

# **ANNUAL REPORT**

**2013-2014**



***GTV ENGINEERING LIMITED***

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**GTV ENGINEERING LIMITED**

**COMPANY INFORMATION**

**CIN NO:** L31102MP1990PLC006122

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**BOARD OF DIRECTORS**

Mr. Mahesh Agrawal (DIN: 00013139)	Chairman & Managing Director
Mrs. Veena Agrawal (DIN: 00013166)	Whole-Time Director
Mr. Gaurav Agrawal (DIN: 00013176)	Executive Director
Mr. Jacob John (DIN: 03116657)	Non-Executive Independent Director
Mr. Venkita Krishnan Iyer (DIN:03048980)	Non-Executive Independent Director
Mr. Sukumaran Maniyan Nair (DIN: 00273072)	Non-Executive Independent Director

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**AUDITORS**

Rath Dinesh & Associates  
Chartered Accountants,  
Mr. Ajay Rath (Partner)  
FRN: 008344C; Membership No. 075111

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**INTERNAL AUDITOR**

Mr. Balram Saini  
216-217-218, New Industrial Area-II, Mandideep-462046(Bhopal)

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**BANKERS**

State Bank of India  
Commercial Branch, Ground Floor, LHO Complex,  
Hoshangabad Road, Bhopal

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**REGISTERED OFFICE**

216-217-218, New Industrial Area-II, Mandideep-462046(Bhopal)  
Email: mail@gtv.co.in ; Website: [www.gtv.co.in](http://www.gtv.co.in)

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**PLANT & FACTORY**

Unit I: K-20-21-22, Industrial Area, Malanpur District, Bhind.  
Unit II: 216-218, New Industrial Area-II, Mandideep-462046, Bhopal (M.P.)

## NOTICE

NOTICE is hereby given that the Twenty-Third Annual General Meeting of the Members of "GTV Engineering Limited" will be held on Friday, September 26, 2014 at 11.30 A.M. at the registered office of the Company at 216-217-218, New Industrial Area-II, Mandideep-462046 (Bhopal) to transact the following businesses:

### **ORDINARY BUSINESS:**

#### **1. Adoption of Financial Statements, for the financial year 2013-14**

To receive, consider and adopt the Financial Statements of the Company for the year ended on March 31, 2014 including the audited Balance Sheet as at March 31, 2014, Statement of Profit and Loss and Cash Flow Statement for the year ended on that date and the reports of the Board of Directors and Auditors thereon.

#### **2. Re-appointment of Mrs. Veena Agrawal as Director**

To appoint a director in place of Mrs. Veena Agrawal (DIN: 00013166), who retires by rotation and being eligible, offers herself for reappointment.

#### **3. Appointment of Statutory Auditors**

To appoint Auditors and fix their remuneration and in this regard 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 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), and pursuant to the recommendation of the Audit Committee of the Board of Directors, M/s. Rath Dinesh & Associates (Firm Registration No.008344C) be and are hereby reappointed as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the 26th Annual General Meeting of the Company, i.e. for a period of 3 (Three) years, subject to ratification of their appointment at every annual general meeting, at such remuneration plus service tax, out-of pocket expenses, etc., as may be mutually agreed between the Board of Directors and M/s. Rath Dinesh & Associates respectively.

**By order of the Board of Directors  
For GTV Engineering Limited**

Sd/-

**(Mahesh Agrawal)  
Managing Director**

Place : Bhopal

Date : May 22, 2014

Regd. Office: 216-217-218, New Industrial Area-II, Mandideep-462046 (Bhopal)

**Notes:**

1. A member of the Company entitled to attend and vote at the meeting is entitled to appoint proxy to attend and vote and the proxy need not be a member of the Company. A person can act as proxy on behalf of the members not exceeding fifty and holding in aggregate not more than ten percent of the total share capital of the Company carrying voting rights. The instrument appointing proxies in order to be effective must be received by the Company at the registered office, not less than 48 hours before the scheduled time of the meeting.
2. The Register of members and Share Transfer Books of the Company will remain closed from 24<sup>th</sup> September, 2014 to 26<sup>th</sup> September, 2014 (both days inclusive).
3. Members holding shares in physical form are requested to intimate changes in their registered address mentioning full address in block letters with Pin Code of the Post Office, Bank particulars and Permanent Account Number (PAN) to the Company's Registered Office: 216-217-218, New Industrial Area-II, Mandideep-462046(Bhopal).
4. Members are requested to send their queries, if any on the accounts or operations of the company, to reach the Compliance Officer at the Company's Registered Office, at least 7 (seven) working days prior to the meeting, so that the information can be complied in advance.
5. Members are requested to mention their Folio Number in all their correspondence with the Company in order to facilitate response to their queries promptly.
6. Members/Proxies are requested to kindly take note of the following:
  - copies of Annual Report will not be distributed at the venue of the meeting;
  - attendance slip, as sent herewith, is required to be produced at the venue duly filled in and signed, for attending the meeting;
  - entry to the venue will be strictly on the basis of produce of duly completed and signed Attendance Slips; and
  - in all correspondences with the company, Folio No. must be quoted.
7. Corporate Members intending to send their authorized representatives to attend the meeting are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the meeting.
8. The Ministry of Corporate Affairs (MCA) has come out with Circular Nos. 17/2011 dated 21/04/2011 & 18/2011 dated 29/04/2011 propagating "Green Initiative" encouraging Corporate to serve documents through electronic mode. In order to above,

those shareholders, who want the Annual Report in electronic mode, are requested to send their e-mail address.

9. The Securities and Exchange Board of India (SEBI) has mandated to submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in physical form shall submit their PAN to the Company.
10. Information about Directors proposed to be re-appointed at the Annual General Meeting as stipulated under Clause 49 of the Listing Agreement entered into with the Stock Exchange.

Name of Director	Mrs. Veena Agrawal
Date of Birth	01/07/1955
Date of Appointment	04/04/1994
Qualification	PhD in Sanskrit
Directorship in other public limited Companies	Chirchind Hydro Power Ltd. GTV Infrastructures Ltd.
Membership of Committees in other public limited companies	Nil
Shareholding of Director in the Company	16.95%

11. Members may also note that the Notice of the 23<sup>rd</sup> Annual General Meeting and the Annual Report for 2014 will also be available on the Company's website [www.gtv.co.in](http://www.gtv.co.in) for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office in Mandideep (Bhopal) for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also send requests to the Company's investor email id: [mail@gtv.co.in](mailto:mail@gtv.co.in)
12. The Register of Directors' and their shareholding maintained under Section 170 and Register of Contracts or Arrangements in which Directors are interested maintained under Section 189, respectively under the Companies Act, 2013, will be available for inspection to the members at the Annual General Meeting.

## TWENTY-THIRD ANNUAL REPORT (2013-2014)

### DIRECTOR'S REPORT TO THE MEMBERS

Your Directors have pleasure in presenting Twenty-Third Annual Report together with Audited statement of Accounts for the year ended 31<sup>st</sup> March 2014.

#### FINANCIAL RESULTS:

	Current year ended 31.3.2014 (Rs. in lacs)	Previous year ended 31.3.2013 (Rs. in lacs)
Sales	2816.19	3042.70
Other Income	7.65	13.59
Profit Before Intt. Tax & Dep.	95.07	103.93
Less : Financial Expenses	22.34	48.46
Profit before Dep.& Tax	72.73	55.47
Less : Depreciation	61.26	40.27
Profit before tax	11.47	15.20
Less: Provision for tax	2.26	8.83
Net Profit after tax	9.21	6.37
Proposed Dividend	Nil	Nil

#### DIRECTOR'S RESPONSIBILITY STATEMENT :

As required under Sec. 217 (2AA) of the Companies Act, 1956, your Directors confirm that:

- that in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures.
- that the 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 / loss of the company for that period.
- That the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the act for safeguarding the assets of the company and for preventing the detecting fraud and other irregularities.
- That the directors had prepared the annual accounts on a going concern basis.

**DIVIDEND :**

Your directors have decided not to recommend any dividend for the year in view of to augment the funds for recycling the same into working capital and further to reduce the debt burden of the company.

**OPERATIONS :**

The Directors feel great pleasure in reporting that your company has been made overall good performance during the year. The turnover of the company during the year was Rs. 2816.19 Lacs and Net Profit after tax during the year is Rs. 9.21 Lacs.

Company's Unit-I at Malanpur, Unit-II at Mandideep, Power Mech Industries (Under Proprietorship of the Company) are working well.

**AUDITORS :**

The statutory auditors of the company M/s. RATH DINESH & ASSOCIATES, Chartered Accountants, retire at the conclusion of the ensuring Annual General meeting and being re-eligible offer themselves for reappointment.

**AUDITOR REPORT:**

As regards the observations in the Auditors Report the relevant notes on accounts are self-explanatory.

**PERSONNEL:**

The company has no employee in respect of whom statement under Section 217 (2A) of the companies Act, 1956 and companies (particulars of employees) Rules, 1988 and amendments made there under, is applicable.

**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:**

Particulars giving details as required under the Companies (disclosure of particulars in the report of Board of Directors) Rules, 1988 is annexed hereto and forms part of the report - Annexure 1.

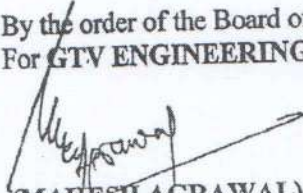
**ACKNOWLEDGMENT:**

Your Directors wish to place on record their appreciation for the services rendered by the employees at all levels and the co-operation extended by the Bankers and Business constituents and the confidence reposed in by the shareholders.

Place : Bhopal  
Dated : 22.05.2014

Regd. Office:  
216-218, New Industrial Area-II,  
Mandideep-462046.  
Dist. Raisen.

By the order of the Board of Directors  
For GTV ENGINEERING LIMITED

  
(MAHESH AGRAWAL)  
Managing Director



# ANNEXURE TO THE DIRECTORS' REPORT

INFORMATION AS PER SECTION 217 (1)(E) OF THE COMPANIES ACT, 1956 READ WITH COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988 FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2014.

## I. CONSERVATION OF ENERGY :

Your company continues to give priority for conservation of energy on an on going basis keeping in view the national concern for energy conservation.

a) Energy conservation Measures taken : Capacitor Banks have been installed in series with MPEB Power Connection to bring the Energy Power Factor to the required standard values to reduce the power losses.

b) Total energy consumption and consumption per unit of production:

### FORM 'A'

	Current year 2013-2014	Prev. year 2012-2013
<b>A. Power and Fuel consumption</b>		
<b>1. Electricity</b>		
a) Purchased unit (KWH in lacs)	3.73	5.74
Total amount (Rs. in lacs)	36.22	49.09
Rate / kWh (In Rs.)	9.72	8.55
b) Own Generation (Units)		
Through Diesel Generator	379 Ltrs.	400 Ltrs
Cost/Unit (Rs.)		
<b>2. Coal</b>		
Qty (Tonnes)		
Total Cost (Rs. in lacs)	N.A.	N.A.
Average Rate (Rs.)		
<b>3. Others</b>	N.A.	N.A.
<b>B. Consumption per tonne of production</b>	68.504	241.579
	KWH	KWH

### FORM 'B'

## II. TECHNOLOGY ABSORPTION

Research & Development : Internal efforts for the improvement of weld quality & productivity.  
 Specific areas in which R & D Carried out by the company :  
 Expenditure on R & D : No separate expenditure

### Technology absorption, adaptation & information

1) Efforts : NA  
 2) Benefits : NA  
 3) Technology imported : NA

### FUTURE PLANS

NA

### III. FOREIGN EXCHANGE EARNINGS AND OUTGO :

Foreign exchange earnings: NIL. Foreign Exchange outgo on account of Foreign Travel is NIL.

### STOCK EXCHANGES:

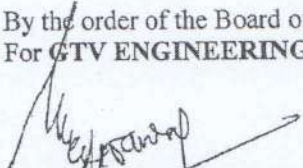
The Company's Equity Shares are listed in the following Stock Exchanges.

1. M.P. Stock Exchanges  
201, Palika Plaza-II,  
M.T.H. Compound,  
Indore (M.P.) 452001
2. Delhi Stock Exchanges  
DSE House, 3/1 Asaf Ali Road,  
New Delhi - 110 002
3. Jaipur Stock Exchanges  
Stock Exchange Building,  
Jawaharlal Nehru Marg,  
Malviya Nagar,  
Jaipur - 302 017

Place : Bhopal  
Dated : 22.05.2014

Regd. Office:  
216-218, New Industrial Area-II,  
Mandideep-462046.  
Dist. Raisen.

By the order of the Board of Directors  
For **GTV ENGINEERING LIMITED**

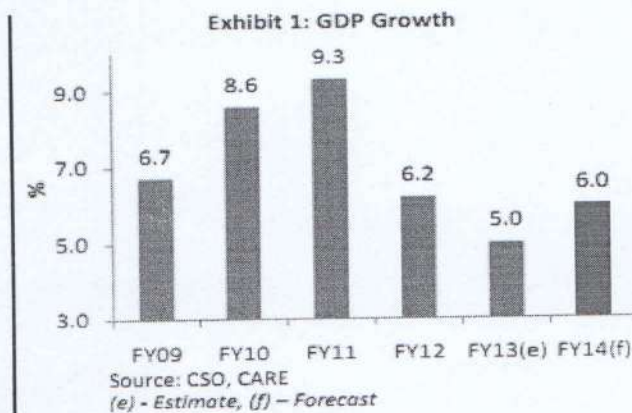
  
**(MAHESH AGRAWAL)**  
Managing Director

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The key areas of Management Discussion and Analysis are given below:

### ECONOMIC OVERVIEW

The year 2013 was another year when was difficult to come by in all major economic regions. According to the International Monetary fund's World economic Outlook published in April 2014, world output for 2013 grew at 3.0 per cent compared to 3.0 percent in 2012, marred by underperformance in both developed and emerging economies. There was marked improvement in the latter six months of the year which saw a pick-up in growth driven amongst largely by the developed countries. In India, 2013 was the second consecutive year of a sub five percent growth for the economy. For the fiscal year 2013-14, GDP Growth was 4.7 per cent only marginally better than the 4.5 per cent in the previous fiscal year.



The long-term fundamentals of the Indian Economy continue to be strong due to rising incomes and large investments.

These growth drivers are expected to sustain over a long period of time. At the same time, there are some concerns due to uncertain global environment and slow recovery in developed markets.

### BUSINESS REVIEW AND OUTLOOK

The fabrication sector forms a sub segment of the engineering industry and is one of the smallest in terms of turnover. This is a highly fragmented and labor intensive sector with medium & small scale industries heavily dependent on job work. Fabrication applies to the building of machines, structures and other equipment, by cutting, shaping and assembling components made from raw materials by using various mechanical processes such as welding, soldering, forging, brazing, forming, pressing, bending and stress removal. Welding is a major process input in most fabrication jobs. Since the demand for fabrication sector comes from the engineering sector, especially capital goods, the growth of fabrication industry largely depends on the overall industrial scenario. The fabrication industry mainly caters to the sectors such as transportation, packaging, consumer products, and construction. The major user industry for the fabrication sector is the general structural fabrication followed by the railway & shipping, machine building and construction. Transportation sector also continues to be one of the largest markets for sheet metal fabrication followed by construction. Major players in the fabrication sector in India are - Larson and Toubro (L&T), Southern Structurals, Bellary Steels, Binny Engg., Triveni Structurals, Burn Standard and Ispat Profiles.

The raw material for the fabrication industry is easily available in India, only special steel needs to be imported, which is cheaper than indigenously available steel. However, with prices of steel increasing on global and domestic level, slowing demand and manufacturers in the engineering sector planning a reduction in production capacity, the growth of this industry is likely to undergo a moderation in the near term.

### **FINANCIAL PERFORMANCE**

The Company has achieved a turnover of Rs. 28,23,85,172/- during the year with net profitability of Rs. 9,21,867/-The Company's income from operations primarily includes proceeds from sale of Hi-tech Heavy Steel Fabricated Components .For detailed information on the financial performance with respect to the operational performance, a reference may please be made to the financial statements.

### **GLOBAL MARKET AND OUTLOOK**

The engineering sector is expected to grow in the future and has a positive outlook owing to infrastructure development, favorable government policies and new investments in power projects, metals, oil & gas, and petrochemicals industries. Further industrial and manufacturing growth will boost growth in the engineering sector. As the export market offers more opportunities to explore, India's contribution in global engineering exports is expected to increase. Emerging trends like outsourcing of engineering services provide opportunities for growth. Engineering and design services such as new product designing, product improvement, maintenance and designing manufacturing systems are getting increasingly outsourced to Asian countries like India. It is estimated that by 2020 India can be a US\$ 40 bn market for engineering outsourcing services. In addition, Department of Commerce has set a target of US\$ 125 bn for engineering exports in 2013-14. Thereafter, for the remaining three years of the 12th Five Year Plan, based on a CAGR of 20% for the major sectors of engineering exports except Industrial Machinery, Electrical Machinery and Shipbuilding, the overall export target for engineering exports at the end of the 12th Five Year Plan has been set at US\$ 222 bn. Thus, there are many opportunities for the Indian engineering sector.

### **SEGMENT REPORTING**

Presently Accounting Standard 17 regarding Segment-wise Reporting does not apply to the Company since revenues are derived from only one Segment i.e. Fabrication Activity. The Company undertakes to comply with the relevant accounting standards as and when it becomes applicable to the Company.

## **OPPORTUNITIES & THREATS**

### **OPPORTUNITIES**

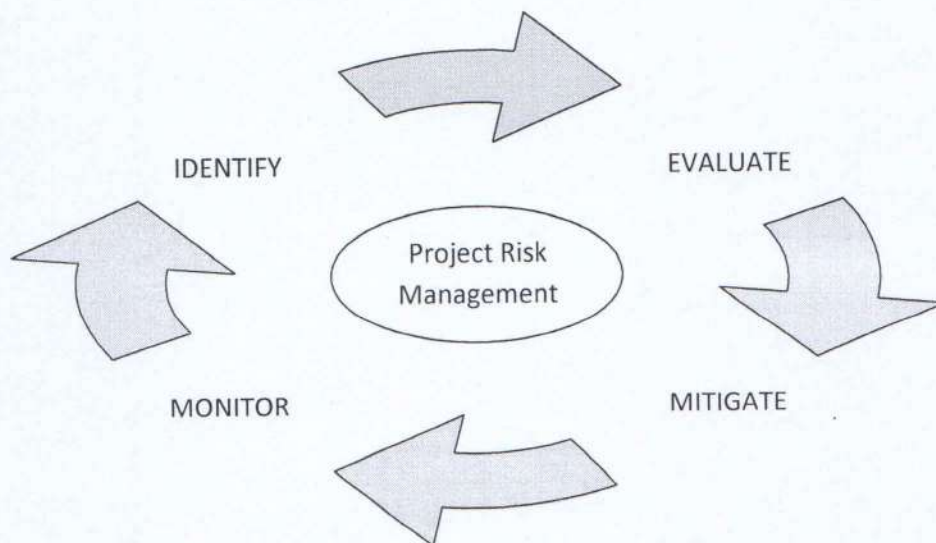
- ✓ Steady growth in Demand
- ✓ Untapped offshore market
- ✓ Increasing environmental concern
- ✓ Huge Growth Potential
- ✓ Potential to provide other value Added Services

### **THREATS**

- ✓ Technical Uncertainties.
- ✓ Dependency on global markets
- ✓ Increased Competition from Local & Big Players
- ✓ Rising cost of resources
- ✓ Change in Government Policy affecting subsidy payment

## **RISK MANAGEMENT**

Global sourcing strategies, contract manufacturing, and the uncertainty of events has put risk management on the minds of many manufacturers. We know our customers count on us to keep their operations running. Our Company goes the extra mile when it comes to ensuring uninterrupted deliveries. This means our customers meet their important delivery promises to their customers and peace of mind in the case of unplanned, unexpected and extraordinary circumstances. Our Company recognizes that risk is an integral part of the daily challenge of conducting its business. Unmanaged risk threatens to destroy value. Properly managed risks create competitive advantage and opportunities.



### **INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY**

The Company has proper and adequate system of internal control to ensure that all assets are safeguarded and protected against loss from unauthorized use or disposition and that transaction are authorized, recorded and reported correctly. The Company has effective system in place for achieving efficiency in operations, optimum and effective utilization of resources, monitoring thereof and compliance with applicable laws.

### **HUMAN RESOURCES**

The Company sees its employees as critical to the future and believes that every employee needs to possess apart from competence, capacity and capabilities, sustainable values, current and cotemporary which would make them useful and relevant and competitive in managing the change constructively for overall growth of the organization. To this end the company's approach and efforts are directed towards creating a congenial work atmosphere for individual growth, creativity and greater dedicated participation in organizational development. The Company believes that the success of an organization largely depends on the quality of its workforce. Employee relations remained cordial and peaceful throughout the year.

### **CAUTIONARY NOTE**

This report contains certain "forward-looking statements" within the meaning of applicable laws and regulations. Actual results may vary significantly from the statements contained in this document due to various risks and uncertainties. The Company does not undertake to update these statements.

### **DECLARATION OF THE DIRECTORS ON THE CODE OF CONDUCT**

This is to inform that the Company has adopted a Code of Conduct for its employees including the directors. We confirm that the Company has in respect of the financial year ended 31<sup>st</sup> March, 2014, received from the senior management team of the Company and the Members of the Board, a declaration of compliance with the Code of Conduct as applicable to them.

**For and on behalf of Board of Directors**

**Place: Bhopal  
Date : 22.05.2014**

**Sd/-  
( Mahesh Agrawal)  
Managing Director**

# Corporate Governance Report

[As required under Clause 49 of the Listing Agreement with the Stock Exchanges ("Listing Agreement")]

## 1. Company's Philosophy on Corporate Governance

Your Company firmly believes in adhering to the established norms of the Corporate Governance Code to ensure the protection of the interests of the investors in tandem with the healthy growth of the Company.

The Company's corporate governance philosophy rests on the pillars of integrity, accountability, equity, transparency and environmental responsibility that conform fully with laws, regulations and guidelines. The Company's philosophy on corporate governance is to achieve business excellence and maximise shareholder value through ethical business conduct, which also includes building partnerships with all stakeholders, employees, customers, vendors, service providers, local communities and government.

The Company is in compliance with the requirements of the corporate governance code as per Clause 49 of the Listing Agreement.

## 2. Board of Directors (the Board):

### Introduction

The Board plays a pivotal role in ensuring good governance. The Board of Directors is the apex body that governs the overall functioning of the Company. The Board provides and evaluates the strategic direction of the Company, management policies and their effectiveness and ensures that the long-term interests of the shareholders are being served.

The Board reviews its strength and composition from time to time to ensure that it remains aligned with the statutory as well as business requirements.

The Board Meetings are usually held at the registered office of the Company at 216-217-218, New Industrial Area-II, Mandideep-462046, Bhopal (M.P.)

### Composition

The Company's policy is to maintain an optimum combination of Executive and Non-Executive Directors. As on March 31, 2014, the Board consists of six directors, out of whom three are Executive Directors, three are Non- Executive Independent Directors. The Chairman of the Board is an Executive Director and half of the Board comprises of Independent Directors. The composition of the Board is in compliance with the requirements of Clause 49(I)(A) of the Listing Agreement as on March 31, 2014.

## **Board Procedure**

The Board meets at regular intervals and apart from regular Board business, it discusses policies and strategy matters. All the necessary documents and information pertaining to the matters to be considered at each Board and Committee meetings, is made available to enable the Board and Committee members to discharge their responsibilities effectively.

## **Meetings held during the financial year 2013-14**

During the financial year 2013-14, the Board met four times on July 10, 2013, October 10, 2013, January 10, 2014 and April 10, 2014. The gap between any two board meetings did not exceed four months.

## **Attendance, Directorships and Committee Positions**

The names and categories of the directors on the Board, their attendance record, the number of directorships and committee positions as on March 31, 2014, are noted below:

Name of the Director	Category	Directorship	Membership in Committee	Chairmanship in Committee	Attendance in all meetings
Mr. Mahesh Agrawal, Promoter DIN: 00013139	Chairman & Managing Director	2	2	0	Yes
Mrs. Veena Agrawal, Promoter DIN: 00013166	Whole-time Director	2	0	0	Yes
Mr. Gaurav Agrawal, Promoter DIN: 00013176	Executive Director	2	0	0	Yes
Mr. Jacob John DIN: 03116657	Independent Director	1	3	1	Yes
Mr. Sukumaran Maniyan Nair DIN: 00273072	Independent Director	6	2	1	Yes
Mr. Venkita Krishnan Iyer DIN: 03048980	Independent Director	3	2	1	Yes

### **Notes:**

1. In terms of Clause 49(IV)(G)(ia) of the Listing Agreement, it is hereby disclosed that Mr. Mahesh Agrawal, Chairman & Managing Director, is father of Mr. Gaurav Agrawal and husband of Mrs. Veena Agrawal, Executive Directors. Except for the relationship



between Mr. Mahesh Agrawal, Mr. Gaurav Agrawal and Mrs. Veena Agrawal, there is no other inter-se relationship amongst other directors.

**Code of Conduct** - The Company has prescribed a Code of Conduct for its directors and senior management. The Code of Conduct of the Company has been posted on its website [www.gtv.co.in](http://www.gtv.co.in). The declaration from the Chairman & Managing Director in terms of Clause 49(I)(D)(ii) of the Listing Agreement stating that as of March 31, 2014, the Board members and Senior Management Personnel have affirmed compliance with the Code of Conduct laid down by the Company and has been included in this report.

### **3. Committees of Board**

The Board Committees focus on certain specific areas and make informed decisions within the delegated authority. Each committee of the Board functions according to its scope that defines its composition, power and role in accordance with the Companies Act, 1956 and the Listing Agreement. The composition, meetings, attendance and the detailed terms of reference of various committees of the Board are noted below:

#### **I. Audit Committee**

The Audit Committee of the Board has been constituted as per the requirements of Section 292A of the Companies Act, 1956 and Clause 49 of the Listing Agreement

#### **Composition**

As on March 31, 2014, the Audit Committee consists of three members out of whom two are Independent Directors and one is an Executive Director. The Chairman of the Audit Committee is an Independent Director. The composition of the Audit Committee is in compliance with the requirements of Clause 49(II)(A) of the Listing Agreement as on March 31, 2014.

The Chairman & Managing Director, Statutory Auditors and Internal Auditor attend the meeting of the Committee.

#### **Meetings and Attendance**

During the financial year 2013-14, the Audit Committee met four times on July 10, 2013, October 10, 2013, January 10, 2014 and April 10, 2014. The gap between any two Audit Committee meetings did not exceed four months. The attendance of the members is noted below:

Name of the member	Chairman/Member	No. of meetings held	No. of meetings attended
Mr. Jacob John	Chairman	4	4
Mr. Sukumaran Maniyan Nair	Member	4	4
Mr. Mahesh Agrawal	Member	4	4

### **Terms of Reference**

The broad terms of reference of the Audit Committee include the following:

- (i) Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
- (ii) Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- (iii) Examination of the financial statement and the auditors' report thereon;
- (iv) Approval or any subsequent modification of transactions of the company with related parties;
- (v) Scrutiny of inter-corporate loans and investments;
- (vi) Valuation of undertakings or assets of the company, wherever it is necessary;
- (vii) Evaluation of internal financial controls and risk management systems;
- (viii) Monitoring the end use of funds raised through public offers and related matters."
- (ix) To review the functioning of the Whistle Blower mechanism;
- (x) Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

### **II. Investors' Grievance Committee**

The Investors' Grievance Committee has been constituted as per the requirements of Clause 49 of the Listing Agreement.

### **Composition**

As on March 31, 2014 and as on date of this report, the Investor's Grievance Committee of the Board consists of three members out of whom two are Executive Directors and one is

Non-Executive Director. The Chairman of the Investor's Grievance Committee is a Non-Executive Independent Director. The composition of the Investors Grievance Committee is in compliance with the requirements of Clause 49(IV) (G) (iii) of the Listing Agreement as on March 31, 2014 and as on date of this report.

### **Meetings and Attendance**

During the financial year 2013-14, the Investors Grievance Committee met four times on July 10, 2013, October 10, 2013, January 10, 2014 and April 10, 2014. The attendance of the members is noted below:

Name of the member	Chairman/Member	No. of meetings held	No. of meetings attended
Mr. Venkita Krishnan Iyer	Chairman	4	4
Mr. Jacob John	Member	4	4
Mr. Mahesh Agrawal	Member	4	4

### **Terms of Reference**

The broad terms of reference of Investors Grievance Committee includes the following:

- a) Redressal of grievances of shareholders, debenture-holders, deposit-holders and any other security holders including but not limiting to transfer of shares and issue of duplicate share certificates, non-receipt of balance sheet, non-receipt of declared dividends and any other related grievances;
- b) Monitoring transfers, transmissions, dematerialisation, rematerialisation, splitting and consolidation of shares issued by the Company;
- c) And such other acts, deeds, matters and things as may be stipulated in terms of the Companies Act, 1956 and the Listing Agreement with the Stock Exchanges and / or such other regulatory provisions as also as the Board of Directors may consider think fit for effective and efficient redressal of grievances of the security holders of the Company.

### **Name, designation and contact details of the Compliance Officer**

Mr. Mahesh Agrawal, is the Compliance Officer of the Company.

The Compliance Officer can be contacted at the Registered Office of the Company at: 216-217-218, New Industrial Area-II, Mandideep-462046(Bhopal); Tel: 0755-4250756; Fax: 0755-4250756 ; Email: mail@gtv.co.in; Website: [www.gtv.co.in](http://www.gtv.co.in)

### **Status of investors' complaints as on March 31, 2014**

There was no complaint received and there were no pending requests for dematerialization as on March 31, 2014.

### **III. Remuneration Committee**

The Remuneration Committee of the Board and has been constituted as per the non-mandatory requirements of the Listing Agreement.

#### **Composition**

As on March 31, 2014, the Remuneration Committee consists of three members, all of whom (including the Chairman) are Independent Directors.

#### **Meetings and Attendance**

During the financial year 2013-14, the Remuneration Committee met once on July 10, 2013. The attendance of the members is noted below:

Name of the Member	Chairman/Member	No. of meetings held	No. of meetings attended
Mr. Sukumaran Maniyan Nair	Chairman	1	1
Mr. Venkita Krishnan Iyer	Member	1	1
Mr. Jacob John	Member	1	1

#### **Terms of Reference**

- a) Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
- b) Formulation of criteria for evaluation of Independent Directors and the Board;
- c) Devising a policy on Board diversity;

d) Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and to recommend the Board about their appointment and removal.

**Details of the remuneration paid to the Directors during the period ended on 31<sup>st</sup> March, 2014**

The details of the salary, allowances paid during the period to the directors are given below:

Name of the Director	Sitting Fees	Salaries/Allowances	Cont. to PF
Mr. Mahesh Agrawal	-	18,00,000	Nil
Mrs. Veena Agrawal	-	12,00,000	Nil
Mr. Gaurav Agrawal	-	6,00,000	Nil
Mr. Jacob John	10,000	-	Nil
Mr. Venkita Krishnan Iyer	10,000	-	Nil
Mr. Sukumaran Maniyan Nair	10,000	-	Nil

**4. General Body Meetings:**

**Details of the last three annual general meetings ("AGM")**

Year & AGM No.	Venue	Day, Date & Time
2011-2012 Twenty First AGM	216-217-218, New Industrial Area-II, Mandideep-462046	Saturday, September 29, 2012 at 11.30 AM
2012-2013 Twenty Second AGM	216-217-218, New Industrial Area-II, Mandideep-462046	Friday, September 27, 2013 at 11.30 AM
2013-2014 Twenty Third AGM	216-217-218, New Industrial Area-II, Mandideep-462046	Friday, September 26, 2014 at 11.30 AM

**5. Disclosures:**

i.) **Disclosure on materially significant related party transactions** - Besides the transactions mentioned in the financial statements, there were no other materially significant related party transactions during the financial year 2013-14 that may have

potential conflict with the interest of the Company at large. The details of related party transactions as per Accounting Standard-18 forms part of notes to the financial statements.

**ii.) Disclosure of accounting treatment** - The Company follows mandatory accounting standards as notified by the Companies (Accounting Standards), Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 1956 read with Section 133 of the Companies Act, 2013 and General Circular No.15/2013 dated September 13, 2013 issued by the Ministry of Corporate Affairs in the preparation of financial statements and in the opinion of the Company, it has not adopted a treatment different from that prescribed in any accounting standard.

**iii.) Board disclosures-risk management** - The risk assessment and minimisation procedures are in place and the Audit Committee of the Board is regularly informed about the business risks and the steps taken to mitigate the same.

**iv.) Management Discussion and Analysis Report** - The Management Discussion and Analysis Report on the operations and financial position of the Company has been provided in a separate section which forms part of this Annual Report.

**v.) Profile of directors seeking appointment / re-appointment** - Profile of the directors seeking appointment / re-appointment as required to be given in terms of Clause 49(IV)(G)(i) of the Listing Agreement forms part of the Notice convening the ensuing Annual General Meeting of the Company.

**vi.) Certification from CEO/CFO** - The requisite certification from the Chairman & Managing Director for the financial year 2013-14 required to be given under Clause 49(V) of the Listing Agreement was placed before the Board of Directors of the Company at its meeting held on May 22, 2014.

**vii.) Details of non-compliance with regard to capital market** - With regards to the matters related to capital markets, the Company has complied with the requirements of the Listing Agreement as well as SEBI regulations and guidelines. There were no penalties imposed on the Company by the stock exchanges, SEBI or any other statutory authority on any matter related to capital markets, during last three years.

**viii.) Payment of fees to stock exchanges / depositories** - The Company has paid listing fees to the stock exchanges and annual custodial fees to the depositories for the financial year 2013-14 in terms of Clause 38 of the Listing Agreement.

**ix.) Details of compliance with mandatory requirements and adoption of non-mandatory requirements of Clause 49 of the Listing Agreement with the stock exchanges** - The Company has complied with all the mandatory requirements as mandated under Clause 49 of the Listing Agreement. A certificate from the statutory auditors of the Company to this effect has been included in this report. Besides mandatory requirements, the Company has constituted a Remuneration Committee inter alia to consider and recommend the remuneration to the executive directors and approval and administration of Employee Stock Option Plans (ESOPs) / Employee Stock Purchase Scheme (ESPS).

**x.) Whistle Blower Policy** - The Company has adopted a whistle blower policy, which is available on its website [www.gtv.co.in](http://www.gtv.co.in). The employees are free to express their concerns through e-mail, telephone, fax or any other method to the persons as mentioned in the policy.

**xi.) Means of Communication -Posting of information on the website of the Company** - The annual / quarterly results of the Company, shareholding pattern, the official news releases, notifications to the stock exchanges and the presentations made by the Company to analysts and institutional investors are regularly posted on its website [www.gtv.co.in](http://www.gtv.co.in). The Company is in compliance of Clause 54 of the Listing Agreement.

## **6. General Shareholder Information**

<b>i) Annual General Meeting</b>	: Twenty Third Annual General Meeting
Day and date	: Friday, September 26, 2014
Time	: 11.30 a.m.
Venue	: 216-217-218, New Industrial Area-II, Mandideep-462046

### **ii.) Listing on stock exchanges :**

- a. Madhya Pradesh Stock Exchange Limited  
"201, Palika Plaza-II, M.T.H. Compound, Indore (M.P.) 452001"
- b. Delhi Stock Exchange Limited  
"DSE House, 3/1 Asaf Ali Road, New Delhi - 110 002"
- c. Jaipur Stock Exchange Limited  
"Stock Exchange Building, Jawaharlal Nehru Marg, Malviya Nagar, Jaipur -302017"

iii.) Corporate Identification Number : L31102MP1990PLC00612

iv.) Distribution of shareholding as on March 31, 2014:

**a. Shareholding pattern as on March 31, 2014:**

Category of Shareholders	No. of shares of Rs. 10 each	% of total shares
Promoters (including persons acting in concert)	23,23,988	74.39
Public Shareholding	7,99,900	25.61
Custodians	0	0
<b>Total</b>	<b>31,23,888</b>	<b>100</b>

**v) Factory Locations:**

Unit-1 : K-20-21-22, Industrial Area, Malanpur District, Bhind.

Unit-2 : 216-217-218, New Industrial Area-II, Mandideep-462046, Bhopal (M.P.)

**vi) Address for correspondence**

Registered Office: 216-217-218, New Industrial Area-II, Mandideep-462046(Bhopal);  
Tel.:0091-7480-233309,401044; Fax: 0091-7480-233068; Email: [mail@gtv.co.in](mailto:mail@gtv.co.in); Website:  
[www.gtv.co.in](http://www.gtv.co.in)

**For and on behalf of the Board of Directors**

**Place : Bhopal  
Date : 22.05.204**

**Sd/-  
Mahesh Agrawal  
Chairman & Managing Director**



**DECLARATION REGARDING COMPLIANCE WITH THE CODE OF CONDUCT OF THE COMPANY AS PER CLAUSE 49(1)(D)(ii) OF THE LISTING AGREEMENT**

I, Mahesh Agrawal, Chairman & Managing Director of GTV Engineering Limited hereby declare that all the Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct applicable to them as laid down by the Board of Directors in term of **Clause 49(1)(d)(ii) of the Listing Agreement entered into with the Stock Exchanges, for the year ended March31, 2014.**

-sd-

**Mahesh Agrawal,  
Chairman & Managing Director**

**CEO/CFO CERTIFICATION**  
**(Under Clause 49(V) of Listing Agreement)**

To  
The Board of Directors  
GTV Engineering Limited

1. We have reviewed the financial statements and the cash flow statements of GTV Engineering Limited for the year ended 31st March, 2014 and to the best of our knowledge and belief.

- (i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that may be misleading.
- (ii) These statements present a true and fair view of the Company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.

2. They are to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violate the Company's Code of Conduct.

3. We accept responsibility for establishing and maintaining internal controls for financial reporting we have evaluated the effectiveness of the Company's internal control systems pertaining to financial reporting.

We have not come across any reportable deficiencies in the design or operation of such internal controls.

4. We have indicated to the Auditors and the Audit Committee :

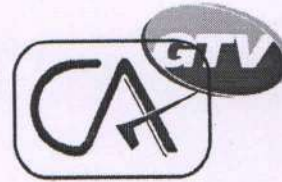
- (i) There were no significant changes in internal controls over financial reporting during the year;
- (ii) That there are no significant changes in accounting policies during the year;
- (iii) There were no instances of significant fraud of which we have become aware.

Sd/-  
**(Mahesh Agrawal)**  
**Chairman and Managing Director**

Bhopal  
May 22, 2014

# **RATH DINESH & ASSOCIATES**

## **CHARTERED ACCOUNTANTS**



### **Head Office :**

F-1, Plot No. 70, Zone-I  
M.P. Nagar, Bhopal-462011  
Ph.: 0755 - 2559744, 2556113  
Mob.: 9425009421  
E-mail: ajayrath@hotmail.com

### **Mumbai Branch:**

609,6th Floor, A Wing Express Zone  
off Western Express Highway  
Malad-East Mumbai-400063  
Mob.: 998709422, 9425009422

### **Indore Branch:**

R-206 Metro Tower  
Near Mangal City Hotel  
Vijay Nagar, Indore 452010  
Ph.: 0731-4049201  
Mob.: 9425048831

## **Auditors' Certificate on Corporate Governance to the Members of GTV Engineering Limited.**

To the Members of  
**GTV Engineering Limited**

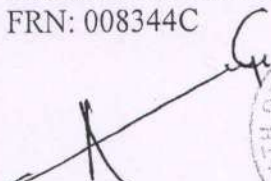

We have examined the compliance of conditions of Corporate Governance by GTV Engineering Limited, for the year ended on 31st March, 2014, as stipulated in Clause 49 of the Listing Agreements of the said Company with the stock exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination has been limited to a review of the procedures and implementations thereof adopted by the Company for ensuring compliance with the conditions of Corporate Governance as stipulated in the said Clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above mentioned Listing Agreements.

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 Rath Dinesh & Associates**  
Chartered Accountants  
FRN: 008344C

**Ajay Rath**  
(Partner)

Membership No.: 075111  
Bhopal, 22<sup>nd</sup> May, 2014

# RATH DINESH & ASSOCIATES

## CHARTERED ACCOUNTANTS



### Head Office :

F-1, Plot No. 70, Zone-I

M.P. Nagar, Bhopal-462011

Ph. : 2559744, 2556113

Mob.: 9425009421

E-mail : ajayrath@hotmail.com

### Mumbai Branch :

609, 6th Floor, A Wing Express Zone

Off Western Express Highway

Malad-East, Mumbai-400063

Mob.: 9987409422, 09425009422

### Indore Branch

D-280, Shalimar Bunglow, Park Sukhalia

Indore-452010

Ph. : 0731-5065313, Mob.: 9425060321

## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF GTV ENGINEERING LIMITED

### Report on the Financial Statements

We have audited the accompanying financial statements of GTV Engineering Ltd. ("the Company"), which comprise the Balance Sheet as at March 31, 2014, 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 principles generally accepted in India including Accounting Standards referred to in Section 211(3C) of the Companies Act, 1956 ("the Act"). 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 misstatements. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.



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

#### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) order, 2003 issued by the Company Law Board in terms of sub-section (4A) of section 227 of the Companies Act, 1956 and on the basis of such checks of the books and accounts as we considered appropriate and according to the information and explanation given to us during the course of the audit, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said order.
2. Further to our comments in the Annexure referred to in paragraph 1 above :
  - (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 accounts as required by law have been kept by the company so far as appears from our examination of such books.
  - (c) The Balance Sheet and the Statement of Profit & Loss account dealt with by this report are in agreement with the books of accounts.
  - (d) In our opinion and based on the information given to us , the said Balance Sheet and the Statement of Profit & Loss account are in compliance with the Accounting Standards issued under section 211 (3-C) of the Companies Act, 1956 . Except - The Company has not provided for liability on account of Gratuity as prescribed in by Accounting Standard 15. Since no actuarial valuation was conducted we are unable to quantify the amount of liability.
  - (e) On the basis of written representation received from Directors, as on 31st March 2014 and taken on record by the Board of Directors, we report that none of the Director is disqualified as on 31st March 2014 from being appointed as a director in terms of clause (g) of the sub - section (1) of section 274 of the Companies Act 1956.

#### Opinion

In our opinion and to the best of our information and according to the explanations given to us the said accounts read together with the Notes to Accounts gives the information required by the Companies Act, 1956 in the manner so required and gives a true and fair view in conformity with the accounting principles generally accepted in India :-



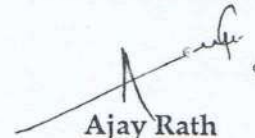
- (i) in the case of balance Sheet, of the state of affairs of the company as at 31st March 2014, and
- (ii) In the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- (iii) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Place: Bhopal  
Date: 22<sup>nd</sup> May 2014

For RATH DINESH & ASSOCIATES

Chartered Accountants

FRN: 008344C



Ajay Rath  
(Partner)

M.No.075111



**ANNEXURE TO THE AUDITORS' REPORT**

REFERRED TO IN PARAGRAPH 1 OF THE AUDITORS REPORT TO THE  
MEMBERS OF  
**GTV ENGINEERING LIMITED**

ON THE ACCOUNTS FOR THE YEAR ENDED 31st MARCH 2014

(i)	(a)	The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets. We are informed that the management at reasonable intervals during the year has physically verified the fixed assets. No material discrepancies were noticed on such verification.
	(b)	All the assets have been physically verified by the management during the year according to programme of period verification which, in our opinion, is reasonable having regard to the size of company and the nature of its assets. No material discrepancies were noticed on such verification.
	(c)	During the year the company has not disposed off any Plant & Machinery. According to the information and explanations given to us.
(ii)	(a)	The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
	(b)	The procedures of verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and nature of its business.
	(c)	The company is maintaining proper records of inventory. No discrepancies are noticed during physical verification.
(iii)	(a)	The company has not granted any loan but it has taken unsecured loan from the parties covered in the register maintained under section 301 of the Companies Act, 1956 to the tune of Rs. 17.35 lacs are not, prima facie, prejudicial to the interest of the company.
	(b)	As informed to us the loans are interest free and In our opinion the other terms and conditions on which loans have been taken from the parties listed in the register maintained under section 301 of the Companies Act, 1956 are not, prima facie , prejudicial to the interest of the company.
	(c)	The company is regular in repaying the principal amount as stipulated.
	(d)	There is no overdue amount of loans taken from or granted to other parties listed in the register maintained under section 301 of the Companies Act, 1956
(iv)	In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to purchases of inventory, fixed assets and with regards to the sale of goods. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control.	



(v)	(a)	According to the information and explanations given to us, we are of the opinion that the transactions that need to be entered into the register maintained under section 301 of the Companies Act, 1956 have been so entered.
	(b)	In our opinion and according to the information and explanations given to us, the transactions has been made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 and exceeding the value of rupees five lacs in respect of any party during the year have been made at the prices which are reasonable having regard to prevailing market price at the relevant time.
(vi)		According to the information and explanations given to us, the company has not accepted any deposit from the Public during the year under audit.
(vii)		The company does not have any formal system of internal audit. However in our opinion and according to the information and explanations given to us, the internal control procedures are adequate considering the size and nature of operations of the Company.
(viii)		The provisions of maintenance of cost records under section 209 (1) (d) of the Companies Act, 1956 are not applicable to the company.
(ix)	(a)	The company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investors' education protection funds, employees' state insurance, income tax, sales tax, wealth tax, custom duty, excise duty, cess and other material statutory dues applicable to it.
	(b)	According to the information and explanations given to us, no undisputed amounts payable in respect of income tax , sales tax, wealth tax , custom duty , excise duty, cess were in arrears, as on 31st March 2014 for a period of more than six months from the date they became payable.
	(c)	According to the information and explanations given to us, there were no dues of sales tax, income tax, wealth tax , custom duty , excise duty, cess which have not been deposited on account of any dispute.
(x)		There is no accumulated loss in the company. The company has not incurred any cash losses during the financial year covered by our audit.
(xi)		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 institutions, bank or debenture holders.
(xii)		The company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
(xiii)		In our opinion, the company is not a chit fund, or a nidhi mutual benefit fund/ society. Therefore, the provisions of clause 4 (xiii) of The Companies (Auditor's Report) Order, 2003 are not applicable to the company.
(xiv)		In our opinion, the company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4 (xiv) of The Companies (Auditor's Report) Order, 2003 are not applicable to the company.
(xv)		According to the information and explanations given to us, the company has not given any guarantee for loans taken by others from banks or financial institutions.





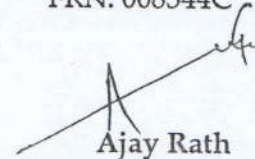
(xvi)	During the year the company has not availed any Term Loan.
(xvii) )	According to the information and explanations given to us and on an overall examination of the balance sheet of the company, we report that no funds raised on short-term basis have been used for long-term investment. No long-term funds have been used to finance short-term assets except permanent working capital.
(xvii) i)	According to the information and explanations given to us, the company has not made any preferential allotment to any parties and companies covered in the register maintained under section 301 of the Companies Act, 1956.
(xix)	According to the information and explanations given to us, the company has not issued debentures during the year under audit.
(xx)	The company has not raised any money through public issue during the year under audit.
(xxi)	According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the course of our audit.

Place: Bhopal  
Date: 22<sup>nd</sup> May 2014

For **RATH DINESH & ASSOCIATES**

Chartered Accountants

FRN: 008344C

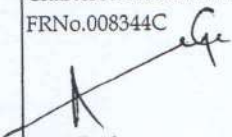

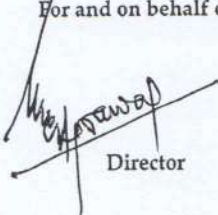



**Ajay Rath**  
(Partner)

M. No. 075111



**GTV ENGINEERING LIMITED**  
Balance Sheet as at 31 March, 2014

Particulars	Note No.	As at 31 March, 2014	As at 31 March, 2013
		₹	₹
<b>A EQUITY AND LIABILITIES</b>			
1 Shareholders' funds			
(a) Share capital	1	3,12,38,880	3,12,38,880
(b) Reserves and surplus	2	20,71,10,739	20,61,88,872
		<b>23,83,49,619</b>	<b>23,74,27,752</b>
2 Non-current liabilities			
(a) Long-term borrowings	3	1,01,73,040	5,96,57,674
(b) Deferred tax liability		4,88,235	4,88,235
(c) Long term advance from customers	4	5,06,76,549	-
		<b>6,13,37,824</b>	<b>6,01,45,910</b>
3 Current liabilities			
(a) Short-term borrowings	5	2,62,21,207	1,28,95,233
(b) Trade payables	6	3,64,60,779	2,54,14,354
(c) Other current liabilities	7	12,29,97,910	5,92,77,640
(d) Short-term provisions	8	8,37,828	9,77,396
		<b>18,65,17,724</b>	<b>9,85,64,623</b>
<b>Total</b>		<b>48,62,05,166</b>	<b>39,61,38,285</b>
<b>B ASSETS</b>			
1 Non-current assets			
(a) Fixed assets			
(i) Tangible assets	9	11,77,86,693	12,34,04,871
		<b>11,77,86,693</b>	<b>12,34,04,871</b>
(b) Non-current investments	10	8,50,00,000	13,22,60,000
(c) Other non-current assets	11	15,00,000	15,00,000
		<b>8,65,00,000</b>	<b>13,37,60,000</b>
2 Current assets			
(a) Inventories	12	11,80,24,079	6,25,05,762
(b) Trade receivables	13	8,99,97,185	5,41,03,390
(c) Cash and cash equivalents	14	97,94,744	77,80,033
(d) Short-term loans and advances	15	6,41,02,465	1,45,84,230
		<b>28,19,18,473</b>	<b>13,89,73,414</b>
<b>Total</b>		<b>48,62,05,166</b>	<b>39,61,38,285</b>
See accompanying notes forming part of the financial statements	25		
<p>In terms of our report attached.  <b>For RATH DINESH &amp; ASSOCIATES</b>  Chartered Accountants  FRNo.008344C</p> <div style="display: flex; justify-content: space-around;"> <div style="text-align: center;">   <b>Ajay Rath</b>  Partner  M.No.075111 </div> <div style="text-align: center;">  </div> <div style="text-align: center;">   Director </div> <div style="text-align: center;">   Director </div> </div> <p>Place : Bhopal  Date : 22nd May 2014</p>			

**GTV ENGINEERING LIMITED**  
Statement of Profit and Loss for the year ended 31 March, 2014

Particulars	Note No.	For the year ended	For the year ended
		31 March, 2014	31 March, 2013
		₹	₹
1 Revenue from operations	16	28,16,19,713	30,42,70,819
2 Other income	17	7,65,459	13,58,902
3 Total revenue (1+2)		28,23,85,172	30,56,29,721
4 Expenses			
(a) Cost of materials consumed	18	29,92,99,459	17,61,86,472
(b) Changes in inventories of finished goods, work-in-progress and stock-in-trade	19	(6,96,03,624)	6,65,62,113
(c) Employee benefits expense	20	42,81,699	46,18,887
(d) Finance costs	21	22,34,936	48,46,445
(e) Depreciation and amortisation expense	9	61,26,287	40,27,595
(f) Other expenses	22	3,88,98,427	4,78,68,643
Total expenses		28,12,37,184	30,41,10,155
5 Profit/ (Loss) before tax (3-4)		11,47,988	15,19,566
6 Tax expense:			
(a) Tax expense for current year		2,43,458	3,06,891
(b) Less: MAT credit			
(c) Tax relating to prior years		(17,338)	87,648
(e) Deferred tax:		-	4,88,235
		2,26,120	8,82,774
7 Profit/ (Loss) from continuing operations (5-6)		9,21,867	6,36,791
8 Earnings per share (of ₹ 10/- each):		0.30	0.20

In terms of our report attached.

For RATH DINESH & ASSOCIATES

Chartered Accountants  
FRNo.008344C

Ajay Rath  
Partner  
M.No.075111



For and on behalf of the Board of Directors

*[Signature]*  
Director

*[Signature]*  
Director

Place: Bhopal  
Date: 22nd May 2014

**GTV ENGINEERING LIMITED**  
Cash Flow Statement for the year ended 31 March, 2014

Particulars	For the year ended		For the year ended	
	31st March 2014		31st March 2013	
	₹	₹	₹	₹
<b>A. Cash flow from operating activities</b>		11,47,988		6,17,946
Net Profit / (Loss) before extraordinary items and tax				
<u>Adjustments for:</u>				
Depreciation and amortisation	61,26,287		40,27,595	
Deferred Taxes	0		4,88,235	
Finance costs	22,34,936		76,93,470	
Interest income	(7,63,959)		9,01,620	
		75,97,264		1,31,10,920
Operating profit / (loss) before working capital changes		87,45,252		1,37,28,866
<u>Changes in working capital:</u>				
<u>Adjustments for (increase) / decrease in operating assets:</u>				
Inventories	(5,55,18,317)		8,74,18,367	
Trade receivables	(3,58,93,795)		(3,67,21,714)	
Short-term loans and advances	(4,95,18,236)		2,23,47,891	
<u>Adjustments for increase / (decrease) in operating liabilities:</u>				
Trade payables	1,10,46,425		(6,50,14,698)	
Other current liabilities	6,37,20,269		(51,50,210)	
Short-term provisions	(1,39,568)		(1,06,238)	
Long-term advance from customers	5,06,76,549			
		(1,56,26,672)		27,73,399
Cash flow from extraordinary items				
Cash generated from operations				
Net income tax (paid) / refunds		(2,26,120)		(8,82,774)
<b>Net cash flow from / (used in) operating activities (A)</b>		<b>(71,07,541)</b>		<b>1,56,19,490</b>
<b>B. Cash flow from investing activities</b>				
Capital expenditure on fixed assets, including capital advances	(5,08,110)		(2,23,43,043)	
Interest	7,63,959			
Proceeds from sale of non current investments				
- Associates	4,72,60,000			
Loans realised				
- Subsidiaries	(4,32,10,407)		3,52,98,679	
- Associates				
	(62,74,228)	43,05,442		1,29,55,636
Cash flow from extraordinary items		(62,74,228)		
Net income tax (paid) / refunds				
<b>Net cash flow from / (used in) investing activities (B)</b>		<b>(19,68,786)</b>		<b>1,29,55,636</b>



C. Cash flow from financing activities			
Net increase / (decrease) in working capital borrowings	1,33,25,974		(3,01,41,099)
Finance cost	(22,34,936)		(76,93,470)
		1,10,91,038	(3,78,34,569)
Cash flow from extraordinary items			
Net cash flow from/ (used in) financing activities (C)		1,10,91,038	(3,78,34,569)
Net increase/ (decrease) in Cash and cash equivalents (A+B+C)		20,14,711	(92,59,443)
Cash and cash equivalents at the beginning of the year		77,80,033	1,70,39,475
Effect of exchange differences on restatement of foreign currency Cash and cash			
Cash and cash equivalents at the end of the year		97,94,744	77,80,033
Reconciliation of Cash and cash equivalents with the Balance Sheet*			
Cash and cash equivalents as per Balance Sheet (Refer Note 15)		97,94,744	77,80,033
Less: Bank balances not considered as Cash and cash equivalents as defined in AS			
Net Cash and cash equivalents (as defined in AS 3 Cash Flow Statements) included			
Add: Current investments considered as part of Cash and cash equivalents (as			
Cash and cash equivalents at the end of the year *			
* Comprises:		(0)	0
(a) Cash on hand	2,40,978		78,302
(b) Cheques, drafts on hand			
(c) Balances with banks	2,77,758		2,56,431
(i) In current accounts			
(ii) In EEPC accounts			
(iii) In deposit accounts with original maturity of less than 3 months	92,76,008		74,45,299
(iv) In earmarked accounts			
(d) Others			
(e) Current investments considered as part of Cash and cash equivalents (Refer			
		97,94,744	77,80,032

Notes:  
 (i) The Cash Flow Statement reflects the combined cash flows pertaining to continuing and discounting operations.  
 (ii) These earmarked account balances with banks can be utilised only for the specific identified purposes.

See accompanying notes forming part of the financial statements

In terms of our report attached.  
 For RATH DINESH & ASSOCIATES  
 Chartered Accountants  
 FRNo.008344C

Ajay Nath  
 Partner  
 M.No.075111  
 Place: Bhopal  
 Date: 22nd May 2014

For and on behalf of the Board of Directors  
  
 Director

Director

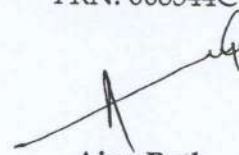
<b>GTV ENGINEERING LIMITED</b>	
Notes Forming integral part of the financial statements	
Note-25	
<b>SIGNIFICANT ACCOUNTING POLICIES</b>	
<b>1.</b>	<b>Corporate information</b>
	GTV Engineering Ltd. is a Limited company incorporated under the provisions of the Companies Act, 1956 on 4 <sup>th</sup> December 1990. The company is engaged in Hitech steel fabrication having its manufacturing unit at Plot No. 216-218, Industrial Area, Mandideep, Dist. Raisen and Plot No. K-20-22, Industrial Area, Malanpur, Dist. Bhind and Plot No. 69, Industrial Area, Mandideep, Dist Raisen, M.P.
<b>2.</b>	<b>Basis of accounting and preparation of financial statements</b>
(a)	The financial statements have been prepared on accrual basis under the historical cost convention in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP), and applicable Accounting Standards referred to in section 211 (3C) of the Companies Act, 1956. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.
(b)	The classification of assets and liabilities of the company into current or non-current is based on the criterion specified in the Revised Schedule VI to the Companies Act, 1956. The company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.
<b>3.</b>	<b>Use of estimates</b>
	The preparation of the financial statements 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 recognised in the periods in which the results are known / materialise.
<b>4.</b>	<b>Cash Flow Statement</b>
	Cash Flow statement has been prepared in accordance with the indirect method prescribed in Accounting Standard 3 issued under the Companies (Accounting Standards) Rules, 2006 and as required by the Securities and Exchange Board of India.
<b>5.</b>	<b>Revenue Recognition</b>
(a)	<b>Sales</b>
	Revenue from sale of goods is recognized:
	<ul style="list-style-type: none"> <li>• When all the significant risks and rewards of ownership are transferred to the buyer and the seller retains no effective control of the goods transferred to a degree usually associated with ownership and</li> <li>• No significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of goods.</li> </ul>
(b)	<b>Interest</b>
	Interest income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable

6.	<b>Fixed Assets</b>
	Fixed assets are carried at cost less accumulated depreciation. Cost of fixed assets comprises its purchase price and any attributable expenditure (both direct and indirect) for bringing an asset to its working condition for its intended use.
7.	<b>Depreciation and amortization</b>
	Depreciation on all assets has been provided on SLM basis in accordance with and in the manner specified in Schedule -XIV of Companies Act, 1956.
8.	<b>Impairment of Assets</b>
	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 recognised, 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 recognised for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, except in case of revalued assets.
9.	<b>Inventories</b>
	Inventories are valued at cost or net realizable value, whichever is lower. The cost in respect of the various items of inventory is computed as under: <ul style="list-style-type: none"> <li>• In case of raw materials at FIFO plus direct expenses.</li> <li>• In case of work in progress at raw material cost plus conversion costs depending upon the stage of completion.</li> <li>• In case of finished goods at raw material cost plus conversion costs, packing cost and other overheads incurred to bring the goods to their present location and condition.</li> </ul>
10.	<b>Employee Benefits</b>
(a)	<b>Short term employee benefits</b>
	Short term employee benefits are recognised as an expense at the undiscounted amount in the Statement of Profit and Loss of the year in which the related service is rendered.
(b)	<b>Post-employment benefits: Employee Provident Fund</b>
	The eligible employees of the Company are entitled to receive post employment benefits in respect of provident fund, in which both the employees and the Company make monthly contributions at a specified percentage of the employees' eligible salary.
11.	<b>Borrowing costs</b>
	Borrowing cost includes amortization of ancillary cost related to borrowings and foreign exchange to the extent they regarded as adjustment to interest cost. Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of

	the cost of such assets till such time that the asset is ready for its intended use or sale . A qualifying asset is one that necessarily takes substantial period of time to get ready for the intended use. Other borrowing costs are recognized as an expense in the period in which they are incurred.
<b>12. Earnings per share</b>	
	Basic earnings per share is computed by dividing the net profit or loss for the period attributable to equity shareholders by the number of equity shares outstanding during the period.
<b>13. Provisions and contingencies</b>	
	A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed unless the possibility of an outflow of resources embodying the economic benefit is remote.
<b>14. Taxation</b>	
	Tax expense comprises of current and deferred tax. Current tax is measured at the amount expected to be paid in accordance with the Income-tax Act, 1961. Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. Deferred tax is measured based on the tax rate and tax laws enacted or substantially enacted at the balance sheet date.
<b>15.</b>	The previous year figures have been regrouped/ reclassified, wherever necessary to conform to the current year's presentation.

Place: Bhopal  
Date: 22<sup>nd</sup> May 2014

For **RATH DINESH & ASSOCIATES**  
Chartered Accountants  
FRN: 008344C



**Ajay Rath**  
(Partner)

M. No. 075111





**GTV ENGINEERING LIMITED**  
Notes forming part of the financial statements

Note -1- Share capital				
Particulars	As at 31 March, 2014		As at 31 March, 2013	
	Number of shares	₹	Number of shares	₹
(i) Authorised 40,00,000 Equity shares of Rs.10 each with voting rights	40,00,000	4,00,00,000	40,00,000	4,00,00,000
(ii) Issued Subscribed and fully paid up 31,23,888 Equity shares of Rs.10 each with voting rights	31,23,888	3,12,38,880	31,23,888	3,12,38,880
<b>Total</b>	<b>31,23,888</b>	<b>3,12,38,880</b>	<b>31,23,888</b>	<b>3,12,38,880</b>

(a) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

Particulars	Opening Balance	Fresh issue	Closing Balance
Equity shares with voting rights			
Year ended 31 March, 2014			
- Number of shares	31,23,888	-	31,23,888
- Amount (₹)	3,12,38,880	-	3,12,38,880
Year ended 31 March, 2013			
- Number of shares	31,23,888	-	31,23,888
- Amount (₹)	3,12,38,880	-	3,12,38,880

b) The Company has one class of equity shares having a par value of Rs.10 per share. Each share holder is eligible for one vote per shares held

(c) Details of shares held by each shareholder holding more than 5% shares:

Class of shares / Name of shareholder	As at 31 March, 2014		As at 31 March, 2013	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity shares with voting rights				
Mr.Mahesh Agrawal	11,57,820	37%	10,55,320	34%
Mr.Gaurav Agrawal	6,36,568	20%	6,36,568	20%
Mrs.Veena Agrawal	5,29,600	17%	5,29,600	17%



Note -2- Reserves and surplus		
Particulars	As at 31 March, 2014	As at 31 March, 2013
	₹	₹
<b>(a) Capital reserve</b>		
Opening balance	10,00,000	10,00,000
Add: Additions during the year		
Less: Utilised / transferred during the year		
Closing balance	10,00,000	10,00,000
<b>(b) Share Forfeited Reserve</b>		
Opening balance	34,51,500	34,51,500
Add: Additions during the year		
Less: Utilised during the year		
Closing balance	34,51,500	34,51,500
<b>(c) Securities premium account</b>		
Opening balance	7,60,00,000	7,60,00,000
Add : Premium on shares issued during the year		
Less : Utilised during the year for:		
Closing balance	7,60,00,000	7,60,00,000
<b>(d) General reserve</b>		
Opening balance	1,00,00,000	1,00,00,000
Add: Transferred from surplus in Statement of Profit & Loss		
Less: Utilised / transferred during the year		
Closing balance	1,00,00,000	1,00,00,000
<b>(e) Surplus / (Deficit) in Statement of Profit and Loss</b>		
Opening balance	11,57,37,372	11,51,00,581
Add: Profit / (Loss) for the year	9,21,867	6,36,791
Closing balance	11,66,59,239	11,57,37,372
<b>Total</b>	<b>20,71,10,739</b>	<b>20,61,88,872</b>



Note -3- Long-term borrowings		
Particulars	As at 31 March, 2014	As at 31 March, 2013
	₹	₹
(a) Deferred payment liabilities		
Secured - Central Sales Tax	9,16,368	65,52,788
Secured - M.P.Sales Tax	75,20,790	81,58,597
	84,37,158	1,47,11,386
(b) Loans and advances from related parties		
Unsecured	17,35,882	4,49,46,289
	17,35,882	4,49,46,289
<b>Total</b>	<b>1,01,73,040</b>	<b>5,96,57,674</b>

Note -4- Long-term advance from customers		
Particulars	As at 31 March, 2014	As at 31 March, 2013
	₹	₹
Solyvent Flakt India Pvt. Ltd.	1,79,21,276	
Thermax Ltd., Pune	3,27,55,273	
	5,06,76,549	-

Note -5- Short-term borrowings		
Particulars	As at 31 March, 2014	As at 31 March, 2013
	₹	₹
(a) Loans repayable on demand		
From banks		
Secured		
State Bank of India	2,62,21,207	1,28,95,233
<b>Total</b>	<b>2,62,21,207</b>	<b>1,28,95,233</b>
(i) Cash credit facilities are secured by way of hypothecation of all Stock of Inventories, book debts and other current assets of the company both present and future, additionally secured by way of second charge on all the fixed assets of the company		
(ii) All short-term borrowings guaranteed by directors of the Company		



Note -6-Trade payables		
Particulars	As at 31 March, 2014	As at 31 March, 2013
	₹	₹
Trade payables:		
Acceptances	3,64,60,779	2,54,14,354
Other than Acceptances		
<b>Total</b>	<b>3,64,60,779</b>	<b>2,54,14,354</b>

Note -7- Other current liabilities		
Particulars	As at 31 March, 2014	As at 31 March, 2013
	₹	₹
(a) Current maturities of long-term debt		
(b) Other payables		
(i) Statutory dues	1,20,677	1,03,024
(ii) Advances from customers	12,25,68,585	5,88,08,169
(iii) Others		
TDS Payable	3,08,648	3,66,447
<b>Total</b>	<b>12,29,97,910</b>	<b>5,92,77,640</b>

Note- 8- Short-term provisions		
Particulars	As at 31 March, 2014	As at 31 March, 2013
	₹	₹
(a) Provision for employee benefits:	5,18,167	5,03,297
(b) Provision - Others:		
(i) Provision for tax		
Previous Year	-	8,618
(ii) Provision - Other Expenses		
Power Expenses Payable	2,58,798	3,46,750
Telephone Expenses Payable	10,301	11,989
Audit Fees Payable	50,562	1,06,742
	3,19,661	4,74,099
<b>Total</b>	<b>8,37,828</b>	<b>9,77,396</b>



**NOTE- 9- FIXED ASSETS FORMING PART OF THE FINANCIAL STATEMENT**  
**FIXED ASSETS (GTV ENGINEERING LTD)**

Particulars	GROSS BLOCK					DEPRECIATION BLOCK			NET BLOCK		
	As on 01.04.13	Additions	Capitalised	Delete/ Transfer	Ason 31.03.14	As on 01.04.13	During the year	Depreciation on Deletion/ Transfer	Total as on 31.03.2014	As on 31.03.2013	As on 31.03.2014
Land	38,96,520	-	-	-	38,96,520	-	-	-	-	38,96,520	38,96,520
Building	2,36,90,126	-	-	-	2,36,90,126	-	7,91,250	-	1,32,84,246	1,11,97,130	1,04,05,880
Electrical Installation	38,88,479	-	-	-	38,88,479	-	1,84,703	-	27,74,399	12,98,783	11,14,080
Vehicles	71,40,813	-	-	-	71,40,813	-	5,87,329	-	70,38,252	6,89,890	1,02,561
Plant & Machinery	13,87,43,996	4,16,336	-	-	13,91,60,332	-	36,67,700	-	4,79,12,864	9,44,98,832	9,12,47,468
Furniture & Fixtures	9,74,372	-	-	-	9,74,372	-	60,704	-	8,94,169	1,40,907	80,203
Computer	7,30,602	31,800	-	-	7,62,402	-	74,127	-	7,60,145	44,584	2,257
Fire Fighting Equipments	15,400	-	-	-	15,400	-	731	-	13,714	2,417	1,686
Office Equipments	29,00,154	59,974	-	-	29,60,128	-	1,83,731	-	24,38,944	6,44,941	5,21,184
Tools & Spares	1,66,14,705	-	-	-	1,66,14,705	-	5,76,012	-	61,99,851	1,09,90,866	1,04,14,854
<b>Total = Rs.</b>	<b>19,85,95,167</b>	<b>5,08,110</b>	<b>-</b>	<b>-</b>	<b>19,91,03,277</b>	<b>-</b>	<b>61,26,287</b>	<b>-</b>	<b>8,13,16,584</b>	<b>12,34,04,870</b>	<b>11,77,86,693</b>



Note-10- Non Current Investments						
Particulars	As at 31 March, 2014			As at 31 March, 2013		
	Quoted	Unquoted	Total	Quoted	Unquoted	Total
	₹	₹	₹	₹	₹	₹
Investments (At cost):						
A. <u>Other Investment</u>						
(a) Investment in equity instruments						
(i) of subsidiaries						
(ii) of associates						
GTV Infrastructure Limited		-	-	72,60,000	72,60,000	72,60,000
Chirchind Hydro Power Limited		8,50,00,000	8,50,00,000	12,50,00,000	12,50,00,000	12,50,00,000
<b>Total</b>		<b>8,50,00,000</b>	<b>8,50,00,000</b>		<b>13,22,60,000</b>	<b>13,22,60,000</b>



Note -11-Other non-current assets		
Particulars	As at 31 March, 2014	As at 31 March, 2013
	₹	₹
(a) Others		
(i) Others - MEDA Subsidy recoverable	15,00,000	15,00,000
<b>Total</b>	<b>15,00,000</b>	<b>15,00,000</b>

Note -12- Inventories		
Particulars	As at 31 March, 2014	As at 31 March, 2013
	₹	₹
(a) Raw materials	2,99,20,939	4,40,06,246
(b) Work-in-progress	8,76,98,000	1,80,50,000
(c) Finished goods & Scrap	4,05,140	4,49,516
<b>Total</b>	<b>11,80,24,079</b>	<b>6,25,05,762</b>

Note -13- Trade receivables		
Particulars	As at 31 March, 2014	As at 31 March, 2013
	₹	₹
Trade receivables outstanding for a period exceeding six months from the date they were due for payment		
Unsecured, considered good	11,12,245	-
Less: Provision for doubtful trade receivables		
Other Trade receivables		
Unsecured, considered good	8,88,84,940	5,41,03,390
<b>Total</b>	<b>8,99,97,185</b>	<b>5,41,03,390</b>



Note -14- Cash and cash equivalents		
Particulars	As at 31 March, 2014	As at 31 March, 2013
	₹	₹
(a) Cash on hand	2,40,978	78,302
(b) Balances with banks		
(i) In current accounts	2,77,758	2,56,431
(ii) In deposit accounts	92,76,008	74,45,299
<b>Total</b>	<b>97,94,744</b>	<b>77,80,032</b>

Note-15- Short-term loans and advances		
Particulars	As at 31 March, 2014	As at 31 March, 2013
	₹	₹
(a) Security deposits		
Unsecured, considered good	11,81,560	9,31,160
(b) Loans and advances to employees		
Unsecured, considered good	74,462	78,860
(c) Loans and advances to others	5,64,40,486	15,84,775
(d) Balances with government authorities		
Unsecured, considered good		
(i) CENVAT credit receivable	17,11,702	18,20,007
(ii) VAT credit receivable	12,13,945	64,49,661
(iii) Service Tax credit receivable	14,484	2,64,767
(iv) Income Tax recoverable		
Previous Year	34,63,720	-
Current Year	2,107	34,55,000
<b>Total</b>	<b>6,41,02,465</b>	<b>1,45,84,230</b>

Note -16- Revenue from operations			
	Particulars	For the year ended 31 March, 2014	For the year ended 31 March, 2013
		₹	₹
(a)	Sale of products	26,24,32,778	33,09,11,214
(b)	Other operating revenues	4,53,70,786	1,32,14,260
	Less : Excise duty Paid	2,61,83,851	3,98,54,655
	<b>Total</b>	<b>28,16,19,713</b>	<b>30,42,70,819</b>
(b)	Other operating revenues comprise:		
	Sale of scrap	4,53,70,786	1,32,14,260
	<b>Total - Other operating revenues</b>	<b>4,53,70,786</b>	<b>1,32,14,260</b>





Note-17- Other income			
	Particulars	For the year ended	For the year ended
		31 March, 2014	31 March, 2013
		₹	₹
(a)	Interest income	7,63,959	9,01,620
(b)	Other non-operating income	1,500	4,57,282
(a)	Interest income comprises:		
	Interest from banks on:		
	Deposits	7,63,959	9,01,620
	<b>Total - Interest income</b>	<b>7,63,959</b>	<b>9,01,620</b>
(b)	Other non-operating income comprises:		
	Miscellaneous Receipts	1,500	4,49,440
	Written off A/c	-	7,842
	<b>Total - Other non-operating income</b>	<b>1,500</b>	<b>4,57,282</b>
	<b>Total</b>	<b>7,65,459</b>	<b>13,58,902</b>

Note -18- Cost of materials consumed		
Particulars	For the year ended	For the year ended
	31 March, 2014	31 March, 2013
	₹	₹
Opening stock	4,40,06,246	6,48,62,500
Add: Purchases	28,52,14,152	15,53,30,218
	32,92,20,398	22,01,92,718
Less: Closing stock	2,99,20,939	4,40,06,246
<b>Cost of material consumed</b>	<b>29,92,99,459</b>	<b>17,61,86,472</b>

Note -19- Changes in inventories of finished goods, work-in-progress and stock-in-trade		
Particulars	For the year ended	For the year ended
	31 March, 2014	31 March, 2013
	₹	₹
<u>Inventories at the end of the year:</u>		
Scrap	4,05,140	4,49,516
Work-in-progress	8,76,98,000	1,80,50,000
Stock-in-trade	-	-
	<b>8,81,03,140</b>	<b>1,84,99,516</b>
<u>Inventories at the beginning of the year:</u>		
Scrap	4,49,516	22,81,629
Work-in-progress	1,80,50,000	8,27,80,000
Stock-in-trade	-	-
	<b>1,84,99,516</b>	<b>8,50,61,629</b>
<b>Net (increase) / decrease</b>	<b>(6,96,03,624)</b>	<b>6,65,62,113</b>



Note -20- Employee benefits expense		
Particulars	For the year ended	For the year ended
	31 March, 2014	31 March, 2013
	₹	₹
Bonus	3,29,547	2,89,110
House Rent Allowance	7,24,316	7,79,935
PF Contribution	97,707	1,07,645
Salary	28,29,607	29,42,091
Employees Welfare Expenses	97,078	2,05,320
ESI Contribution	30,484	1,04,912
Conveyance Allowance	1,72,960	1,89,874
<b>Total</b>	<b>42,81,699</b>	<b>46,18,887</b>

Note-21- Finance costs		
Particulars	For the year ended	For the year ended
	31 March, 2014	31 March, 2013
	₹	₹
(a) Interest expense on:		
(i) Borrowings	22,34,936	48,46,445
<b>Total</b>	<b>22,34,936</b>	<b>48,46,445</b>

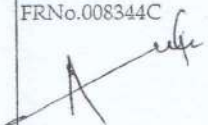

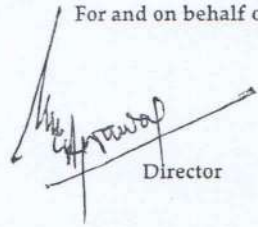

Note -22 - Other expenses		
Particulars	For the year ended	For the year ended
	31 March, 2014	31 March, 2013
	₹	₹
<b>i) Manufacturing Expenses</b>	<b>1,74,57,906</b>	<b>2,74,10,244</b>
<b>ii) Repairs &amp; Maintenance Expenses</b>	<b>18,88,071</b>	<b>14,05,981</b>
<b>iii) Administrative &amp; Selling Expenses</b>	<b>1,95,52,450</b>	<b>1,90,52,418</b>
	<b>3,88,98,427</b>	<b>4,78,68,643</b>
<b>Note : Details of Manufacturing Expenses</b>		
Diesel Oil & Lubricants	42,450	60,056
Fabrication Expenses	1,19,97,659	2,12,93,581
Factory Expenses	2,31,093	5,81,672
Inspection & Testing Charges	1,15,639	2,52,293
Power Expenses	36,21,625	49,08,526
Crane Hiring Charges	14,49,440	3,14,116
	<b>1,74,57,906</b>	<b>2,74,10,244</b>
<b>Note :- Details of Repairs &amp; Maintenance Expenses</b>		
Building Repair & Maintenance	2,49,310	3,33,397
Electrical Repair & Maintenance	4,93,171	4,12,119
Machinery Repair & Maintenance	10,90,424	4,98,858
Office Equipment Repair & Maintenance	55,166	1,61,607
	<b>18,88,071</b>	<b>14,05,981</b>

Note : Details Administrative & Selling Expenses		
Audit Fee	56,180	56,180
Advertisement Expenses	27,000	4,530
Bank Charges & Commission	23,20,167	14,83,173
Bill Discounting Charges	12,80,451	13,63,852
Books & Periodicals	800	606
Canteen Expenses	1,77,479	1,92,724
Consultancy Charges	8,07,550	1,30,372
Conveyance Expenses	3,26,955	3,78,483
Donation	1,01,002	-
Directors Remuneration	36,00,000	36,00,000
Fees & Duties	7,52,531	2,07,535
General Expenses	10,73,544	10,22,488
Inspection & Testing charges	843	-
Insurance Charges	1,60,650	1,93,982
ISO Certification	30,596	55,329
LD Deductions	2,19,581	4,68,411
Lease Rent	1,21,149	86,143
Legal Expenses	18,535	9,245
Listing Fees	1,20,212	73,945
Office Expenses	2,70,986	2,73,345
Office Rent	74,000	40,000
Packing & Forwarding Expenses	-	1,09,031
Postage & Telegram Expenses	29,888	45,475
Professional Expenses	16,00,249	22,32,113
Professional Tax	7,500	5,000
Property Tax	96,045	37,498
Sales Promotion Expenses	49,988	7,92,764
Security Expenses	5,51,384	4,34,135
Stationary & Printing	1,78,310	1,42,846
Statutory Medical Expenses	18,515	1,09,778
Subscription & Fees	11,236	-
Telephone Expenses	2,91,412	2,63,336
Tender Fees	-	16,000
Transportation Expenses	29,18,619	25,54,767
Travelling Expenses	12,26,632	14,94,383
Vehicle Hire Charges.	9,20,822	10,13,233
Vehicle Repair & Maintenance	85,553	1,32,323
Water Charges	18,439	25,555
Weight & Measurement Expenses	7,648	3,839
<b>Total</b>	<b>1,95,52,450</b>	<b>1,90,52,418</b>

**Note -23 - Deferred Tax**

After considering the deferred Tax Liability due to timing difference on account of depreciation and Deferred Tax Assets due to carry forward unabsorbed Depreciation net impact was on Deferred Tax Assets which has not been recognized due to conservative accounting treatment and prudence .



<b>Note - 24- Contingent Liabilities not provided for</b>	
Bank guarantee outstanding: Rs. 4.98 crore	
Letter of Credit outstanding: Rs. 1.47 crore	
In terms of our report attached.	
For RATH DINESH & ASSOCIATES	
Chartered Accountants	
FRNo.008344C	
 Ajay Rath Partner M.No.075111	
	For and on behalf of the Board of Directors
	 Director
	 Director
Place : Bhopal	
Date.: 22nd May 2014	

2013-2014  
GTV ENGINEERING LIMITED

ADDITIONAL INFORMATION IN PURCUANCE TO THE PROVISIONS OF PARA 3 & 4 OF THE PART ii OF SCHEDULE VI OF THE COMPANIES ACT. 1956.

(AS CERTIFIED BY THE MANAGEMENT)

	<u>2013-14</u>		<u>2012-2013</u>	
<b>A. LICENCED CAPACITY</b>				
Parts of Electrical Trans- formers(Transformers Tanks, Pressure Vessels etc.)Heavy Steel Fabrication Items.	3,060 MT		3,060 MT	
<b>B. INSTALLED CAPACITY</b>				
Parts of Electrical Trans- formers(Transformers Tanks, Pressure Vessels etc.)Heavy Steel Fabrication Items.	3,060 MT		3,060 MT	
<b>C. ACTUAL PRODUCTION</b>				
Parts of Electrical Trans- formers(Transformers Tanks, Pressure Vessels etc.)Heavy Steel Fabrication Items.	3,470.537 MT		1,884.676 MT	
Scrap	1,969.664 MT		492.559 MT	
<b>D. SALES REALISATION</b>				
Parts of Electrical Trans- formers(Transformers Tanks, Pressure Vessels etc.) Heavy Steel Fabrication Items	2,370.537 MT	: Rs. 253,901,038	2,889.676 MT	: Rs. 320,248,262
Scrap Sales	1,973.105 MT	: Rs. 45,370,786	604.427 MT	: Rs. 13,214,260
Job Work Receipts	0.000 MT	: Rs. 8,531,740	0.000 MT	: Rs. 10,662,952
Trading Sales		: Rs. -		: Rs. -
Power (Sales)		: Rs. -		: Rs. -
<b>E. CLOSING BALANCE OF FINISHED GOODS:</b>				
a) Finished Goods	0.000 MT	: Rs. -	0.000	: Rs. -
b) Work in progress	1,415.000 MT	: Rs. 87,698,000	315.000 MT	: Rs. 18,050,000
c) Scrap	19.159 MT	: Rs. 405,140	22.600 MT	: Rs. 449,516
<b>F. RAW MATERIAL CONSUMED</b>				
Iron & Steel	4,937.462 MT	: Rs. 218,266,648	1,990.130 MT	: Rs. 110,771,490
Paints	692.000 TINS	: Rs. 2,408,060	998.000 TINS	: Rs. 3,212,317
Electrodes & CO <sub>2</sub> Wire	594.000 CASES	: Rs. 4,198,409	1,777.000 CASES	: Rs. 5,770,124
Misc. Consumables	31,289.500 KGS	: Rs. -	18,759.000 KGS	: Rs. -
Gas		: Rs. 24,965,184		: Rs. 15,303,836
Sand		: Rs. 1,264,708		: Rs. 2,441,871
Semi Finished Components	701.985	: Rs. 45,380,783	542.359 MT	: Rs. 35,469,847
Trading Purchase		: Rs. -		: Rs. -
Add : CENVAT Credit Allowed		: Rs. 29,304,635		: Rs. 20,360,601
		<u>325,788,427</u>		<u>193,351,386</u>
Less : CENVAT credit allowed		: Rs. 29,304,635		: Rs. 20,360,601
ADD : Freight Inward		: Rs. 2,451,082		: Rs. 2,784,343
ADD : Entry Tax		: Rs. 364,585		: Rs. 411,343
		<u>: Rs. 299,299,459</u>		<u>: Rs. 176,186,472</u>



G. OPENING STOCK OF RAW MATERIAL

Iron & Steel	1,003.632 MT	: Rs.	41,926,246	1,358.840 MT	: Rs.	60,234,000
Paints	97.000 TINS	: Rs.	310,000	73.000 TINS	: Rs.	194,500
Electrodes &	401.000 CASES	: Rs.	1,770,000	1,546.000 CASES	: Rs.	4,434,000
CO <sub>2</sub> Wire	8,600.000 KGS.	: Rs.	-	8,460.000 KGS.	: Rs.	-
Misc. Consumables		: Rs.	-		: Rs.	-
Gas		: Rs.	-		: Rs.	-
Sand		: Rs.	-		: Rs.	-
Cenvat credit RG A P-II		: Rs.	-		: Rs.	-
		: Rs.	<u>44,006,246</u>		: Rs.	<u>64,862,500</u>

H. CLOSING STOCK OF RAW MATERIAL

Iron & Steel	673.118 MT	: Rs.	28,270,939	1,003.632 MT	: Rs.	41,926,246
Paints	83.000 TINS	: Rs.	337,000	97.000 TINS	: Rs.	310,000
Electrodes &	165.000 CASES	: Rs.	1,313,000	401.000 CASES	: Rs.	1,770,000
CO <sub>2</sub> Wire	9,005.000 KGS	: Rs.	-	8,600.000 KGS	: Rs.	-
Misc. Consumables		: Rs.	-		: Rs.	-
Gas		: Rs.	-		: Rs.	-
Sand		: Rs.	-		: Rs.	-
Cenvat Credit RG 23 A P-II Bal.		: Rs.	-		: Rs.	-
		: Rs.	<u>29,920,939</u>		: Rs.	<u>44,006,246</u>

I. RAW MATERIAL PURCHASES

Iron & Steel	4,606.948 MT	: Rs.	204,611,340	1,634.922 MT	: Rs.	92,463,737
Paints	678.000 TINS	: Rs.	2,435,060	1,022.000 TINS	: Rs.	3,327,817
Electrodes	358.000 CASES	: Rs.	3,741,409	632.000 CASES	: Rs.	3,106,124
CO <sub>2</sub> Wire	31,694.500 KGS	: Rs.	-	18,899.000 KGS	: Rs.	-
Misc. Consumables		: Rs.	24,965,184		: Rs.	15,303,836
Gas		: Rs.	1,264,708		: Rs.	2,441,871
Sand		: Rs.	-		: Rs.	21,300
CENVAT Credit (RG A P-II Bal.)		: Rs.	29,304,635		: Rs.	20,360,601
Entry Tax		: Rs.	364,585		: Rs.	411,343
Semi finished Components	701.985 MT	: Rs.	45,380,783	542.359 MT	: Rs.	35,469,847
		: Rs.	<u>312,067,704</u>		: Rs.	<u>172,906,475</u>
Less : Cenvat credit allowed		: Rs.	29,304,635		: Rs.	20,360,601
Add: Freight Inward		: Rs.	2,451,082		: Rs.	2,784,343
		: Rs.	<u>285,214,152</u>		: Rs.	<u>155,330,218</u>

As per our report of even date  
For Rath Dinesh & Associates  
Chartered Accountants

Ajay Rath  
Partner



Place : Bhopal  
Date : 22.05.2014

For & on behalf of Board of Directors

Director

Director



**GTV ENGINEERING LIMITED**

**Regd. Office: 216-217-218, New Industrial Area-II, Mandideep-462046 (Bhopal);  
Phone: 0091-7480-233309, 401044; Fax: 0091-7480-233068;  
Email: mail@gtv.co.in; Website: www.gtv.co.in  
CIN: L31102MP1990PLC006122**

**Attendance Slip**

Members attending the Meeting in person or by Proxy are requested to complete the attendance slip and hand it over at the entrance of the meeting venue.

Name of the Member(s) (In block letters).....

Name of the Proxy, if any (In block letters) .....

Folio No.	
No. of Shares	

I hereby record my presence at the 23rd Annual General Meeting of the Company at 216-217-218, New Industrial Area-II, Mandideep-462046 (Bhopal), on Friday, the 26th September, 2014 at 11.30 A.M.

Signature of the Shareholder or Proxy.....

- 1) Only members or the Proxy holder can attend the meeting.
- 2) Member/Proxy Holder should bring his/ her copy of Annual Report for reference at the meeting.



**GTV ENGINEERING LIMITED**

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Phone: 0091-7480-233309, 401044; Fax: 0091-7480-233068;  
Email: mail@gtv.co.in; Website: www.gtv.co.in  
CIN: L31102MP1990PLC006122**

**Form MGT-11**  
**Proxy form**

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

Name of the member (s) :  
Registered address :  
E-mail Id :  
Folio No/ Client Id :

I/ We, being the member (s) of ..... shares of the above named company, hereby appoint

1. Name:.....  
Address:.....  
Email Id:.....Signature:.....,or failing him/her.
2. Name:.....  
Address:.....  
E-mail Id:.....Signature:.....,or failing him/her.
3. Name:.....  
Address:.....  
E-mail Id:.....Signature:.....

As my/our proxy to attend and vote (on a poll) for me / us and on my/ our behalf at the 23<sup>rd</sup> Annual General Meeting of the Company will be held at the Registered Office of the Company at 216-217-218, New Industrial Area-II, Mandideep-462046 (Bhopal), on Friday, the 26<sup>th</sup> September, 2014 at 11.30 A.M. and at any adjournment thereof in respect of such resolutions as are indicated below:



Resolution No.:

1. Ordinary Resolution to be passed to receive, consider and adopt the Audited Balance Sheet as on 31<sup>st</sup> March, 2014 and Statement of Profit and Loss and Cash Flow Statement for the Financial Year ended on that date and the Reports of the Directors and Auditors thereon.
2. Ordinary Resolution to be passed to appoint Mrs. Veena Agrawal (DIN: 00013166) as an Executive Director who retires by rotation and is re-eligibile for reappointment..
3. Ordinary Resolution to be passed to appoint Auditors and to fix their remuneration.

Signed this ..... day of ..... 2014

Signature of Shareholder.....

Signature of Proxy.....

Affix
Revenue
Stamp

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the meeting.



**GTV ENGINEERING LIMITED**

**Regd. Office: 216-217-218, New Industrial Area-II, Mandideep-462046 (Bhopal);  
Phone: 0091-7480-233309, 401044; Fax: 0091-7480-233068;  
Email: mail@gtv.co.in; Website: www.gtv.co.in  
CIN: L31102MP1990PLC006122**

**Members Feedback Form**

We have been constantly endeavoring to extend the best possible services to our share owners and we seek your feedback on the same. Kindly, therefore return this Feedback form duly filled in to the Company.

It is indeed our privilege to have you as our shareowner and to continue to receive your trust and confidence.

To,  
The Board of Directors  
GTV Engineering Limited  
216-217-218, New Industrial Area-II,  
Mandideep-462046 (Bhopal)

**Reg.: Shareholder Feedback Form**

Name of Sole / First holder: \_\_\_\_\_

Folio No.: \_\_\_\_\_

STD Code: \_\_\_\_\_ Telephone No: \_\_\_\_\_

Mobile No: \_\_\_\_\_ E-mail: \_\_\_\_\_

No. of Equity Shares Held: \_\_\_\_\_

Kindly rate our services in following areas:

		Excellent	Very Good	Good	Satisfactory	Unsatisfactory
Management's Discussion and analysis Report	Contents					
	Presentations					
Directors Report	Contents					

	Presentations					
Quality of financial and non financial information in the report	Contents					
	Presentations					
Information on Company's website	Contents					
	Presentations					
Responses to queries/ complaints						
Your overall rating of our investor service						
Timely receipt of Annual Report						
Conduct of AGM						
Promptness in confirming demat/remat requests						
Overall rating						

Do you have any grievance which has not been addressed so far:  Yes  No

If yes, please furnish details in brief.

---

Your suggestions and comments for improvement in our services.

---

Date:

Signature of member:



**GTV ENGINEERING LIMITED**

**Regd. Office: 216-217-218, New Industrial Area-II, Mandideep-462046 (Bhopal);**

**Phone: 0091-7480-233309, 401044; Fax: 0091-7480-233068;**

**Email: mail@gtv.co.in; Website: www.gtv.co.in**

**CIN: L31102MP1990PLC006122**

**Registration of email address for future communication**

Name of the Shareholder (s) (In Block Letters) -----  
-----

Registered Address -----  
-----

E-mail Id -----

Registered Folio No. -----

Signature -----