

INDEPENDENT AUDITOR'S REPORT

To the Members of BPL Limited,

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting standards referred to in sub-section 3(C) of Section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal; control system relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error

Auditor's Responsibility

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

An audit includes performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers the internal controls relevant to the company's preparation and fair presentation of the financial statements in order to design the audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

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

- i. in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
- ii. in the case of the Statement of Profit and Loss, of the Profit for the year ended on that date; and
- iii. in the case of the cash flow statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 (the order), issued by the Central Government of India, in terms of sub-section (4A) of Section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 & 5 of the order.
2. As required by Section 227(3) of the Act, we report that:
 - a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of such books;
 - c) The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this report are in agreement with the Books of account;
 - d) In our opinion, the Balance Sheet, the statement of Profit and Loss and the Cash Flow Statement comply with the Accounting Standards referred to in sub section (3C) of Section 211 of the Companies Act, 1956,
 - e) On the basis of the written representations received from the Directors as on 31st March, 2014 and taken on record by the Board of Directors, none of the Directors is disqualified as on 31st March, 2014 from being appointed as Director in terms of Clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956;
 - f) Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Companies Act, 1956 nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.

For T Velupillai & Co.,
Chartered Accountants
Firm Registration No. 004592S

Bangalore
30th May, 2014

Sd/-
M S Ram (26687)
Partner

ANNEXURE TO THE AUDITORS' REPORT

Referred to in Paragraph 1 of our report, of even date, to the members of BPL Limited for the year ended 31st March, 2014

1. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
(b) As informed by the management, the company has conducted physical verification of any of its fixed assets at all locations and the process of reconciliation with books of account is in progress.
(c) During the year, the company transferred the Health Care business as a going concern to M/s BPL Medical Technologies Private Limited. The transaction does not affect the going concern status of the Company.
2. (a) Physical verification at reasonable periods in respect of finished goods, stores, spare parts and raw materials are reported to have been made by the management and certified by them accordingly. In our opinion, the frequency of verification is reasonable.
(b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventory followed by the management are 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 and on the basis of our examination of the records of inventory, the Company is maintaining proper records of inventory. The discrepancies between physical stock and book stock, which were not material, have been properly dealt with in the books of account.
3. (i) The Company has not taken or given any loans, secured or unsecured to or from Companies, firms or other parties covered in the Register maintained under Section 301 of the Companies Act, 1956.
4. In respect of transactions entered in the register maintained in pursuance of Section 301 of the Companies Act, 1956,
(a) Based on audit procedures applied by us, to the best of our knowledge and belief and according to the information and explanations given to us, we are of the opinion that the transactions that needed to be entered into the register maintained under Section 301 have been so entered.

- (b) According to the information and explanations given to us and excluding certain transactions of purchase of goods and material of special nature for which alternate quotations are not available, where each of such transactions is in excess of Rs. 5 lakhs in respect of any party, in our opinion, the transactions have been made at prices which are prima facie reasonable having regard to the prevailing market prices at the relevant time.
5. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the company and the nature of its business with regard to the purchase of inventory and fixed assets, and with regard to the sale of goods and services. During the course of our audit, we have not noticed any continuing failure to correct any major weakness in internal control systems.
6. In our opinion and according to the information and explanations given to us, the Company has not accepted deposits from the public and therefore, the provisions of Section 58A and 58AA of the Companies Act, 1956, and rules made there under, are not applicable to the company.
7. During the year, the Company had an internal audit system, but the system needs to be strengthened to be commensurate with its size and the nature of its business.
8. The Central Government has not prescribed maintenance of the cost records under Section 209(1)(d) of the Companies Act, 1956, with respect to the manufacture of Medical Equipments. However, in respect of Printed Circuit Boards manufactured by the company, the Central Government has prescribed the maintenance of cost records under Section 209 (1)(d) of Companies Act, 1956. We have broadly reviewed the books of account and records maintained by the Company in this connection and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained.
9. (a) *According to the records of the Company and information and explanation given to us, there have been instances of delays in remittance of undisputed statutory dues including Income Tax Deducted at Source, Provident Fund, Employees State Insurance, Sales Tax, Service Tax, Customs Duty, Excise Duty, Cess and other statutory dues with the appropriate authorities during the year.*
- (b) *According to the information and explanations given to us, undisputed amounts payable in respect of customs duty amounting to Rs. 307.29 Lakhs, Service tax dues amounting to Rs.7.31 Lakhs , Dividend Distribution Tax amounting to Rs.2,817/- were outstanding, as at 31st March 2014, for a period of more than six months from the dates on which they became payable.*
- (c) *The following dues towards sales tax, income tax, customs duty, excise duty, gift tax, cess and service tax have not been deposited on account of dispute/appeals:*

<i>Name of Dues</i>	<i>Nature of Dispute</i>	<i>Amount (Rs. in Lakhs)</i>	<i>Forum where pending</i>
Central Excise	<i>Eligibility of Exemption from Payment of duty on DC Defibrillator, and penalty</i>	56.42	Supreme Court
Central Excise	<i>Recovery of CENVAT Credit due to price reduction of inputs</i>	93.82	Tribunal
Central Excise	<i>Demand of duty on clearance of sample Colour TVs</i>	3.33	Tribunal
Central Excise	<i>Demand for duty at Higher rate for clearance of CENVAT availed inputs</i>	19.87	Commissioner Appeals
Central Excise	<i>Demand for duty on clearance of CTV Parts/components/sub-assemblies on SKD condition to OEMs.</i>	282.05	Tribunal
Central Excise	<i>Penalty for non inclusion of Amortised Cost in value of Plastic Parts</i>	34.73	Tribunal
Central Excise	<i>Demand for duty on waste of ferric chloride acid sold from the unit</i>	25.32	Commissioner Appeals
Customs duty	<i>Differential Duty on Imported Cathode Ray Tube</i>	4.72	Commissioner Appeals (Mumbai)
Customs duty	<i>Entitlement to Exemption for parts of Defibrillator</i>	627.61	CESTAT/Commissioner. (Appeals)
Customs duty	<i>Duty on clearance of bonded goods.</i>	33.33	CESTAT
Sales Tax	<i>Various disallowances and non-submission of 'c' forms</i>	3017.22	At various appellate levels ranging from DCCTs (Appeals) to Appellate Tribunals.
Service Tax	<i>Demand of Service tax on manpower services deemed to have been provided to Sanyo BPL.</i>	98.48	Tribunal
Service Tax	<i>Reversal of cenvat credit availed of service tax on outward freight</i>	3.04	Commissioner Appeals

10. The Company's Accumulated losses do not exceed 50% of its net worth as at 31st March 2014. The Company has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.

11. The company has not defaulted in repayment of principal and interest to any bank/financial institution, during the year.

12. According to the information and explanations given to us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. The Company is neither a chit fund nor a nidhi/mutual benefit society. Hence, in our opinion, the requirements of Clause (xiii) of Companies (Auditor's Report) Order, 2003 do not apply to the company,
14. According to the information and explanation given to us, the Company is not dealing or trading in shares, securities, debentures and other investments. Hence, in our opinion the requirements of clause (xiv) of Companies (Auditor's Report) Order, 2003 do not apply to the company.
15. According to the information and explanations given to us, the Company has not given any guarantee during the year, for loans taken by others from banks and financial institutions.
16. According to the records of the company, the company has not obtained any term loans during the year. In case of continuing guarantees, we are unable to express an opinion on whether the terms and conditions are prejudicial to the interests of the company, considering the status of the borrower.
17. The Company has not utilised funds borrowed on short term basis, if any, for long term uses, during the year under audit.
18. The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Act.
19. The Company has not issued any debentures during the year under audit.
20. The Company has not raised any money by public issues during the year.
21. According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the year.

For T Velupillai & Co.,
Chartered Accountants
Firm Registration No. 0045925

Sd/-

M S Ram(26687)
Partner

Bangalore
Date: 30/05/2014.

INDEPENDENT AUDITOR'S REPORT

To Board of Directors of BPL Limited,

We have audited the accompanying Consolidated financial statements of BPL Limited ("the company") and its subsidiaries, which comprise of the Balance Sheet as at March 31, 2014, and the consolidated statement of Profit and Loss and Consolidated Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

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 Company in accordance with accounting policies generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control system relevant to the preparation and presentation of consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error

Auditor's Responsibility

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

An audit includes performing procedures to obtain audit evidence about the amounts and 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 the internal controls relevant to the company's preparation and presentation of consolidated financial statements in order to design the audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the 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.

Basis for Qualified Opinion

- a) *The accounts of M/s BPL Power Projects Pvt Ltd have been prepared on a going concern basis, however considering various factors affecting the going concern assumption reported in the auditors report on the separate financial*

statements of the Company, we are of view that the factors underlying going concern assumption at BPL Power Projects Pvt Ltd., no longer exist.

b) The accounts of the following subsidiary has not been consolidated in view of clause 11(b) of Accounting Standard 21;

- BPL Display Devices Limited – under liquidation

The impact, if any, of audit qualifications of the above companies is, therefore, not dealt with in this report.

c) The share of interest in Joint Venture Company namely Sanyo BPL Private Limited, where BPL Limited holds 50% interest, has not been considered in the Consolidated Accounts, *since the company is under voluntary liquidation.*

Opinion

In our opinion and to the best of our information and according to the explanations given to us, *except for the effects of matters mentioned in Basis for qualified opinion paragraph above*, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- i. in the case of the Consolidated Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
- ii. in the case of the Consolidated Statement of Profit and Loss, of the Loss for the year ended on that date; and
- iii. in the case of the Consolidated cash flow statement, of the cash flows for the year ended on that date.

For T Velupillai & Co.,
Chartered Accountants
Firm Registration No. 004592S

Bangalore
30th May, 2014

Sd/-
M S Ram (26687)
Partner

BPL LIMITED
Regd. Office: BPL Works, Palakkad 678 007, Kerala

Part I
Statement of Standalone/Consolidated Audited Results for the Quarter and year ended 31st March 2014

(Rs. In Lakhs)

Particulars	Standalone					Consolidated	
	Quarter ended			Year Ended		Year Ended	
	31 Mar 2014	31 Dec 2013	31 Mar 2013	31 Mar 2014	31 Mar 2013	31 Mar 2014	31 Mar 2013
	Audited	Unaudited	Audited	Audited	Audited	Audited	Audited
Refer Notes Below							
1 Income from operations							
(a) Net sales/income from operations (Net of excise duty)	473.89	505.05	2246.55	4582.76	9580.61	10767.36	9580.61
(b) Other operating income	67.26	38.39	10.02	1386.22	24.47	1671.15	24.47
Total income from operations (net)	541.15	543.44	2256.57	5968.98	9605.07	12438.51	9605.08
2 Expenses							
(a) Cost of materials consumed	199.76	305.39	970.85	2207.44	3479.80	5053.81	3479.80
(b) Purchases of stock-in-trade	125.12	4.67	703.21	1281.25	3411.87	4831.07	3411.87
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	2.44	5.18	(58.85)	(152.74)	39.81	(1,564.01)	39.81
(d) Employee benefits expense	107.75	117.29	345.35	956.02	1445.31	2184.96	1445.31
(e) Depreciation and amortisation expense	18.49	25.18	38.61	109.48	167.44	356.42	171.00
(f) Other expenses	132.41	126.07	397.82	1124.02	1669.92	2470.69	1729.33
Total expenses	585.97	583.78	2396.99	5525.48	10214.15	13332.94	10277.12
3 Profit / (Loss) from operations before other income, finance costs and exceptional items (1-2)	(44.82)	(40.34)	(140.42)	443.50	(609.08)	(894.43)	(672.04)
4 Other income			26.02		3852.77		3852.77
5 Profit / (Loss) from ordinary activities before finance costs and exceptional items (3 + 4)	(44.82)	(40.34)	(114.40)	443.50	3243.69	(894.43)	3180.73
6 Finance costs	1.22	1.19	25.87	13.79	318.69	849.94	1138.44
7 Profit / (Loss) from ordinary activities after finance costs but before exceptional items (5-6)	(46.05)	(41.53)	(140.27)	429.71	2925.00	(1,744.37)	2042.29
8 Exceptional items							
9 Profit / (Loss) from ordinary activities before tax (7-8)	(46.05)	(41.53)	(140.27)	429.71	2925.00	(1,744.37)	2042.29
10 Tax expense		13055.77	(3,992.08)	13161.30	(3,992.09)	13161.30	3,992.09
11 Net Profit / (Loss) from ordinary activities after tax (9-10)	(46.05)	(13,097.30)	(4,132.35)	(12,731.60)	(1,067.09)	(14,905.68)	(1,949.80)
12 Extraordinary items (net of tax expense)			475.50		38.19		38.19
13 Net Profit / (Loss) for the period (11 +12)	(46.05)	(13,097.30)	(3,656.85)	(12,731.60)	(1,028.90)	(14,905.68)	(1,911.61)
14 Share of profit / (loss) of associates*							
15 Minority interest *						(724.11)	(1,341.12)
16 Net Profit / (Loss) after taxes, minority interest and share of profit / (loss) of associates (13 +14 + 15) *	(46.05)	(13,097.30)	(3,656.85)	(12,731.60)	(1,028.90)	(14,181.57)	(570.49)
17 Paid-up equity share capital							

	Face value per share-Rs.10/-	4888.58	4888.58	4888.58	4888.58	4888.58		
18	Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year	2136.86	2183.10	14868.65	2136.86	14868.65		
19. i	Earnings per share (before extraordinary items (of Rs. 10/- each) (not annualised):							
	(a) Basic	(0.09)	(26.79)	(8.45)	(26.04)	(2.18)		
	(b) Diluted	(0.09)	(26.79)	(8.45)	(26.04)	(2.18)		
19. ii	Earnings per share (after extraordinary items (of Rs. 10/- each) (not annualised):							
	(a) Basic	(0.09)	(26.79)	(7.48)	(26.04)	(2.10)		
	(b) Diluted	(0.09)	(26.79)	(7.48)	(26.04)	(2.10)		

BPL LIMITED
 Regd. Office: BPL Works, Palakkad 678 007, Kerala

Part II
Select Information for the Quarter and the year ended 31/03/2014 and 12 Months Ended 31/03/2014

	Particulars	Quarter ended			Year Ended	
		31 Mar 2014	31 Dec 2013	31 Mar 2013	31 Mar 2014	31 Mar 2013
A	PARTICULARS OF SHAREHOLDING					
1	Public shareholding					
	Number of shares	17968026	17968026	16926026	17968026	16926026
	Percentage of shareholding	36.76	36.76	34.62	36.76	34.62
2	Promoters and Promoter Group Shareholding **					
	a) Pledged / Encumbered					
	Number of shares	24900767	24900767	25942767	24900767	25942767
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	80.54	80.54	81.18	80.54	81.18
	- Percentage of shares (as a % of the total share capital of the company)	50.94	50.94	53.07	50.94	53.07
	b) Non - encumbered					
	Number of shares	6016025	6016025	6016025	6016025	6016025
	- Percentage of shares (as a % of the total shareholding of the Promoter and Promoter group)	19.46	19.46	18.82	19.46	18.82
	- Percentage of shares (as a % of the total share capital of the company)	12.30	12.30	12.31	12.30	12.31
B	INVESTOR COMPLAINTS	Year ended 31/03/2014				
	Pending at the beginning of the Quarter	Nil				
	Received during the Quarter	3				
	Disposed of during the Quarter	3				
	Remaining unresolved at the end of the Quarter	Nil				

Statement of Assets and Liabilities

(Rs. In Lakhs)

	Particulars	Standalone		Consolidated	
		31 Mar 2014	31 Mar 2013	31 Mar 2014	31 Mar 2013
A	EQUITY AND LIABILITIES				
1	Shareholders' funds				
	Share capital	21847.26	21847.26	39596.61	36082.75
	Reserves and surplus	2136.86	14868.65	3246.27	13480.97
	Money received against share warrants				
	Total - Shareholders' funds	23984.12	36715.91	42842.88	49563.72
2	Share application money pending allotment			1512.76	1424.76
3	Minority interest				
4	Non - current liabilities				
	Long-term borrowings			10.00	2310.00
	Deferred tax liabilities (net)			6.10	6.10
	Other long-term liabilities	2017.40	1449.01	4056.05	3530.95
	Long-term provisions	171.28	496.13	995.38	595.16
	Total - Non - current liabilities	2188.68	1945.14	6580.28	7866.97
5	Current liabilities				
	Short-term borrowings				
	Trade payables	93.70	744.01	3171.82	1564.21
	Other current liabilities	572.29	1019.58	1360.04	2123.99
	Short-term provisions	0.20	0.20	842.18	2.33
	Total - Current liabilities	666.19	1763.79	5374.04	3690.53
	Total - Equity and Liabilities	26838.98	40424.83	54797.20	61121.21
B	ASSETS				
1	Non - current assets				
	Fixed assets	1461.81	2036.51	34394.62	33145.99
	Goodwill on consolidation				
	Non-current investments	13645.10	11540.10	19.10	0.10
	Deferred-tax assets (net)	6895.21	20056.51	6895.21	20056.51
	Long-term loans and advances	2407.22	2262.88	3021.55	3369.69
	Other non-current assets	493.60	603.04	493.60	603.04
	Total - Non - current assets	24902.94	36499.04	44824.08	57175.34
2	Current assets				
	Current investments				
	Inventories	182.87	806.78	2141.01	806.78
	Trade receivables	345.44	1839.09	2675.92	1839.09
	Cash and cash equivalents	294.70	706.66	3447.80	712.81
	Short-term loans and advances	1099.07	567.10	1587.25	579.34
	Other current assets	13.96	6.17	121.14	7.85
	Total - Current assets	1936.04	3925.79	9973.12	3945.87
	Total - Assets	26838.98	40424.83	54797.20	61121.21

Notes:

1. No provision for taxation has been made, as there is no taxable income.
2. An amount of Rs. 19,776/- provided towards dividend on Preference Shares.
3. Previous period's figures have been recast/ regrouped/ rearranged, in conformity with the requirements of the revised Schedule VI to the Companies Act, 1956.
4. Segment of the Company, going by the nature of the products encompasses essentially electronic industry only. Accordingly, the company has one reportable segment.
5. The figures for the quarter ended 31.03.2014 are the balancing figures between audited figures for the year ended 31.03.2014 and the published year to date figures up to 31.12.2013.
6. The consolidated results includes the figures of three of its subsidiaries viz.. Bharat Energy Ventures Limited, BPL Medical Technologies Private Limited and BPL Power Projects (AP) Private Limited.
7. The qualifications made by the Auditors in their Audit Report on the accounts of the Company for the year ended 31st March, 2014, explanations of the Board thereon and updated position as on today are as under:

Auditors' Qualifications:

- a) There have been instances of delays in remittance of undisputed statutory dues including Income Tax deducted at source, Provident Fund, Employees State Insurance, Sales Tax, Service Tax and Customs Duty with the appropriate authorities during this year.

Explanation: Due to Cash flow constraints, there have been some delays; however, most have since been cleared.

- b) Undisputed amounts payable in respect of Customs Duty amounting to Rs. 307.29 Lakhs, Service Tax amounting to Rs.7.31 lakhs and dividend distribution tax of Rs.0.03 lakhs were outstanding as at 31st March, 2014, for a period of more than six months from the dates on which they became payable.

Explanation: Arrangements are being made to settle the Custom Duty dues. The service tax and dividend distribution tax have since been cleared.

8. The above results were approved by the Board, at its meeting held on 30th May, 2014.

30th May, 2014
Bangalore

By Order of the Board


Ajit G Nambiar
Chairman & Managing Director