Alstom, Areva, Cegelec, Enel Power, Cobra, Sumitomo, ETA, Downer, Gridcomm, John Holland, SAG, etal.

KPTL has developed strong local market understanding and capabilities. The Company has received many international quality standards certifications such as ISO, BIS, BS (Britain), DIN (German), EN (Europe), ASTM/AS (America), GOST (Ukraine), CSA (Canada) and ASNZ (Australia and New Zealand) that validate Company's high quality standards not just in one or two countries but across the globe.

From its vision to thoughts to capabilities to business, KPTL is steadily furthering its qualification as a T&D Company that is 'Truly Global'.



One of the largest providers

Of world-class transmission and distribution (T&D) solutions to 40 countries across the globe



International Quality Standards Certifications



- ISO
- BIS
- BS (Britain)
- DIN (German)
- EN (Europe),
- ASTM/AS (America)
- GOST (Ukraine)
- CSA (Canada)
- ASNZ (Australia and New Zealand)

Our Global Footprints



- Australasia
- Americas
- Europe
- Africa
- Middle East

40 Countries

Global Footprints





65%



Contribution of global operations to current order book.

Australasia	Americas	Europe	Africa	Middle East
<ul style="list-style-type: none"> • Australia • Bangladesh(SAARC) • Bhutan(SAARC) • Indonesia • Laos • Malaysia • Nepal (SAARC) • Philippines • Thailand • Vietnam • India (SAARC) • Srilanka (SAARC) 	<ul style="list-style-type: none"> • Canada • Mexico • Peru • USA 	<ul style="list-style-type: none"> • Turkey • Ukraine (CIS) • Armenia (CIS) • Tajikistan (CIS) 	<ul style="list-style-type: none"> • Algeria • Congo • Djibouti • Egypt • Ethiopia • Kenya • Mozambique • Namibia • Nigeria • Rwanda • S. Africa • Tanzania • Uganda • Zambia 	<ul style="list-style-type: none"> • Iraq • Kuwait • Syria • UAE • Qatar • Saudi Arabia

Financial Highlights

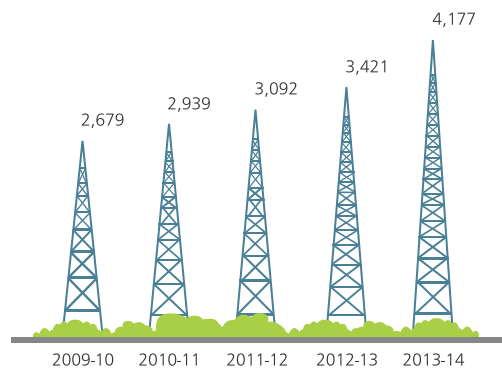
Standalone	₹ in Crore					\$ in Million	
	2009-10	2010-11	2011-12	2012-13	2013-14	2013-14	
Production in MTs	121,483*	127,055*	127,331*	151,772*	177,583*	177,583*	
Gross Revenue	2,678.5	2,938.6	3,092.2	3,421.4	4,176.8	695.0	
Sales Growth (%)	40.0	9.7	5.2	10.6	22.1	-	
International Revenue	1,158.0	970.1	1,002.6	1,293.7	1,838.5	305.9	
Total Expenditure	2,371.1	2,595.1	2,763.0	3,099.3	3,790.6	630.7	
Operating Profit (PBDIT before other income)	307.4	343.5	329.2	322.1	386.2	64.3	
Other Income	34.6	46.9	51.2	47.7	48.4	8.1	
Finance Cost	76.2	87.9	108.2	122.0	146.0	24.3	
Profit Before Depreciation & Tax (PBDT)	265.8	302.5	272.2	247.8	288.6	48.1	
Depreciation	38.2	45.9	48.1	52.3	69.5	11.6	
Profit Before Tax	227.6	256.6	224.1	195.5	219.1	36.5	
Provision for Taxation (Incl. FBT & Deferred Tax)	57.1	66.0	59.2	57.9	72.7	12.1	
Profit After Tax (PAT)	170.5	190.6	164.9	137.6	146.4	24.4	
Equity Share Capital	26.5	30.7	30.7	30.7	30.7	5.1	
Net Worth	988.1	1,590.7	1,742.6	1,846.0	1,953.9	325.1	
Long Term Borrowing (including current maturities)	180.9	162.1	235.6	211.4	154.0	25.6	
Short Term Borrowing	423.4	290.3	236.6	379.7	631.0	105.0	
Total Borrowing (including current maturities)	604.3	452.4	472.1	591.1	785.0	130.6	
Debt Equity Ratio (Total)	0.62:1	0.29:1	0.28:1	0.32:1	0.40:1	0.40:1	
Book Value Per Equity Share (₹/\$)	74.6	103.7	113.6	120.3	127.3	2.1	
Earning Per Equity Share (₹/\$)	12.9	12.6	10.7	9.0	9.5	0.2	
Operating Profit (%)	11.5	11.7	10.6	9.4	9.2	9.2	
Profit Before Tax (%)	8.4	8.6	7.1	5.7	5.2	5.2	
Profit After Tax (%)	6.3	6.4	5.3	4.0	3.5	3.5	
Order Book (at year end)	5,015.0	5,500.0	6,100.0	6,800.0	6,500.0	1,081.5	
Consolidated							
Gross Revenue	4,043.2	4,423.2	5,367.5	6,171.0	7,211.8	1,200.0	
Profit After Tax (PAT)	177.7	198.9	188.7	129.5	122.2	20.3	
Earning Per Equity Share (₹/\$)	13.4	13.1	12.3	8.4	8.0	0.1	
Order Book (at year end)	7,686.0	9,650.0	11,700.0	12,400.0	11,600.0	1,930.1	

* The quantity includes production, on jobwork basis and purchased from/got processed from third parties.
1 \$ = ₹ 60.099

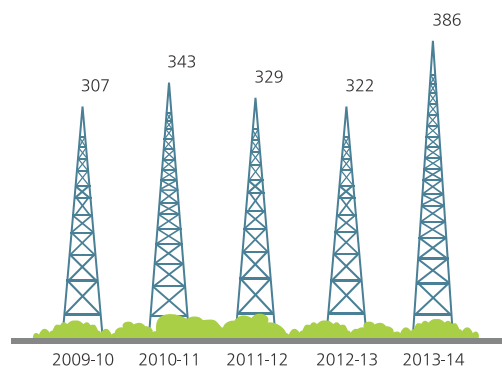


Standalone

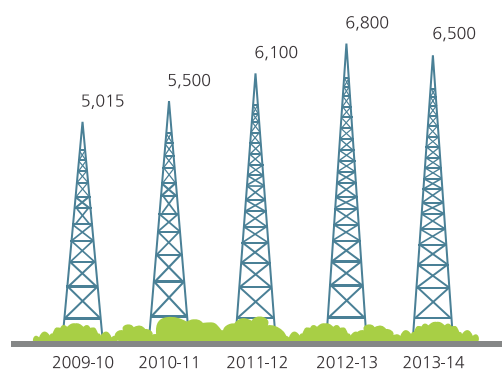
Gross Revenue (₹ Crore)



EBITDA (₹ Crore)

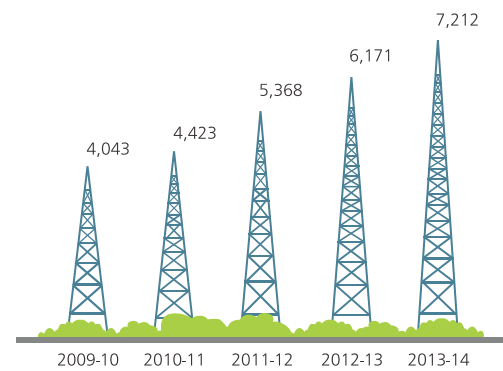


Order Book (₹ Crore)

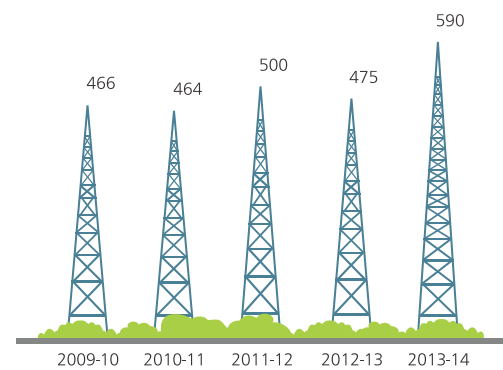


Consolidated

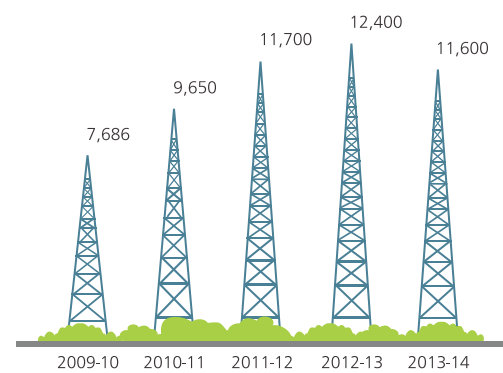
Gross Revenue (₹ Crore)



EBITDA (₹ Crore)



Order Book (₹ Crore)



Chairman's Letter



“ We continued to deepen our presence in international markets and expanded into two new countries i.e. Egypt and Rwanda during the year ”



Dear Shareholders,

I am pleased to share with you our 33rd Annual Report.

We are witnessing great hope and expectations post elections in India, although the global economic environment continued to remain challenging with similar slowdown in India. Indian economy for the first time in post liberalization period witnessed two successive years of sub 5 percentage growth. Infrastructure in general and power sector in particular was one of the most severely impacted sectors by the slowdown.

Despite challenging macro-economic environment, our growth, aided by strengthening of our business execution and growing contribution of international business, remained strong. Our topline at standalone level grew by 22% and at consolidated level it grew by 17%. We continued to deepen our presence in international markets and expanded into two new countries i.e. Egypt and Rwanda during the

₹ 3,450 crore

Orders received during the year

22%

Growth in our standalone topline



year. In Africa, we continue to retain competitive advantage on account of strong in-depth understanding of the market and strong capabilities that we have built in the region over the last few years. We are sensing growing transmission and distribution investments in Africa, CIS, Middle East, Eastern Europe and SAARC regions. In many of these regions, the generation stations and consumption centers are dispersed, spurring cross border transmission projects, funded by various regional or global Development Banks.

International markets contributed 40% to our standalone revenues, against 30% during the last financial year. During the year, we received orders worth Rs.3,450 crore against Rs.3,000 crore during the last financial year. At end of the year, standalone level order book stood at Rs 6,500 crore of which around 65% constitutes from international markets and 35% from domestic market. In domestic market, we are witnessing strong traction from state electricity boards (SEB) especially in the southern markets and also selective private sector opportunities.

During the year we focused our energies to enhance business fundamentals and operational efficiencies. We initiated certain organizational transformation, productivity improvement and cost control initiatives that should result in structural expansion of our margins in medium term.

In Infrastructure segment, we faced several challenges such as execution shortfall, right of way issues, cost escalations, under-utilization and low margin legacy projects. Currently, with a learning experience and execution capabilities built, we are selectively focusing on high margin projects with enhanced focus on execution & delivery. Additionally, in railway business under infrastructure segment, we expanded our scope by adding railway system oriented projects like overhead electrification to our current offerings of civil oriented projects.

KPTL is developing two transmission line BOOT projects, first in Haryana is already operational and the second in Madhya Pradesh is progressing very well and is likely to be completed by the end of FY 15.

JMC Projects (subsidiary) is developing four road BOOT projects, all the projects are at advance stages of development and should incrementally augment top line and bottom-line in the future. The first two projects have already received provisional COD and operational, for the third project provisional COD has recently applied and fourth projects is expected to complete by early FY16.

During the year, the top line of JMC Projects grew by 5% while PAT grew by much stronger 25%. Buildings and factories segment contributed majority of the Rs 2,500 crore order inflow received during

the year and constitutes over 75% of the current order book. Currently more than 90% of orders allow for price variation to be recovered from customers, this is to mitigate commodity prices volatility risks to greater extent.

Our subsidiary SLL, maintained strong run during the year as well. We have increased operational capacity to around 1.5 Mn tonnes while its revenue and net profit grew by 59% and 52% respectively.

Going ahead, the global economic slowdown appears to have bottomed out, as per latest IMF estimates 2014 and 2015 would see gradual recovery in global GDP growth as compared to 2013. In India, the economy has witnessed unprecedented policy-level uncertainty in the past, with the formation of a stable and investment oriented government at the Centre, the business confidence is returning.

The government has in a short span expressed need to revive investments and promote economic growth which would in turn would ease policy uncertainty. The government has highlighted its strong focus on energy efficient ultra-mega power projects (UMPP) and renewable energy sources. These would require large investments in the development of transmission network to facilitate evacuation from new power plant. Government's plan to develop a national gas grid with an addition of 15,000 km of pipelines along with thrust to enhance the usage of piped natural gas augurs well for our pipeline business. The Government has clearly highlighted Railways as one of its core focus area and the sector is likely to see high public private partnership investments and foreign investments in new projects such as Direct Freight Corridor and Bullet trains.

While over the last few years, we witnessed very aggressive bidding in infrastructural segment that led to liquidity issues for many companies, going ahead we expect more rational bidding. This along with recovery in economy should have a strong positive impact on our infrastructural business as well.

I take this opportunity to thank all our stakeholders for their continued trust and patronage.

Mr. Mofatraj P. Munot
Chairman



We focused our energies to enhance business fundamentals and operational efficiencies. We initiated certain organizational transformation, productivity improvement and cost control initiatives that should result in structural expansion of our margins in medium term.

Board of Directors

Mr. Mofatraj P. Munot

Chairman

He is the promoter and chairman of Kalpataru Power Transmission Ltd. He also serves as the Chairman of Kalpataru Ltd., the flagship real estate arm of the Group. He has a vast industry experience of close to five decades in Real Estate and Property Development, Civil Contracting and EPC across the industry spectrum. He founded the Kalpataru Group in 1969 and has been the guiding force behind the Group's stellar success.

Mr. Parag Munot

Promoter Director

He has been serving as a Director since 1991. He is the Managing Director of Kalpataru Ltd., the flagship real estate arm of the Group. He is responsible for Group's Real Estate and Property Development business. At Group level, he provides strategic support and drives new business initiatives.

He holds a degree in Bachelor of Commerce and is a M.B.A. from the Carnegie Mellon University, USA.

Mr. Sajjanraj Mehta

Independent Director

He is a renowned senior professional and expert in the field of Accounting, Tax and Corporate law. He has over 38 years of experience and serves as consultant in the field of Foreign Exchange, Taxation and Corporate laws to well-known companies.

He is a Chartered Accountant by profession and has an independent consultancy firm.

Mr. Vimal Bhandari

Independent Director

He has over 26 years of experience in financial services industry. He is currently serving as the Managing Director and Chief Executive Officer of Indostar Capital Finance Ltd., prior to which he was the Country Head of AEGON N.V. He has also served as an Executive Director of IL&FS Ltd. for a period of 12 years and is also on the Board of many prominent Indian companies.

He is a Commerce Graduate from Mumbai University and a Chartered Accountant by qualification. He attended Advanced Management Programs at the International Institute of Management, Lausanne, Switzerland, as a part of his continuing professional education. He holds Masters in Structural Engineering from University of Michigan U.S.A.

Mr. Narayan Seshadri

Independent Director

He has over 26 years of consulting experience in the field of finance, accounts, tax and business strategy. He was KPMG India's Managing Partner heading Business Advisory practice.

He is the founder of Tranzmute Capital & Management Pvt. Ltd., established with objective of providing new ideas, management and capital to first generation entrepreneurs and family businesses. He is also on the Board of many prominent Indian companies.

He is a Science Graduate and a Chartered Accountant.

Mr. Mahendra G. Punatar

Independent Director

He is an industry veteran with a career spanning over 51 years in transmissions line business. He has been instrumental in the growth of KPTL in its initial year from 1986 to 2001 having served as the Managing Director. From 2001 till 2009 he has served as a Vice Chairman (Executive and Non Executive) of KPTL.

He is also an Independent Director of JMC Projects (India) Ltd. since January, 2006. He holds Masters in Structural Engineering from University of Michigan U.S.A.



Mr. K.V. Mani, Director

Independent Director

He is a seasoned professional in Transmission & Distribution business with more than four decades of unparalleled experience in Construction, Project Management and Overseas Marketing. He has been associated with the Company for over a decade and has served as the Managing Director from 2001 to 2009. Since June 2009, he has served the Company as a Non-Executive Director and from January 2014 he has been serving as an Independent Director.

He holds a degree in Engineering and is a MBA from IMD, Switzerland.

Mr. Ranjit Singh

Managing Director

He is a strategy and leadership expert with more than three decades of rich and extensive experience in international and multicultural business environment. His expertise includes New Business Development, Strategy & Planning, Thought Leadership, People Management, Investor Relations, Supply Chain and Operational Management.

He holds a degree in Mechanical Engineering (BITS, Pilani) and PGDBM (IIM-Ahmedabad).

Mr. Manish Mohnot

Executive Director

He has two decades of experience in areas related to power, oil & gas, infrastructure, consulting, banking and business development. He has also been associated with reputed multinational banks and consulting firms.

He serves on the Board of various subsidiaries of the Company, namely JMC Projects (India) Ltd. and Shree Shubham Logistics Ltd.

He is a qualified Chartered Accountant and a Cost Accountant. He has also done an advanced management program from Harvard University, U.S.A.



Executive Management Team

Mr. Kamal K. Jain

Director (Finance) & CFO

Mr. Dinesh B. Patel

Director (Operations)

Mr. Sanjay Dalmia

Head (International Business)

Mr. Gyan Prakash

President & CEO (Infrastructure Projects)

Mr. Subhasish Mukherjee

President (International TL Business)

Mr. S. Ayya. Durrai Pandian

President (Construction)

Mr. M A Baraiya

President (HR & Admin)

Mr. Prasun Kumar Dutta

Head (Substation Division)

Mr. Anil Kumar

Head (Railways)

Business Overview | Truly Global Systems & Processes



IT Backbone of VSAT

The Company's offices and plants are connected through a strong IT backbone of VSAT

Safety & Environment Standards

The Company maintains high level of Health, Safety & Environment standards across its work environment

KPTL has developed state of the art technology infrastructure to deliver world-class products and services across the globe

KPTL has developed state-of-the-art technology infrastructure to deliver world-class products and services across the globe. The modern infrastructure enables seamless flow of information between its offices, enhancing overall agility and responsiveness of the organization. The Company's offices and plants are connected through a strong IT backbone of VSAT and maintain a robust round-the-clock communication channel between its 3 plants and over 30 sites spread across 22 countries. Thanks to the organization-wide IT enablement, the Company deploys real-time monitoring.

Leveraging computer-aided contemporary tools, systems and processes, KPTL has established a high degree of automation, standardization and optimization across operations. Organization-wide implementation of SAP helps in getting on-line updates.

The Company in collaboration with KPMG, has documented Standard Operating Procedures encompassing several "best practices" to enhance the system, processes and control environment. Documentation of the delegation of authorities and their integration into SAP will ensure better governance and compliance.

To drive continuous improvement across its operations, the Company has adopted 'Kaizen' in all the three manufacturing plants in order to eliminate MUDA (a Japanese word meaning futility or waste) in resources – material, machine and manpower. A dedicated team of kaizen engineers maintains continuous focus on lowering of production cost through waste reduction, thereby enhancing competitiveness of Company's EPC business.

The Company maintains high level of Health, Safety & Environment safeguards and continually strengthens them through regular training and other initiatives.

“ The Company has established a dedicated team of Kaizen engineers who maintain continuous focus on lowering of production cost through waste reduction which in turn has a strong positive bearing on the competitiveness of Company's EPC business ”



Real Time Project Tracking

The Company deploys real-time monitoring of its business including tracking in substation projects



Partnership with KPMG

The Company in collaboration with KPMG, has documented Standard Operating Procedures encompassing several "best practices" to enhance the system, processes and control environment



Organization-wide implementation of SAP helps in getting on-line updates

Truly Global Workforce



World-Class Training

Through world-class training programs and host of global opportunities the Company helps its employees to continually uplift their learning and experience

Steadfast Investments

Each of the Company's employees, across various levels, undergoes extensive technical and soft skill training every year

The Company's contemporary multi-cultural work environment fosters collaboration among research, sales, execution and leadership teams

With average employee age of less than 36 years, KPTL is quite a young company. Considering employees as the most critical asset, the Company considers hiring, nurturing and retention of the best available talent holds the key to its future success. The Company has made several process & people related investments that help to create high work satisfaction amongst its employees which in turn motivates them to make higher contribution as an individual and more importantly as a team. The Company's contemporary multi-cultural work environment fosters collaboration among research, sales, execution and leadership teams.

Through its world-class training programs and host of global opportunities the Company helps its employees to continually uplift their learning and experience curve. Through young mobility program, the Company encourages its employees to undertake overseas assignments. To impart cross functional learning, the Company motivates its employees to work across different business lines befitting business needs and individual's aspirations. Each of the Company's employees, across various levels, undergoes extensive technical and soft skill training every year. The Company recently launched an e-learning platform that enables employees across its offices & construction sites to continuously improve their capabilities.

The Company also conducts several leadership development and training programs for its middle and senior management professionals designed to enhance their leadership skills and aid their career progress to the next level. During the year the Company completed a 360 degree appraisal for the first time that in times to come should help the Company to considerably improve its "Leadership Quotient". Through a well-developed competency mapping framework and succession plan the Company provides a defined career plan to its young professionals. Company's online performance appraisal system links this with individual training needs and career progression.

No wonder, the Company today is an employer of choice.



Young Company

With average employee age of less than 36 years, KPTL is quite a young company



Truly Global T&D solutions



“ KPTL over the years has developed strong understanding of local working condition including topographical conditions, geo-political environment, local laws, customs and skilled labor availability ”



Complies with international quality standards



The Company's export of transmission line towers as well as erection of the transmission lines comply with various international quality standards



The Company leverages cotemporary systems to provide design solutions in accordance with the global standards and local needs

The Company leverages cotemporary systems to provide design solutions in accordance with the global standards and local needs. KPTL has over the years developed strong understanding of local working condition including topographical conditions, geo-political environment, local laws, customs and skilled labor availability. The Company leverages its in-house developed repository of the global best practices along with this understanding to develop unique solutions befitting local environment and work conditions.

KPTL has developed a data-bank with pertinent details of its focused geographies that helps it to conceptualize a sturdy, cost effective strategy befitting client's local environment during the design stage itself. A few of the Company's innovations in executing transmission lines in difficult circumstances/terrains have been acknowledged in the form of numerous global and national awards. The Company's design experts are member of committee formed by BIS (Bureau of Indian Standard) for the IS 802, which is used for design of transmission line towers. The Company received an award from CIGRE – Paris during the year for its contribution to the research and development of transmission industry.

The Company leverages modern technology such as Aerial survey for its complex operations. The Company's export of transmission line towers as well as erection of the transmission lines comply with various international quality standards. The Company also leverages modern tools like LIDAR technology during the survey to get a more precise project estimates, completion time and costing.

Company's fabrication plants are equipped with latest CNC punching/drilling machines and galvanizing bath, well fitted out to cater to various clients' needs. Company's automatic temperature controlled galvanizing bath is capable of meeting customized coating requirement of ASTM, EN or any other Indian and International standards.



Company's fabrication plants are equipped with latest CNC punching / drilling machines, galvanizing bath.



LIDAR technology

The Company leverages modern tools like LIDAR technology during the survey to get a more precise project estimates, completion time and costing

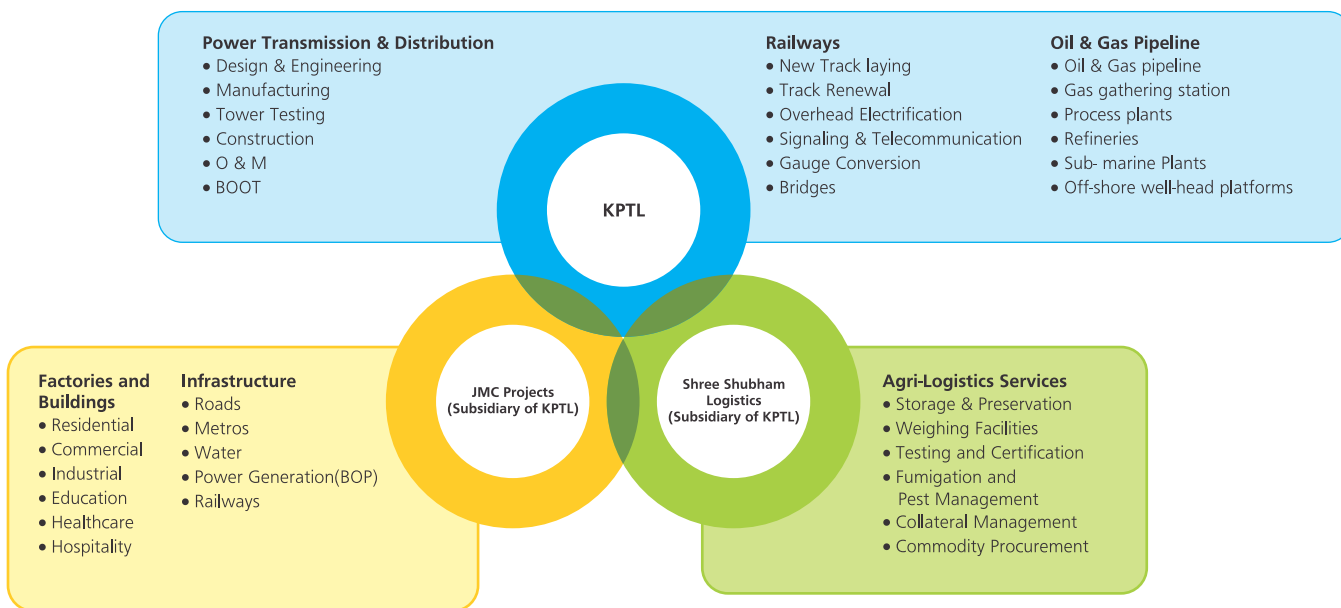
The World of KPTL

Kalpataru Power Transmission Limited (KPTL) is a leading diversified global EPC player in power transmission & distribution (T&D) sector. The Company also operates in oil & gas pipeline, railways, infrastructure development, civil contracting through its subsidiary JMC Projects (India) Ltd and in agri-logistics and warehousing business through its subsidiary Shree Shubham Logistics (SSL) Limited. The Company also operates four road and two power transmission projects under BOOT model.

The Company has expanded its operations across the globe including Africa, Middle East, SAARC region, Australia, North America, Eastern Europe and CIS region.

As on 31st March 2014, the Company had a consolidated order book of ₹ 11,600 crore and standalone order book of ₹ 6,500 crore.

Business Segments





Engineering, Procurement and Construction (EPC)

Power - Transmission & Distribution

KPTL is an industry leader in the power transmission business and operates in the segment as an EPC player and BOOT developer. As an established EPC player, the Company provides complete array of service offerings from in-house designs and testing to procurement and fabrication to erection and installation of transmission lines across the globe. The Company has annual production capacity of more than 180,000 MT of transmission towers and state-of-the-art testing facility.

The power EPC business has the following divisions:

Design and Engineering: This division designs various types of tower structures upto 765 KV and 33/11 KV substations.

Manufacturing: The Company has three tower manufacturing plant with a total production capacity of 1,80,000 MT per annum. While two of its plants are located in Gandhinagar (Gujarat), the third plant with a capacity of 55,000 MT is located in Raipur, Chhatisgarh. The two plants at Gandhinagar, Gujarat, being closer to ports mainly serve global clients while the close proximity of the plant in Raipur, Chhatisgarh to various domestic projects and raw material sources enable it to optimally serve Indian clients.

Testing and R&D Centre: The Company has its own tower testing station and R&D centre near Gandhinagar with state of the art facilities. It has the capacity of testing upto 800 KV of Double Circuit Tower and 1200 KV of Single Circuit Tower, with 27*27 meters of base width and 85 meters of height.

Execution: KPTL has till date installed 17,500 kms of transmission lines and supplied over 1.4 million tons of towers across the globe.

Oil & Gas Sector Pipeline

KPTL undertakes EPC contracting for cross-country pipelines, terminals and gas gathering stations for oil & gas sector across diverse territories. The Company has a well-qualified engineering and designing team for successful completion of projects and provides end-to-end solutions.

Over the years, KPTL has catered to some of the major players in the oil & gas sector and has been involved with setting up of more than 70 oil & gas stations and laying of over 2,500 kms of pipeline across the country.

Railways

KPTL diversified into railway EPC business which combines KPTL's skills for overhead electrification and JMC Projects for its civil infrastructure work. The Company offers an entire range of services on turnkey basis in railway infrastructure projects globally and is geared up for various more such bids across geographies.

The Company is executing an international turnkey project in Bangladesh.

Civil Construction (JMC projects)

JMC Projects India Limited (JMC), a subsidiary of Kalpataru Power Transmission Limited (KPTL), is a leading contracting company that undertakes Civil & Structural works for Factories and Buildings, Roads and Bridges, Power Plants, Water pipelines, Rail and Metro Infrastructure projects in India and abroad. Incorporated in 1982, it has a professionally qualified workforce of over 3,000 people.

The Company is one of the fastest growing constructions Company based out of India and has a strong order book of over ₹5,100 Crore .



Asset Ownership Portfolio

Biomass Power Plant

KPTL has two operational biomass plants in Rajasthan, a 7.8 MW in Ganganagar district and an 8 MW plant in Tonk District of Rajasthan. KPTL is one of the few companies around the globe to get registered with UNFCCC in 2005 and has benefited from CERs (Certified Emission Reduction) generated from its both the plants. Ganganagar project has been registered with "Gold Standard Foundation (G. S. Foundation)."

Power Transmission BOOT

With the advent of the Public Private Partnership (PPP) mode, KPTL has expanded its business portfolio by developing the first Transmission Line BOOT project at Jhajjar (Haryana), which was commissioned in FY12. The project was completed in a record time of 15 months and the Company shall own the project for 25 years

which can further be extended to 10 years. The Company's second Transmission Line BOOT project signed with Madhya Pradesh Power Transmission Company involved designing, financing, construction, commissioning, operating, and maintenance of 240 km of 400 KV Satpura - Ashta transmission line for the period of 25 years with an extension of 10 years on annuity basis. The Company targets to complete the project by the end of FY15.

Road BOOT

JMC Projects (I) Ltd. is developing four road BOOT projects, two have received provisional COD, for the third one the provisional COD has been applied and the fourth is expected to complete by early FY16.

Project Name	Project Location	Current Status
Kurukshetra Expressway	Rohtak-Bawal on NH71 in Haryana	Received provisional COD
Brij Bhoomi Expressway	Agra-Aligarh on NH93	Received provisional COD
Wainganga Expressway	Nagpur-Wainganga section on NH6	Applied for provisional COD
Vindhyachal Expressway	Rewa bypass to Hanumana border on NH 7	Expected to be completed by early FY16





Shree Shubham Logistics Ltd. (SSL)

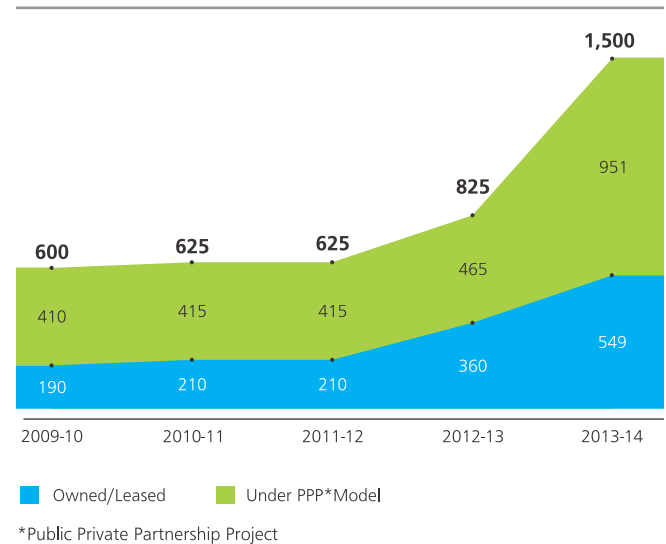
SSL, a subsidiary of KPTL, is one of the largest private warehousing and agri logistics players. The Company is ISO 9001 & 22000 certified and provides bouquet of services to manage risks across various stages of commodity and inventory handling. SSL won Supply Chain & Logistics Excellence (SCALE) Award 2013 for its exemplary performance in Agri Sector from CII.

Company's comprehensive range of agri-logistics services offering includes:

- Storage & Preservation (Chain of Dry & Cold Storage Units)
- Weighing Facilities through Electronic Weighbridges of 60/100 Metric Tonnes
- Testing and Certification
- Fumigation and Pest Management
- Collateral Management for Commodity Funding
- Commodity Procurement Services
- Disposal of agricultural produce with the help of electronic commodity exchange platform

As on 31st March 2014, SSL was operating and managing over 145 warehouses (owned / leased/managed) with storage capacity of about 15 lakhs MT and total floor plate area of around 8.5 million sq. ft. in the state of Rajasthan, Gujarat, Maharashtra and Madhya Pradesh.

Capacity ('000MT)

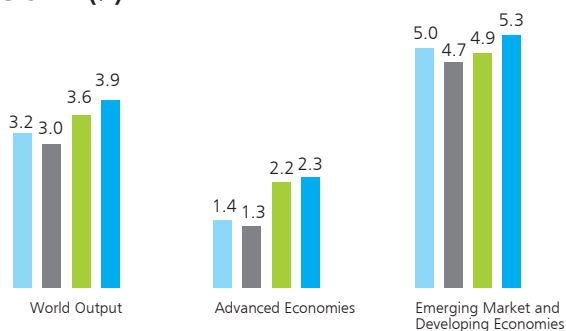


Management Discussion & Analysis

ECONOMIC OVERVIEW

The global macro-economic environment remained challenging for most part of 2013-14. The latter half of the year did see recovery in advanced economies especially the US where unemployment rates fell to 6.3%, the lowest since September 2008. On the other hand, most emerging markets & developing economies continued to see local macroeconomic challenges which worsened post initial tapering indication by the US Fed. Most economists expect gradual recovery in EU and USA in 2014. IMF projects global economy to grow at 3.6% in 2014 and 3.9% in 2015 ahead of the 3.0% it did in 2013.

GDP Growth (%)



Source: IMF

■ 2012 ■ 2013 ■ 2014P ■ 2015P

Indian economic conditions remained sluggish in the financial year 2013-14, with the onset of general election due in early 2014 with no significant economic policies announcement by the government. This led to deceleration in corporate investment cycle, high inflationary conditions, slower project approvals ultimately leading to sub 5% growth of the economy.

With a new stable government in place, going forward major economic reforms and accelerated pace of economic growth is expected. A major thrust on infrastructure development viz., roads, ports and power sector reforms (generation as well as distribution) is expected whereby Indian economy could achieve a growth rate of 8% in future.

Gradual recovery in key partner economies should also enhance India's exports growth, thereby aiding recovery of the manufacturing sector and of the broader economy.

BUSINESS OVERVIEW

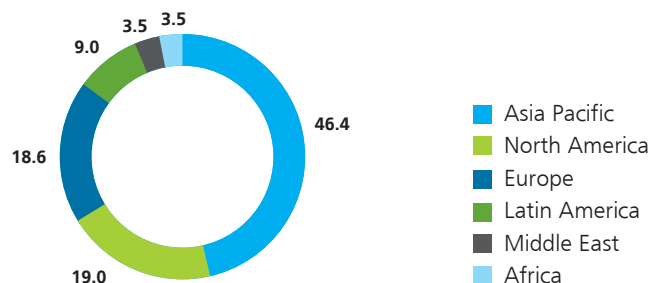
Kalpataru Power Transmission Limited (KPTL or the Company) is one of the largest and fastest growing specialized EPC players in India engaged in power transmission & distribution, oil & gas pipeline, railways, infrastructure development, civil contracting and warehousing & business with a strong international presence in power transmission and distribution. The Company has its footprints in 40 countries across the globe.

INDUSTRY OVERVIEW AND OPPORTUNITIES

Transmission & Distribution

Despite a dip in the global funding of transmission line projects, the outlook remains strong for the sector with rising energy demands

Region wise Global Transmission Line Split, %



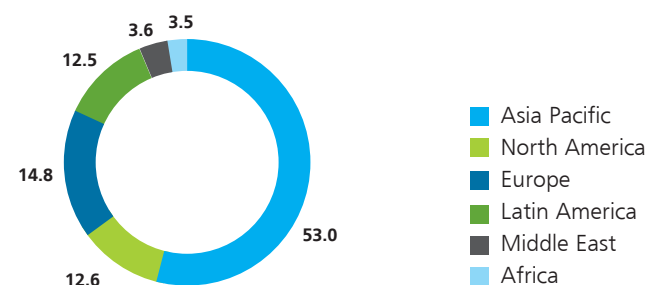
Source: Global Electricity. Transmission - Report 2014-2020

both in the developed and developing markets on account of thrust on renewable energy sources, cross border electricity networks especially in Europe and Africa, favorable demographics of Asia and Africa and underdeveloped transmission system in these countries.

The Global T&D market has grown at a compounded rate of ~ 13.7% over the last eight years, on the back of strong growth in Asia, America, Middle East and Africa.

An estimated investment of \$ 1 trillion is expected in transmission industry, globally, over the next 6-7 years. The growth will be largely led by Asia, America, Middle East and Africa. While Africa is expected to have the fastest growth in its generation capacity at a CAGR of 10 percent, Asia Pacific and Middle East are expected to see fastest growth in their power consumption at a CAGR of close to 6.0 percent each.

Region wise Projected Investment in Global Power Transmission, %



Source: Global Electricity. Transmission - Report 2014-2020

In an increasing trend, power sector across countries is being liberalised or privatized which is leading to faster pace of industry growth.

Installed capacity (2013)	5,445 GW
Expected installed capacity (2020)	7,103 GW
Transmission line length (2013)	39,27,990 km
Expected transmission line length (2020)	49,73,568 km
Expected investment in transmission network (2014-2020)	\$1 trillion

Source: Global Electricity. Transmission - Report 2014-2020

India

The Indian power sector has seen significant changes over the past decade with newer legislation, and privatization across generation, transmission and distribution of power.

Despite doubling of the installed capacity between FY13 and FY12, for most Indian states power deficit and blackouts are still common. One of the key reasons for this has been the skewed investment allocation in favor of generation instead of equal split with T&D. There is significant distance between power generation/surplus centers like eastern & north-eastern regions and power consumption/deficit centers like southern region. A strong transmission highway is critical for optimal utilization of resources through effective evacuation from surplus regions and dispensation in the deficit regions. In the 12th five year plan, the government has made an effort to correct this anomaly by increasing the share of T&D sector in the planned capital expenditure for the sector.

Significant capex allocation has been earmarked to create evacuation infrastructure for upcoming Independent Power Producer (IPP) generation facilities, to connect renewable energy facilities and to strengthen and modernize transmission infrastructure.

The announcement of formation of Infrastructure Investment Trust for financing the infrastructure projects by Finance Minister in the budget will provide the opportunities to business to grow. The promotion of Public-Private Partnership (PPP) model is an effective tool to bring private-sector investments in the Infrastructure Sector.

The proposal for feeder segregation and distributed solar generation will improve availability and quality which will provide opportunities for transmission line projects connecting green energy corridors to load centres.

The northern grid failure followed by a cascade impact and subsequent collapse of the Eastern and North Eastern power grids last year was one of the biggest ever power failure in Indian history. In a vehement manner, it has established the need to earmark a greater investment towards T&D capex and to create more robust transmission infrastructure backbone.

India's current transmission network is estimated at ~ 430,000 circuit km of transmission lines and has grown at a modest CAGR of 4% during the last four years. Close to 72% of this is under State Transmission Utility's (STU) and about 23% is owned by Power grid and 5% by private players. During 2009–13, Power grid owned network has expanded at a CAGR of 8.5 % while STUs owned network has expanded by a mild CAGR of 3.6 %.

Investment estimates for transmission line network in India (₹ million)

	2014	2015	2016	2017
POWERGRID	2,00,000	2,00,000	2,00,000	2,00,000
STUs	2,77,428	2,66,891	2,66,703	2,68,662
Total	4,77,428	4,66,891	4,66,703	4,68,662

Source: Global Electricity. Transmission - Report 2014-2020

With number of UMPP getting operational, the requirement for transmission network to link them to grid would increase. A report by Global-Electricity-Transmission-Report-2014-2020 (GETR) estimates another ₹ 300 billion worth of transmission projects to be developed by private sector independently or through JV.

Africa

The region is expected to see nearly doubling of its power generation capacity from 123 GW in the year 2013 to 241 GW in the year 2020 on account of strong regulatory and social reforms along with rising electricity demand from manufacturing & mining industries. As per the estimations the region is likely to invest close to \$37.5 billion in the expansion and strengthening of their transmission networks between 2014 and 2020.

Many developed countries have committed considerable investment in the region to develop strong electricity network and a few North African countries are also planning to integrate their grid with those of southern European countries through undersea cable. As per International Energy Agency the sub-Saharan Africa power sector would need an investment of \$300 billion by the year 2030 to provide universal access to electricity in the region. With KPTL's well established presence in the African continent, the Company is in a strong position to capitalize on these opportunities.

Africa

Installed capacity (2013)	123 GW
Expected installed capacity (2020)	241 GW
Transmission line length (2013)	1,38,668 km
Expected transmission line length (2020)	2,03,897 km
Expected investment in transmission network (2014-2020)	\$ 37.5 billion

Source: Global Electricity. Transmission - Report 2014-2020

North America

The transmission sector in the region is projected to attract an overall investment of around \$134 billion between the years 2014 and 2020 to modernize the transmission sector and add about 70,000 km of new lines

North America

Installed capacity (2013)	1,309 GW
Expected installed capacity (2020)	1,299 GW
Transmission line length (2013)	7,47,176 km
Expected transmission line length (2020)	8,14,969 km
Expected investment in transmission network (2014-2020)	\$134 billion

Source: Global Electricity. Transmission - Report 2014-2020

Middle East

Middle East is one of the most electrified regions globally with an average per capita consumption twice of the global average

between the period 2005 and 2013, the generation capacity in the Middle East grew at a CAGR of 8.1% whereas the transmission line network grew at a CAGR of 4.5%.

The region is expected to see a 40% increase in its power generation capacity to 241 GW and 18% increase in transmission line length to ~ 200,000 km between 2013 and 2020. Around \$39 billion of investment is expected in its power transmission network between the years 2014 and 2020 to integrate newer plants to the existing grid and also to modernize and strengthen existing networks.

Middle East remains a key market for KPTL wherein it has executed projects in the GCC and is an active player. With geographical proximity to India and cultural similarity, it remains a preferred growth market.

Middle East

Installed capacity (2013)	205 GW
Expected installed capacity (2020)	288 GW
Transmission line length (2013)	1,37,384 km
Expected transmission line length (2020)	1,62,533 km
Expected investment in transmission network (2014-2020)	\$38.7 billion

Source: Global Electricity Transmission Report 2014-2020

Asia Pacific (ex Japan)

The Asia Pacific region helped by strong economic growth and growing energy demand has been witnessing tremendous growth in electricity consumption. The region continues to attract high investment for strengthening of its transmission network. The region has been witnessing increasing thrust on integration of regional networks to build ultra-high voltage (UHV) national backbone network that can enhance inter regional and inter-state transmission capacity. Increasing power consumption, growing energy intensive manufacturing sector, increasing population and thrust on providing universal access to stable electricity have led to the development of many new large power generation plants. The installed capacity of the power plants in the region is expected to grow by nearly 50% from 2,152 GW in the year 2013 to 3,216 GW in the year 2020, bulk of which is projected from China and India.

Many of these new large power plants are located in remote location far away from high demand urban cities and demand extensive new network to integrate them to the existing transmission network. Also, many of central Asian economies are developing large hydroelectric power and will require a strong inter regional transmission network to export the excess power to high demand south Asian countries through regional links.

The region is projected to account for close to 70 percent of the new lines added globally between the years 2013 and 2020. Of 10,45,578 km projected to be added globally, 7,22,645 km are projected to be added in the Asia Pacific region.

Installed capacity (2013)	2,152 GW
Expected installed capacity (2020)	3,216 GW
Transmission line length (2013)	18,19,096 km
Expected transmission line length (2020)	25,41,741 km
Expected investment in transmission network (2014-2020)	\$ 566 billion

Source: Global Electricity. Transmission - Report 2014-2020

CIS Countries

In Ukraine, the transmission network is operated by the Ukrenergo, a state owned company. Ukraine's power transmission network has not seen any significant additions over the last few years.

Ukraine has several grid interconnections with other CIS countries and continental Europe. Nine transmission projects are already under development. Over the next seven years, Ukraine is projected to spend Euro 2.9 billion on various transmission projects and add 1,979 km of new transmission line length.

SAARC

In Sri Lanka, the transmission network is owned and operated by Ceylon Electricity Board (CEB), the state-owned, vertically-integrated utility. While over the last seven years the growth in country's transmission line has been modest at a little over 2%, the recent years have seen considerable ramp up. During the financial year 2012-13, 125 km of new lines were added, another 398 km are projected to be added during the financial year 2013-14, much ahead of 323 km added during the seven years from the financial year 2004-05 to the financial year 2011-12. The country is projected to invest around \$430 million between the financial year 2012-13 and 2015-16 on the development and expansion of its high voltage grid.

Oil & Gas Pipeline

India has been in discussion with various countries to import fuel through cross country pipelines. A similar long term agreement has been signed between China and Russia. Given India's huge landmass and increasing energy requirement, the investment required in developing pipeline infrastructure is massive. As per various estimates, more than 12,500 miles of pipelines are to be laid in India by the year 2020, ahead of China and over a third of total planned pipelines in Asia Pacific. India currently has about 22,621 miles of active oil & gas pipelines.

One of the big projects announced during the year was by Petroleum and Natural Gas Regulatory Board (PNGRB). PNGRB has invited bids for setting up a 1,175 km natural gas pipeline from Ennore to Nagapattinam in Tamil Nadu.

In the FY15 budget announcement, the government has proposed to develop an additional 15,000 Km of pipeline in order to complete the gas grid across the country. It is proposed to develop these pipelines using appropriate PPP models. With the expected improvement in economic environment and renewed focus on infrastructure development your company is well placed to grab opportunities in the space.

Logistics & Warehousing

According to various studies, at least 40% of all fruits and vegetables in India get wasted due to poor transport

infrastructure and cold storage facility. Recent years have seen significant increase in India's exports of fruit and vegetables and also growing domestic demand due to changing demographic and improving lifestyle. Given the seasonality of agriculture, the rising demand together with supply bottlenecks led to significant and persistent food inflation. This adversely impacted the economy in form of structural increase in consumer price index, increase in fiscal deficit due to increase in subsidies and increase in trade deficit due to reduction in exports or increase in imports.

Agri logistics and warehousing reduce wastages and supply bottlenecks. They help to reduce food price volatility; create an environment for sustainable development through their positive social, economical and environmental impact. The current capacity of agriware housing in India is close to 112 MT, around 35 MT short of needed. Similarly cold storage facilities are around 23MT, around 10 MT less than needed. Over 80 percent of the cold storage facilities are with unorganized sector.

The budget announcement also provides allocation of funds to increase the warehousing capacity in order to increase the shelf life of agriculture produces and also recognizes the urgent need for availability of scientific ware housing infrastructure in the country.

Shree Shubham Logistics, a leading player in this space has its own Agri Logistics Parks (ALP) capacity of 3.5 Lakhs metric tonnes which it plans to increase to 6 lakh metric tonnes over the next few years. These capacities are spread across four states of Rajasthan, Gujarat, Madhya Pradesh and Maharashtra.

Railways

India's rail network is World's second largest and Asia's largest, yet is able to serve only a fraction of the actual demand. To address this problem the planning commission in the 12th five year plan has recommended doubling the construction of new lines to 4,000 km from 2,000 km, nearly tripling the length of the lines to be double tracked and additional construction of 3,338 km of double line east west freight corridor.

In km	10th FYP - Achieved	11th FYP - Target	11th FYP - Achieved	12th FYP Target
New-Line	920	2,000	2,205	4,000
Eastern & Western Dedicated Freight Corridors				3,338 (double line except 400km)
Gauge-conversion	4,289	6,000	5,290	5,500
Doubling	1,300	2,500	2,756	7,653
Railway-Electrification	1,810	4,500	4,501	6,500

Source: Planning Commission.

Dedicated freight corridor (DFC) is one of the most ambitious projects of recent times that would dramatically enhance India's overall productivity, cost of operations and rail transport capacity. The state of the art 3,338 km project consist of two flanks viz. 1,839 km Eastern DFC that has been funded through World Bank and 1,499 km Western DFC funded through a soft loan from Japan. The cost of project has been estimated at ₹ 80,000 crore and the project is expected to get complete by the financial year 2018-19.

In the Budget, the Government has allowed FDI in suburban corridors, high speed train system and dedicated freight lines to meet the significant investment demand in Railway sector. The Government has also decided to take future projects through PPP route in capacity augmentation projects on congested routes, connectivity to new and upcoming ports, world class stations private freight terminals and solar energy generation plants. Two high capacity dedicated freight corridors are being undertaken to increase transportation capacity, reduce unit cost of transportation and thereby increasing the service capacity and in addition the Government has identified seven sections to develop high-speed rail corridors.

KPTL has executed various projects of track laying, OHE, Signalling and Telecommunication work and has built a skillful team that can deliver high quality standards.

SEGMENT WISE OPERATIONAL PERFORMANCE

The Company has two primary business segments, viz. Transmission & Distribution and Infrastructure EPC. Geographically, the revenue of the Company can be divided in two different segments - Sales within India and Sales outside India. Out of the total revenue (Net of Excise Duty) of ₹ 4,055 Crore for FY14, revenue from India is ₹ 2,217 Crore (55%) and revenue from outside India is ₹ 1,838 Crore (45%).

Other segments mainly include generation & sale of power being produced from two small biomass based power generation plants in Rajasthan, which has contributed revenue of ₹ 59 Crore during the last year.

Transmission & Distribution Segment (T & D) :

Segment's revenue was higher by 28% at ₹ 3,775 Crore.

T&D is the core business segment of the Company contributing 93% of the total revenue of the Company.

Company's fundamental strength is being reflected from the strong presence and performance in T & D space since beginning. Since power generation and transmission continue to attract more investment globally, our T & D segment is expected to cater the global requirement with its timely project execution capabilities.

At the operational level, the following are the major highlights for this segment:

- Production (including outsourced) and dispatches of transmission line towers were at an all-time high of 1,77,583 MT and 1,78,209 MT, respectively
- State of art, Raipur tower manufacturing plant has stabilized the operations and produced 46,360 MT in the reporting period

- Over 1,30,123 MT of transmission towers were erected at various domestic and international locations
- Over 2,215 CKM of stringing work done to connect the grid to sub-station or sub-station to sub-station

First two jobs of sub-station are progressing well and these shall lead to build up our qualification in this promising sector

The segment has secured following prestigious projects during the reporting period:

- Supply and Erection of two projects consisting 330 KV transmission line of 466 kms of over ₹ 500 Crore from Kansanshi Mining PLC, Zambia
- Supply and Erection of 765 KV D/C transmission line of 140 kms of around ₹ 330 Crore from PGCIL
- 400 kV Satpura-AsthaDCDS Transmission Line from SPV for MPPTCL BOOT project worth ₹ 310 Crore
- Saudi Electricity Company, Saudi Arabia - ₹ 140 Crore
- Supply and Installation of 171 kms, 400 KV D/C transmission line worth ₹ 463 Crore from Tamil Nadu Transmission Corporation Ltd
- Supply and Installation of Suez Gulf/Samalaut 500 KV D/C over-head transmission line worth ₹ 630 Crore from Egyptian Electricity Transmission Co., Egypt
- Supply and Erection of 765 KV D/C Solapur-Aurangabad transmission line of 140 km worth over ₹ 350 Crore from PGCIL
- Supply and Installation of 220 KV transmission systems worth ₹ 246 crore in Rwanda and D. R. Congo

This business segment has secured orders worth ₹ 3,134 Crore during the year. The order book position can be divided into 45:55 for domestic and international. Out of this, majority of domestic orders are backed by price escalation clauses, which will to a large extent protect us in the present uncertain market conditions.

The Company has also made successful entry into 2 new countries namely Egypt and Rawanda and continues to keep its focus on new markets and territories to expand its presence.

Infrastructure Segment

This segment includes cross country oil & gas pipeline laying and railway EPC business of the company.

This segment continues to remain subdued on account of slowing domestic market demand and pricing pressure from competitors.

During the year, the Company has received orders worth ₹ 319 Crore for this segment.

The revenue in this segment was reduced to ₹ 221 Crore as against revenue of ₹ 324 Crore in the previous fiscal year.

This segment has contributed a loss of ₹ 52 Crore due to delay in execution of railway projects and one of the pipeline project

in Assam due to external & local factors and under utilization of resources etc.

FINANCIAL REVIEW

The consolidated revenue of the Company grew at 17%, with total revenue of ₹ 7,090 Crore during the year. The consolidated order book of the Company is above ₹ 11,600 Crore.

On a standalone basis, the Company reported net sales and service revenue of ₹ 4,055 Crore, a growth of 22%. Revenue of Power T&D segment grew by 28%, Infrastructure segment growth reduced by 32%. On a standalone basis, the order book of the Company, as on March 31, 2014 stands at ₹ 6,500 Crore, the break-up of which is as follows:

- Transmission & Distribution – ₹ 5,900 Crore
- Infra (Pipeline and Railways) – ₹ 600 Crore

Exports revenue (including overseas projects) earnings during the year is ₹ 1,838 Crore, representing over 45% of your Company's gross revenue.

The Company's profit after tax has increased by 6% to ₹ 146 Crore as against ₹ 138 Crore of the previous year.

Net fixed assets (including capital work in progress), as at March 31st, 2014, is ₹ 592 Crore as against ₹ 539 Crore in the previous year increase of ₹ 53 Crore, mainly for construction equipment & commercial vehicles for projects execution.

Net current assets as at March 31st, 2014, reduced to ₹ 546 Crore as against ₹ 609 Crore in the previous year. Current assets levels of the Company reduced mainly on account of increase in advances from customers, trade payables and other current liabilities.

Borrowing levels of the Company remain at comfortable level thus total debt/equity ratio currently stands at 0.40. The Company enjoys A1 + and AA rating for its short-term and long-term borrowing from CRISIL & CARE both. The company has sufficient working capital limits to support its growth plan.

RISK MANAGEMENT

Risk management framework is an important ingredient of your company's sustainable business model. It counters the impact of unfavorable internal and external events and attempts to ensure business continuity across different stages of the economic cycle. More so in-case of a cyclical industry like infrastructure where global liquidity, government policies, government spending and corporate sentiments have a huge bearing on the industry's prospects. Our risk management framework reduces the volatility due to unfavorable internal and external events, facilitates risk assessment and mitigation procedure, lays down reporting procedure and enables timely reviews by the management. The following section discusses some of these risks and mitigation plans.

Economic Risk:

Your company has defined conservative internal prudential norms. The Company ensures a favourable debt equity ratio, moderate liquidity, strong clientele with timely payment tack-record and

focus on select markets minimize the impact in adverse. The company has geographically diversified into multiple countries thereby reducing its dependency on one market or country.

Execution Risk:

Execution delay may results in cost overruns and may also negatively impact company's reputation. An EPC contract generally entails a long execution period coupled with significant linkages to external factors like Right of Way issues, work front availability, local issues, etc. The Company deploys a well-defined standard operating procedure – from project planning to delivery – and adheres to rigorous internal checks and balances with regard to every project. It keeps a close watch on unfolding trends in external factors in order to effect prudent and timely course corrections.

Credit Risk:

Customers' inability to make timely payments in line with their contractual obligations may unsettle Company's projected cash flow. The same can adversely impact its project completion timeframe and financials of the company.

While selecting a project, the company prefers clients with a good credit history and projects that are supported by reputed financial institution. In its global portfolio, the company prefers projects that are funded by multilateral funding agencies.

Input Price Risk:

Given the long completion period, escalation in the cost of key inputs poses significant challenge to anticipated project profitability. Fluctuation in prices of construction materials such as steel, cement, aggregates, sand due to inflationary pressure is always a great concern.

By adding price escalation clause in most of the contracts that the Company passes off such negative impacts to its client, partially or completely. In case of firm price contracts, company tries to pass on back to back firm price contract to its vendor/contractor or and also hedge itself through price discovery, wherever possible.

Currency Risk:

With operations in twenty two countries, any adverse movement in any particular currency can adversely impact financials. In present uncertain time, it becomes more difficult to judge the market and take appropriate decision.

The Company deploys twin pronged approach of maintaining a balanced order book mix (domestic and overseas orders) and currency hedging to mitigate this risk.

Political Instability & Act of Terrorism Risk:

Social / Civil unrest, within India or internationally can have an impact on the Company's operations. Political and civil unrest and tensions in the MENA Region, Africa and Ukraine may have impact on safe and timely execution of project, which may have financial implications.

INTERNAL CONTROLS

The Company has an adequate system of internal controls implemented by the management towards achieving efficiency in operation, optimum utilization of the Company's resources and effective monitoring thereof and compliance with applicable laws and regulations.

The Company's internal audit department conduct regular audits to ensure adequacy of internal control systems, adherence to management instructions and compliance with laws and regulations of the country, as well as to suggest improvements.

The Internal Audit Function provides assurance to the Board and Senior Management in the various Businesses and Functions that the system of internal control deployed is appropriately designed to manage the key business risks and is operating effectively.

Audit plans, internal auditor's observations and recommendations, significant risk areas assessments and adequacy of internal controls are also periodically reviewed by the Audit Committee.

The Company has ERP system - SAP, to have better internal control systems and flow of information. Further, the Company is adhering to the rules and regulations of ISO guideline.

ENVIRONMENT, HEALTH AND SAFETY

Preservation and promotion of environment is of fundamental concern in all our business activities. The Company has installed various instruments and equipment at its manufacturing facilities to maintain and increase environmental friendly and healthy working condition. As per specific requirement of customers, the Company is carrying out fumigation of its export supplies and dull finishing of products to avoid reflection when it is installed at site. The Company is also developing green area at and around all its facilities. The Company has been accredited with ISO 14001 for Environment Management Systems for its tower part manufacturing plants at Gandhinagar, Raipur and international project sites.

Company gives utmost importance to health and safety function. At all manufacturing units, power plants and all project sites, necessary procedures are in place to ensure health and safety of personnel and equipments. To ensure healthy and safe workforce and to create awareness, the Company celebrates safety weeks. Also, the Company does mock drills to access emergency / disaster management preparedness at regular intervals. The Company also undertake internal safety audit to ensure adequacy and implementation of safety standards.

Company has received "Certificate of Honour and Appreciation" from Gujarat Safety Council for achieving excellent performance in safety for the last 3 years in row.

Manufacturing plant at Gandhinagar and TLI Division has received OSHAS 18001 Certification from ISO QAR for effective implementation of Safety Management System.

CORPORATE SOCIAL RESPONSIBILITY

As a responsible corporate citizen, the Company undertakes various social welfare measures and environment friendly initiatives. The Company's social welfare and community development measures are focused on healthcare, child development and promotion of cultural activities.

The Company undertakes community development initiatives by sponsoring various programs of government and nongovernment organizations such as Rotary Club of Gandhinagar, Gandhinagar Cultural Forum, Kalrav etc. in fields of healthcare, child development, cultural activities, youth development, women empowerment, medical check-up camp in nearby areas. Every year Company co-sponsor grand Garba celebration for 9 nights under the banner of Gujarat Cultural Forum, which is enjoyed by over 50,000 people. The Company has arranged games competition and other cultural programmes for student of government school.

Kalpataru Seva Kendra, a multi-specialty medical facility with ultra-modern facilities provides consultancy and routine health check-up facilities at almost free of cost with medicines. Over 125 patients from surrounding villages of Gandhinagar takes benefit of this facility on daily basis. We are thankful to all well-known doctors of Gandhinagar, who are providing these services on honorary basis.

The Company has organized medical checkup camp for students of government school apart from several other medical and health check-up camps for economically weaker sections of the society. The Company has also arranged Shakti 2014 for women's empowerment in association with Rotary Club of Gandhinagar.

On social front, spouses of employees always remain ahead to ensure that the bonding of family members is made more strong and for which Ladies wing Inner Circle-- organizes various welfare, entertaining and educative programs for ladies and children of the staff, which include sports days, movie show, medical check-up, outside educative visit, summer camps and many more such activities.

HUMAN RESOURCES

HR Initiatives

Globalization has thrown up opportunities as well as challenges, many of them related to Talent acquisition and development. With increasing complexity of doing business globally as well as in India, the company has recognized the need to further strengthen HR systems to recruit, motivate and retain best talent.

While historically the company has fostered a culture of " Merit First" and accountability across levels, it has decided to take the performance culture up a few notches by streamlining performance appraisal system by making it online and time bound with clear and objective parameters for evaluation. In the Transmission line EPC sector, we are today the employer of choice.

With an inclusive 'global' organizational culture, we have been able to imbibe the best of all cultures wherever we work, yet retain the dominant "Kalpataru Culture". This values people, as assets, as source of competitive sustainable advantage and as a talent magnet for other people to join the company.

Developing capabilities

With dynamics of EPC business undergoing change as well as enhanced competition in certain segments, it is imperative that organization adapts itself to the market needs and its employees continuously improve their capabilities. Towards this objective we have launched an e-learning portal for our employees working across geographies including offices & construction sites. Particular emphasis has been given on soft skills development. Employees are encouraged to select various training courses themselves which best suit their requirements.

Leadership Development

With external help, we have initiated leadership development program for General Managers & above who are trained extensively on continuous basis. Top performers are encouraged to attend short duration programs in prestigious institutes like IIM's. We have hired people at senior level from different industries at leadership level to fill the leadership pipeline. A 360 degree appraisal was done for the first time and was well received by the Leadership team. The feedback from this program will go a long way in upgrading the "Leadership quotient".

CAUTIONARY STATEMENT

This report includes the facts and figures alongwith assumptions, strategy, goal and intentions of the Company which may be "forward looking". The Company's actual result, performance may differ significantly from those presented herein. The Company's performance is dependent upon global and national economic conditions, price of commodities, change of Government's rules and regulations etc.

Directors' Report

TO,

THE MEMBERS,

Your Directors are pleased to present the 33rd ANNUAL REPORT of your company together with the Audited Statement of Accounts for the year ended March 31, 2014.

FINANCIAL HIGHLIGHTS (₹ in Crores)

	2013-2014	2012-2013
Total Revenue	4,225.13	3,469.08
Profit before Depreciation	288.62	247.80
Less: Depreciation	69.54	52.25
Profit before Tax	219.08	195.55
Less: Provision for Tax including Deferred Tax	72.71	57.89
Net Profit after Tax	146.37	137.66
Add: Surplus brought forward from previous year	794.75	715.31
Profit available for appropriation:	941.12	852.97
APPROPRIATIONS :		
Transfer to General Reserve	30.00	30.00
Transfer to Debenture Redemption Reserve	-	2.00
Proposed Dividend on Equity Shares	23.02	23.02
Corporate Tax on Proposed Dividend	3.36	3.20
Balance carried to Balance Sheet	884.74	794.75
TOTAL	941.12	852.97

OPERATIONAL HIGHLIGHTS

The gross revenue of the Company grew by 21.8% to ₹ 4,225.13 Crores as against ₹ 3,469.08 Crores in the previous year. Total Export Turnover (including overseas projects) was ₹ 1,838.46 crores or approx. 43.5% of revenues in 2013-14.

The net profit for the year stood at ₹ 146.37 Crores as against ₹ 137.66 Crores in 2012-13.

Your company has supplied 178,209 MTs of Transmission Line Towers as against 142,745 MTs in preceding year, which is higher by 24.8%.

Your company has an order book of over ₹ 6,500 Crores excluding fairly placed bids.

The consolidated gross revenue of the Company grew by 16.6% to ₹ 7,235 Crores as against ₹ 6,206.49 Crores

DIVIDEND

Your Directors are also pleased to recommend dividend for the year ended March 31, 2014 @ ₹ 1.50 (75%) per equity share of ₹ 2 each considering overall profitability and growth of Company.

TRANSMISSION BOOT PROJECT

During the year under review, Jhajjar KT Transco Pvt Ltd. (SPV of your company) has been awarded **Silver Shield for the year 2011-12** in the category of **'Early Completion of Transmission**

Projects' by Ministry of Power for Jhajjar Power Transmission Project.

During the year company has formed a new SPV namely Kalpataru Satpura Transco Private Limited (KSTPL), which is wholly owned subsidiary of the Company, for its second DBFOT project from Madhya Pradesh State Electricity Board to build, own, operate and transfer 240 kms, 400 KV double circuit power transmission line between Satpura to Ashta, under Viability Gap Funding. KSTPL has achieved financial closure of the project. The project is progressing as per the schedule and expected to be commissioned on time.

SUBSIDIARIES

➤ JMC Projects (India) Ltd. & its subsidiaries (JMC):

JMC has reported consolidated revenue of ₹ 2,672.29 crores as against ₹ 2,549.67 crores, which is 4.8% higher than the previous year. Profit/(Loss) before tax as well as profit/(loss) after tax stood at ₹ (3.26) crores and ₹ (10.61) crores as against ₹ 6.19 crores and ₹ 8.58 crores respectively.

JMC is executing 4 road BOT projects out of which 2 have already started tolling on provisional COD basis. Another project would be operational in 2014-15. Construction of the 4th project is under progress and expected to be commissioned on time.

JMC has a strong order book of ₹ 5,100 crores. Your company has invested ₹ 219.23 crores in JMC and holds 67.19% stake.

➤ Shree Shubham Logistics Ltd (SSLL):

In reporting period, SSLL has achieved a turnover of ₹ 377.97 crores as against ₹ 243.21 crores, registering a growth of 55.41%. SSLL reported profit of ₹ 22.18 crores as against ₹ 14.59 crores.

Currently, SSLL is operating and managing over 147 warehouses (owned & leased) with total storage capacity of over 17 lakh Metric Tonnes across states of Rajasthan, Gujarat, Madhya Pradesh and Maharashtra. In order to play a pivotal role in the burgeoning Agri-business in India, SSLL further plans of expansion in the states of Andhra Pradesh, Chhattisgarh, Delhi and Uttar Pradesh and would be developing an additional storage capacity of around 5 Lacs MT.

At the year end, investment of your Company in SSLL was ₹ 105.90 crore (₹ 211.35 crore) as equity shares, preference share capital and loan. SSLL is 76.6% Subsidiary of your company.

➤ Energylink (India) Ltd (ELL):

ELL through its 100% subsidiary namely, Saicharan Properties Limited which has land to implement commercial cum residential project in Indore. This project is expected to commence construction during financial year 2014-15.

At the year end, investment of your Company in ELL was ₹ 183.77 crores as capital and loan. ELL is a Wholly Owned Subsidiary of your Company.

➤ Amber Real Estate Ltd. (Amber):

Amber has completed construction & development of commercial building for IT/Software Technology Park at

Thane, Maharashtra during the year under review. At the year end, investment of your Company in Amber was ₹ 178.52 crore as capital and loan. It is a Wholly Owned Subsidiary of your Company.

➤ **Adeshwar Infrabuild Ltd.(Adeshwar):**

Adeshwar was incorporated to venture into new areas of business which can be conveniently or advantageously run by company in the coming years which may include mining, cement, etc. At the year end, investment of your Company in Adeshwar was ₹ 0.26 crore as capital and loan. It is a Wholly Owned Subsidiary of your Company.

➤ **Kalpataru Power Transmission-USA, INC.**

This company was incorporated to increase focus on American markets with local presence. Total income of the company for the year was ₹ 9.75 crore (₹ 2.14 crore) with Loss of ₹ 1.16 crore (₹ 0.99 crore). Your Company has invested ₹ 2.28 crore (₹ 2.28 crore) as capital and loan in this company. It is a Wholly Owned Subsidiary of your Company.

➤ **Kalpataru SA (Proprietary) Ltd.:**

This Company was formed in South Africa to bid for EPC Power Transmission jobs in South Africa. Your Company has invested ₹ 0.32 crore towards equity capital in this company. It is a Wholly Owned Subsidiary of your Company.

➤ **Kalpataru Power Transmission (Mauritius) Ltd.(KPTML):**

This Company was incorporated to engage in investment holding activities. Your Company has invested ₹ 6.7 crore (₹ 3.54 crore) as capital and loan in this Company. It is a Wholly Owned Subsidiary of your Company.

KPTML has a 100% wholly owned subsidiary in Dubai, namely Kalpataru Power JLT in DMCC of UAE. Total income of the Company for the year was ₹ 29.9 crore with a profit of ₹ 0.44 crore. KPTML has invested ₹ 6.37 crore (₹ 3.26 crore) as capital and loan in this company.

➤ **Kalpataru Power Transmission Ukraine:**

This Company was incorporated to explore & execute Power Transmission contracts in Ukraine. Total income of the Company for the year was ₹ 188.47 crore with a profit of ₹ 2.55 crore. Your company made an investment of ₹ 0.27 crore (₹ 0.27 crore) towards equity capital in this Company. It is a Wholly Owned Subsidiary of your Company.

➤ **Kalpataru Power Transmission Nigeria Ltd:**

The Company was incorporated to explore the Power Transmission market in Nigeria. Your company has invested ₹ 0.87 crore (₹ 0.82 crore) towards equity capital and loan in this company. It is a Wholly Owned Subsidiary of your company.

During the year under review, Kalpataru Power Transmission International BV, Netherland (financial holding company of Brazilian Company) and Kalpataru Industria E Comercio S.A., Brazil have been closed on account of uncertainty to take up any business in Brazilian market.

At the beginning of year, the Company had 18 direct and indirect subsidiary companies. During the year under review, one

subsidiary company has been incorporated in India to implement the BOOT Project and two subsidiary companies have been closed. Accordingly, the number of direct and indirect subsidiaries of the Company is 17 as on the date of this Report. The statement pursuant to Section 212 (1) (e) of the Companies Act, 1956 containing details of these subsidiaries forms part of the Annual Report.

The Ministry of Corporate Affairs, Government of India, vide General Circular No. 2 dated 8th February 2011 has granted a general exemption from compliance with Section 212 of the Companies Act, 1956, subject to fulfillment of conditions stipulated in the circular. The Company has satisfied the conditions stipulated in the circular and hence is entitled to the exemption.

The Company will make available the Annual Accounts of the subsidiary companies and the related detailed information to any member of the Company who may be interested in obtaining the same. The annual accounts of the subsidiary companies will also be kept open for inspection at the Registered Office of the Company and that of the respective subsidiary companies.

CONSOLIDATED FINANCIAL STATEMENTS

Your Directors have pleasure in attaching the Audited Consolidated Financial Statements pursuant to Listing Agreement entered into with the Stock Exchanges and prepared in accordance with Accounting Standards prescribed by the Institute of Chartered Accountants of India. The Consolidated Financial Statements presented by the Company include the financial results of its subsidiary companies and jointly controlled entities.

DIRECTORS

Mr. K. V. Mani was appointed as an Additional Director and designated as an Independent Director of the Company w.e.f. 19th January, 2014. Pursuant to Section 161 of the Companies Act, 2013 and Articles of Association of the Company, Mr. K. V. Mani holds office upto the date of the ensuing Annual General Meeting. The Company has received a notice in writing from a member of the Company signifying his candidature for the office of the Board of Directors of the Company.

The Company had, pursuant to the provision of Clause 49 of the Listing Agreement entered into with the Stock Exchange, appointed Mr. Sajjanraj Mehta, Mr. Vimal Bhandari, Mr. Narayan Seshadri, Mr. Mahendra G. Punatar and Mr. K. V. Mani as an Independent Director of the Company. As per section 149 (4) of the Companies Act, 2013, which came into effect from 1st April, 2014, every listed Company is required to have at least one-third of the total number of directors as Independent Directors.

In accordance of the provision of Section 149 of the Companies Act, 2013, these Directors are being appointed as an Independent Director for a period of 5 years w.e.f. 1st April, 2014. The Company has received declarations from all the Independent Directors of the Company confirming that they meet with the criteria of independence as prescribed under sub-section 6 of Section 149 of the Companies Act, 2013 and under clause 49 of the Listing Agreement.

Mr. Parag M. Munot is liable to retire by rotation at ensuing Annual General Meeting. Mr. Mofatraj P. Munot and Mr. Parag M. Munot have been associated with the Company for over 2

decades and have been instrumental in the growth and expansion of the Company. In light of their substantial ownership interest in the Company and their continued contribution to the development of the Company, at the ensuing Annual General Meeting (i) the terms of appointment of Mr. Mofatraj P. Munot as a Director are being varied such that the office of Mr. Mofatraj P. Munot will not liable to retire by rotation; and (ii) Mr. Parag M. Munot is being reappointed as a Director whose office will not liable to retire by rotation, as the term of his office expires at this Annual General Meeting.

The Company has received a notice in writing from a member of the Company signifying Mr. Parag M. Munot's candidature for the office of the Board of Directors of the Company.

Mr. Manish Mohnot was appointed as a Director by the shareholders of the Company at the Annual General Meeting held on 14th July 2007 and Mr. Ranjit Singh was appointed as a Director by the shareholders of the Company at the Annual General Meeting held on 25th July 2013, each of whose offices are presently not liable to retire by rotation. In order to comply with the requirement of 152(6) of the Companies Act, 2013, in terms of which not more than 2 (two) Directors on the Board can be appointed as Directors whose office are not liable to retire by rotation, the terms of Mr. Manish Mohnot's and Mr. Ranjit Singh's appointment as Directors are being varied at the ensuing Annual General Meeting such that Mr. Manish Mohnot and Mr. Ranjit Singh be appointed as Directors whose offices shall be liable to retire by rotation.

A brief resume of directors being appointed / reappointed with the nature of their expertise, their shareholding in the Company and other details as stipulated under clause 49 of the Listing Agreement is appended as an annexure to the Notice of the ensuing Annual General Meeting.

STATEMENT OF DIRECTORS' RESPONSIBILITY

Pursuant to requirement under Section 217(2AA) of the Companies Act, 1956, Directors based on representations received from Operating Management, confirm:

- (i) That in the preparation of the annual accounts for the financial year ended March 31, 2014, the applicable accounting standards had been followed;
- (ii) That Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit of the company for the year;
- (iii) That the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (iv) That the Directors had prepared the annual accounts for the financial year ended March 31, 2014 on a "going concern" basis.

FIXED DEPOSITS

Your company has not accepted fixed deposits from the public within provisions of Section 58-A and 58-AA of the Companies Act, 1956.

TRANSFER OF AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND

Pursuant to the provisions of Section 205A(5) and 205C of the Companies Act, 1956, relevant amounts which remained unpaid or unclaimed for a period of seven years have been transferred by the Company, from time to time on due dates, to the Investor Education and Protection Fund.

Pursuant to the provisions of Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on 25th July, 2013 (date of last Annual General Meeting) on the Company's website (www.kalpatarupower.com), as also on the Ministry of Corporate Affairs' website.

MANAGEMENT DISCUSSION AND ANALYSIS AND CORPORATE GOVERNANCE

As per Clause 49 of listing agreement with the Stock Exchanges, a separate section on Management Discussion and Analysis outlining the business of the Company alongwith report on Corporate Governance is set out in Annexure forming part of this Report.

Your company has been practicing principles of good corporate governance over the years. Your Board of Directors supports broad principles of corporate governance. In addition to basic governance issues, Board lays strong emphasis on transparency, accountability and integrity.

AUDITOR AND AUDITORS' REPORT

Board of Directors has recommended appointment of M/s. Deloitte Haskins & Sells, Chartered Accountants as auditors of your company who retire at the conclusion of forthcoming Annual General Meeting and are eligible for re-appointment.

M/s. Deloitte Haskins & Sells, Chartered Accountants have given their consent to act as auditors, if re-appointed. Members are requested to consider their re-appointment from the conclusion of this annual general meeting till the conclusion of the annual general meeting of the financial year 2017-18 i.e. for a period 4 year ending on 31st March 2018. Auditors comments on your company's accounts for year ended March 31, 2014 are self explanatory in nature and do not require any explanation as per provisions of Section 217(3) of the Companies Act, 1956.

COST AUDITORS:

M/s. K.G. Goyal & Associates, Cost Accountants has been appointed as Cost Auditor of the Company for the financial year 2013-14. The due date for filing the Cost Audit Reports in XBRL mode for the financial year ended March 31, 2013 was September 27, 2013 and the Cost Audit Reports were filed by the Cost Auditor on September 25, 2013.

PARTICULARS OF EMPLOYEES

In terms of provisions of Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975, as amended, names and other particulars of employees are required to be set out in Annexure to the Directors' Report. However, as per provisions of Section 219(1)(b)(iv) of the said

Act, the Annual Report excluding aforesaid information is being sent to all the Members of company and others entitled thereto. Members who are desirous of obtaining such particulars are requested to write to company.

CONSERVATION OF ENERGY & TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE INFLOW & OUTFLOW

Information required under Section 217(1) (e) of the Companies Act, 1956 is annexed hereto and forms part of this Report.

ACKNOWLEDGEMENT

Your Directors wish to place on record their gratitude to the shareholders of the Company, Banks, Financial Institutions, valued

Customers, Suppliers and Business Associates for their support and confidence in the Company.

Your Directors gratefully appreciate the co-operation and assistance extended by various Central and State Governmental Agencies. Your Directors also place on record their appreciation for overwhelming co-operation and assistance extended to your company by its employees.

On behalf of the Board of Directors

Place: Mumbai
Date: August 4, 2014

Mofatraj P. Munot
Chairman

ANNEXURE TO DIRECTORS' REPORT

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

A. CONSERVATION OF ENERGY:

➤ Transmission & Distribution Division

Following measures taken by your Company from time to time has helped us maintaining energy consumption at optimum level:

1. Use of Voltage Stabilizer to regulate fluctuations in voltage of the power supply, which helps to reduce energy consumption and eliminates wastage.
2. Installed capacitors at electrical control panel boards to improve the overall power factor.
3. Implementation of recommendations made by the National Productivity Council while conducting energy audit.
4. Installed differential wound linear regulator, automatic voltage controller with advanced technology for energy saving.
5. Installed PNG / LPG Connection, an environment friendly fuel, for galvanizing plant and hot bending machine to conserve the energy.
6. Variable Frequency Drives (VFD's) provided for high power motors which helps in conserving energy.
7. Installation of transparent roof sheets to improve day lighting in shop floor.
8. Use of induction furnaces for angel heating in fabrication operation.
9. Installed galvanizing plant with enclosure to prevent heat losses which saves energy and also reduces spreading of white fume which makes plant environment friendly.

Our total energy cost is less than 1% of our total turnover, which reflects success of your company's efforts in this direction.

➤ Biomass Energy Division

Following measures taken by your company from time to time has helped us in maintaining the auxiliary consumption at optimum level.

1. Use of energy efficient motors for all auxiliaries of the plant has helped in reduction in auxiliary consumption.
2. Variable Frequency Drives (VFD's) have been provided for majority of continuous running auxiliaries which helps in conserving energy.
3. Installed new Condensate Pre Heater (CPH) with plants to reduce heat losses which helps in conserving energy.

B. TECHNOLOGY ABSORPTION:

During year under review, you company has introduced CNC Plasma cutting machine at Main Plant & Raipur Plant for Plate operation which reduces operational cycle time & improve cost efficiency.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO:

(₹ in Crore)

Foreign exchange earnings (including overseas projects)	:	1,173.11
Foreign exchange outgo	:	702.86

Report on Corporate Governance

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Company's philosophy of corporate governance streams from its belief from transparency, integrity and accountability towards all stakeholders. Corporate Governance helps to enhance stakeholders' value by focusing on long-term value creation without compromising on integrity, social obligations and regulatory compliances.

At Kalpataru Power, it is our continuous endeavor to achieve good governance, by way of a conscious and conscientious effort whereby ensuring the truth, transparency, accountability and responsibility in all our dealings with our stakeholders, consumers, employees and the community at large.

The Board of Directors represents the interest of the Company's stakeholders, for optimizing long-term value by way of providing necessary guidance and strategic vision to the Company. The Board also ensures that the Company's management and employees operate with the highest degree of ethical standards.

We, at Kalpataru Power, strive to improve operational performance guided by our values which forms the basis for good Corporate Governance. Corporate Governance is strongly driven by our values such as quality, commitment, customer orientation and integrity.

I. Board Of Directors

A. Composition of the Board

The Board of directors consisted of 9 Directors as on March 31, 2014. The Board as on March 31, 2014 comprised of 7 Non-Executive Directors including the Chairman of the Company and 2 Executive Directors including the Managing Director and the Executive Director. Out of 7 non executive directors, 5 were Independent Directors. No directors are related to each other except Mr. Mofatraj P. Munot and Mr. Parag M. Munot, who were related to each other as Father and Son. The Board structure is in compliance with Clause 49 of the Listing Agreement.

B. Meetings of Board of Directors

5 Board Meetings were held during the year ended on March 31, 2014 and the time gap between any two meetings has not exceeded four months. The dates on which the Board Meetings were held are May 16, 2013, July 25, 2013, October 31, 2013, November 21, 2013 and January 29, 2014.

C. Directors' attendance and Directorship held

The names and category of Directors on the Board, their attendance at the Board meetings held during the year and also at the last Annual General Meeting, the number of Directorships and Committee Memberships and Chairmanships held by them in other companies are given below:

Name of the Directors	Category	Attendance at			No. of	
		Board Meetings	Last AGM	Directorship#	Committee Chairmanship**	Committee Membership**
Mr. Mofatraj P. Munot	Non – Executive (Promoter) Chairman	5	Yes	66	-	-
Mr. Parag M. Munot	Non – Executive (Promoter)	5	Yes	68	-	1
Mr. Sajjanraj Mehta	Non - Executive (Independent)	4	Yes	2	1	1
Mr. Vimal Bhandari	Non - Executive (Independent)	5	Yes	10	3	1
Mr. Narayan Seshadri	Non - Executive (Independent)	4	Yes	14	3	4
Mr. Mahendra G. Punatar	Non – Executive (Independent)	4	No	1	-	1

Name of the Directors	Category	Attendance at			No. of	
		Board Meetings	Last AGM	Director-ship#	Committee Chairmanship**	Committee Membership**
Mr. K. V. Mani	Non – Executive (Independent)	4	Yes	-	-	-
Mr. Ranjit Singh	Managing Director	5	Yes	-	-	-
Mr. Manish Mohnot	Executive Director	5	Yes	8	-	2
Late Mr. S. P. Talwar (Till 25/07/2013)	Non - Executive (Independent)	-	No	12	2	7

**Represent Memberships/Chairmanships of Audit Committee & Shareholders' Grievance Committee only.

Including Private Limited Companies.

None of the Directors of Board is a member of more than 10 Committees and no Director is the Chairman of more than 5 committees across all the companies in which he is a Director. The necessary disclosures regarding Committee positions have been made by all the Directors.

D. Directors' Profile

A brief resume of Directors, nature of their expertise in specific functional areas and company names in which they hold Directorships, Memberships/ Chairmanships of Board Committees, and shareholding in the Company are provided in this Annual Report. The brief resume and other information required to be disclosed under this section is provided in the Notice of the Annual General Meeting.

E. Code of Conduct

The Board has laid down code of conduct for all Board Members and Senior Managerial Personnel of the Company. The Code of Conduct is available on the website of the Company at www.kalpatarupower.com.

All Board Members and Senior Managerial Personnel have affirmed compliance with the Code of Conduct and a declaration to this effect signed by the Managing Director / Chief Executive Officer (CEO) has been obtained.

The Managing Director has confirmed the compliance of the Code of Conduct and as required under sub-clause I (D) of Clause 49 of the Listing Agreement given a declaration as under:

Declaration

All Board members and senior management personnel have, for the year ended March 31, 2014 affirmed compliance with the Code of Conduct laid down by the Board of Directors in terms of sub clause I (D) of Clause 49 of the Listing Agreement entered with the Stock Exchanges.

For Kalpataru Power Transmission Limited

Ranjit Singh

Chief Executive Officer & Managing Director

Place : Mumbai

Date : May 28, 2014

II. Audit Committee:

The Audit Committee comprises of 5 Non-Executive Directors out of which 4 are independent directors. Accordingly, the Company has complied with the requirements of Clause 49 (II) (A) of the Listing Agreement relating to composition of Audit Committee.

The terms of reference of the Audit Committee are broadly as under:

- Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial

statement is correct, sufficient and credible.

- Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor/s and the fixation of audit fees.
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
- Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
 - Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (2AA) of section 217 of the Companies Act, 1956.
 - Changes, if any, in accounting policies and practices and reasons for the same.
 - Major accounting entries involving estimates based on the exercise of judgment by management.
 - Significant adjustments made in the financial statements arising out of audit findings.
 - Compliance with listing and other legal requirements relating to financial statements.
 - Disclosure of any related party transactions.
 - Qualifications in the draft audit report.
- Reviewing, with the management, the quarterly financial statements before submission to the board for approval.
- Reviewing, with the management, performance of statutory and internal auditors and adequacy of the internal control systems.
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
- Discussion with internal auditors regarding any significant findings and follow up there on.
- Reviewing the findings of any internal investigations by the internal auditor into matters where there is suspected fraud or irregularity or a failure of internal control system of a material nature and reporting the matter to the board.
- Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors.
- Reviewing with the management, the statement of uses/application of funds raised through an issue (public issue, right issue and preferential issue etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or right issue and making appropriate recommendations to the Board to take up steps in the matter.
- Approval of appointment of CFO (i.e. the whole time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background etc. of the candidate.

The Committee met 5 times during the year on May 16, 2013, June 20, 2013, July 25, 2013, October 31, 2013 and January 29, 2014 and the attendance of members at the meetings were as follows :

Name of Member	Category	Status	No. of Meetings attended /held
Mr. Sajjanraj Mehta	Non Executive-Independent	Chairman	4 / 5
Mr. Mofatraj P. Munot	Non Executive-Promoter	Member	5 / 5
Mr. Vimal Bhandari	Non Executive-Independent	Member	5 / 5
Mr. Narayan K. Seshadri	Non Executive-Independent	Member	4 / 5
Mr. Mahendra G. Punatar	Non Executive-Independent	Member	3 / 5

The Director-Finance & CFO, Statutory Auditors and Group-Head Internal Audit and Assurance are the regular invitees and others are invited as and when required. The Company Secretary is the Secretary of the committee.

The Audit Committee has reviewed financial condition and results of operations forming part of the management discussion and analysis and other information as mentioned in para II (E) of Clause 49 of the Listing Agreement.

The Chairman of the Audit Committee of the Company was present at the last Annual General Meeting of the Company held on 25th July, 2013.

III. Nomination and Compensation Committee:

The Nomination and Compensation Committee comprises of 3 Non-Executive Directors out of which 2 are independent directors.

Although non mandatory in terms of the listing agreement, the Company has Nomination & Compensation Committee to review, assess and recommend the appointment of executive directors from time to time, to periodically review the remuneration package of the executive directors and recommend suitable revision to the Board.

Remuneration of employees largely consists of base remuneration, perquisites and performance incentives. The Components of the total remuneration vary for different cadres and are governed by industry pattern, qualification and experience of the employee, responsibilities handled by him, individual performance etc.

The objectives of the remuneration policy are to motivate employees to excel in their performance, recognize their contribution retain talent in the organization and reward merit.

The Committee met on May 16, 2013 to determine the commission/ incentives to Managing Director & Executive Director, remuneration/promotion of top executives of the Company.

The meeting was attended by following members of committee:

Name of Member	Category	Status	No. of Meetings attended /held
Mr. Mofatraj P. Munot	Non Executive-Promoter	Chairman	1/1
Mr. Sajjanraj Mehta	Non Executive Independent	Member	0/1
Mr. Vimal Bhandari	Non Executive-Independent	Member	1/1

Remuneration paid or payable to Directors for the year 2013-14 is as under:

(₹ In Crore)

Name of Director	Sitting Fees	Commission	Salary	Contribution to PF	Perquisites	Total
Mr. Ranjit Singh	-	1.00	2.78	0.22	0.12	4.12
Mr. Manish Mohnot	-	1.71	1.54	0.11	0.01	3.37
Mr. K. V. Mani	0.01	0.50	-	-	-	0.51
Mr. Mofatraj P. Munot	0.01	1.10	-	-	-	1.11
Mr. Sajjanraj Mehta	0.01	0.12	-	-	-	0.13
Mr. M. G. Punatar	0.01	0.10	-	-	-	0.11
Mr. Parag M. Munot	0.01	0.08	-	-	-	0.09
Mr. Vimal Bhandari	0.01	0.10	-	-	-	0.11
Mr. Narayan Seshadri	0.01	0.10	-	-	-	0.11
Mr. S. P. Talwar (Till 25 th July 2013)	0.00	-	-	-	-	-

In terms of agreement/appointment approved by members, commission/incentive to Mr. Ranjit Singh, Managing Director and Mr. Manish Mohnot, Executive Director has been decided by Board of Directors on recommendation of nomination and compensation Committee.

The Board of Directors of the company approved payment of commission during the year to the Director(s) who were not in

Whole-Time employment of the company in recognition of their performance during the year 2013-14 not exceeding in aggregate 1% of net profits for the financial year 2013-14, calculated under Section 198 and 309(5) of the Companies Act, after taking into account the qualifications, experience, directorship in other companies having diverse businesses, time spent on strategic matters and contribution to the company.

Information of Directors as on March 31, 2014 is as under:-

Name	Age	Designation	Date of initial appointment	Nature of employment	Shares held
Mr. Mofatraj P. Munot	69	Chairman	27.06.1989		13,736,822
Mr. Parag M. Munot	44	Director	30.09.1991		13,463,615
Mr. Sajjanraj Mehta	62	Director	25.07.1998		10,000
Mr. Vimal Bhandari	55	Director	28.06.2002		Nil
Mr. Narayan Seshadri	56	Director	29.01.2007		Nil
Mr. M. G. Punatar	78	Director	01.06.2009		7,000
Mr. K. V. Mani	70	Director	19.01.2014		Nil
Mr. Ranjit Singh	56	Managing Director	01.11.2012	Contractual	Nil
Mr. Manish Mohnot	41	Executive Director	01.11.2006	Contractual	Nil
Mr. S. P. Talwar (Till 25 th July 2013)	74	Director	30.01.2009		Nil

The contractual agreements with Managing Director and Executive Director can be terminated by either party giving 6 months and 3 months prior notice respectively.

There is no pecuniary relationship or transaction of the company with any Non-Executive Director. All related party transactions are disclosed in notes to accounts.

In the event that the Managing Director's employment is terminated hereunder by the Company other than with Cause, the Company shall pay a sum equivalent to 6 months' fixed compensation and a proportionate sum of the minimum variable amount (being ₹ 1,00,00,000).

IV. Shareholders' Grievance Committee:

The Shareholders' Grievance Committee comprises of Mr. K. V. Mani, Mr. Ranjit Singh and Mr. Manish Mohnot.

The scope of the Committee is to look into the shareholders' complaints, if any, and to redress the same expeditiously like non-receipt of balance sheet, non-receipt of declared dividend, revalidation of dividend warrants etc. The committees also review the issuance of duplicate share certificates, issue of certificates after split/consolidation/renewal and transmission of shares, done by the Share Transfer Committee.

The Committee met two times during the year on October 03, 2013 and March 20, 2014 and the attendance of members at the meetings were as follows:

Name of Member	Capacity	Status	No. of Meetings attended / held
Mr. K. V. Mani	Director	Chairman	2/2
Mr. Ranjit Singh	Managing Director	Member	2/2
Mr. Manish Mohnot	Executive Director	Member	1/2

Mr. Rahul Shah, Company Secretary is the Compliance Officer acted as a Secretary for this meeting.

During the year company has received 2 Complaints which were resolved on time and no complaint remains pending at the year end. The status of complaints is periodically reported to the Committee and Board of Directors in their meetings.

The Board has delegated the powers of approving transfers and transmission of shares, issue of duplicate shares, issue of share certificates after split/consolidation/renewal and transmission of shares, to a Committee of senior executives. The Committee met 2 times during the year. There were no transfers pending as on March 31, 2014.

V. Subsidiary Companies:

The company has following subsidiaries:

- 1 JMC Projects (India) Ltd. (67.19% Subsidiary), Listed Company
- 2 JMC Mining & Quarries Ltd. (a 100% Subsidiary of JMC Projects (India) Ltd.)
- 3 Brij Bhoomi Expressway Pvt. Ltd.(a 100% Subsidiary of JMC Projects(India) Ltd.)
- 4 Wainganga Expressway Pvt. Ltd.(a 100% Subsidiary of JMC Projects(India) Ltd.)
- 5 Vindhyachal Expressway Pvt. Ltd.(a 100% Subsidiary of JMC Projects(India) Ltd.)
- 6 Shree Shubham Logistics Ltd. (76.6% Subsidiary)
- 7 Energylink (India) Ltd. (100% Subsidiary)
- 8 Saicharan Properties Ltd. (a 100% Subsidiary of Energylink (India) Ltd.)
- 9 Amber Real Estate Ltd. (100% Subsidiary)
- 10 Adeshwar Infrabuild Ltd. (100% Subsidiary)
- 11 Kalpataru Satpura Transco Private limited. (100% Subsidiary)
- 12 Kalpataru Power Transmission USA INC. (100% Subsidiary)
- 13 Kalpataru SA (Proprietary) Ltd. (100% Subsidiary)
- 14 Kalpataru Power Transmission Nigeria Ltd. (100% Subsidiary)
- 15 Kalpataru Power Transmission (Mauritius) Ltd. (100% Subsidiary)
- 16 Kalpataru Power JLT. (a100% Subsidiary of Kalpataru Power Transmission (Mauritius) Ltd.)
- 17 Kalpataru Power Transmission Ukraine. (100% Subsidiary)

Except JMC Projects (India) Ltd., all other subsidiaries are non-material non listed subsidiaries of the Company. The review of annual financial statement and investments, if any, made by these unlisted subsidiary companies is done by Audit Committee. The minutes of Board Meetings of unlisted subsidiary companies are being placed before the Board of Directors of the Company.

VI. General Body Meeting

a. The details of last 3 Annual General Meetings (AGMs) of the Company are as under:

Financial Year	Date	Time	Venue
2012-2013	25.07.2013	4.00 p.m.	Kalpa-Vriksha Learning Centre, A-1 & A-2, GIDC Electronic Estate Sector-25, Gandhinagar
2011-2012	04.08.2012	3.00 p.m.	Kalpa-Vriksha Learning Centre, A-1 & A-2, GIDC Electronic Estate Sector-25, Gandhinagar
2010-2011	29.07.2011	3.00 p.m.	Kalpa-Vriksha Learning Centre, A-1 & A-2, GIDC Electronic Estate Sector-25, Gandhinagar

Special Resolution in Last 3 AGMs

In AGM held on July 25, 2013, three Special Resolutions were passed as under:

- i. Appointment of Managing Director for a period of 5 years
- ii. Appointment of Mr. Umang Golechha, grandson(daughter's son) of Mr. Mofatraj P. Munot, Chairman of the Company, to hold an Office or Place of Profit as Deputy General Manager(International Business) for a period of one year pursuant to provisions of Section 314 read with Director's Relatives(Office or Place of Profit) Rules, 2003
- iii. To pay commission, not exceeding 1% of the net profits of Company to Non-Executive Directors, for a period of five years commencing from April 1, 2013, as may be determined by the board of directors from time to time under the provision of the Companies Act, 1956.

In AGM held on August 04, 2012, two Special Resolutions were passed for reappointment of Managing Director and Executive Director for a period of 2 years and 3 years respectively.

In AGM held on July 29, 2011, No Special Resolution was passed.

Postal Ballot

No Postal Ballot was conducted during the year. There is no resolution which is proposed to be passed through Postal Ballot in the ensuing Annual General Meeting.

VII. Disclosures:

a) Management Discussion and Analysis:

Annual Report has a detailed chapter on Management Discussions and Analysis.

b) Basis of Related Party Transaction:

All related party transactions are being placed before Audit Committee. There were no transactions with related parties, which are not on arm's length basis required to be placed before audit committee, together with Management's justification for the same.

For Related Party Transaction refer to Note No. 42 to the Statement of Account contained in separate Standalone Financial Statements in Annual Report of the Company.

Representation from Senior Management personnel has been received confirming no material financial and commercial transactions were entered by he/she or his/her relatives which may have personal interest, that may have a potential conflict with the interest of the Company at large.

c) Accounting treatment

The company has followed accounting treatment as prescribed in Accounting Standard applicable to the company.

d) Risk Management

The Risk Management Committee is there to ascertain and minimize risk and to take appropriate decisions for regular assessment and minimization of risks. The working of this committee is being periodically reviewed by the Board.

e) No penalty/strictures were imposed on the Company by stock exchanges or SEBI or any statutory authority on any matter related to capital market during the last three years.

VIII. Means of Communication

a. Financial Results

The Company has published its Quarterly Results in Economic Times – English & Gujarati and Gandhinagar Samachar – Gujarati daily.

The Results of the Company were displayed on website www.kalpatarupower.com and the same were also submitted to the Stock Exchanges after the conclusion of the Board Meeting. The official news releases are being placed on Company's website and simultaneously sent to Stock Exchanges where the shares of the Company are listed.

b. Compliance

The Company has regularly submitted its quarterly compliance report to the Stock Exchanges for compliance of requirements of corporate governance under Para VI(ii) of Clause-49 of the Listing Agreement.

The Company has complied with the applicable mandatory requirements of Clause 49 of the Listing Agreement.

c. News, Release, Presentations etc.

Official news, releases, and presentation made to analysts, institutional investors etc. are displayed on the website of the Company www.kalpatarupower.com

d. Website:

The Company's website www.kalpatarupower.com contains a separate dedicated section namely "Investors" where all information relevant to shareholders' is available. The Annual Report of the Company is also available on the website of the Company www.kalpatarupower.com in a downloadable form.

IX. Additional Shareholders Information

Annual General Meeting, Book Closure & Dividend Payment

The information of forthcoming Annual General Meeting, Book Closure and Dividend payment details have been provided in the Notice of Annual General Meeting enclosed alongwith this Annual Report and being mailed to all the shareholders separately.

Financial Calendar

Financial Year: 1st April to 31st March

Financial Results:

First Quarter Results	:	by 14 th August
Half Year Results	:	by 14 th November
Third Quarter Results	:	by 14 th February
Annual Results	:	by 30 th May

Listing

At present, the equity shares of the Company are listed on the Bombay Stock Exchange Ltd. (BSE) and the National Stock Exchange of India Ltd. (NSE).

Name of Stock Exchange	Stock Code
BSE Ltd.	522287
National Stock Exchange of India Ltd.	KALPATPOWR

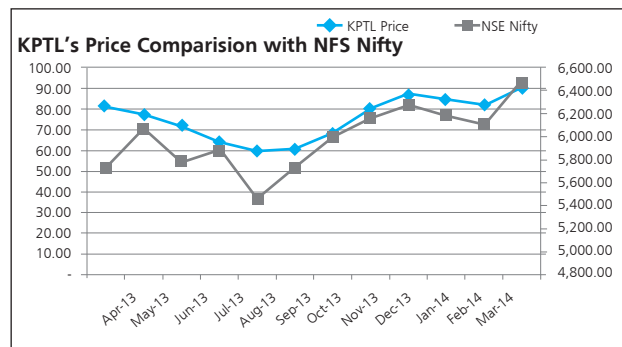
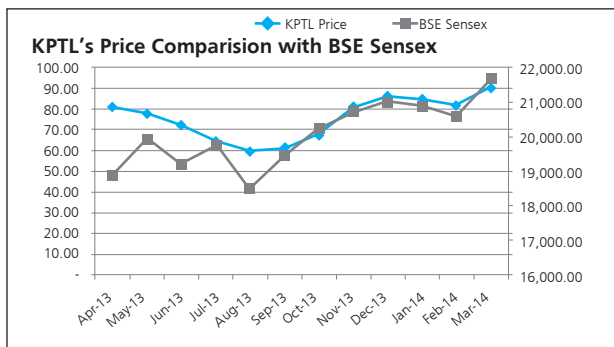
The Company has already paid the listing fees for the year 2013-14 to both the Stock Exchanges.

Stock Market Data

Monthly High and Low price of the Company's shares for 2013-2014 on BSE and NSE Face value of Shares: ₹ 2 each.

The share prices are as under:

Month	Bombay Stock Exchange Ltd.				National Stock Exchange of India Ltd.			
	High Share Price ₹	Low Share Price ₹	Index during the Month		High Share Price ₹	Low Share Price ₹	Nifty during the Month	
			High	Low			High	Low
Apr-13	88.35	73.10	19,622.68	18,144.22	88.40	74.10	5,962.30	5,477.20
May-13	84.80	71.00	20,443.62	19,451.26	84.40	70.55	6,229.45	5,910.95
Jun-13	79.00	65.25	19,860.19	18,467.16	78.95	65.25	6,011.00	5,566.25
Jul-13	70.40	57.70	20,351.06	19,126.82	70.50	57.80	6,093.35	5,675.75
Aug-13	63.45	56.00	19,569.20	17,448.71	63.05	56.65	5,808.50	5,118.85
Sep-13	64.85	56.40	20,739.69	18,166.17	65.50	56.10	6,142.50	5,318.90
Oct-13	79.15	57.25	21,205.44	19,264.72	79.30	57.00	6,309.05	5,700.95
Nov-13	87.00	73.65	21,321.53	20,137.67	87.05	74.05	6,342.95	5,972.45
Dec-13	96.30	76.00	21,483.74	20,568.70	96.35	78.25	6,415.25	6,129.95
Jan-14	94.60	74.85	21,409.66	20,343.78	94.50	74.65	6,358.30	6,027.25
Feb-14	93.40	70.50	21,140.51	19,963.12	93.80	70.75	6,282.70	5,933.30
Mar-14	100.70	80.60	22,467.21	20,920.98	100.95	80.40	6,730.05	6,212.25



Distribution of Shareholding: As on March 31, 2014

No. of Shares of ₹ 2 each	Shareholders		No. of Share Held	
	Number	% of Total	Number	% of Total
Upto – 500	19,411	84.14	2420233	1.58
501 – 1000	2,085	9.04	1840164	1.20
1001 – 2000	672	2.91	1067528	0.69
2001 – 3000	254	1.10	656479	0.43
3001 – 4000	151	0.66	554386	0.36
4001 – 5000	100	0.43	477698	0.31
5001 – 10000	184	0.80	1350916	0.88
10001 – And Above	213	0.92	145093166	94.55
Total	23,070	100.00	153,460,570	100.00

Shareholding Pattern as on March 31, 2014

Sr.No.	Category	No. of Shares held	% of Shares held
A	Promoter & Promoter Group Shareholding :		
	Indian	90,934,663	59.26
	Foreign	300,000	0.20
B	Public Shareholding :		
	1. Institutional :		
	Mutual Funds & UTI	19,510,710	12.71
	Banks, Financial Inst.	513,117	0.33
	Venture Capital Fund	7,195,000	4.69
	Insurance Companies	8,433,169	5.50
	FII's	14,557,932	9.49
	Foreign Financial Institution	1,000	0.00
	Trustee	25,051	0.02
	2. Non-Institutional :		
	Private Corporate Bodies	1,755,240	1.14
	NRIs / OCBs	1,045,900	0.68
	Indian Public	8,752,824	5.70
	Clearing Members	435,964	0.28
	Total	153,460,570	100

*Out of above, Promoters & promoter group have pledged 33,624,601 Equity Shares constituting 36.86% of their holding in the Company and 21.91% of total equity of the Company.

Dematerialization of Shares and Liquidity

99.52% Shares are in demat form as on March 31, 2014

ISIN No. (For Dematerialized Shares)

INE220B01022

The shares of the Company are frequently traded on both the stock exchanges and hence the shares of the company are liquid.

Outstanding GDRs/ADRs/Warrants/Options

The Company has No GDRs/ADRs/Warrants/Options outstanding as on March 31, 2014

The Company does not have Whistle Blower Policy as on 31st March, 2014. However, as required under the provisions of the Companies Act, 2013 and the Listing Agreement requirement, the company is in the process of establishing the vigil mechanism.

Share Transfer System

Shareholders/Investors are requested to send share transfer related documents directly to our RTA whose address is given below. A Committee of executives of the Company is authorised to approve transfer of shares. If the transfer documents are in order, the transfer of share(s) is registered within 15 days of receipt of transfer documents by our RTA.

The Company has obtained the half yearly certificates from a Company Secretary in Practice for due compliance of share transfer formalities as per the requirement of Clause 47 (c) of the Listing Agreement of the Stock Exchanges. These certificates have been submitted to the Stock Exchanges. The Company has also carried out Quarterly Secretarial Audit for the reconciliation of Share Capital as required under SEBI circular No. 16 dated December 31, 2002.

Registrar & Transfer Agent

Link Intime India Private Limited

303, 3rd Floor, Shoppers` s Plaza - 5
Near Government Society
Opp - Municipal Market, C G Road
Navrangpura, Ahmedabad - 380009
Tel. & Fax: 91 79 26465179

Plant Location

Main Plant & Registered Office

(Address for Correspondence)
Plot No.101, Part III,
G.I.D.C. Estate, Sector – 28
Gandhinagar – 382 028
Tel : 079 – 23214000,
Fax : 079 – 23211966 & 68

2nd Plant at Gandhinagar

Plot No. A-4/1, A-4/2, A-5,
G.I.D.C. Electronic Estate,
Sector – 25,
Gandhinagar – 382 025
Tel.: 079-23214400
Fax : 079-23287215

R & D Centre

At Punadara Village
Near Talod Dam
Taluka – Prantij
Dist. Sabarkatha (Gujarat)
Tel : 02770- 255414

Raipur Plant:

Khasra No.1778, 1779
Old Dhamtari Road
Village : Khorpa
Tehsil : Abhanpur
Dist : Raipur, Chhattisgarh - 493661
Fax : 0771 2446988

Biomass Energy Division (Power Plant)

1) 27BB, Tehsil Padampur
Dist. Sri Ganganagar
Rajasthan - 335041
Tel. : 0154 - 2473725
Fax : 0154 -2473724

2) Near Village Khatoli
Tehsil Uniara, Dist. Tonk
Rajasthan - 304024
Tel.: 01436 – 260665
Fax.: 01436 – 260666

Corporate Office

“Kalpataru Synergy”
7th Floor, Opp. Grand Hyatt Hotel,
Vakola, Santa Cruz (East),
Mumbai – 400 055
Tel.: 022 – 30645000
Fax: 022 – 30643131

Corporate Identification Number

L40100GJ1981PLC004281

CEO /CFO Certificate

The Board of Directors

Kalpataru Power Transmission Limited

We, Ranjit Singh, Chief Executive Officer and Kamal Jain, Chief Financial Officer, to the best of our knowledge and belief, hereby certify that:

- (a) We have reviewed financial statements and the cash flow statement for the year ended March 31, 2014 and:
 - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing Accounting Standards, applicable laws and regulations.
- (b) To the best of our knowledge and belief, no transaction entered into by the Company during the years which are fraudulent, illegal or violative of the Company's Code of Conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the Auditors and the Audit Committee:
 - (i) That there is no significant changes in internal control over financial reporting during the year;
 - (ii) That there is no significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - (iii) That there is no instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Place: Mumbai

Ranjit Singh

Kamal Jain

Date: May 29, 2014

CEO & Managing Director

Director-Finance & CFO

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To

The Members of
Kalpataru Power Transmission Limited.

We have examined the compliance of the conditions of Corporate Governance by Kalpataru Power Transmission Limited ('the Company') for the year ended March 31, 2014 as stipulated in Clause 49 of the Listing Agreement of the Company with Stock Exchanges in India.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of the opinion on the financial statements of the Company.

In our opinion and to the best of our information and explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

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

For **Deloitte Haskins & Sells**

Chartered Accountants

(Gaurav J. Shah)

Partner

Membership No. 35701

Place: Mumbai

Date: August 4, 2014

Independent Auditors' Report

TO
THE MEMBERS OF
KALPATARU POWER TRANSMISSION LIMITED

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

The Company's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards notified under the Companies Act, 1956 ("the Act") (which continues to be applicable in respect of section 133 of the Companies Act, 2013 in terms of General Circular 15/2003 dated 13th September, 2013 of the Ministry of Corporate Affairs) and in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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

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

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

Opinion

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government in terms of Section 227(4A) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by Section 227(3) of the Act, we report that:
 - (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement comply with the Accounting Standards notified under the Act (which continue to be applicable in respect of section 133 of the Companies Act, 2013 in terms of General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs).
 - (e) On the basis of the written representations received from the directors as on 31st March, 2014 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2014 from being appointed as a director in terms of Section 274(1) (g) of the Act.

For Deloitte Haskins & Sells
Chartered Accountants
(Registration No 117365W)
Gaurav J. Shah
Partner
(Membership No. 35701)

Mumbai, May 29, 2014

Annexure to the Auditors' Report

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

1. Having regard to the nature of the Company's business / activities / results during the year, clauses (vi), (xii), (xiii), (xiv), (xviii), (xix), (xx) of paragraph 4 of the Order are not applicable to the company.
2. In respect of its fixed assets :
 - (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets;
 - (b) The fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanation given to us, no material discrepancies were noticed on such verification.
 - (c) The fixed assets disposed off during the year, in our opinion, do not constitute a substantial part of the fixed assets of the Company and such disposal has, in our opinion, not affected the going concern status of the Company.
3. In respect of its inventory :
 - (a) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals.
 - (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 were reasonable and adequate in relation to the size of the Company and the nature of its business.
 - (c) In our opinion and according to the information and explanations given to us, the Company has maintained proper records of its inventories and no material discrepancies were noticed on physical verification.
4. In respect of loans, secured or unsecured, granted by the Company to companies, firms or other parties covered in the Register under Section 301 of the Companies Act, 1956, according to the information and explanations given to us:
 - (a) The Company has granted loans aggregating to ₹ 1,989 Lacs to two parties during the year. At the year-end, the outstanding balances of such loans granted aggregated to ₹ 18,657 Lacs for two parties and maximum amount involved during the year was ₹ 18,657 Lacs.
 - (b) The rate of interest and other terms and conditions of such loans are, in our opinion, *prima facie* not prejudicial to the interest of the Company.
 - (c) The receipts of principal amounts and interest have been regular/as per stipulations.
 - (d) In respect of the said loans and interest thereon, there are no overdue amounts.
 - (e) The Company has not taken any loan during the year from companies, firms or other parties covered in the Register maintained under Section 301 of the Companies Act, 1956.
5. In our opinion and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the Company and the nature of its business for the purchases of inventory and fixed assets and for the sale of goods and services. During the course of audit, we have not observed any major weakness in such internal controls system.
6. In respect of contracts or arrangements entered in the Register maintained in pursuance of Section 301 of the Companies Act, 1956, to the best of our knowledge and belief and according to the information and explanations given to us:
 - (a) The particulars of contracts or arrangements referred to Section 301 that needed to be entered in the Register maintained under the said Section have been so entered.

Annexure to the Auditors' Report

(b) Where each of such transaction, excluding loans reported under paragraph (iii) above, is in excess of ₹ 5 lakhs in respect of any party, the transactions have been made at prices which are *prima facie* reasonable having regard to the prevailing market prices at the relevant time.

7. In our opinion, the company has an adequate internal audit system commensurate with the size and nature of its business.
8. We have broadly reviewed the cost records maintained by the Company pursuant to the companies (Cost Accounting Records) Rules, 2011 prescribed by the Central Government under Section 209(1)(d) of the Companies Act, 1956 and are of the opinion that *prima facie* the prescribed cost records have been maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
9. According to the information and explanations given to us in respect of statutory dues:
- (a) The Company has been generally regular in depositing with appropriate authorities 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 other material statutory dues applicable to it.
- (b) There were no undisputed amounts payable in respect of Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Cess and other material statutory dues in arrears as at March 31, 2014 for a period of more than six months from the date they became payable.
- (c) Details of dues of Sales Tax, Service Tax and Custom Duty which have not been deposited as on March 31, 2014 on account of disputes are given below:

Sr. No	Name of the statute	Nature of dues	Year	Amount (₹ in Lacs)	Forum where dispute is pending
1.	Finance Act, 1994	Service Tax	2003-04 & 2004-05	1,757.69	Customs, Excise and Service Tax Appellate Tribunal
		Penalty for Input service tax	2006-07	1.01	Commissioner (Appeals)
2	Customs Act, 1962	Custom Duty	2012-13	47.79	Department of Revenue Intelligence
3	West Bengal VAT Act, 2003	VAT	2004-05	12.33	West Bengal Appellate and Revisional Board
4	Haryana VAT Act, 2003	VAT	2007-08	1.87	Joint Excise & Taxation Commissioner (Appeals)
5	Gujarat VAT Act, 2005	VAT	2005-06	138.35	Gujarat Sales Tax Tribunal
6	Karnataka VAT Act, 2003	VAT	2009-10	13.30	Karnataka Appellate Tribunal

There were no dues of Income-tax, Wealth Tax, Excise Duty and Cess which have not been deposited as on March 31, 2014 on account of disputes.

10. There are no accumulated losses of the Company as at March 31, 2014. The Company has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.

Annexure to the Auditors' Report

11. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to a financial institution or bank or debentures holders.
12. The Company has not given any guarantee for loan taken by others from banks or financial institution. However, the Company has given undertaking to lender of subsidiary company. The terms and conditions of such undertaking are not *prima facie* prejudicial to the interest of the Company.
13. According to the information and explanations given to us, in our opinion, the term loans raised during the year have been applied for the purposes for which they were raised.
14. In our opinion and according to the information and explanations given to us and on overall examination of the balance sheet of the Company, we report that the funds raised on short-term basis have, *prima facie*, not been used during the year for long term investment.
15. In our opinion and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

For Deloitte Haskins & Sells

Chartered Accountants
(Registration No 117365W)

Gaurav J. Shah

Partner
(Membership No. 35701)

Mumbai, May 29, 2014

Balance Sheet

as at 31st March, 2014

(₹ in lacs)

	Note	As at 31st March 2014	As at 31st March 2013
EQUITY AND LIABILITIES			
Shareholder's Funds			
(a) Share Capital	1	3,069.21	3,069.21
(b) Reserves and Surplus	2	192,348.33	181,564.74
		195,417.54	184,633.95
Non-Current Liabilities			
(a) Long Term Borrowings	3	6,770.63	15,261.35
(b) Deferred Tax Liabilities (Net)	4	1,377.27	1,181.10
(c) Other Long Term Liabilities	5	116.57	68.75
(d) Long Term Provisions	6	8,906.91	6,691.53
		17,171.38	23,202.73
Current Liabilities			
(a) Short Term Borrowings	7	63,102.79	37,969.01
(b) Trade Payables	8	127,146.50	118,073.57
(c) Other Current Liabilities	9	50,659.64	44,449.36
(d) Short Term Provisions	10	8,212.69	7,532.86
		249,121.62	208,024.80
TOTAL		461,710.54	415,861.48
ASSETS			
Non-current assets			
(a) Fixed assets	11		
(i) Tangible assets		57,068.82	52,606.26
(ii) Intangible assets		309.78	465.26
(iii) Capital work-in-progress		1,804.46	792.94
(b) Non-current Investments	12	38,340.16	33,392.15
(c) Long Term Loans and Advances	13	51,232.14	54,193.41
(d) Other Non-Current Assets	14	9,263.38	5,527.06
		158,018.74	146,977.08
Current Assets			
(a) Current Investments	15	15.00	115.00
(b) Inventories	16	54,376.95	44,396.71
(c) Trade Receivables	17	154,165.26	128,789.77
(d) Cash and Bank Balances	18	6,470.01	5,690.24
(e) Short-Term Loans and Advances	19	39,146.29	42,986.41
(f) Other Current Assets	20	49,518.29	46,906.27
		303,691.80	268,884.40
TOTAL		461,710.54	415,861.48
Significant Accounting Policies			
Notes forming part of the Financial Statements	1 to 50		

In terms of our report attached
For Deloitte Haskins & Sells,
Chartered Accountants

(Gaurav J. Shah)

Partner
(M. No. 35701)
Mumbai : May 29, 2014

Kamal Jain
Director (Finance) & CFO

Rahul Shah
Company Secretary

For and on behalf of the Board
Ranjit Singh
Managing Director

Parag Munot
Director

Mumbai : May 29, 2014

Statement of Profit and Loss

For the year ended 31st March, 2014

(₹ in lacs)

	Note	2013-14	2012-13
INCOME			
Revenue from Operations - Gross	21	417,674.91	342,135.05
Less: Excise Duty		12,150.30	8,595.32
Revenue from Operations - Net		405,524.61	333,539.73
Other Income	22	4,837.71	4,772.51
TOTAL REVENUE		410,362.32	338,312.24
EXPENSES			
Cost of Materials Consumed	23	190,947.91	164,917.35
(Increase) / Decrease in Stocks	24	(4,324.58)	(8,007.94)
Employee Benefits Expense	25	26,019.85	20,063.96
Other Expenses	26	154,256.86	124,358.09
Finance costs	27	14,599.37	12,201.06
Depreciation and Amortization Expense	35	6,954.32	5,225.35
TOTAL EXPENSES		388,453.73	318,757.87
Profit Before Tax		21,908.59	19,554.37
Tax Expenses			
Current Tax		7,075.00	5,800.00
Excess Provision in prior years		-	(210.49)
Deferred Tax		196.17	199.58
Net Profit for the year		14,637.42	13,765.28
Earnings per Equity Share of ₹ 2 each			
Basic and Diluted (₹)	37	9.54	8.97
Significant Accounting Policies			
Notes forming part of the Financial Statements	1 to 50		

In terms of our report attached
For Deloitte Haskins & Sells,
Chartered Accountants

(Gaurav J. Shah)

Partner

(M. No. 35701)

Mumbai : May 29, 2014

Kamal Jain

Director (Finance) & CFO

Rahul Shah

Company Secretary

For and on behalf of the Board
Ranjit Singh

Managing Director

Parag Munot

Director

Mumbai : May 29, 2014

Cash Flow Statement

For the year ended 31st March, 2014

	(₹ in lacs)	
	2013-14	2012-13
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Net profit for the year before tax	21,908.59	19,554.37
Adjustments for :		
Depreciation	6,954.32	5,225.35
Finance Cost	14,599.37	12,201.05
Dividend Received	(237.41)	(637.08)
Interest Received	(4,540.50)	(3,941.24)
Loss / (Profit) on sale of assets	(24.14)	(10.92)
Profit on sale of Investments	-	(38.77)
Loss on disposal of Investments	145.42	-
Provision for Diminuation in Value of Investment	408.00	-
Unrealised Foreign Exchange Loss (net)	1,634.15	1,000.93
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	40,847.80	33,353.69
Adjustments for:		
Trade and Other Receivables	(27,046.88)	(23,039.61)
Inventories	(9,979.89)	(12,275.06)
Trade and Other Payables	12,249.68	29,592.45
CASH GENERATED FROM OPERATIONS	16,070.71	27,631.47
Income Tax Paid	(7,641.79)	(7,539.99)
NET CASH FLOW FROM OPERATING ACTIVITIES	8,428.92	20,091.48
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of fixed assets	(12,774.24)	(16,075.93)
Sale of fixed assets	270.32	192.81
Sale of Investment in Mutual Funds	50.00	7,537.74
Disposal of Investment in Subsidiaries	202.57	-
Investment in Subsidiaries	(5,654.00)	(512.58)
Loans to Subsidiaries and Joint Ventures	7,408.42	(13,976.34)
Interest Received	231.46	279.51
Dividend Received	237.42	637.08
Deposits with Banks	383.98	1,135.86
CASH USED IN INVESTING ACTIVITIES	(9,644.07)	(20,781.85)
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Proceeds from Term Borrowings	167.42	200.42
Repayment of Term Loan	(5,905.78)	(2,618.87)
Short Term Borrowings	25,323.67	14,337.24
Interest Paid	(14,561.02)	(12,217.57)
Dividend Paid	(2,301.91)	(2,301.91)
Corporate Dividend Tax	(303.43)	(316.49)
CASH GENERATED FROM/(USED IN) FINANCING ACTIVITIES	2,418.95	(2,917.18)
Effect of exchange differences on translation of foreign currency cash and cash equivalents	(40.05)	(21.31)
D. NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	1,163.75	(3,628.86)
E. Opening Cash and Cash Equivalents	4,435.55	8,064.41
F. Closing Cash and Cash Equivalents	5,599.30	4,435.55

NOTES :

[i] The Cash Flow statement has been prepared under the "Indirect method" as set out in Accounting Standard 3 - Cash Flow Statements.

	As at 31st March 2014	As at 31st March 2013
[ii] Cash and Cash Equivalents at the end of the year comprises:		
(a) Cash on hand	184.86	166.17
(b) Balance with Banks		
(i) In current accounts	5,412.34	3,797.43
(ii) In deposit accounts	2.10	471.95
Cash and Cash Equivalents as per Cash flow Statement	5,599.30	4,435.55

[iii] Previous year figures have been regrouped to conform with those of the current year

In terms of our report attached
For Deloitte Haskins & Sells,
 Chartered Accountants

(Gaurav J. Shah)

Partner
 (M. No. 35701)
 Mumbai : May 29, 2014

Kamal Jain
 Director (Finance) & CFO

Rahul Shah
 Company Secretary

For and on behalf of the Board
Ranjit Singh
 Managing Director

Parag Munot
 Director

Mumbai : May 29, 2014

Significant Accounting Policies

For the year ended 31st March, 2014

A. Basis of preparation of Financial Statement

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under Section 211(3C) of the Companies Act, 1956 ("the 1956 Act") (which continue to be applicable in respect of Section 133 of the Companies Act, 2013 ("the 2013 Act") in terms of General Circular 15/2013 dated 13 September, 2013 of the Ministry of Corporate Affairs) and the relevant provisions of the 1956 Act/ 2013 Act, as applicable. The financial statements have been prepared on accrual basis under the historical cost convention except for certain fixed assets which are revalued.

B. Use of Estimates:

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognized in the periods in which the results are known / materialize.

C. Fixed Assets:

Fixed assets are stated at cost of acquisition/construction net of recoverable taxes and include amounts added on revaluation, less accumulated depreciation / amortization and impairment loss, if any. All costs, including finance costs and adjustment arising from exchange rate variations attributable to fixed assets till assets are put to use, are capitalized.

D. Depreciation and Amortization:

Depreciation is provided on the basis of straight-line method on all depreciable fixed assets at the rates prescribed in Schedule –XIV of the Companies Act, 1956, on pro-rata basis except:

- a) Depreciation pertaining to assets of Research and Development Centre and of one Unit (erstwhile Export Oriented Unit) is provided on the basis of written down value method.
- b) Depreciation on plant and machinery of bio-mass energy plants is provided at a higher rate at 7.5% instead of the prescribed rate for continuous process plant considering the useful life of plant supported by technical evaluation and report.
- c) In case of revalued assets, the difference between the depreciation based on revalued cost and the depreciation charged on historical cost is recouped out of revaluation reserve.
- d) Depreciation on assets of overseas projects is provided at the rates as per the requirement of laws of respective foreign countries. Such rates of depreciation in each overseas project are higher than the depreciation at prescribed rates under Schedule-XIV of the Companies Act, 1956.
- e) Depreciation on all the vehicles in the Company is provided at a higher rate at 15% instead of the prescribed rate, considering the useful life of vehicles based on technical evaluation of the management.
- f) Intangible assets are amortized over a period of five years on prorata basis.

E. Impairment of assets:

The carrying values of assets / cash generating units at each balance sheet date are reviewed for impairment. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognized, if the carrying amount of these assets exceeds their recoverable amount. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. When there is indication that an impairment loss recognized for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognized in the Statement of Profit and Loss, except in case of revalued assets.

F. Investments:

Long term investments are stated at cost after deducting the provision for diminution in value, if any, other than of a temporary nature. Current investments are stated at lower of cost and fair value.

Significant Accounting Policies

For the year ended 31st March, 2014

G. Inventories:

Raw materials, Fuel, Semi finished goods, Finished goods, scraps, construction work in progress, construction and other stores and spares, tools are stated at lower of cost and net estimated realizable value. The cost of inventories is computed on weighted average basis.

H. Revenue Recognition:

(i) Transmission & Distribution Division:

Sales are recognized on delivery of materials. Sales include excise duty, freight receipts and export benefits but exclude Value Added Tax.

Erection and works contract revenue for work completed is recognized on percentage of completion method based on completion of physical proportion of the contract work. When it is probable that total contract cost will exceed the total contract revenue, the expected loss is recognized immediately.

(ii) Infrastructure EPC Division:

Revenue is recognized by adding the aggregate cost and proportionate margin using the percentage completion method. Percentage of completion is determined as a proportion of cost incurred to date to the total estimated contract cost. When it is probable that total contract cost will exceed the total contract revenue, the expected loss is recognized immediately.

(iii) Bio-mass Energy Division:

Revenue is recognized on supply of electricity generated to the customer.

(iv) Others

Dividends are recorded when the right to receive payment is established. Interest income is recognized on time proportion basis.

I. Trade receivables as at the year end under the contract are disclosed net of advances relating to the respective contracts received and outstanding at the year end.

J. Operating Cycle:

Operating cycle for the business activities of the company covers the duration of the specific project/ contract including the defect liability period, wherever applicable and extends up to the realization of receivables (including retention monies) within the agreed credit period normally applicable to the respective project/contract.

K. Retirement Benefits:

(i) Gratuity liability is provided under a defined benefit plan, under Group Gratuity Cash Accumulation Schemes under an irrevocable trust. The Company's liability towards gratuity is determined on the basis of actuarial valuation done by an independent actuary, taking effect of actuarial gains and losses.

(ii) Contribution to Provident Fund, a defined contribution plan is charged to the Statement of Profit and Loss.

(iii) Provision for leave encashment liability is made on actuarial valuation as at the Balance Sheet date.

(iv) Short-term employee benefits are recognized as an expense at the undiscounted amount in the Statement of Profit and Loss for the year in which the related service is rendered.

L. Excise Duty:

The liability for excise duty in respect of materials lying in factory/ bonded premises is provided for in the accounts.

M. Foreign Currency Transactions and Translations:

Foreign currency transactions are accounted during the year at the exchange rates prevailing for the month on the date of transaction.

Foreign currency monetary assets and liabilities, remaining unsettled at the end of the year are translated at the exchange rate

Significant Accounting Policies

For the year ended 31st March, 2014

prevailing at the end of the year and differences are adjusted in the Statement of Profit and Loss.

In case of transactions covered by forward exchange contracts, which are not intended for trading or speculation purpose, premium or discount are amortized as expenses or income over the life of the contract.

Any profit or losses arising on settlement or cancellation of such forward contracts or options are recognized in the Statement of Profit and Loss for year in which settlement or cancellation takes place.

Translation of overseas jobs / projects of non-integral foreign operations:

- a) Assets and liabilities at the rates prevailing at the end of the year.
- b) Income and expenses at the exchange rate prevailing on the date of transaction.
- c) Resulting exchange differences are accumulated in foreign currency translation reserve account.

N. Borrowing Costs:

Borrowing costs that are directly attributable to the acquisition, construction or production of qualifying assets are capitalized as part of the cost of such assets. All other borrowing costs are recognized as expense in the period in which they are incurred.

O. Taxes on Income:

- a) Tax on income for the current period is determined on the basis of estimated taxable income and tax credit computed in accordance with the provisions of the Income Tax Act, 1961.
- b) Deferred tax is recognised on timing difference between estimated taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent period(s) and quantified using the tax rates and laws enacted or substantively enacted as on the balance sheet date.
- c) Deferred tax assets arising on account of unabsorbed losses or unabsorbed depreciation are recognized and carried forward only to the extent that there is virtual certainty supported by convincing evidence and Deferred tax assets arising on account of other timing differences are recognised to the extent there is reasonable certainty, that sufficient future taxable income will be available against which such deferred tax assets can be realised.

P. Provisions, Contingent Liabilities and Contingent Assets:

- i) Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and that probability requires an outflow of resources.
- ii) A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no disclosure is made.

Notes on Financial Statement

For the year ended 31st March, 2014

(₹ in lacs)

	As at 31st March 2014	As at 31st March 2013
1. SHARE CAPITAL		
AUTHORISED :		
175,000,000 (175,000,000) Equity Shares of ₹2 each	3,500.00	3,500.00
	3,500.00	3,500.00
ISSUED, SUBSCRIBED and PAID-UP:		
153,460,570 (153,460,570) Equity Shares of ₹ 2 each fully paid up	3,069.21	3,069.21
TOTAL	3,069.21	3,069.21

1.1 Reconciliation of the Equity shares outstanding at the beginning and at the end of the reporting period

Equity Shares	As at 31st March 2014		As at 31st March 2013	
	Numbers	₹ in lacs	Numbers	₹ in lacs
Shares outstanding at the beginning of the year	153,460,570	3,069.21	153,460,570	3,069.21
Shares outstanding at the end of the year	153,460,570	3,069.21	153,460,570	3,069.21

1.2 The Company has only one class of Equity Shares having par value of ₹ 2 per share. Each holder of Equity Shares is entitled to one vote per share. The dividend is declared and paid on being proposed by the Board of Directors after the approval of the Shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of Equity Shares will be entitled to receive remaining assets of the Company, after distribution of all liabilities. The distribution will be in proportion to the number of Equity Shares held by the shareholders.

1.3 Details of shareholders holding more than 5% shares in the company

Name of Shareholder	As at 31st March 2014		As at 31st March 2013	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Mofatraj P. Munot	13,736,822	8.95	12,306,553	8.02
Parag M. Munot	13,463,615	8.77	12,312,036	8.02
Kalpataru Construction Private Limited	23,350,000	15.22	23,350,000	15.22
K. C. Holdings Private Limited	21,142,600	13.78	21,142,600	13.78
Kalpataru Properties Private Limited	13,646,196	8.89	13,646,196	8.89
ICICI Prudential Life Insurance Company	7,946,979	5.18	7,775,474	5.07
ICICI Prudential Mutual Fund	9,334,994	6.08	8,014,782	5.22

Notes on Financial Statement

For the year ended 31st March, 2014

(₹ in lacs)

	As at 31st March 2014	As at 31st March 2013
2. RESERVES AND SURPLUS		
Revaluation Reserve :		
As per last Balance Sheet	31.47	36.12
Less: Transferred to Profit and Loss Account	(2.42)	(4.65)
	29.05	31.47
Securities Premium Account :		
As per last Balance Sheet	77,942.17	77,942.17
Foreign Currency Translation Reserve :		
As per last Balance Sheet	933.22	1,728.94
Less : During the year	(1,213.76)	(795.72)
	(280.54)	933.22
Debentures Redemption Reserve :		
As per last Balance Sheet	2,850.00	2,650.00
Add : Transferred from Profit and Loss Account	-	200.00
Less : Transferred to General Reserve	(735.00)	-
	2,115.00	2,850.00
General Reserve :		
As per last Balance Sheet	20,333.02	17,333.02
Add : Transferred from Debenture Redemption Reserve	735.00	-
Add : Transferred from Profit and Loss Account	3,000.00	3,000.00
	24,068.02	20,333.02
Surplus in the Statement of Profit and Loss :		
As per last Balance Sheet	79,474.86	71,531.39
Net Profit after Tax During the year	14,637.42	13,765.28
	94,112.28	85,296.67
Less: Appropriations		
Proposed Dividend on Equity Shares		
[Dividend per Share ₹1.50 (Previous year ₹ 1.50)]	2,301.91	2,301.91
Corporate Tax on Proposed Dividend	335.74	319.90
Transfer to Debentures Redemption Reserve	-	200.00
Transfer to General Reserve	3,000.00	3,000.00
	88,474.63	79,474.86
TOTAL	192,348.33	181,564.74

Notes on Financial Statement

For the year ended 31st March, 2014

(₹ in lacs)

	As at 31st March 2014		As at 31st March 2013	
	Non-Current	Current	Non-Current	Current
3. LONG TERM BORROWINGS				
Secured				
Non-Convertible Redeemable Debentures	2,666.67	6,166.67	8,833.33	4,416.67
Term Loans				
Foreign Currency Loans				
From Banks	3,971.42	2,269.38	6,240.81	1,134.69
Rupee Loans				
From NBFC	20.90	45.50	40.38	180.75
From Banks	111.64	146.02	146.83	143.10
Amount disclosed under the head "Other Current Liabilities" (Note 9)		(8,627.57)		(5,875.21)
TOTAL	6,770.63	-	15,261.35	-

3.1 Details of Secured Non-Convertible Redeemable Debentures :

Redemption Profile	Amount (₹ in lacs)		Interest	Date of Allotment
	As at 31st March 2014	As at 31st March 2013		
Redeemable at face value in 3 equal annual instalments at the end of 5th, 6th & 7th year starting from 26.12.2013	5,333.34	8,000.00	12.50% p.a. payable annually	December 26, 2008
Redeemable at face value in 3 instalments - 25% each at the end of 3rd year and 4th year and 50% at the end of 5th year started from 15.07.2012	3,500.00	5,250.00	9.55% p.a. payable semi annually	July 15, 2009

Security:

The debentures are secured by first exclusive charge on movable and immovable fixed assets (including land and building situated at Gandhinagar, Gujarat) of transmission & distribution division and infrastructure division of Company to the extent of 1.25 times of NCDs outstanding.

3.2 Foreign Currency Loans from Banks carries interest of 3M \$ Libor + Spread and is repayable in 13 equal quarterly instalments starting from 21.10.2013. The loan is secured by charge over specific movable fixed assets financed through this loan.

3.3 Rupee Loans:

(a) Rupee loans from NBFC carries interest of 10.25% p.a. and is repayable in 35 equal monthly instalments along with interest. The loan is secured by hypothecation of specific moveable fixed assets of the Company.

(b) Rupee loans from Bank carries interest in the range of 6.99% - 11.00% p.a. and is repayable in 36 equal monthly instalments along with interest. The loan is secured by hypothecation of Vehicles.

Notes on Financial Statement

For the year ended 31st March, 2014

(₹ in lacs)

	As at 31st March 2014	As at 31st March 2013
4. DEFERRED TAX LIABILITIES		
a) Deferred Tax Liability:		
Depreciation	1,808.43	1,524.32
Deductions claimed u/s 43 B of Income Tax Act, 1961	1,287.52	757.73
	3,095.95	2,282.05
b) Deferred Tax Assets:		
Expenses debited to statement of Profit & Loss account allowable in subsequent year(s) u/s 43 B / 40(a) of Income Tax Act, 1961.	738.77	819.15
Others	979.91	281.80
	1,718.68	1,100.95
Deferred Tax Liability (Net) (a-b)	1,377.27	1,181.10
5. OTHER LONG TERM LIABILITIES		
Other Payables	116.57	68.75
TOTAL	116.57	68.75
6. LONG TERM PROVISIONS		
Provision for Employee Benefits	576.82	540.69
Provision for Performance Warranties (refer note no.36)	8,330.09	6,150.84
TOTAL	8,906.91	6,691.53
7. SHORT TERM BORROWINGS		
Secured		
Working Capital Facilities from Banks	62,611.08	31,124.82
Unsecured		
Loans repayable on demand from Banks	491.71	6,844.19
TOTAL	63,102.79	37,969.01
7.1 Working Capital Facilities from Banks are secured in favour of consortium of bankers by hypothecation of stocks, stores and spares, books debts, bills receivables and all other movable assets on pari passu basis. Also secured by movable and immovable fixed assets (including land and building situated at Gandhinagar, Gujarat) of transmission and distribution division and infrastructure division of company, on which debenture holders have first exclusive charge to the extent of 1.25 times of outstanding NCDs.		
8. TRADE PAYABLES		
Micro and Small Enterprises	5,572.80	8,577.46
Acceptances	22,690.71	34,830.75
Others	98,882.99	74,665.36
TOTAL	127,146.50	118,073.57

8.1 The amount outstanding to Micro and Small Enterprises is based on the information received and available with the company. There are no overdue amount.

Notes on Financial Statement

For the year ended 31st March, 2014

(₹ in lacs)

	As at 31st March 2014	As at 31st March 2013
9. OTHER CURRENT LIABILITIES		
Current maturities of Long Term debts (refer note no. 3)	8,627.57	5,875.21
Interest accrued but not due on borrowings	473.17	492.11
Interest accrued and due on borrowings	140.31	83.02
Unclaimed Dividend *	32.70	30.96
Advance from Customers	37,195.14	33,713.17
Statutory Liabilities	3,515.41	3,315.90
Creditors for capital expenditure	675.34	938.99
TOTAL	50,659.64	44,449.36
* No amount is due for payment to Investor Education and Protection Fund.		
10. SHORT TERM PROVISIONS		
Provision for Employee Benefits	67.42	66.20
Others		
Provision for Performance Warranties (refer note no.36)	5,491.15	4,844.85
Proposed Dividend	2,301.91	2,301.91
Corporate Tax on Proposed Dividend	352.21	319.90
TOTAL	8,212.69	7,532.86

11. FIXED ASSETS

Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK		
	As at 1st April 2013	Additions	Deductions	As at 31st March 2014	As at 1st April 2013	During the Year	Recouped	As at 31st March 2014	As at 31st March 2014	As at 31st March 2013	
TANGIBLE ASSETS											
Leasehold Land	2,538.41	-	-	2,538.41	-	-	-	-	2,538.41	2,538.41	
Freehold Land	4,196.14	466.05	-	4,662.19	-	-	-	-	4,662.19	4,196.14	
Buildings	12,362.97	1,336.11	-	13,699.08	1,171.17	375.01	-	1,546.18	12,152.90	11,191.80	
Plant and Equipment	51,751.86	6,637.59	356.96	58,032.49	22,335.56	5,184.13	189.05	27,330.64	30,701.85	29,416.30	
Electric Installation	689.67	34.23	-	723.90	200.75	34.62	-	235.37	488.53	488.92	
Furniture and Fixtures	1,895.55	101.67	12.22	1,985.00	611.86	138.27	4.51	745.62	1,239.38	1,283.69	
Office Equipments	2,303.86	336.71	51.34	2,589.23	1,175.55	222.53	33.84	1,364.24	1,224.99	1,128.31	
Vehicles	4,395.10	3,175.94	146.43	7,424.61	2,032.41	1,425.00	93.37	3,364.04	4,060.57	2,362.69	
Total (A)	80,133.56	12,088.30	566.95	91,654.91	27,527.30	7,379.56	320.77	34,586.09	57,068.82	52,606.26	
INTANGIBLE ASSETS											
Software (Other than internally generated)	1,085.35	68.35	-	1,153.70	620.09	223.83	-	843.92	309.78	465.26	
Total (B)	1,085.35	68.35	-	1,153.70	620.09	223.83	-	843.92	309.78	465.26	
Total (A) + (B)	81,218.91	12,156.65	566.95	92,808.61	28,147.39	7,603.39	320.77	35,430.01	57,378.60	53,071.52	
Previous Year (FY 2012-13)	62,314.77	19,213.46	309.32	81,218.91	22,941.66	5,385.18	179.45	28,147.39	53,071.52	-	

Notes:

- The carrying amount of the gross block and accumulated depreciation thereon pertaining to the Company's non-integral foreign operations have been restated at closing exchange rates of the respective foreign currencies and the resultant effect of ₹779.17 lacs (Previous Year ₹ 133.81 lacs) and of ₹646.65 lacs (Previous Year ₹ 150.43 lacs) have been increased in additions and depreciation for the year respectively.
- The Amount of interest capitalized during the year is ₹Nil (Previous year ₹367.75 Lacs)

Notes on Financial Statement

For the year ended 31st March, 2014

12. NON-CURRENT INVESTMENTS

(₹ in lacs)

Name of the Body Corporate	Face Value		No. of Shares / Units		Amount	
	Currency	Per Share/ Unit	31st March 2014	31st March 2013	31st March 2014	31st March 2013
Trade Investments (at Cost)						
(a) Investment in Equity Instruments						
(i) Subsidiary, Quoted, Fully Paid						
JMC Projects (India) Limited	INR	10	17,548,908	17,548,908	21,923.40	21,923.40
(ii) Subsidiaries, Unquoted, Fully Paid						
Shree Shubham Logistics Limited	INR	10	35,850,000	35,850,000	3,585.00	3,585.00
Energylink (India) Limited	INR	10	1,000,000	1,000,000	100.00	100.00
Amber Real Estate Limited	INR	10	990,000	990,000	99.00	99.00
Adeshwar Infrabuild Limited	INR	10	50,000	50,000	5.00	5.00
Kalpataru Satpura Transco Pvt. Ltd	INR	10	16,190,000	-	5,654.00	-
Kalpataru Power Transmission International B.V.	EURO	1	-	500,000	-	347.99
Kalpataru Power Transmission (Mauritius) Limited	USD	1	575,000	575,000	290.33	290.33
Kalpataru Power Transmission USA, Inc.	USD	1	500,000	500,000	228.17	228.17
Kalpataru SA Proprietary Limited, South Africa	RAND	1	500,000	500,000	64.03	64.03
Kalpataru Power Transmission Nigeria Limited	NAIRA	1	10,000,000	10,000,000	31.27	31.27
Kalpataru Power Transmission Ukraine	UAH	1	399,650	399,650	27.31	27.31
(iii) Joint Venture, Unquoted, Fully Paid						
Jhajjar KT Transco Private Limited *	INR	10	11,264,286	11,264,286	3,815.00	3,815.00
Gestamp Kalpataru Solar Steel Structures Private Limited (formerly Kalpataru Metfeb Private Limited)	INR	10	15,005,000	15,005,000	1,500.50	1,500.50
(iv) Others, Quoted, Fully Paid						
Power Grid Corporation of India Limited	INR	10	48,366	48,366	25.15	25.15
(v) Others, Unquoted, Fully Paid						
Transpower Engineering Limited	INR	10	100	100	0.04	0.04
(b) Investments in Non-Convertible Preference Shares						
Subsidiary, Unquoted, Fully Paid						
Shree Shubham Logistics Limited	INR	10	13,500,000	13,500,000	1,350.00	1,350.00
Other Investment (at Cost)						
Investment in Mutual Fund Unquoted, Fully Paid						
HDFC Debt Fund for Cancer Cure -100% Dividend Donation Option			500,000	-	50.00	-
TOTAL					38,748.20	33,392.19
Provision for diminution in the value of Investments in						
(i) Gestamp Kalpataru Solar Steel Structures Private Limited					408.00	-
(ii) Transpower Engineering Limited					0.04	0.04
TOTAL					408.04	0.04
TOTAL					38,340.16	33,392.15
* 5,893,123 Equity Shares pledged with Banks and Financial Institutions for providing financial assistance to Jhajjar KT Transo Private Limited						
Aggregate amount of Quoted Investments					21,948.55	21,948.55
Market Value of Quoted Investments					15,827.28	13,853.46
Aggregate amount of Unquoted Investments					16,391.61	11,443.60

Notes on Financial Statement

For the year ended 31st March, 2014

(₹ in lacs)

	As at 31st March 2014	As at 31st March 2013
13. LONG TERM LOANS AND ADVANCES		
(Unsecured, considered good)		
Capital Advances	529.19	407.33
Deposits	3,752.04	3,808.78
Prepaid Expenses	5.14	185.68
VAT Credit /WCT Receivable	2,123.43	2,601.27
Advance to Suppliers	748.03	-
Loans and Advances to related parties (refer note no. 42)		
to Subsidiaries	43,309.06	46,144.07
to Joint Venture Company	765.25	1,046.28
TOTAL	51,232.14	54,193.41
14. OTHER NON-CURRENT ASSETS		
(Unsecured, considered good)		
Long term Trade Receivables	9,263.38	5,527.06
TOTAL	9,263.38	5,527.06

15. CURRENT INVESTMENTS

Name of the Body Corporate	No. of Shares / Units		Amount	
	As at 31st March 2014	As at 31st March 2013	As at 31st March 2014	As at 31st March 2013
Other Investments (at Cost) (Unquoted)				
HDFC Debt Fund for Cancer Cure -100% Dividend Donation Option	-	1,000,000	-	100.00
Union KBC Asset Allocation Fund	149,990	149,990	15.00	15.00
TOTAL			15.00	115.00

	As at 31st March 2014	As at 31st March 2013
16. INVENTORIES		
Raw Materials and Components (including goods in transit ₹188.57 Lacs) (Previous Year ₹947.49 Lacs)	18,637.25	18,975.32
Finished Goods	13,511.71	8,613.21
Semi-finished Goods	3,839.53	4,365.42
Stores, Spares, Construction Materials and Tools	11,962.57	9,399.93
Construction Work-in-Progress	6,140.23	2,709.15
Scrap	285.66	333.68
TOTAL	54,376.95	44,396.71

Notes on Financial Statement

For the year ended 31st March, 2014

(₹ in lacs)

	As at 31st March 2014	As at 31st March 2013
17. TRADE RECEIVABLES		
(Unsecured and considered good)		
Outstanding for a period exceeding six months from the date they are due for payment	15,057.63	23,885.55
Other debts	139,107.63	104,904.22
TOTAL	154,165.26	128,789.77
18. CASH AND BANK BALANCES		
Cash in hand	184.86	166.17
Balances with Banks		
In Current Accounts	5,379.64	3,766.47
In Fixed Deposit Accounts *	682.10	471.95
Unpaid Dividend Accounts	32.70	30.96
Other Bank Balances		
Deposits with original maturity more than 3 months but less than 12 months	-	517.64
Deposits with original maturity more than 12 months under lien with a bank	190.71	737.05
TOTAL	6,470.01	5,690.24
* includes Deposits under lien with a Bank ₹ 680 Lacs (Previous year Nil)		
19. SHORT-TERM LOANS AND ADVANCES		
(Unsecured and considered good)		
Taxes and duties Recoverable from Government Authorities	2,865.71	1,647.45
Cenvat Credit Receivable	1,831.56	4,503.13
VAT Credit /WCT Receivable	5,513.24	5,684.67
Export Benefits Receivable	5,304.70	5,645.12
Taxes Paid Under Protest	287.47	1,130.93
Advance to Suppliers	4,583.90	11,109.23
Advance Income Tax and TDS (net of provisions)	5,369.11	4,802.32
Prepaid Expenses	4,822.35	2,841.47
Deposits	1,014.53	1,262.33
Others*	7,553.72	4,359.76
TOTAL	39,146.29	42,986.41
*includes primarily insurance claim receivables, unamortised premium on forward contract, Carbon credit receivable etc.		
20. OTHER CURRENT ASSETS		
Accrued Value of work done	49,489.99	46,345.94
Accrued Income	28.30	560.33
TOTAL	49,518.29	46,906.27

Notes on Financial Statement

For the year ended 31st March, 2014

(₹ in lacs)

	2013-14	2012-13
21. REVENUE FROM OPERATIONS - GROSS		
Sale of Products	270,917.49	222,754.97
Income from Services	141,569.94	115,216.89
Other Operating Income		
Sale of Scrap	5,073.89	4,132.18
Certified Emission Reduction Receipts	113.59	31.01
	5,187.48	4,163.19
TOTAL	417,674.91	342,135.05
22. OTHER INCOME		
Interest Income	4,540.50	3,941.24
Dividend from Subsidiaries	229.48	541.09
Dividend from Non Current Investments	1.17	1.41
Dividend from Current Investments	6.76	94.58
Insurance Claims	0.41	39.21
Liabilities Written Back	1.33	41.83
Miscellaneous Income	3.38	51.97
Rent Income	30.54	50.26
Profit on Sale of fixed assets (net)	24.14	10.92
TOTAL	4,837.71	4,772.51
23. COST OF MATERIALS CONSUMED		
Raw Materials		
Steel	75,592.73	68,701.99
Zinc	10,447.69	8,097.40
Components & Accessories etc	101,364.38	84,789.24
Agricultural Residues	3,543.11	3,328.72
TOTAL	190,947.91	164,917.35
24. (INCREASE) / DECREASE IN STOCKS		
STOCK AT BEGINNING OF THE YEAR		
Finished Goods		
Towers and Steel structures	8,592.98	2,929.30
Others	20.23	18.27
	8,613.21	2,947.57
Semi-finished Goods	4,365.42	2,177.61
Scrap	333.68	179.19
	13,312.31	5,304.37
STOCK AT CLOSE OF THE YEAR		
Finished Goods		
Towers and Steel structures	13,501.18	8,592.98
Others	10.52	20.23
	13,511.70	8,613.21
Semi-finished Goods	3,839.53	4,365.42
Scrap	285.66	333.68
	17,636.89	13,312.31
TOTAL	(4,324.58)	(8,007.94)

Notes on Financial Statement

For the year ended 31st March, 2014

(₹ in lacs)

	2013-14	2012-13
25. EMPLOYEE BENEFITS EXPENSE		
Salaries, Wages, Bonus	24,204.27	18,463.05
Contributions to Provident and Other Funds (includes social security and other benefits for overseas employees)	1,166.09	1,116.97
Employees' Welfare Expenses	649.49	483.94
TOTAL	26,019.85	20,063.96
26. OTHER EXPENSES		
Erection and Sub-contracting Expenses	104,143.26	85,508.07
Job charges	4,495.23	3,223.61
Power and Fuel	2,213.96	1,112.33
Excise Duty	411.79	69.05
Repairs and Maintenance:		
Plant and Machinery	266.16	258.07
Building	143.80	151.43
Others	88.18	82.42
Freight and Forwarding Expenses	5,052.90	5,627.31
Stores, Spares and Tools Consumed	1,394.74	1,160.99
Vehicle/ Equipment Running and Hire Charges	394.23	397.78
Testing Expenses	175.77	449.30
Pollution Control Expenses	119.11	79.69
Insurance Charges	2,088.39	1,461.11
Rent	2,341.62	1,935.16
Rates and Taxes	136.88	127.75
Stationery, Printing and Drawing Expenses	444.07	336.63
Telecommunication Expenses	383.32	340.76
Travelling Expenses	2,817.13	1,884.30
Legal and Professional Expenses	1,613.69	1,141.38
Service Charges	5,882.39	4,910.92
Auditor's Remuneration		
Audit Fees	41.00	32.50
Other Services & Reports	2.26	5.99
Reimbursement of Expenses	0.96	0.92
	44.22	39.41
General Expenses	663.52	543.66
Service Tax	3,274.67	3,403.70
Taxes and Duties	3,504.24	4,334.50
Bank Commission and Charges	2,508.49	2,296.17
Performance Warranties Expenses	4,023.48	2,042.78
Provision for Diminution in value of Investments	408.00	-
Loss on Disposal of Investment	145.42	-
Loss by Theft/Damage/Fire (net)	538.09	203.93
(Gain)/Loss on Exchange Rate Variation	2,626.10	(372.34)
Sitting fees and Commission to Non-executive Directors	217.75	198.50
Carbon Credit Expenses	23.23	63.44
Miscellaneous Expenses	1,673.03	1,346.28
TOTAL	154,256.86	124,358.09
27. FINANCE COSTS		
Interest	12,076.47	10,777.54
Other Borrowing Costs	295.44	471.66
Exchange rate variation	2,227.46	951.86
TOTAL	14,599.37	12,201.06

Notes on Financial Statement

For the year ended 31st March, 2014

(₹ in lacs)

	As at 31st March 2014	As at 31st March 2013
28. Contingent Liabilities in respect of :		
(a) Bank guarantees given by the Company	1,796.09	1,760.47
(b) Bills Discounted with Banks	13,984.64	8,263.29
(c) Claims against Company not acknowledged as debt	2,446.08	2,482.63
(d) Notices/ Demands by Excise/Income Tax/Stamp Duty and other Tax/ Revenue Authorities, disputed by the company	3,196.07	3,467.66
(e) VAT/WCT demands disputed in Appeals	117.48	245.44
(f) Demand of Service Tax & Penalty disputed before Appellate Authority already stayed unconditionally	-	1,757.70

29. Capital & Other Commitments

(a) Capital Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of advances)	400.04	1,243.04
(b) The Company has given an undertaking to the term lenders of Kalpataru Satpura Transco Pvt. Ltd to meet cost overrun of the Project.		

	2013-14		2012-13	
30. CIF Value of Imports				
Raw Material and Components	11,838.51		25,019.28	
Stores, Spares & Tools	1,620.73		639.42	
Capital Goods	3,659.88		3,327.51	
31. Composition of Materials consumed				
Indigenous	147,091.30	77.03%	124,815.20	75.68%
Imported	43,856.61	22.97%	40,102.15	24.32%
TOTAL	190,947.91	100.00%	164,917.35	100.00%

32. Expenditure in foreign currency:

Legal, Professional & Consultancy Fees	500.33	359.45
Dividend *	4.50	4.50
Travelling Expenses	1,708.22	889.47
Service Charges	8,405.17	4,352.42
Interest	673.50	1,226.78
Third country purchases	31,785.43	21,549.34
Others	10,675.44	6,214.83
* No. of non-resident Shareholder	1	1
No. of Equity Shares held by them	300,000	300,000
Year to which dividend relates	2012-13	2011-12

Notes on Financial Statement

For the year ended 31st March, 2014

(₹ in lacs)

	2013-14	2012-13
33. Earnings in foreign currencies :		
Export of goods on FOB basis	96,426.20	80,469.44
Services	4,518.44	1,913.79
Overseas Projects Earnings	13,519.18	2,160.48
Certified Emission Reduction (CER's)	113.59	31.01
34. Erection and subcontracting expenses comprises of :		
Subcontracting expenses	53,830.14	39,850.17
Construction material, stores and spares consumed	26,318.56	32,527.74
Power and fuel	783.66	1,187.88
Freight and Forwarding Expenses	6,604.60	4,953.56
Vehicle and Equipment Hire Charges	5,820.82	3,644.33
Custom Duty, Clearing & Handling Charges	3,616.38	1,310.50
Service Charges	3,827.00	1,032.40
Others	3,342.10	1,001.49
TOTAL	104,143.26	85,508.07
35. Depreciation and Amortisation Expenses		
Depreciation and Amortisation Expenses	6,956.74	5,230.00
Less: Transferred from Revaluation Reserve	2.42	4.65
	6,954.32	5,225.35
36. The disclosure as regards to Provision for Performance Warranties:		
Carrying amount at the beginning of the year	10,935.34	10,927.92
Add: Provision/Expenses during the year	5,184.19	3,418.17
Less : Reversal of Provision on finality of Warrantee & Guarantee	(1,160.71)	(1,375.39)
	4,023.48	2,042.78
Less : Utilisation during the year	1,137.58	2,035.36
Carrying amount at the close of the year	13,821.24	10,935.34
37. Earnings per Share		
No. of Equity Shares at the end of the year	153,460,570	153,460,570
Weighted No. of Equity Shares at the end of the year	153,460,570	153,460,570
Profit for calculation of EPS (₹ in Lacs)	14,637.42	13,765.28
Basic and Diluted Earnings Per Share (₹)	9.54	8.97
Nominal value of Equity Share (₹)	2.00	2.00

Notes on Financial Statement

For the year ended 31st March, 2014

38. Information in accordance with the requirement of the Accounting Standard 7 : Construction Contracts. (₹ in lacs)

	2013-14	2012-13
1. Amount of Contract Revenue Recognized	137,370.44	118,750.36
2. Disclosure in respect of contracts in progress at the Reporting Date		
(i) Contract cost incurred & Recognized Profits less recognized losses up to the reporting date	322,498.17	282,198.43
(ii) Advances Received	31,017.24	28,477.28
(iii) Retentions	21,825.37	14,950.66
3. Due from Customers	33,711.17	32,688.97

39. Information as required under Clause 32 of Listing Agreement with Stock Exchanges with regard to Loans to Subsidiaries having no repayment schedule:

	As at 31st March 2014	Maximum Balance during the year	As at 31st March 2013	Maximum Balance during the year
Shree Shubham Logistics Limited	5,655.37	16,989.90	16,199.90	16,199.90
Energy Link (India) Limited	18,276.95	18,276.95	16,632.64	16,632.64
Amber Real Estate Limited	17,752.59	17,752.59	13,175.97	13,769.27
Kalpataru Power Transmission (Mauritius) Limited	380.09	380.09	63.87	195.61
Kalpataru Power Transmission Limited, Nigeria	56.06	56.06	51.20	51.20
Adeshwar Infrabuild Limited	21.00	21.00	20.50	20.50
Kalpataru Satpura Transco Private Limited	1,167.00	1,167.00	-	-
Kalpataru Power Transmission USA Inc.	-	-	-	0.28

40. Retirement benefit plans:

a) Defined contribution Plans

The Company made contribution towards provident fund, a defined contribution retirement benefit plan for qualifying employees. The provident fund plan is operated by the Regional Provident Fund Commissioner. The Company recognized ₹ 906.17 lacs (Previous Year ₹793.13 lacs) for provident fund contributions in the statement of profit & loss. The contributions payable to these plans by the company are at rates specified in the rules of the scheme.

b) Defined benefit plans

The Company made annual contributions to the Employee's Group Gratuity cash accumulation schemes of the Life Insurance Corporation of India & Star Union Dai-ichi Life Insurance Company Ltd., a funded defined benefit plan for qualifying employees. The scheme provides for payment to vested employees at retirement/death while in employment or on termination of employment of an amount equivalent to 15 days salary payable for each completed year of service or part thereof in excess of six months. Vesting occurs upon completion of five years of service.

The present value of the defined benefit obligation and the related current service cost were measured using the Projected Unit Credit method as per actuarial valuation carried out at the balance sheet date.

Notes on Financial Statement

For the year ended 31st March, 2014

The following tables sets out the status of the gratuity plan as required under AS-15 and the amounts recognized in the Company's financial statements as at March 31, 2014.

	(₹ in lacs)	
	As at 31st March 2014	As at 31st March 2013
Change in present value of obligations :		
Obligations at beginning of the year	1,047.09	871.75
Service cost	162.31	144.13
Interest cost	82.48	73.14
Actuarial (gain) / loss	(70.73)	29.74
Benefits paid	(57.59)	(71.67)
Obligations at the end of the year	1,163.56	1,047.09
Change in Plan assets :		
Fair value of Plan assets at beginning of the year	1,094.22	997.52
Expected returns on plan assets	97.00	92.18
Actuarial (loss) / gain	(3.16)	3.59
Contributions by employer	24.62	72.60
Benefits paid	(57.59)	(71.67)
Fair value of plan assets at end of the year	1,155.09	1,094.22
Reconciliation of Present Value of Obligation and the fair value of plan assets :		
Present value of the defined benefit obligation at the end of the year	1,163.56	1,047.09
Less: Fair value of plan assets	1,155.09	1,094.22
Unfunded status amount of liability recognized in the balance sheet	8.47	-
Gratuity cost for the year :		
Service Cost	162.31	144.13
Interest Cost	82.48	73.14
Expected return on plan assets	(97.00)	(92.18)
Actuarial (gain) / loss	(67.57)	26.15
Net gratuity cost charged to profit & loss	80.22	151.24
Assumptions :		
Discount rate	9.10%	8.10%
Estimated rate of return on plan assets	9.00%	9.00%
Annual increase in salary costs	7.00%	7.00%

Experience Adjustments of Gratuity

Particulars	As at 31st March				
	2014	2013	2012	2011	2010
Defined Benefit Obligation	1,163.56	1,047.09	871.75	834.42	603.74
Plan Assets	1,155.09	1,094.22	997.52	887.02	461.54
Surplus/ (Deficit)	(8.47)	47.13	125.77	52.60	(142.21)
Experience Adjustment on Plan Liabilities[(Gain)/ Losses]	39.83	(32.95)	(97.91)	-	-
Experience Adjustment on Plan Assets[Gain / (Losses)]	(3.16)	3.59	(2.20)	(12.74)	(10.59)

Notes on Financial Statement

For the year ended 31st March, 2014

41. The Company's significant leasing/ licensing arrangements are mainly in respect of residential / office premises and equipments, which are operating leases. The aggregate lease rental payable on these leasing arrangements are charged as rent and equipment hire charges in these accounts amounting to ₹ 4,189.72 lacs (previous year ₹ 2,610.24 lacs). These leasing arrangements are for a period not exceeding 5 years and are in most cases renewable by mutual consent, on mutually agreeable terms. Future lease rental payable in respect of assets on lease for not later than 1 year is ₹ 959.97 lacs (previous year ₹ 867.21 lacs) and for later than 1 year but not later than 5 years is ₹ 139.20 lacs (previous year ₹ 696.07 lacs).

42. Related Party disclosure as required by Accounting Standard 18 are given below:

List of Related Parties

(a) Subsidiaries

JMC Projects (India) Limited
 Shree Shubham Logistics Limited
 Energy Link (India) Limited
 Amber Real Estate Limited
 Kalpataru Power Transmission (Mauritius) Limited
 Kalpataru South Africa (Pty) Limited
 Kalpataru Power Transmission Nigeria Limited
 Kalpataru Power Transmission USA Inc.
 Adeshwar Infrabuild Limited
 Kalpataru Satpura Transco Pvt. Ltd.
 LLC Kalpataru Power Transmission Ukraine
 Kalpataru Power Transmission International BV *

(b) Indirect Subsidiaries

JMC Mining and Quarries Limited
 Saicharan Properties Limited
 Brij Bhoomi Expressway Private Limited
 Wainganga Expressway Private Limited
 Vindhyachal Expressway Private Limited
 Kalpataru Power JLT
 Kalpataru Industria E Comercia S.A. *

(c) Associate Enterprises, which are having transaction with the Company

Kalpataru Properties Private Limited
 Property Solution (India) Private Limited
 P.K. Velu & Co. Private Limited
 Kalpataru Enterprises
 Kalpataru Limited
 Argos International Marketing Private Limited.
 Messrs Habitat

(d) Key Management Personnel:

Ranjit Singh	Managing Director
Manish Mohnot	Executive Director

(e) Individuals having significant influence and their relatives:

Mofatraj P. Munot	Promoter Director
Parag Munot	Promoter Director
Umang Golechha	Relative of Promoter Director

(f) Joint Ventures :

Jhajjar KT Transco Private Limited
 Gestamp Kalpataru Solar Steel Structure Private Limited

* The Companies have been closed during the year.

Notes on Financial Statement

For the year ended 31st March, 2014

Transactions with Related Parties in ordinary course of business are:

(₹ in lacs)

Particulars	Relationship	2013-2014	2012-13
1 Investment in Equity Shares			
Kalpataru Satpura Transco Pvt. Limited	Subsidiary	5,654.00	-
Kalpataru Power Transmission International BV	Subsidiary	-	336.23
Kalpataru Power Transmission (Mauritius) Limited	Subsidiary	-	149.54
Other Subsidiaries		-	26.81
2 Net Loans and advances given/(returned)			
Shree Shubham Logistics Limited	Subsidiary	(11,468.15)	6,510.10
Amber Real Estate Limited	Subsidiary	3,146.00	7,435.15
Kalpataru Satpura Transco Pvt. Limited	Subsidiary	1,167.00	-
Jhajjar KT Transco Pvt. Limited	Joint Venture	(281.03)	139.45
Other Subsidiaries		455.35	146.12
3 Construction of Fixed Assets			
JMC Projects (India) Limited	Subsidiary	1,255.49	3,462.71
Kalpataru Enterprises	Associate	152.89	370.16
Other Associates		3.58	18.80
4 Revenue from Operations			
Kalpataru Satpura Transco Pvt. Limited	Subsidiary	14,861.56	-
JMC Projects (India) Limited	Subsidiary	4854.82	7,721.95
LLC Kalpataru Power Transmission, Ukraine	Subsidiary	494.93	1,307.60
Kalpataru Power Transmission USA Inc.	Subsidiary	329.32	42.77
Jhajjar KT Transco Pvt. Limited	Joint Venture	150.00	150.75
5 Job Charges			
LLC Kalpataru Power Transmission, Ukraine	Subsidiary	15,274.81	-
6 Other Income			
Energy Link (India) Limited	Subsidiary	1,676.56	1,526.20
Amber Real Estate Limited	Subsidiary	1,589.58	674.11
Shree Shubham Logistics Limited	Subsidiary	1,082.05	1,454.12
Jhajjar KT Transco Pvt. Limited	Joint Venture	82.64	91.59
Other Subsidiaries		179.19	355.93
Other Joint Ventures		0.12	0.13

Notes on Financial Statement

For the year ended 31st March, 2014

			(₹ in lacs)	
Particulars	Relationship	2013-2014	2012-13	
7 Reimbursement of Expenses (Receivable)				
Shree Shubham Logistics Limited	Subsidiary	-	275.40	
Kalpataru Satpura Transco Pvt. Limited	Subsidiary	37.03	-	
Gestamp Kalpataru Solar Steel Structures Pvt Ltd.	Joint Venture	-	35.69	
Other Subsidiaries		-	2.13	
Other Associates		-	0.23	
8 Rent Expenses				
Kalpataru Properties Pvt. Limited	Associate	629.60	629.73	
Other Associates		-	1.50	
9 Service Charges				
Kalpataru Power Transmission USA Inc.	Subsidiary	285.60	503.74	
10 Interest Paid				
JMC Projects (India) Limited	Subsidiary	-	51.44	
11 Sale of Fixed Assets				
Shree Shubham Logistics Limited	Subsidiary	-	38.67	
12 Equipment Hire Charges				
Energy Link (India) Limited	Subsidiary	25.20	28.17	
JMC Projects (India) Limited	Subsidiary	28.24	-	
13 Reimbursement of Expenses (Payable)				
Property Solutions (India) Pvt. Limited	Associate	37.39	29.33	
Kalpataru Properties Pvt. Limited	Associate	27.44	33.58	
Messers Habitat	Associate	19.80	-	
Kalpataru Power Transmission USA Inc.	Subsidiary	-	11.75	
Other Subsidiaries		-	1.49	
Other Associates		12.98	4.99	
14 Salary & Commission				
Manish Mohnot	Key Managerial Personnel	336.89	310.40	
Ranjit Singh	Key Managerial Personnel	412.49	173.68	
Pankaj Sachdeva	Key Managerial Personnel	-	160.85	
Mofatraj P. Munot	Promoter Director	110.00	65.00	
Parag Munot	Promoter Director	8.00	5.00	
Umang Golechha	Relative of Promoter Director	28.20	-	

Notes on Financial Statement

For the year ended 31st March, 2014

Balances with Related parties as at 31st March, 2014

(₹ in lacs)

Particulars	Relationship	As at 31st March 2014	As at 31st March 2013
1 Loans Given			
Energy Link (India) Limited	Subsidiary	18,276.95	16,632.64
Amber Real Estate Limited	Subsidiary	17,752.59	13,175.97
Shree Shubham Logistics Limited	Subsidiary	5,655.37	16,199.90
Other Subsidiaries		1,624.15	135.56
Jhajjar KT Transco Pvt. Limited	Joint Venture	765.25	1,046.28
2 Trade Receivable			
LLC Kalpataru Power Transmission, Ukraine	Subsidiary	20.88	1,307.60
JMC Projects (India) Limited	Subsidiary	1,273.11	1,118.29
Jhajjar KT Transco Pvt. Limited	Joint Venture	-	393.50
Other Subsidiaries		328.69	33.77
3 Advance from Customers			
Kalpataru Satpura Transco Pvt. Limited	Subsidiary	554.39	-
JMC Projects (India) Limited	Subsidiary	-	975.95
4 Advances given			
LLC Kalpataru Power Transmission, Ukraine	Subsidiary	915.88	-
Shree Shubham Logistics Limited	Subsidiary	0.14	282.68
Kalpataru Enterprises	Associate	523.05	370.16
Gestamp Kalpataru Solar Steel Structures Pvt Ltd.	Joint Venture	0.13	0.13
Other Subsidiaries		3.82	11.15
5 Security Deposit Given			
Kalpataru Properties Pvt. Limited	Associate	3,462.16	3,462.16
6 Trade Payable			
JMC Projects (India) Limited	Subsidiary	361.36	846.32
Kalpataru Power Transmission USA Inc.	Subsidiary	32.80	356.42
Jhajjar KT Transco Pvt. Limited	Joint Venture	6.72	-
Kalpataru Properties Pvt. Limited	Associate	60.23	3.62
Property Solutions (I) Pvt. Limited	Associate	4.46	5.44
Other Subsidiaries		2.06	-
Other Associates		6.56	-
Manish Mohnot	Key Managerial Personnel	180.68	160.00
Ranjit Singh	Key Managerial Personnel	105.92	47.00
Mofatraj P. Munot	Promoter Director	110.00	65.00
Promoter Director & their relative		8.79	5.00

43. (1) The Company has entered into consortium with

(a) JSC Zangas, Russia separately for four gas pipeline projects (i) Vijaipur to Kota, (ii) Panvel to Dabhol (iii) Vijaipur to Dadari and (iv) Dadari-Panipat,

(b) JMC Projects (India) Limited and G.B. Yadav for railway projects as "KPTL-JMC-Yadav JV".

(c) GPT Infrastructure Limited for railway projects as "GPT-KPTL JV".

Revenue, expenses, assets and liabilities for contracts awarded to aforesaid consortiums and executed by the Company under work sharing arrangements are recognized on the same basis as similar contracts independently executed by the Company.

Notes on Financial Statement

For the year ended 31st March, 2014

- (2) In respect of contract executed in Joint Venture entities, the services rendered to the Joint Venture entities are accounted as revenue for the work done. The detail of Joint Venture entities are as follows:-

Name of the Joint Venture (incorporated in India)	Share of Investment
Jhajjar KT Transco Private Limited (JKTPL)	49.72%
Gestamp Kalpataru Solar Steel Structures Private Limited (GKSSSPL)	50.00%

- (3) Details of proportionate share in the Assets, Liabilities, Income and Expenditure of the Company in its Joint Venture entities namely are given below:

Particulars	₹ in lacs	
	As at 31st March 2014	As at 31st March 2013
Assets	22,013.31	23,860.22
Liabilities	12,830.87	14,301.51
Income	2,974.27	3,654.70
Expenditure	3,346.82	3,181.83
Capital Commitment	-	404.69
Contingent Liability	696.08	696.08

44. Segment Reporting

(a) Business Segment

(₹ in lacs)

Particulars	Transmission & Distribution		Infrastructure EPC		Others		Unallocable		Total	
	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13
1 Segment Revenue :										
Sales & Services	372,400.57	291,567.30	22,117.50	32,435.39	5,819.06	5,373.85	-	-	400,337.13	329,376.54
Other Operating Income	5,066.36	4,125.89	1.31	-	119.81	37.30	-	-	5,187.48	4,163.19
Net Sales/Revenue from Operations	377,466.93	295,693.19	22,118.81	32,435.39	5,938.87	5,411.15	-	-	405,524.61	333,539.73
Add : Other Income	50.23	109.69	44.22	65.47	(2.61)	2.24	4,745.87	4,595.11	4,837.71	4,772.51
TOTAL	377,517.16	295,802.88	22,163.03	32,500.86	5,936.26	5,413.39	4,745.87	4,595.11	410,362.32	338,312.24
2 Segment Result Before Finance cost	37,040.78	27,097.22	(5,232.47)	(125.62)	507.19	188.72	4,192.46	4,595.11	36,507.96	31,755.43
Less: Finance Cost									14,599.37	12,201.06
Profit Before Tax									21,908.59	19,554.37
Current Tax									7,075.00	5,800.00
Deferred Tax									196.17	199.58
Tax Adjustment for earlier years									-	(210.49)
Net Profit after Tax									14,637.42	13,765.28
3 Other Information										
Segment Asset	328,342.59	283,337.24	45,320.20	44,629.08	4,873.62	6,325.00	83,174.13	81,570.16	461,710.54	415,861.48
Segment Liability	172,431.22	159,613.23	10,682.67	8,091.13	155.40	100.35	4,049.03	3,825.14	187,318.32	171,629.85
Capital Expenditure (incl. CWIP)	12,982.80	13,866.56	97.75	91.03	87.58	185.43	-	-	13,168.13	14,143.02
Depreciation	4,988.06	3,286.00	1,463.32	1,457.81	502.94	481.29	-	0.25	6,954.32	5,225.35
(b) Geographical Segment										
Revenue from Operations										
India	195,858.75	173,691.94	19,880.64	25,071.38	5,938.87	5,411.15	-	-	221,678.26	204,174.47
Outside India	181,608.18	122,001.25	2,238.17	7,364.01	-	-	-	-	183,846.35	129,365.26
TOTAL	377,466.93	295,693.19	22,118.81	32,435.39	5,938.87	5,411.15	-	-	405,524.61	333,539.73

Notes on Financial Statement

For the year ended 31st March, 2014

45. The Company entered into derivative contracts including forward contracts to hedge its risk associated with foreign currency fluctuations. Company does not use derivative contracts including forward contracts for speculative purpose.

a. The particulars of derivatives including forward contracts entered into for hedging purpose outstanding as on 31.03.2014 are as under.

(₹ in lacs)

Category of Derivative Instruments	Amount of Exposure Hedged	
	As at 31st March 2014	As at 31st March 2013
Forward Contracts	39,965.05	127,023.00
Option Contracts	-	4,881.25
Currency Swaps	5,100.00	5,100.00
Commodity Swaps	16,800.68	19,982.74
Total	61,865.73	156,986.99

b. Unhedged Foreign Currency Exposure as at 31st March, 2014 are as under :

The Foreign Currency Exposure that is not hedged by derivative instruments as on 31st March 2014 amounts to ₹ 25,051.73 Lacs (Previous Year ₹ 35,652.06 Lacs)

46. A sum of ₹ 31.04 lacs is receivable (Previous Year ₹ 572.01 lacs) from eligible Certified Emission Reduction (CERs) from Atmosfair GmbH of Germany, on account of generation of electricity from agricultural residues like mustard husk and cotton sticks at Sri Ganganagar Power Plant under the Clean Development Mechanism (CDM) of Kyoto Protocol for preventing environmental degradation. There is no CER's under certification as on 31.03.2014.

47. Advance taxes paid, including tax deducted at sources are shown as assets net of provision of tax including foreign tax. Provision for tax (including foreign tax) is made after considering depreciation, deductions and allowances as per applicable tax statutes and regulations there under.

48. In the opinion of the Management, the balances shown under trade receivable, accrued value of work done, loans and advances, whether current or noncurrent, have approximately the same realizable value as shown in the accounts.

49. The Management is of the opinion that as at the Balance Sheet date, there are no indications of a material impairment in the value of fixed assets. Hence, the need to provide for an impairment loss does not arise.

50. Previous year's figures have been regrouped and/or rearranged wherever considered necessary.

In terms of our report attached
For Deloitte Haskins & Sells,
 Chartered Accountants

(Gaurav J. Shah)

Partner

(M. No. 35701)

Mumbai : May 29, 2014

Kamal Jain

Director (Finance) & CFO

Rahul Shah

Company Secretary

For and on behalf of the Board

Ranjit Singh

Managing Director

Parag Munot

Director

Mumbai : May 29, 2014

Independent Auditors' Report

TO
THE BOARD OF DIRECTORS OF
KALPATARU POWER TRANSMISSION LIMITED

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of **Kalpataru Power Transmission Limited** (the "Company"), its subsidiaries and jointly controlled entities (the Company, its subsidiaries and jointly controlled entities constitute "the Group"), which comprise the Consolidated Balance Sheet as at 31st March, 2014, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

The Company's Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated 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 presentation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the consolidated 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, and based on the consideration of the reports of the other auditors on the financial statements of the subsidiaries and jointly controlled entities referred to below in the Other Matter paragraph, the aforesaid consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:

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

Other Matter

We did not audit the financial statements / consolidated financial statements of 17 subsidiaries and 3 jointly controlled entities, whose financial statements / consolidated financial statements reflect total assets (net) of ₹ 369,947.75 lacs as at 31st March, 2014, total revenues of ₹ 273, 606.14 lacs and net cash flows amounting to ₹ 546.99 lacs for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and jointly controlled entities is based solely on the reports of the other auditors.

Our opinion is not qualified in respect of this matter.

For Deloitte Haskins & Sells

Chartered Accountants
(Registration No 117365W)

Gaurav J. Shah

Partner
(Membership No. 35701)

Mumbai, May 29, 2014

Consolidated Balance Sheet

as at 31st March, 2014

(₹ in lacs)

	Note	As at 31st March, 2014	As at 31st March, 2013
EQUITY AND LIABILITIES			
Shareholder's Funds			
(a) Share Capital	1	3,069.21	3,069.21
(b) Reserves and Surplus	2	206,844.62	191,657.05
		209,913.83	194,726.26
Minority Interest			
		14,361.56	13,160.70
Non-Current Liabilities			
(a) Long Term Borrowings	3	172,746.65	107,146.23
(b) Deferred Tax Liabilities/(Asset) [Net]	4	958.10	(243.08)
(c) Other Long Term Liabilities	5	22,828.58	10,628.89
(d) Long Term Provisions	6	11,949.60	10,226.62
		208,482.93	127,758.66
Current Liabilities			
(a) Short Term Borrowings	7	81,113.36	59,749.57
(b) Trade Payables	8	203,948.52	171,131.55
(c) Other Current Liabilities	9	72,489.27	63,925.06
(d) Short Term Provisions	10	9,788.53	8,675.79
		367,339.68	303,481.97
TOTAL		800,098.00	639,127.59
ASSETS			
Non-current Assets			
(a) Fixed Assets	11		
(i) Tangible Assets		133,508.34	124,851.21
(ii) Intangible Assets		41,069.88	960.12
(iii) Capital Work-in-progress		25,435.77	18,850.35
(iv) Intangible Assets Under Development		103,748.63	87,108.22
(b) Goodwill on Consolidation		2,016.77	2,016.77
(c) Non-current Investments	12	1,002.06	761.15
(d) Long Term Loans and Advances	13	16,443.25	15,466.89
(e) Other Non-Current Assets	14	14,782.44	11,497.64
		338,007.14	261,512.35
Current Assets			
(a) Current Investments	15	15.00	354.10
(b) Inventories	16	122,925.50	92,187.41
(c) Trade Receivables	17	185,104.93	147,436.08
(d) Cash and Bank Balances	18	11,718.46	10,286.45
(e) Short Term Loans and Advances	19	62,200.24	60,281.50
(f) Other Current Assets	20	80,126.73	67,069.70
		462,090.86	377,615.24
TOTAL		800,098.00	639,127.59
Significant Accounting Policies			
Notes to Financial Statement	1 to 43		

In terms of our report attached
For Deloitte Haskins & Sells,
 Chartered Accountants

(Gaurav J. Shah)

Partner
 (M. No. 35701)
 Mumbai : May 29, 2014

Kamal Jain

Director (Finance) & CFO

Rahul Shah

Company Secretary

For and on behalf of the Board
Ranjit Singh
 Managing Director

Parag Munot

Director

Mumbai : May 29, 2014

Consolidated Statement of Profit and Loss

For the year ended 31st March, 2014

(₹ in lacs)

	Note	2013-14	2012-13
INCOME			
Revenue from operations - Gross	21	721,179.50	617,098.68
Less: Excise Duty Paid		(12,150.30)	(8,595.32)
Revenue from operations - Net		709,029.20	608,503.36
Other Income	22	2,327.09	3,549.87
Total Revenue		711,356.29	612,053.23
EXPENSES			
Cost of materials consumed	23	307,573.09	271,383.61
(Increase) / Decrease in Stocks	24	(5,549.02)	(13,463.18)
Employee Benefit Expenses	25	45,198.52	36,189.32
Other Expenses	26	302,835.55	266,928.73
Financial Costs	27	24,877.10	19,378.61
Depreciation and Amortization Expenses	33	14,894.96	12,235.84
Total Expenses		689,830.20	592,652.93
Profit Before Tax		21,526.09	19,400.30
Tax Expense			
Current Tax		7,740.60	6,924.69
Minimum Alternate Tax		688.76	-
Less: MAT Credit Entitlement		(507.48)	(184.63)
Excess Provision in Prior Year(s)		-	(250.07)
Deferred Tax		1,212.54	(538.46)
Net Profit for the year		12,391.67	13,448.77
Less: Minority Interest		170.79	498.86
Net Profit after Minority Interest		12,220.88	12,949.91
Earnings per Equity Share of ₹ 2 each			
Basic and Diluted (₹)	37	7.95	8.43
Significant Accounting Policies			
Notes to Financial Statement	1 to 43		

In terms of our report attached
For Deloitte Haskins & Sells,
 Chartered Accountants

(Gaurav J. Shah)

Partner

(M. No. 35701)

Mumbai : May 29, 2014

Kamal Jain

Director (Finance) & CFO

Rahul Shah

Company Secretary

For and on behalf of the Board
Ranjit Singh

Managing Director

Parag Munot

Director

Mumbai : May 29, 2014

Consolidated Cash Flow Statement

For the year ended 31st March, 2014

(₹ in lacs)

	2013-2014	2012-2013
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Net profit before Taxation, Extraordinary items and Minority Interest	21,526.09	19,400.30
Adjustments for :		
Depreciation	14,894.95	12,235.84
Finance Cost	24,877.10	19,378.61
Dividend Received	(14.72)	(101.01)
Interest Received	(355.90)	(771.31)
Amortisation of Employees Compensation (ESOP)	(58.35)	(61.80)
Profit on Sale of Assets	(1,045.85)	(1,127.51)
Unrealised Foreign Exchange Loss (net)	1,537.97	1,008.93
Impairment of Capital Work in Progress	415.92	-
Loss/[Profit] on sale of investments	7.04	(38.44)
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	61,784.25	49,923.61
Adjustment for:		
Trade and other Receivables	(52,393.32)	(19,985.30)
Inventories	(30,737.75)	(20,405.16)
Trade and other payables	49,650.74	46,701.80
CASH GENERATED FROM OPERATIONS	28,303.92	56,234.95
Income Tax Paid	(11,164.42)	(9,366.22)
NET CASH FLOW FROM OPERATING ACTIVITIES	17,139.50	46,868.73
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Intangible Assets Under Development	(16,640.41)	(62,834.96)
Purchase of fixed assets	(65,378.68)	(34,488.95)
Sale of fixed assets	2,194.11	1,903.33
Sale of Mutual Fund	289.10	7,298.31
Investments in Joint Venture	(233.97)	(10.75)
Investments in Partnership Firm	34.87	(2.23)
Interest Received	355.90	771.31
Dividend Received	14.72	101.01
Deposits under Lien with banks	358.56	1,063.11
Inter Corporate Deposits	18.35	297.32
Loans to Joint Ventures	141.44	(82.27)
Sale of Quoted and Unquoted Shares	1.15	2.47
CASH USED IN INVESTING ACTIVITIES	(78,844.86)	(85,982.30)

Consolidated Cash Flow Statement

For the year ended 31st March, 2014

(₹ in lacs)

	2013-2014	2012-2013
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Proceeds from Equity shares issued to minority shareholders (Net of Share issue Expenses)	3,277.34	0.23
Proceeds from Term Borrowings	84,699.74	45,067.16
Repayment of Term Loan	(16,054.78)	(11,973.13)
Proceeds from Short Term Borrowings	21,553.68	22,001.08
Interest Paid	(32,134.28)	(19,148.22)
Dividend Paid	(2,301.91)	(2,301.91)
Corporate Dividend Tax	(358.61)	(435.97)
Grant in Aid (Viability Gap Funding)	4,950.00	156.11
Dividend payment to Minority Shareholders	(95.21)	(194.87)
CASH GENERATED FROM / (USED IN) FINANCING ACTIVITIES	63,535.97	33,170.48
Effect of exchange differences on translation of foreign currency Cash and Cash Equivalents	(40.05)	(21.31)
D. NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENT	1,790.56	(5,964.40)
E. Opening Cash and Cash Equivalents	8,517.93	14,482.33
F. Closing Cash and Cash Equivalents	10,308.49	8,517.93

NOTES:

[i] The Consolidated Cash Flow statement has been prepared under the "Indirect method" as set out in Accounting Standard 3- Cash Flow Statements.

[ii] Cash and Cash Equivalents at the end of the year comprises:

	As at 31st March 2014	As at 31st March 2013
(a) Cash on hand	281.92	229.70
(b) Cheques in Hand	21.14	173.94
(c) Balance with Banks		
(i) In current accounts	9,704.24	6,577.83
(ii) In deposit accounts	301.19	1,536.46
Cash and Cash Equivalents as per Cash Flow Statement	10,308.49	8,517.93

[iii] Previous year figures have been regrouped wherever required to conform with those of the current year.

In terms of our report attached
For Deloitte Haskins & Sells,
 Chartered Accountants

(Gaurav J. Shah)

Partner

(M. No. 35701)

Mumbai : May 29, 2014

Kamal Jain

Director (Finance) & CFO

Rahul Shah

Company Secretary

For and on behalf of the Board

Ranjit Singh

Managing Director

Parag Munot

Director

Mumbai : May 29, 2014

Significant Accounting Policies

For the year ended 31st March, 2014

A. Basis of Preparation:

The Consolidated financial statements of Kalpataru Power Transmission Limited, (the Parent) and; its subsidiaries and Joint Controlled Entities (JCE) collectively referred as ('the Group') are prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under Section 211(3C) of the Companies Act, 1956 ("the 1956 Act") (which continue to be applicable in respect of Section 133 of the Companies Act, 2013 ("the 2013 Act") in terms of General Circular 15/2013 dated 13 September, 2013 of the Ministry of Corporate Affairs) and the relevant provisions of the 1956 Act/ 2013 Act, as applicable. The financial statements have been prepared on accrual basis under the historical cost convention except for certain fixed assets which are revalued.

B. Principles of Consolidation:

The consolidated financial statements relate to the Kalpataru Power Transmission Limited ('the Company') its subsidiary companies, and jointly controlled entities. The consolidated financial statements have been prepared on the following basis;

- (i) The financial statement of the subsidiary companies and jointly controlled entities (JCE) used in the consolidation are drawn up to the same reporting date as of the parent.
- (ii) The financial statements of the Company and its subsidiaries have been combined on line-by-line basis by adding together, the book value of like items of assets, liabilities, income and expenses after eliminating intra group balances, intra group transactions and unrealized profits or losses, unless cost cannot be recovered.
- (iii) The excess of cost to the Group of its investments in subsidiary companies and Jointly controlled entities over its share of equity of the subsidiary companies / Jointly Controlled entities at the dates on which the investments in the subsidiary companies / Jointly Controlled Entities were made, is recognized as "Goodwill" being an asset in the consolidated financial statements and is tested for impairment on annual basis.
- (iv) Minority interest in the net assets of consolidated subsidiaries consists of the amount of equity attributable to the minority shareholders at the date on which investments in the subsidiary companies were made and further movement in their share in the equity, subsequent to the dates of investments. Net profit / loss for the year of subsidiaries attributable to the minority interest is identified and adjusted against the profit after tax of the group in order to arrive at the income attributable to shareholders of the Company.
- (v) Interest in Jointly Controlled Entities (JCE) are consolidated on a line-by-line basis by adding together the book values of like assets, liabilities, income and expenses on a proportionate basis to the extent of the group's equity interest in such entity as per AS 27 Financial Reporting of Interests in Joint Ventures. The intra-group balances, intra-group transactions and unrealized profits and losses have been eliminated to the extent of the Group's share in the entity except in three jointly controlled entities which have been reported by not using proportionate consolidation and the share of the profit/loss only from joint venture entities has been accounted for, for the reason, as explained in Note No. 28 of these notes to accounts.

C. Fixed Assets:

- (i) Fixed assets are stated at cost of acquisition / construction / revalued amount less accumulated depreciation less impairment losses, if any.
- (ii) Cost includes all identifiable expenditure incurred to bring the fixed assets to their working condition for their intended use. When the fixed asset is demolished, disposed off or destroyed, the costs and related depreciation is removed from the books of account and the resultant profit or loss is reflected in the Statement of Profit and Loss. Finance cost on borrowings for acquisition or construction of qualifying fixed assets for the period up to the date of acquisition of fixed assets or when the assets are ready to be put in use is included in the cost of fixed assets.

D. Depreciation and Amortization:

Depreciation is provided on the basis of straight-line method on all depreciable fixed assets at the rates prescribed in Schedule -XIV of the Companies Act, 1956, on prorata basis except:

- i) Depreciation pertaining to assets of Research & Development Centre and of the erstwhile Export Oriented Unit, mining and quarries and real estate are provided on the basis of written down value method.

Significant Accounting Policies

For the year ended 31st March, 2014

- ii) Depreciation on plant and machinery of bio-mass energy plants is provided at a higher rate at 7.5% instead of the prescribed rate for continuous process plant considering the useful life of plant supported by technical evaluation and report.
- iii) In case of revalued assets the difference between the depreciation based on revalued cost and the depreciation charged on historical cost is recouped out of revaluation reserve.
- iv) Depreciation on the assets of overseas projects are provided at the rates as per the requirement of laws of respective foreign countries and such rates are higher than the depreciation rates prescribed under Schedule-XIV of the Companies Act, 1956.
- v) Depreciation on the vehicles in the group is provided at a higher rate at 15% instead of the prescribed rate, considering the useful life of vehicle based on technical evaluation by the management.
- vi) Considering the useful life based on technical evaluation by the management, higher rate than the prescribed rates are applied on a few shuttering items of machinery at 30%, on office equipment at 12.5% and on few plant and machineries acquired on or after 1st October,2005 at 12.5% .
- vii) Depreciation on fumigation covers and dunnages are provided at a higher rate of 20% and 33.33% respectively considering useful life of asset.
- viii) Intangible assets except toll roads are amortized over a period of five years.

E. Impairment of assets:

The carrying values of assets / cash generating units at each balance sheet date are reviewed for impairment. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognized, if the carrying amount of these assets exceeds their recoverable amount. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. When there is indication that an impairment loss recognized for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognized in the Statement of Profit and Loss, except in case of revalued assets.

F. Revenue Recognition:

- (i) Transmission & Distribution:

Sales are recognized on delivery of materials. Sales include excise duty, freight receipts and export benefits but exclude Value Added Tax.

Erection and Works Contract revenue for work completed are recognized on percentage of completion method based on completion of physical proportion of the contract work. When it is probable that total contract cost will exceed the total contract revenue, the expected loss is recognized immediately.

- (ii) Infrastructure EPC Division:

Revenue is recognized by adding the aggregate cost and proportionate margin using the percentage completion method. Percentage of completion is determined as a proportion of cost incurred to date to the total estimated contract cost. When it is probable that total contract cost will exceed the total contract revenue, the expected loss is recognized immediately.

- (iii) Bio-mass Energy:

Revenue is recognized on supply of electricity generated to the customer.

- (iv) Construction:

Revenue is recognized on percentage of completion method based on completion of physical proportion of the contract work. Income on account of claims and extra item work is recognized to the extent group expects reasonable certainty about receipts or acceptance from the client. When it is probable that total contract cost will exceed the total contract revenue, the expected loss is recognized immediately.

Significant Accounting Policies

For the year ended 31st March, 2014

(v) Warehousing:

Revenues from warehousing facilities are recognized when services are rendered, which coincides with agreement entered with customers and other entities.

(vi) Others:

Dividends are recorded when the right to receive payment is established. Interest income is recognized on time proportion basis.

G. Operating Cycle:

- (i) Assets and liabilities other than those relating to long-term contracts (i.e. supply or turnkey contracts) are classified as current if it is expected to realize or settle within 12 months after the balance sheet date.
- (ii) In case of long-term contracts, Operating cycle covers the duration of the specific project/contract including the defect liability period, wherever applicable and extend up to the realization of receivables (including retention monies) within the agreed credit period.

H. Trade receivables as at the year end under the contract are disclosed net of advances relating to the respective contracts received and outstanding at the year end.

I. Inventories:

(i) Transmission & Distribution:

Raw materials, Fuel, Semi finished goods, Finished goods, scraps, construction work in progress, construction and other stores and spares, tools are stated at lower of cost and net estimated realizable value. The cost of inventories is computed on weighted average basis.

(ii) Construction:

Construction material, stores and spares are valued at lower of cost or net realizable value. Cost includes cost of purchase and other expenses incurred in bringing inventory to their present location and condition. Cost is determined using FIFO method of inventory valuation.

J. Investments:

Long term investments are stated at cost after deducting the provision for diminution in value, if any, other than of a temporary nature. Current investments are stated at lower of cost or fair value.

K. Retirement Benefits:

- (i) Gratuity liability is provided under a defined benefit plan, under Group Gratuity Cash Accumulation Schemes under an irrevocable trust. The Company's liability towards gratuity is determined on the basis of actuarial valuation done by an independent actuary.
- (ii) Contribution to Provident Fund, a defined contribution plan is charged to the Statement of Profit and Loss.
- (iii) Provision for leave encashment liability is made on actuarial valuation as at the Balance Sheet date.
- (iv) Short-term employee benefits are recognized as an expense at the undiscounted amount in the Statement of Profit and Loss of the year in which the related service is rendered.

L. Excise Duty:

The liability for excise duty in respect of materials lying in factory/ bonded premises is provided for in the accounts.

M. Foreign Currency Transactions and Translations:

Foreign currency transactions are accounted during the year at the exchange rates prevailing on the date of transaction.

Foreign currency monetary assets and liabilities, remaining unsettled at the end of the year are translated at the exchange rate

Significant Accounting Policies

For the year ended 31st March, 2014

prevailing at the end of the year and difference is accounted in the statement of profit & loss.

In case of transactions covered by forward exchange contracts, which are not intended for trading or speculation purpose, premium or discount are amortized as expenses or income over the life of the contract.

Any profit or losses arising on settlement or cancellation of such forward contracts or options are recognized in the Statement of Profit and Loss for the year in which settlement or cancellation takes place.

Translation of overseas jobs / projects of non-integral foreign operations:

- a) Assets and liabilities at the rates prevailing at the end of the year.
- b) Income and expenses at the exchange rate prevailing on the date of transaction.
- c) Resulting exchange differences are accumulated in foreign currency translation reserve account.

N. Borrowing Cost:

Borrowing costs that are directly attributable to the acquisition, construction or production of qualifying assets are capitalized as part of the cost of such assets. All other borrowing costs are recognized as expense in the period in which they are incurred.

O. Taxes on Income:

- a) Tax on income for the current period is determined on the basis of estimated taxable income and tax credit computed in accordance with the provisions of the Income Tax Act, 1961.
- b) Deferred tax is recognized on timing difference between estimated taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent period(s) and quantified using the tax rates and laws enacted or substantively enacted as on the balance sheet date.
- c) Deferred tax assets arising on account of unabsorbed losses or unabsorbed depreciation are recognized and carried forward only to the extent that there is virtual certainty supported by convincing evidence and Deferred Tax Assets arising on account of other timing differences are recognized to the extent there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.
- d) Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax and future economic benefit associated with it will flow to the Company.

P. Accounting for Project Mobilization expenses:

Expenditure incurred on mobilization and creation of facilities for site is written off in proportion to work done at respective sites so as to absorb such expenditure during the tenure of the contract.

Q. Use of Estimates:

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognized in the periods in which the results are known / materialize.

R. Provisions, Contingent Liabilities and Contingent Assets:

- i) Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and that probability requires an outflow of resources.
- ii) A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no disclosure is made.

Notes on Consolidated Financial Statement

For the year ended 31st March, 2014

(₹ in lacs)

	As at 31st March, 2014	As at 31st March, 2013
1. SHARE CAPITAL		
AUTHORISED :		
175,000,000 (175,000,000) Equity Shares of ₹2 each	3,500.00	3,500.00
ISSUED, SUBSCRIBED and PAID-UP:		
153,460,570 (153,460,570) Equity Shares of ₹2 each fully paid up	3,069.21	3,069.21
TOTAL	3,069.21	3,069.21

1.1 Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Equity Shares	As at 31st March 2014		As at 31st March 2013	
	Numbers	₹ in Lacs	Numbers	₹ in Lacs
Shares outstanding at the beginning of the year	153,460,570	3,069.21	153,460,570	3,069.21
Shares outstanding at the end of the year	153,460,570	3,069.21	153,460,570	3,069.21

1.2 The company has only one class of Equity Shares having par value of ₹ 2 per share. Each holder of Equity Shares is entitled to one vote per share. The dividend is declared and paid on being proposed by the Board of Directors after the approval of the Shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holder of Equity Shares will be entitled to receive remaining assets of the Company, after distribution of all liabilities. The distribution will be in proportion to the number of Equity Shares held by the Shareholders.

1.3 Details of Shareholders holding more than 5% Equity Shares in the Company

Name of Shareholder	As at 31st March 2014		As at 31st March 2013	
	No. of Shares Held	% of Holding	No. of Shares Held	% of Holding
Mofatraj P. Munot	13,736,822	8.95	12,306,553	8.02
Parag M. Munot	13,463,615	8.77	12,312,036	8.02
Kalpataru Construction Private Limited	23,350,000	15.22	23,350,000	15.22
K. C. Holdings Private Limited	21,142,600	13.78	21,142,600	13.78
Kalpataru Properties Private Limited	13,646,196	8.89	13,646,196	8.89
ICICI Prudential Life Insurance Company	7,946,979	5.18	7,775,474	5.07
ICICI Prudential Mutual Fund	9,334,994	6.08	8,014,782	5.22

Notes on Consolidated Financial Statement

For the year ended 31st March, 2014

(₹ in lacs)

	As at 31st March, 2014	As at 31st March, 2013
2. RESERVES AND SURPLUS		
REVALUATION RESERVE :		
As per last Balance Sheet	31.47	36.12
Less : Transfer to Statement of Profit and Loss	(2.42)	(4.65)
	29.05	31.47
SECURITIES PREMIUM ACCOUNT :		
As per last Balance Sheet	77,912.69	77,912.46
Add: Premium on Equity shares issued during the year	2,330.37	0.23
Less: Share issue expenses	(178.32)	-
	80,064.74	77,912.69
FOREIGN CURRENCY TRANSLATION RESERVE :		
As per last Balance Sheet	1,021.21	1,763.21
Less : During the year	(1,381.77)	(742.00)
	(360.56)	1,021.21
DEBENTURE REDEMPTION RESERVE :		
As per last Balance Sheet	3,743.75	3,218.75
Add: Transferred from Profit and Loss Account	231.25	525.00
Less: Transferred to General Reserve	(1,110.00)	-
	2,865.00	3,743.75
EMPLOYEE SHARE OPTIONS OUTSTANDING :		
Employee share option - at the beginning of the year	135.16	198.02
Less : Deferred Employee Share Compensation	(58.35)	(62.86)
	76.81	135.16
GRANT IN AID (Viability Gap Funding) :		
Opening Balance	3,798.32	3,642.21
Add: Addition During the Year	4,950.00	156.11
	8,748.32	3,798.32
GENERAL RESERVE :		
As per last Balance Sheet	22,162.83	18,937.83
Add: Transferred from Debenture Redemption Reserve	1,110.00	-
Add: Transferred from Profit and Loss	3,225.00	3,225.00
	26,497.83	22,162.83
PROFIT AND LOSS :		
As per Last Balance Sheet	82,851.62	76,362.41
Opening Ratio Change in P&L Account	-	1.03
Profit for the year	12,220.88	12,949.91
	95,072.51	89,313.35
Less: Appropriations		
Proposed dividend on Equity Shares	(2,301.91)	(2,301.91)
Corporate Tax on Proposed Dividend	(390.91)	(409.82)
Transfer to Debenture Redemption Reserve	(231.25)	(525.00)
Transfer to General Reserve	(3,225.00)	(3,225.00)
	88,923.43	82,851.62
TOTAL	206,844.62	191,657.05

Notes on Consolidated Financial Statement

For the year ended 31st March, 2014

(₹ in lacs)

	As at 31st March, 2014		As at 31st March, 2013	
	Non-Current	Current	Non-Current	Current
3. LONG TERM BORROWINGS				
Secured				
Non-Convertible Redeemable Debentures	4,166.67	8,166.67	12,333.33	5,916.67
Term Loans				
Foreign Currency Loans				
From Banks	6,658.35	3,804.77	10,463.12	1,134.69
Rupee Loans				
From Banks	132,091.13	6,748.13	76,780.78	8,607.94
From NBFC	13,569.14	325.37	5,859.71	449.22
Unsecured				
Compulsory Convertible Debentures	4,490.00	-	-	-
Rupee Term Loans				
From Bank	10,000.00	-	-	-
From Company	637.93	-	496.78	-
Fixed Deposits from Public	1,133.43	235.27	1,212.51	127.15
Amount disclosed under the head "Other Current Liabilities" (Note 9)		(19,280.21)		(16,235.67)
TOTAL	172,746.65	-	107,146.23	-

3.1 Details of Secured Non-Convertible Redeemable Debentures :

Non convertible redeemable debentures of ₹ 8,833.34 lacs are secured by first exclusive charge on movable and immovable fixed assets (including land and building situated at Gandhinagar, Gujarat) of transmission & distribution division and infrastructure division of company to the extent of 1.25 times of NCD's outstanding.

Non Convertible redeemable debentures of ₹ 3,500 lacs are secured by First charge of movable fixed assets of the company to the extent of 1.25 times of the amount of NCD's in pari passu with consortium term lender Banks and HDFC Bank, and first charge by mortgage of a land at Maharajpura, Kadi, Gujarat.

One of the subsidiary company has issued Compulsorily convertible debentures (CCD) of ₹ 4,490 lacs which shall be converted into equity shares of the subsidiary ranking pari passu with the existing equity shares of the subsidiary after determination of profit for the financial year 2015-16.

3.2 Foreign Currency Loans :

External Commercial Borrowings are secured by charge over specific movable and immovable Plant and Machineries financed through these loans.

3.3 Rupee Loans from banks and NBFCs:-

Details of securities provided are as under :-

1. Secured against hypothecation of specific movable and immovable fixed assets.
2. Secured against Lands, Building, Plant & Machinery created out of term loan and personally guaranteed by two Executive Directors of one of its subsidiary.
3. Secured by :
 - a. First mortgage and charge on all the Borrower's immovable properties, if any, both present and future; save and except the project assets.
 - b. A first charge by way of hypothecation of all the Borrower's movable assets; save and except the project assets.
 - c. A first charge on Borrower's Receivables save and except the project assets.
 - d. A first charge over all the Escrow Accounts of the Borrower.
 - e. A first charge on all intangibles of the Borrower.
 - f. A first charge by way of assignment or otherwise creation of Security Interest in all the right, title, interest, benefits, claims, and demands whatsoever of the Borrower in accordance with the provisions of the Substitution Agreement and the Concession Agreement.
 - g. A first charge by way of assignment or creation of security interest of all the rights, title, interest, benefits, claims and demands whatsoever of the Borrower in the Project Documents.
 - h. Pledge of equity shares held by the Promoter aggregating to 51% (fifty one percent) of paid up and voting equity share capital of the Borrower.

Notes on Consolidated Financial Statement

For the year ended 31st March, 2014

(₹ in lacs)

	As at 31st March, 2014	As at 31st March, 2013
4. DEFERRED TAX LIABILITIES / (ASSETS) [NET]		
a) Deferred Tax Liability:		
Depreciation	3,203.40	2,819.89
Deductions claimed u/s 43 B of Income Tax Act, 1961	1,309.59	787.82
	4,512.99	3,607.71
b) Deferred Tax Assets:		
Expenses debited to Profit & Loss account allowable in subsequent year(s) u/s 43 B /40(a) of Income Tax Act, 1961.	2,169.29	2,853.61
Unabsorbed losses and allowances & others	1,385.60	997.18
	3,554.89	3,850.79
Deferred Tax Liability/ (Asset) (Net) (a-b)	958.10	(243.08)
5. OTHER LONG TERM LIABILITIES		
Trade Payables	9,289.43	7,009.44
Advance from Customers	13,264.10	3,395.41
Payable to Joint Venture Entities	158.48	155.29
Others	116.57	68.75
TOTAL	22,828.58	10,628.89
6. LONG TERM PROVISIONS		
Provision for Employee Benefits	863.11	825.88
Provision for Performance Warranties (Refer Note No.32)	11,086.49	9,400.74
TOTAL	11,949.60	10,226.62
7. SHORT TERM BORROWINGS		
Secured		
Working Capital Facilities From Banks	80,083.23	48,968.16
Other Loans From Banks	15.64	3,425.61
Unsecured		
Loans repayable on demand from Company / Others	448.37	349.67
Loans repayable on demand from Banks	491.71	6,844.19
Fixed Deposits from Public	74.41	161.94
TOTAL	81,113.36	59,749.57

7.1 Working Capital facilities from Banks are secured in favour of consortium of bankers by hypothecation of stocks, stores and spares, book debts, bills receivable and all other movable assets on pari passu basis. Also secured by movable and immovable fixed assets (including land and building situated at Gandhinagar, Gujarat.) of transmission & distribution division and infrastructure division of Company, on which debenture holders have first exclusive charge to the extent of 1.25 times of Outstanding Debentures.

7.2 Working Capital Facilities from Banks are secured in favour of Consortium of Bankers, by way of :

- First charge against hypothecation of stocks, work in progress, stored and spares, bills receivable, book debts and other current assets.
- Second charge on plant and machineries financed by consortium bankers.
- First charge on the office premises of the company.

7.3 Working Capital Loan secured against Hypothecation of stock, Book Debts, Plant and Machinery & Equipments, Other Fixed Assets, Land and Warehousing Complexes constructed thereon in Pari Passu with Term Lender & Personally Guaranteed by two Executive Directors of a subsidiary.

Notes on Consolidated Financial Statement

For the year ended 31st March, 2014

(₹ in lacs)

	As at 31st March, 2014	As at 31st March, 2013
8. TRADE PAYABLES		
Micro and Small Enterprises	5,572.80	8,577.46
Acceptances	43,927.92	45,919.31
Others	154,447.80	116,634.78
TOTAL	203,948.52	171,131.55
8.1 The amount outstanding to Micro and Small Enterprises is based on the information received and available with the company. There are no overdue amount.		
9. OTHER CURRENT LIABILITIES		
Current maturities of Long Term debts (Refer Note 3)	19,280.21	16,235.67
Interest accrued but not due on borrowings	2,739.10	1,186.31
Interest accrued and due on borrowings	140.31	174.52
Advance from Customers	40,204.25	35,636.26
Unclaimed Dividend *	41.74	39.20
Unclaimed matured deposits and interest accrued thereon	14.42	28.55
Unclaimed Share Application Money	0.13	8.33
Statutory Liabilities	7,669.38	6,898.46
Creditors for Capital expenditure	2,336.14	3,633.02
Security Deposits	53.00	42.88
Other Payables	10.59	41.86
TOTAL	72,489.27	63,925.06
* No amount is due for payment to Investor Education and Protection Fund.		
10. SHORT TERM PROVISIONS		
Provision for Employee Benefits	513.46	420.04
Others		
Provision for Performance Warranties (Refer Note No.32)	6,565.77	5,578.76
Proposed Dividend	2,301.91	2,301.91
Corporate Tax on Proposed Dividend	407.39	375.08
TOTAL	9,788.53	8,675.79

Notes on Consolidated Financial Statement

For the year ended 31st March, 2014

11. FIXED ASSETS

(₹ in lacs)

Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK		
	As at 1st April 2013	Additions	Deductions	As at 31st March, 2014	As at 1st April 2013	During the Year	Recouped	As at 31st March, 2014	As at 31st March, 2014	As at 31st March, 2013	
TANGIBLE											
Leasehold Land	2,911.83	-	-	2,911.83					2,911.83	2,911.83	
Freehold Land	12,648.63	1,618.67	-	14,267.30					14,267.30	12,648.63	
Buildings	29,178.81	3,888.97	(248.38)	32,819.40	1,813.31	678.09	(0.02)	2,491.38	30,328.02	27,365.50	
Plant and Equipments	120,297.12	14,741.43	(2,921.98)	132,116.57	45,376.38	12,030.16	(2,176.70)	55,229.84	76,886.73	74,920.74	
Electrical Installations	915.02	42.30	(25.18)	932.14	341.17	52.85	(13.02)	381.00	551.14	573.85	
Furniture and Fixtures	2,595.40	108.42	(16.42)	2,687.40	787.01	192.97	(7.26)	972.72	1,714.68	1,808.39	
Office Equipments	3,574.26	608.09	(115.94)	4,066.41	1,875.98	383.37	(44.66)	2,214.69	1,851.72	1,698.28	
Vehicles	5,934.57	3,766.48	(246.05)	9,455.00	3,010.58	1,631.48	(183.95)	4,458.11	4,996.89	2,923.99	
TOTAL (A)	178,055.64	24,774.36	(3,573.95)	199,256.05	53,204.43	14,968.92	(2,425.61)	65,747.74	133,508.31	124,851.21	
INTANGIBLE											
Toll Collection Rights	-	40,506.93	-	40,506.93	-	207.30	-	207.30	40,299.63	-	
Copy right and Trade Mark	50.92	-	-	50.92	22.76	10.16	-	32.92	18.00	28.16	
Software (Other than internally generated)	1,631.96	161.05	-	1,793.01	700.00	340.77	-	1,040.77	752.24	931.96	
TOTAL (B)	1,682.88	40,667.98	-	42,350.86	722.76	558.23	-	1,280.99	41,069.87	960.12	
TOTAL (A + B)	179,738.52	65,442.34	(3,573.95)	241,606.91	53,927.19	15,527.15	(2,425.61)	67,028.73	174,578.18	125,811.33	
As at 31st March, 2013	149,118.44	32,075.50	(1,455.42)	179,738.52	42,227.77	12,403.20	(703.78)	53,927.19	125,811.33		

Notes:

- The carrying amount of the gross block and accumulated depreciation thereon pertaining to the Company's non-integral foreign operations have been restated at closing exchange rates of the respective foreign currencies and the resultant effect of ₹ 779.17 lacs (Previous Year ₹ 133.82 lacs) and of ₹ 646.37 lacs (Previous Year ₹ 150.43 lacs) have been increased in additions and depreciation for the year respectively.
- The Amount of interest capitalized during the year is ₹ 8,775.77 lacs (Previous year ₹ 4,370.80 lacs)

12. NON-CURRENT INVESTMENTS

Name of the Body Corporate	No. of Shares / Units		Amount	
	As at 31st March, 2014	As at 31st March, 2013	As at 31st March, 2014	As at 31st March, 2013
Trade Investments (at cost)				
Joint Venture, Unquoted, Fully Paid				
Aggrawal JMC Joint Venture			694.81	698.66
JMC - CHEC Joint Venture			232.10	1.32
Partnership Firm				
Kalpataru Shubham Enterprises			-	34.87
Others, Quoted, Fully Paid				
Power Grid Corporation of India Limited of ₹10 each	48,366	48,366	25.15	25.15
Others, Unquoted, Fully Paid				
Nutan Nagarik Sahakari Bank Limited of ₹ 25 each	-	14,480	-	1.15
Transpower Engineering Limited of ₹10 each	100	100	0.04	0.04
Other Investment (at cost)				
Investment in Mutual funds (Unquoted)				
HDFC Debt Fund for Cancer Cure -100% Dividend Donation Option	500,000	-	50.00	-
TOTAL			1,002.10	761.19
Less: Provision for diminution in the value of Investments			(0.04)	(0.04)
TOTAL			1,002.06	761.15
Aggregate amount of Quoted Investments			25.15	25.15
Market Value of Quoted Investments			50.81	51.24
Aggregate amount of Unquoted Investments			976.91	736.00

Notes on Consolidated Financial Statement

For the year ended 31st March, 2014

(₹ in lacs)

	As at 31st March, 2014	As at 31st March, 2013
13. LONG TERM LOANS AND ADVANCES		
(Unsecured, Considered good)		
Capital Advances	2,715.64	1,539.22
Deposits	5,056.14	4,865.33
Advance tax (net of Provisions)	2.05	1.29
Prepaid Expenses	5.14	185.68
Advance to Suppliers	1,446.42	2,432.44
VAT Credit / WCT Receivable	6,833.03	5,916.67
Loan to Joint Venture Company	384.83	526.26
TOTAL	16,443.25	15,466.89
	-	
14. OTHER NON-CURRENT ASSETS		
(Unsecured, Considered good)		
Long term Trade Receivables	11,976.33	8,600.96
MAT Tax credit receivable	832.75	325.27
Subsidy Deposit	592.28	275.00
Accrued Income	0.54	3.29
Unamortized Expenses	1,380.54	2,293.12
TOTAL	14,782.44	11,497.64

15. CURRENT INVESTMENTS

Name of the Body Corporate	No. of Shares / Units		Amount	
	As at 31st March, 2014	As at 31st March, 2013	As at 31st March, 2014	As at 31st March, 2013
Other Investments (At Cost) (Unquoted)				
Union KBC Asset Allocation Fund	149,990	149,990	15.00	15.00
ING Liquid Fund	-	2,389,854	-	239.10
HDFC Debt Fund for Cancer Cure -100% Dividend Donation Option	-	1,000,000	-	100.00
TOTAL			15.00	354.10

Notes on Consolidated Financial Statement

For the year ended 31st March, 2014

(₹ in lacs)

	As at 31st March, 2014	As at 31st March, 2013
16. INVENTORIES		
Raw Materials and Components [Including goods in transit ₹188.57 Lacs (Previous Year 947.49 Lacs)]	30,935.41	30,527.88
Finished Goods of Tower Structures	13,511.70	8,613.21
Semi-finished Goods of Tower Structures	3,839.53	4,365.42
Construction and other Stores, Spares and Tools	15,393.15	13,847.63
Construction Work-in-Progress	20,283.71	11,480.96
Scrap	285.66	333.68
Semi-finished Goods of Real Estate Division	30,323.80	14,218.94
Agro Commodities	8,218.49	8,736.16
Packing Material & Consumables	134.05	63.53
TOTAL	122,925.50	92,187.41
17. TRADE RECEIVABLES		
(Unsecured and Considered good)		
Outstanding for a period exceeding six months from the date they are due for payment	23,640.12	31,130.43
Other debts	161,464.81	116,305.65
TOTAL	185,104.93	147,436.08
18. CASH AND BANK BALANCES		
Cash in Hand	281.92	229.70
Cheques on Hand	21.14	173.94
Balances with Banks		
In Current Accounts	9,662.50	6,538.63
In Fixed Deposit Accounts*	981.19	1,536.46
Unpaid Dividend Accounts	41.74	39.20
Other Bank Balances		
Deposits with original maturity more than 3 months but less than 12 months	435.91	619.28
Deposits with original maturity more than 12 months**	294.06	1,149.24
TOTAL	11,718.46	10,286.45

* Includes Deposits under lien with a Bank ₹ 680 Lacs (Previous year Nil)

** Includes Deposits under lien with a Bank ₹ 190.71 Lacs (Previous year ₹ 737.05 Lacs)

Notes on Consolidated Financial Statement

For the year ended 31st March, 2014

(₹ in lacs)

	As at 31st March, 2014	As at 31st March, 2013
19. SHORT-TERM LOANS AND ADVANCES		
(Unsecured and considered good)		
Taxes and Duties Recoverable from Government Authorities	3,051.50	2,209.73
Cenvat Credit Receivable	4,137.37	5,793.81
VAT Credit / WCT Receivable	10,071.06	6,706.10
Export Benefits Receivable	5,348.06	5,702.79
Taxes Paid Under Protest	639.87	1,417.86
Advance to Suppliers	13,633.08	23,340.17
Advance Income Tax and TDS (net of provisions)	10,348.96	7,626.04
Prepaid Expenses	5,540.85	3,334.99
Deposits	1,736.18	1,962.85
Inter Corporate Deposit	21.19	18.35
Others	7,672.12	2,168.81
TOTAL	62,200.24	60,281.50
20. OTHER CURRENT ASSETS		
Accrued Value of work done	74,719.06	62,455.46
Unamortised Expenses	4,179.98	2,599.34
Receivables for Sale of Fixed Assets	12.45	805.32
Accrued Income	1,215.24	1,209.58
TOTAL	80,126.73	67,069.70

(₹ in lacs)

	2013-14	2012-13
21. REVENUE FROM OPERATIONS		
(a) Sale of Products	303,519.67	246,250.05
(b) Income from Services	412,472.35	366,685.44
(c) Other Operating Income		
Sale of Scrap	5,073.89	4,132.18
Certified Emission Reduction Receipts	113.59	31.01
	5,187.48	4,163.19
TOTAL	721,179.50	617,098.68
22. OTHER INCOME		
Interest Income	355.90	771.31
Dividend From Non Current Investments	1.30	1.41
Dividend from Current Investments	13.42	99.60
Insurance Claims	0.70	39.20
Liabilities Written Back	461.88	328.64
Miscellaneous Income	114.33	833.11
Rent Income	102.92	328.67
Profit on Sale of Fixed Assets (Net)	1,045.85	1,127.51
Share of Profit in Joint Ventures	230.79	20.42
TOTAL	2,327.09	3,549.87

Notes on Consolidated Financial Statement

For the year ended 31st March, 2014

(₹ in lacs)

	2013-14	2012-13
23. COST OF MATERIALS CONSUMED		
a) Raw Materials		
Steel	75,625.59	68,701.99
Zinc	10,447.69	8,097.40
Components & Accessories etc	101,364.38	84,789.24
b) Agricultural Residues	3,543.11	3,328.72
c) Agro Commodities	25,474.03	21,408.27
d) Construction Materials	91,118.29	85,057.99
TOTAL	307,573.09	271,383.61

	2013-14	2012-13
24. (INCREASE) / DECREASE IN STOCKS		
STOCK AT BEGINNING OF THE YEAR		
Finished Goods		
Towers and Steel structures	8,592.98	2,929.30
Others	20.23	18.27
	8,613.21	2,947.57
Semi-finished Goods of Tower Structures	4,365.42	2,177.62
Scrap	333.68	179.19
Agro Commodities	8,736.16	4,744.12
Work-In-Progress	6,779.90	5,316.69
	28,828.37	15,365.19
STOCK AT CLOSE OF THE YEAR		
Finished Goods		
Towers and Steel structures	13,501.18	8,592.98
Others	10.52	20.23
	13,511.70	8,613.21
Semi-finished Goods of Tower Structures	3,839.53	4,365.42
Scrap	285.66	333.68
Agro Commodities	8,218.49	8,736.16
Work-In-Progress	8,522.01	6,779.90
	34,377.39	28,828.37
TOTAL	(5,549.02)	(13,463.18)

25. EMPLOYEE BENEFIT EXPENSES		
Salaries, Wages, Bonus	41,182.20	32,616.15
Contributions to Provident and Other Funds	2,203.23	2,128.01
Employee Share Option Scheme Expenses	(58.35)	(62.85)
Employees' Welfare Expenses	1,871.44	1,508.01
TOTAL	45,198.52	36,189.32

Notes on Consolidated Financial Statement

For the year ended 31st March, 2014

(₹ in lacs)

	2013-14	2012-13
26. OTHER EXPENSESES		
Erection and Sub-contracting Expenses	234,278.11	210,742.19
Job charges	4,737.16	5,698.27
Power and Fuel	2,407.64	1,228.49
Excise Duty	411.78	69.05
Repairs and Maintenance:		
Plant and Machinery	266.37	262.81
Building	210.56	153.06
Others	208.18	217.06
Rent	3,955.08	2,702.59
Freight and Forwarding Expenses	6,347.99	6,191.87
Stores, Spares and Tools Consumed	1,607.22	1,267.71
Vehicle/ Equipment Running and Hire Charges	857.48	710.36
Testing Expenses	181.21	454.30
Pollution Control Expenses	119.11	79.69
Insurance Charges	2,787.09	1,991.17
Rates and Taxes	8,813.87	8,514.69
Stationery, Printing and Drawing Expenses	658.97	514.20
Telecommunication Expenses	685.95	598.86
Travelling Expenses	3,763.07	2,775.82
Legal and Professional Expenses	2,711.00	1,967.42
Service Charges	5,357.98	4,753.24
Auditor's Remuneration		
Audit Fees	93.06	72.97
Taxation Matters	0.21	2.37
Other Services & Reports	2.45	6.73
Reimbursement of Expenses	0.96	0.92
	96.68	82.99
General Expenses	922.06	779.59
Taxes and Duties	3,507.53	4,338.82
Bank Commission and Charges	3,333.23	3,024.38
Training Expenses	40.63	30.60
Bad Debts Written Off	-	40.94
Share of RSWC	152.40	208.55
Share of Loss in Joint Ventures	7.04	0.33
Impairment of Fixed Assets	415.92	-
Loss on Disposal of Investment	17.74	-
Performance Warranties Expenses	4,023.48	2,042.78
Loss by Theft/Damage/Fire	571.46	253.39
Service Tax	3,274.82	3,403.70
(Gain)/Loss on Exchange Rate Variation	2,620.50	(422.88)
Sitting fees and Commission to Non-executive Directors	225.25	208.88
Carbon Credit Expenses	23.23	63.44
Miscellaneous Expenses	3,237.76	1,980.37
TOTAL	302,835.55	266,928.73
27. FINANCIAL COSTS		
Interest	22,165.75	17,763.91
Other Borrowing Cost	416.07	586.08
Exchange Rate Variation	2,295.28	1,028.62
TOTAL	24,877.10	19,378.61

Notes on Consolidated Financial Statement

For the year ended 31st March, 2014

28 a) Particulars of Subsidiaries included in Consolidation

Name of Subsidiary	With Effect From	Country of Incorporation	% voting power As at 31st March 2014
Subsidiaries Held Directly			
Adeshwar Infrabuild Limited	11/08/2009	India	100.00%
Amber Real Estate Limited	16/05/2008	India	100.00%
Energylink India Limited	30/01/2007	India	100.00%
JMC Projects (India) Limited	06/02/2007	India	67.19%
Shree Shubham Logistics Limited	19/03/2007	India	76.60%
Kalpataru Satpura Transco Pvt. Ltd	10/05/2013	India	100.00%
Kalpataru Power Transmission International B.V.*	10/02/2012	Netherlands	100.00%
Kalpataru Power Transmission (Mauritius) Limited	08/01/2009	Mauritius	100.00%
Kalpataru Power Transmission Nigeria Limited	19/05/2008	Nigeria	100.00%
Kalpataru Power Transmission - USA, INC	11/09/2009	USA	100.00%
Kalpataru SA (Proprietary) Limited	03/09/2008	South Africa	100.00%
LLC Kalpataru Power Transmission Ukraine	06/11/2012	Ukraine	100.00%
Subsidiaries Held Indirectly			
Brij Bhoomi Expressway Private Limited	06/12/2010	India	67.19%
JMC Mining and Quarries Limited	06/02/2007	India	67.19%
Saicharan Properties Limited	30/06/2009	India	100.00%
Vindhyachal Expressway Private Limited	16/01/2012	India	67.19%
Wainganga Expressway Private Limited	02/06/2011	India	67.19%
Kalpataru Power JLT, UAE	03/08/2011	UAE	100.00%
Kalpataru Indústria e Comércio SA. *	17/07/2012	Brazil	100.00%

* These Companies have been closed during the year.

b) Particulars of Jointly Controlled Entity (JCE) Included in Consolidation

Name of Jointly Controlled Entity	With Effect From	Country of Incorporation	% voting power As at 31st March 2014
Gestamp Kalpataru Solar Steel Structures Private Limited	05/03/2011	India	50.00%
Jhajjar KT Transco Private Limited	19/05/2010	India	49.72%
Kurukshetra Expressway Private Limited*	29/03/2010	India	33.31%

*Effective holding % of the company as it is a Joint Venture of JMC Projects (India) Limited

c) The Company's share in respect of the assets, liabilities, reserves, income and expenses, related to its interests in the Joint Venture Entities, incorporated in the Consolidated Financial Statements are:

Particulars	(₹ in lacs)	
	As at 31st March 2014	As at 31st March 2013
Assets	22,013.31	23,860.22
Liabilities	12,830.87	14,301.51
Income	2,974.27	3,654.70
Expenditure	3,346.82	3,181.83
Capital Commitment	-	404.69
Contingent Liability	696.08	696.08

Notes on Consolidated Financial Statement

For the year ended 31st March, 2014

- d) In respect of contracts executed in Joint Ventures entities, the services rendered to the Joint Venture entities are accounted as revenue for the work done. The share of profit / loss in following Joint Venture entities has been accounted for and the same is reflected as investments or current liabilities in books of the Company.

Name of the Joint Venture	Name of Venture Partner	Method of Accounting	Share of Interest
Aggrawal - JMC JV	Dinesh Chandra Aggrawal Infracon Pvt.Ltd.	% of Completion	50.00%
JMC - Sadbhav JV	Sadbhav Engineering Ltd.	% of Completion	50.50%
JMC - CHEC JV	China Harbour Engineering Company Ltd.	% of Completion	49.00%

Details of proportionate share in the Assets, Liabilities, Income and Expenditure of the Company in its Joint Venture entities.

(₹ in lacs)

Particulars	2013-14	2012-13
Assets	3,078.98	3,026.68
Liabilities	2,617.85	2,754.16
Income	11,462.20	4,908.63
Expenditure	11,232.15	4,887.29

29 Information in accordance with the requirement of the Accounting Standard 7: Construction Contracts

	As at 31st March 2014	As at 31st March 2013
1. Amount of Contract Revenue Recognized as Revenue in the period	402,565.90	3,71,372.31
2. Disclosure in respect of Contract in progress at the Reporting Date		
(a) Contract cost incurred & Recognized Profit less recognised losses upto the reporting date	983647.63	7,61,088.95
(b) Advanced Received	69,174.59	50,426.11
(c) Retention	32,232.46	25,318.29
3. Due from Customers	79,439.93	66,053.15

30 Contingent Liabilities in respect of :

(a) Bank Guarantees	4,446.39	4,538.31
(b) Claims against group not acknowledged as debts	3,898.12	3,969.03
(c) Bonds/Undertaking given by group for concessional duty/exemption to customs	-	3,485.69
(d) Notice/demand by Service Tax /Excise/ income tax and other tax/revenue authorities under disputes	8,407.35	6,173.21
(e) Disputed Royalty demand under Tamilnadu Minor Mineral Concession Rules in appeal before High Court	39.87	466.77
(f) Disputed Income Tax demand in appeal before Appellate Authorities	8,352.31	1,114.58
(g) Disputed VAT demand in appeal before Tribunal	1070.2	1826.37
(h) Demand of Service Tax and penalty disputed before Appellate Authority already stayed unconditionally	-	1,757.70
(i) Income Tax (Net of Deferred Tax) on deductions claimed u/s. 80-IA (4)of the Income Tax Act, 1961	2,657.23	2,499.12
(j) Guarantee given in respect of Performance of contracts of Joint Ventures entities & associates in which one of the subsidiaries is one of the members/holder of substantial equity	28,977.43	28,121.28
(k) Bills Discounted	13,984.64	8,263.29

Notes on Consolidated Financial Statement

For the year ended 31st March, 2014

(₹ in lacs)

	As at 31st March 2014	As at 31st March 2013
31 Capital & Other Commitments:		
Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of Advances)	30,904.51	73,634.54
32 The disclosure as to provision for performance warranties is		
Carrying amount at the beginning of the year	14,919.15	13,973.36
Add : Provision/ Expenses during the year	5,504.15	4,754.99
Less : Reversal of Provision on Finalization of warranty and guarantee	(1,544.95)	(1,660.95)
Less: Utilization during the year	(1,226.09)	(2,148.25)
Carrying amount at the end of the year	17,652.26	14,919.15
33 Depreciation and Amortization Expense		
Depreciation and Amortization	14,897.38	12,240.49
Less: Transferred from Revaluation Reserve	(2.42)	(4.65)
TOTAL	14,894.96	12,235.84

34 The Company's significant leasing/ licensing arrangements are mainly in respect of residential / office premises and equipments, which are operating leases. The aggregate lease rental payable on these leasing arrangements are charged as rent and equipment hire charges in these accounts amounting to ₹ 7,883.48 lacs (previous year ₹ 5,350.36 lacs).

These leasing arrangements are for a period not exceeding 5 years and are in most cases renewable by mutual consent, on mutually agreeable terms. Future lease rental payable in respect of assets on lease for not later than 1 year is ₹ 2,744.35 lacs (previous year ₹ 2,425.80 lacs) and for later than 1 year but not later than 5 years is ₹ 817.99 lacs (previous year ₹ 2,306.84 lacs).

35 Related Party disclosure as required by Accounting Standard – 18 is as below

List of Related Parties

a) Joint Venture having transaction with group

JMC-Associated

Aggrawal-JMC

JMC-Sadbhav

JMC-Taher Ali

JMC-PPPL

JMC-Tantia

JMC-MSKE

JMC CHEC

GIL-JMC

b) Key Management Personnel and their relative having transactions with group

Ranjit Singh

Managing Director

Manish Mohnot

Executive Director

Shailendra Tripathi

CEO & Dy. Managing Director of a Subsidiary

Manoj Kumar Singh

Executive Director of a Subsidiary

Aditya Bafna

Executive Director of a Subsidiary

Shubhendra Bafna

Executive Director of a Subsidiary

Mamta Bafna

Relative of Key Managerial Person

Sumitra Bafna

Relative of Key Managerial Person

Notes on Consolidated Financial Statement

For the year ended 31st March, 2014

c) Associate Enterprise, which are having transaction with the Group

Kalpataru Properties Private Limited
 Property Solution (India) Private Limited
 P.K. Velu & Co. Private Limited
 Kalpataru Enterprises
 Kalpataru Limited
 Kalpataru Theatres Private Limited
 Kalpataru Shubham Enterprise
 JMC Infrastructure Limited
 Kalpataru Retail Ventures Private Limited
 Argos International Marketing
 Kiyana Ventures LLP
 SAI Consultant Engineers Private Limited
 Messers Habitat
 Kalpataru Properties (Thane) Private Limited
 Aditya Bafna HUF
 Gyanendra Bafna HUF
 Subhendra Kumar Bafna HUF
 International Financial Services Limited
 Vistra B.V.

d) Individuals having significant influence and their relatives:

Mofatraj P. Munot	Promoter Director
Parag Munot	Promoter Director
Umang Golechha	Relative of Promoter Director

Transactions with Related Parties in ordinary course of business are:

(₹ in lacs)

Particulars	Relationship	2013-14	2012-13
1 Purchase/ Construction of Fixed Assets			
Kalpataru Enterprises	Associate	152.89	370.16
Kalpataru Retail Ventures Private Limited	Associate	-	262.50
Kalpataru Limited	Associate	-	172.45
Aditya Bafna HUF	Associate	72.87	-
Gyanendra Bafna HUF	Associate	72.87	-
Shubherdra Kumar Bafna HUF	Associate	72.87	-
Mamta Bafna	Relative of Key Managerial Person	346.50	-
Sumitra Bafna	Relative of Key Managerial Person	71.00	-
Aditya Bafna	Key Managerial Person	24.31	-
Shubhendra Bafna	Key Managerial Person	24.31	-
Other Associates		3.58	18.80

Notes on Consolidated Financial Statement

For the year ended 31st March, 2014

Transactions with Related Parties in ordinary course of business are:(Contd..)

(₹ in lacs)

Particulars	Relationship	2013-14	2012-13
2 Capital Advances			
Kalpataru Limited	Associate	-	408.00
Aditya Bafna	Key Managerial Person	-	40.00
3 Fixed Deposits Accepted / Renewed			
Hemant Modi	Key Managerial Person	-	13.00
4 Sale of Right In Land			
Kalpataru Shubham Enterprises	Associate	800.00	1000.00
5 Revenue from Operations			
Kiyana Ventures LLP	Associate	299.62	-
JMC CHEC	Joint Venture	10,712.35	4,419.11
6 Interest Received			
Kalpataru Limited	Associate	-	3.33
JMC Infrastructure Ltd.	Associate	-	2.40
7 Reimbursement of Expenses Received			
Others	Associate	1.56	6.15
8 Rent Paid			
Kalpataru Properties Pvt. Ltd.	Associate	973.65	1,005.56
Other Associates	Associate	-	101.43
9 Reimbursement of Expenses Paid			
Kalpataru Properties Pvt. Ltd.	Associate	27.44	33.58
Property Solutions (I) Pvt. Ltd.	Associate	37.39	29.33
Kalpataru Limited	Associate	18.20	94.43
Messers Habitat	Associate	19.80	-
Kalpataru Properties (Thane) Private Limited	Associate	-	23.43
JMC CHEC	Joint Venture	1.33	1.18
Other Associates		12.98	2.65
10 Interest Paid			
Hemant Modi	Key Managerial Person	-	3.65

Notes on Consolidated Financial Statement

For the year ended 31st March, 2014

Transactions with Related Parties in ordinary course of business are:(Contd..)

(₹ in lacs)

Particulars	Relationship	2013-14	2012-13
11 Salary and Commission			
Mofatraj P. Munot	Promoter Director	110.00	65.00
Manish Mohnot	Key Managerial Person	336.89	310.40
Shailendra Tripathi	Key Managerial Person	151.96	68.68
Manoj Kumar Singh	Key Managerial Person	117.12	45.94
Ranjit Singh	Key Managerial Person	412.49	173.68
Pankaj Sachdeva	Key Managerial Person	-	160.86
Other Key Managerial Persons		180.23	172.14
Promoter Director & their relative		36.20	5.00
12 Other Expenses			
International Financial Services Limited	Associate	9.27	9.95
Vistra B.V.	Associate	-	10.97
Kalpataru Limited	Associate	-	13.64
Kalpataru Properties Pvt. Ltd.	Associate	5.73	-
Other Associates	Associate	2.30	0.99

Balances with Related parties as at 31st March, 2014

(₹ in lacs)

Particulars	Relationship	As at 31st March 2014	As at 31st March 2013
1 Loans Given			
Kiyana Ventures LLP	Associate	661.35	-
JMC Infrastructure Ltd.	Associate	-	18.35
2 Security Deposit Given			
Kalpataru Properties Pvt. Ltd.	Associate	3,462.16	3,462.16
3 Trade Receivables			
Kiyana Ventures LLP	Associate	213.66	-
Agrawal - JMC	Joint Venture	1,239.91	1,562.26
JMC Taherali	Joint Venture	107.85	139.85
JMC PPPL	Joint Venture	2.21	0.96
JMC CHEC	Joint Venture	259.92	826.95
Other Associates	Associate	11.70	1.58

Notes on Consolidated Financial Statement

For the year ended 31st March, 2014

Balances with Related parties as at 31st March, 2014 (Contd..)

(₹ in lacs)

Particulars	Relationship	2013-14	2012-13
4 Trade Payable			
Kalpataru Properties Pvt. Ltd.	Associate	158.02	3.62
JMC Infrastructure Ltd.	Associate	-	23.79
Manish Mohnot	Key Managerial Person	180.68	160.00
Ranjit Singh	Key Managerial Person	105.92	47.00
Mofatraj P. Munot	Promoter Director	110.00	65.00
JMC-Associate	Joint Venture	2.18	2.18
JMC Sadbhav	Joint Venture	158.48	153.11
Other Key Managerial Persons		90.84	5.07
Other Associates		11.02	8.39
Promoter Director & their relative		8.79	5.00
5 Capital Advances			
Kalpataru Enterprises	Associate	523.05	370.16
Kalpataru Limited	Associate	-	408.00
Key Managerial Persons		-	40.00
6 Fixed Deposits Accepted / Renewed			
Hemant Modi	Key Managerial Person	-	43.50
7 Investment in Joint Venture entity			
Agrawal - JMC	Joint Venture	694.80	698.66
JMC CHEC	Joint Venture	232.10	1.32
8 Advances Taken			
JMC CHEC	Joint Venture	1,736.38	1,863.58
JMC Sadbhav	Joint Venture	1,080.63	1,083.80

36 Segment Reporting

Particulars	(₹ in lacs)												
	Transmission & Distribution		Infrastructure EPC		Construction		Others		Unallocable		Total		
	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13	
1 Segment Revenue :													
Sales & Services	366,600.74	283,754.80	22,117.50	32,435.39	266,112.41	254,365.76	49,011.07	33,784.22	-	-	-	703,841.72	604,340.17
Other Operating Income	5,066.36	4,125.89	1.31	-	-	-	119.81	37.30	-	-	-	5,187.48	4,163.19
Net Sales/Revenue from Operations	371,667.10	287,880.69	22,118.81	32,435.39	266,112.41	254,365.76	49,130.88	33,821.52	-	-	-	709,029.20	608,503.36
Add : Other Income	50.23	109.68	44.22	65.47	1,088.78	1,032.18	1,007.83	1,849.42	136.03	493.12	2,327.09	3,549.87	
Total	371,717.33	287,990.37	22,163.03	32,500.86	267,201.19	255,397.94	50,138.71	35,670.94	136.03	493.12	711,356.29	612,053.23	
2 Segment Result Before Finance cost	36,484.66	27,097.23	(5,232.47)	(125.62)	7,569.65	5,945.53	7,457.66	5,361.82	123.69	499.96	46,403.19	38,778.92	
Less: Finance Cost											24,877.10	19,378.62	
Profit Before Tax											21,526.09	19,400.30	
Current Tax											7,921.88	6,740.06	
Deferred Tax											1,212.54	(538.46)	
Tax Adjustment for earlier years											-	(250.07)	
Net Profit after Tax											12,391.67	13,448.77	
3 Other Information													
Segment Asset	323,460.79	280,210.81	45,320.20	44,629.08	287,812.05	197,182.37	140,268.56	113,551.79	3,236.40	3,553.68	800,098.00	639,127.73	
Segment Liability	171,510.07	157,781.96	10,682.67	8,091.13	90,420.21	65,192.84	23,699.97	13,456.10	3,629.85	2,400.96	299,942.77	246,922.99	
Capital Expenditure (incl. CWIP)	12,982.80	13,696.96	97.75	91.03	66,145.23	67,052.12	9,442.33	14,539.46	-	-	88,668.11	95,379.57	
Depreciation	4,988.06	3,286.00	1,463.32	1,457.81	6,100.62	5,490.05	2,342.96	2,001.73	-	0.25	14,894.96	12,235.84	
(b) Geographical Segment													
Revenue from Operations													
India	190,374.04	158,557.47	19,880.64	25,071.38	266,112.41	254,365.76	45,711.74	31,456.74	-	-	522,078.83	469,451.35	
Outside India	181,293.06	129,323.22	2,238.17	7,364.01	-	-	3,419.14	2,364.78	-	-	186,950.37	139,052.01	
TOTAL	371,667.10	287,880.69	22,118.81	32,435.39	266,112.41	254,365.76	49,130.88	33,821.52	-	-	709,029.20	608,503.36	

37 Earning per share

(₹ in lacs)

	2013-14	2012-13
Profit for the year	12,220.88	12,949.91
Less: Dividend for preference share (including dividend tax)	(20.32)	(20.32)
Amount available to equity share holders	12,200.56	12,929.59
Weighted No. of equity shares at the end of the year	153,460,570	153,460,570
Basic and Diluted Earnings Per Share (₹)	7.95	8.43
Nominal value of Equity Share (₹)	2.00	2.00

38 The company entered into derivative contracts including forward contracts to hedge its risk associated with foreign currency fluctuations. Company does not use derivative contracts including forward contracts for the speculative purpose.

a. The particulars of derivatives including forward contracts entered into for hedging purpose

Category of Derivative Instruments	Amount of Exposure / Hedged	
	As at 31st March 2014	As at 31st March 2013
Forward Contracts	39,965.05	127,023.00
Option Contracts	-	4,881.25
Currency Swaps	5,100.00	5,100.00
Commodity Swaps	16,800.68	19,982.74
TOTAL	61,865.73	156,986.99

b. Unhedged Foreign Currency Exposure as at 31st March, 2014 are as under

The Foreign Currency Exposure that is not hedged by derivative instruments as on 31st March 2014 amounts to ₹ 26,955.91 Lacs (previous year ₹ 37,987.89 Lacs)

39 The Finance Act (2), 2009 has amended section 80-IA (4) of the Income Tax Act, 1961 by substituting an explanation to section 80-IA with retrospective effect from 01-04-2000. On the basis of the legal opinion of the experts and decided cases, one of the subsidiary has continued to claim deduction under section 80-IA (4) of the Act on eligible projects and consequently the subsidiary considers it appropriate not to make provision of Income Tax. However, an amount of Income tax (Net of Deferred Tax) of ₹ 158.11 Lacs for the current Year and of ₹ 2,499.12 lacs for the earlier years since FY 2007-08 (both - include the amount of tax applicable on the share of profit of Joint Venture Business claiming such deduction) has been disclosed as a contingent liability in note no.30 to these Accounts.

40 One of the Subsidiaries has filed a writ petition in High Court of Rajasthan against order of Board of Revenue alleging violation of the principle of natural justice of audi alteram partem i.e. hearing the other party/side in the case where Board of Revenue questioned the purchase of land by the subsidiary at Alwar from the then owners. The land & building at book value Rupees 831.76 Lacs. The subsidiary does not expect any liability on account of the same.

41 In the opinion of the management the balances shown under trade receivables, accrued value of work done, loans and advances and other assets, whether current or noncurrent, have approximately the same realizable value as shown in the accounts.

42 The Management is of the opinion that as at the Balance Sheet date, there are no indications of a material impairment in the value of fixed assets. Hence, the need to provide for an impairment loss does not arise except provided in the books.

43 Figures pertaining to the group companies have been re-classified wherever necessary to bring them in line with the parent's financial statements.

In terms of our report attached
For Deloitte Haskins & Sells,
Chartered Accountants

(Gaurav J. Shah)

Partner

(M. No. 35701)

Mumbai : May 29, 2014

Kamal Jain

Director (Finance) & CFO

Rahul Shah

Company Secretary

For and on behalf of the Board

Ranjit Singh

Managing Director

Parag Munot

Director

Mumbai : May 29, 2014

Statement pursuant to Section 212 of the Companies Act, 1956 relating to Subsidiary Companies

(₹ in lacs)

Name of the Subsidiary Company	JMC Projects (India) Ltd.	JMC Mining & Quarries Ltd. (subsidiary of JMC Projects (India) Ltd.)	Wainganga Expressway Private Limited	Brij Bhoomi Expressway Private Limited	Vindhyachal Expressway Private Limited	Shree Shubham Logistics Ltd.	Energylink (India) Ltd.	Amber Real Estate Ltd.
Financial year of the subsidiary company ended on	31/03/2014	31/03/2014	31/03/2014	31/03/2014	31/03/2014	31/03/2014	31/03/2014	31/03/2014
Number of Equity Shares in the subsidiary company held by Kalpataru Power Transmission Ltd. at the above date and %:	17,548,908	-	-	-	-	35,850,000	1,000,000	990,000
	67.19%	67.19%	67.19%	67.19%	67.19%	76.60%	100.00%	100.00%
The net aggregate profit less losses of the subsidiary company so far as it concerns the members of Holding Company.								
(i) Dealt with or provided for in the accounts of Holding Company amounted to :								
(a) for the subsidiary's financial year ended March 31, 2014	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(b) for previous financial years of the subsidiary since it became subsidiary :	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(ii) Not dealt or provided for in the accounts of Holding Company amounted to :								
(a) for the subsidiary's financial year ended March 31, 2014 Rs. in lacs	(713.22)	NIL	NIL	NIL	NIL	1,699.42	2.51	(1,609.04)
(b) for previous financial years of the subsidiary since it became subsidiary Rs in lacs:	11,933.98	NIL	NIL	NIL	NIL	1,479.41	(33.80)	(33.84)

Statement Pursuit to exemption received under section 212(B) of the Companies Act, 1956 relating to Subsidiary Companies

Sr. No.	Name of Subsidiary Companies	JMC Projects (India) Limited	JMC Mining and Quarries Limited	Wainganga Expressway Private Limited	Brij Bhoomi Expressway Private Limited	Vindhyachal Expressway Private Limited	Shree Shubham Logistics Limited	Energylink India Limited	Amber Real Estate Limited
	Financial year of the subsidiary companies ended on	31/03/2014	31/03/2014	31/03/2014	31/03/2014	31/03/2014	31/03/2014	31/03/2014	31/03/2014
1	Capital	2,611.83	50.00	3,000.00	2,275.70	2,705.00	6,268.00	100.00	99.00
2	Reserves	42,928.58	(8.11)	(11.39)	4,940.25	(6.73)	6,336.78	(30.78)	(1,643.71)
3	Total Liabilities	140,388.70	63.19	38,463.92	19,637.58	36,435.26	43,581.51	18,479.03	18,122.53
4	Assets	185,929.11	105.08	41,452.52	26,853.53	39,133.53	56,186.29	18,548.26	16,577.82
5	Investments (Other than in subsidiaries)	926.91	-	-	-	-	-	-	-
6	Turnover	265,883.78	24.78	82.35	508.09	395.55	36,937.69	24.00	-
7	Profit before taxation	3,020.73	(23.07)	(0.09)	(0.15)	(0.55)	3,285.99	3.00	(1,609.04)
8	Provision for taxation	723.65	11.62	-	-	-	1,067.51	0.06	-
9	Profit after taxation	2,297.08	(34.69)	(0.09)	(0.15)	(0.55)	2,218.48	2.94	(1,609.04)
10	Proposed dividend	261.18	-	-	-	-	63.52	-	-

Statement pursuant to Section 212 of the Companies Act, 1956 relating to Subsidiary Companies (Contd.)

(₹ in lacs)

Kalpataru Power Transmission Nigeria Ltd.	Kalpataru SA (Proprietary) Ltd.	Kalpataru Power Transmission (Mauritius) Ltd.	Kalpataru Power Transmission USA., INC	Kalpataru Power JLT	LLC Kalpataru Power Transmission Ukraine	Adeshwar Infrabuild Limited	Saicharan Properties Limited (Subsidiary of Energylink (India) Pvt. Ltd.	Kalpataru satpura Transco Private LTD.
31/03/2014	31/03/2014	31/03/2014	31/03/2014	31/03/2014	31/03/2014	31/03/2014	31/03/2014	31/03/2014
1,000,000	500,000	300,000	500,000	-	399,650	50,000	-	16,190,000
100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil Not Applicable, Since it became subsidiary during the year
(0.18)	(1.34)	33.04	(115.91)	NIL	255.54	(0.22)	NIL	(0.21)
(80.18)	(3.97)	(183.78)	(23.83)	NIL	(47.84)	(25.51)	NIL	Nil Not Applicable, Since it became subsidiary during the year

Statement Pursuit to exemption received under section 212(B) of the Companies Act, 1956 relating to Subsidiary Companies (Contd.)

Kalpataru Power Transmission Nigeria Limited	Kalpataru SA (Proprietary) Limited	Kalpataru Power Transmission (Mauritius) Limited	Kalpataru Power Transmission - USA, INC	Kalpataru Power JLT, UAE	LLC Kalpataru Power Transmission Ukraine	Adeshwar Infrabuild Limited	Saicharan Properties Limited	Kalpataru satpura Transco Private LTD.
31/03/2014	31/03/2014	31/03/2014	31/03/2014	31/03/2014	31/03/2014	31/03/2014	31/03/2014	31/03/2014
31.27	32.01	290.33	228.17	139.30	27.32	5.00	5.00	1,619.00
(87.07)	18.93	(33.29)	(64.82)	(108.85)	164.85	(25.74)	(3.66)	4,034.79
56.03	1.13	384.94	364.90	2,266.15	20,071.87	21.17	18,735.13	13,522.79
0.23	52.07	641.97	528.24	2,296.61	20,264.03	0.44	18,736.47	19,176.57
-	-	-	-	-	-	-	-	-
-	-	-	974.53	2,994.58	18,845.76	-	-	-
(0.18)	(1.34)	(11.50)	(105.96)	44.54	302.28	(0.22)	(0.43)	(0.21)
-	-	-	9.95	-	46.74	-	-	-
(0.18)	(1.34)	(11.50)	(115.91)	44.54	255.54	(0.22)	(0.43)	(0.21)
-	-	-	-	-	-	-	-	-

Corporate Information



Company Secretary

Mr. Rahul Shah

Auditors

M/s. Deloitte Haskins & Sells, Ahmedabad

Bankers

Indian Bank
Oriental Bank of Commerce
Union Bank of India
State Bank of India
EXIM Bank
ICICI Bank
IDBI Bank
Standard Chartered Bank
DBS Bank
BNP Paribas, Abu Dhabi
The Hongkong & Shanghai Banking Corporation

Registered Office

Plot No. 101, Part III, G.I.D.C. Estate,
Sector 28, Gandhinagar - 382 028,
Gujarat, India.
Tel No.: +91-79-2321 4000
Fax No.: +91-79-2321 1966 / 68 / 71
Email: kptl@kalpatarupower.com

Corporate Office

'Kalpataru Synergy', 7th Floor,
Opp. Grand Hyatt Hotel,
Vakola, Santacruz (E),
Mumbai - 400 055, India.
Tel. No.: +91-22-3064 5000
Fax No : +91-22-3064 3131

Corporate Identification Number

L40100GJ1981PLC004281



Corporate Office

'Kalpataru Synergy'
7th Floor, Opp. Grand Hyatt,
Vakola, Santacruz (E),
Mumbai - 400 055, India.
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Website

www.kalpatarupower.com
www.jmcprojects.com
www.kalpataru.com
www.ssl.in