

32nd
ANNUAL REPORT
2013-2014



FILTRON
ENGINEERS LTD.

FILTRON ENGINEERS LIMITED

32nd ANNUAL REPORT 2013-2014

| | | |
|---------------------------|--------------------------|---|
| BOARD OF DIRECTORS | Sadanand Hegde | (CHAIRMAN & MANAGING DIRECTOR) |
| | Joachim Friedsch | DIRECTOR |
| | Padmakar Kashyapi | DIRECTOR |
| | Prabhakar Hegde | DIRECTOR |
| | Yashwantrao Mali | WHOLE TIME DIRECTOR |
| | Venkat Giri | WHOLE TIME DIRECTOR |

AUDITORS : A. A. Bhat & Co.
Chartered Accountants, Pune

BANKERS : Bank of Maharashtra

REGISTERED OFFICE : Filtron House,
6 Sitabag Colony,
Sinhagad Road,
Pune 411 030.

**REGISTRAR AND SHARE
TRANSFER AGENTS** : **Link Intime India Pvt. Ltd.**
Block No. 202, 2nd Floor,
Akshay Complex,
Off. Dhole Patil Road, Pune 411 001
Ph. : 020-26160084/1629
Telefax: 020-26163503
E-mail : pune@linkintime.co.in

32nd ANNUAL GENERAL MEETING

Day & Date : Saturday, 27th September 2014

Time : 4 p.m.

Place : Registered Office

Filtron House, 6, Sitabag Colony,
Sinhagad Road, Pune 411 030.

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NOTICE OF 32 ND ANNUAL GENERAL MEETING

NOTICE is hereby given that the Annual General Meeting of the Company will be held on Saturday, 27th September, 2014 at 4.P.M. at the registered office of the Company at Filtron House, 6 Sitabag Colony, Sinhgad Road, Pune - 411030 to transact the following business:

Ordinary Business:

- 1 To receive, consider and adopt the audited financial statements for the year ended 31 March 2014 including notes to financial statements together with the Reports of the Board of Directors and the Auditors thereon.
- 2 To appoint a Director in place of Mr. Yashwantrao Mali (holding DIN 05194014), who retires by rotation and, being eligible offers himself for re-appointment.
- 3 To appoint Auditors and fix their remuneration and for that purpose to pass with or without modification(s) the following resolution, as an Ordinary Resolution:

"RESOLVED THAT pursuant to provision of section 139 of the Companies Act, 2013 and the Rules framed there under, as amended from time to time, M/s. A.A. Bhat & Co, Chartered Accountants (Registration No. 101282W), be and are hereby appointed as Auditors of the Company to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of the next Annual General Meeting of the Company on such remuneration as may be determined by the Board of Directors in consultation with the Statutory Auditors of the Company."

Special Business:

- 4 To consider and, if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:
"RESOLVED THAT pursuant to the provisions of Sections 149, 152 and any 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) read with Schedule IV to the Companies Act, 2013, Mr. Padmakar Kashyapi (holding DIN 02781653), Director of the Company, in respect of whom the Company has received notice in writing from a member under section 160 of the Companies Act, 2013 proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office up to March 31, 2019.
RESOLVED FURTHER THAT the Board of Directors, be and are hereby authorised to settle any question, difficulty or doubt, that may arise in giving effect to this resolution and to do all such acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution."
- 5 To consider and, if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:
"RESOLVED THAT pursuant to the provisions of Sections 149, 152 and any 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) read with Schedule IV to the Companies Act, 2013 Mr. Prabhakar Hegde (holding DIN 02780554), Director of the Company, in respect of whom the Company has received notice in writing from a member under section 160 of the Companies Act, 2013 proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for up to March 31, 2019.
RESOLVED FURTHER THAT the Board of Directors, be and are hereby authorised to settle any question, difficulty or doubt, that may arise in giving effect to this resolution and to do all such acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution."
6. To consider and, if thought fit, to pass with or without modification(s), the following resolution as an Special Resolution:
"RESOLVED THAT pursuant to the provisions of Section 188 and other applicable provisions of the Companies Act, 2013 read with the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), the consent of the Company be and is hereby accorded to enter into the related party transactions by the Company with the respective related parties and for the maximum amounts per annum w.e.f. 1st April, 2014, as mentioned herein below:

| Sir No. | Nature of Transactions as per section 188 of the Companies Act, 2013 | Name of the Director/ KMP who is related and nature of their relationship | Name of the Related Party | Amounts | |
|---------|--|---|-------------------------------|--------------|--------------|
| | | | | Receipts Rs. | Payments Rs. |
| 1. | Purchase of Goods | Sadanand Hegde, Managing Director, is a common director | Schmidt Bretten India Pvt Ltd | 50.00 lakhs | 65.00 lakhs |
| 2. | Purchase of Goods | Joachim Friedsch Director, is a common director | Fristam Pumps (I) Pvt Ltd | 35.00 lakhs | 60.00 lakhs |

RESOLVED FURTHER THAT the Board of Directors of the Company and/or a Committee thereof, be and is hereby, authorized to do or cause to be done all such acts, matters, deeds and things and to settle any queries, difficulties, doubts that may arise with regard to any transaction with the related party and execute such agreements, documents and writings and to make such filings, as may be necessary or desirable for the purpose of giving effect to this resolution, in the best interest of the Company."

7. To consider and, if thought fit, to pass with or without modification, the following Resolution as a Special Resolution:
"RESOLVED THAT pursuant to the provisions of Section 14 of the Companies Act, 2013 and the rules made there under, the existing Articles of Association of the Company be and is hereby replaced by new set of Articles of Association of the Company duly placed before the members initiated by the Chairman for the purpose of identification.
RESOLVED FURTHER THAT the Board or any of its duly constituted committee be and is hereby authorised to do all the act, deeds and things which are necessary for the aforesaid amendment in Articles of Association."
8. To consider and, if thought fit, to pass with or without modification, the following Resolution as a Special Resolution:
"RESOLVED THAT pursuant to the provision of section 196 (3) of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), approval of the Company be and hereby accorded to continue the employment of Mr. Sadanand Hegde, as Managing Director of the Company for his remaining tenure of appointment i.e. upto 31st March, 2016 which was approved in the Extra ordinary General Meeting held on 24.02.2012, who has attained the age of seventy years on 10.07.2014.
RESOLVED FURTHER THAT the Board of Directors be and are hereby to do all such acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution."

By order of the Board
for Filtron Engineers Limited

Place : Pune
Date : 09th August 2014

SADANAND HEGDE
Managing Director
DIN: 00195106

NOTES:

A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE THE MEMBER OF THE COMPANY. THE PROXIES IN ORDER TO BE EFFECTIVE MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

A PERSON CAN ACT AS PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY (50) AND HOLDING IN THE AGGREGATE NOT MORE THAN 10% OF THE TOTAL SHARE CAPITAL OF THE COMPANY. IN CASE A PROXY IS PROPOSED TO BE APPOINTED BY A MEMBER HOLDING MORE THAN 10% OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS, THEN SUCH PROXY SHALL NOT ACT AS A PROXY FOR ANY OTHER PERSON OR SHAREHOLDER

Corporate members intending to send their Authorised Representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf.

In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote at the meeting

Members/proxies should bring duly attendance slip sent herewith to attend the meeting.

The relative Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("the Act"), in respect of the business under Item Nos. 4 to 8 of the Notice is annexed hereto. The relevant details as required for persons seeking Appointment/Re-appointment as Directors under Item no. 2, 4 and 5 of the Notice are also annexed

The Register of Members and Share Transfer Books of the Company will remain closed from Tuesday, 23rd September, 2014 to Saturday, 27th September, 2014, both days inclusive.

Members are requested to immediately intimate changes, if any, in their registered addresses along with pincode number to the Company. Members holding shares in dematerialised mode are requested to intimate the same to their respective Depository Participants.

Members holding shares in physical form are requested to consider converting their holding to dematerialised form to eliminate risks associated with physical shares.

Members are requested to bring their copy of the Annual Report to the Annual General Meeting

Members seeking any information on the Accounts are requested to write to the Company, which should reach the Company at least one week before the date of the Annual General Meeting so as to enable the Management to keep the information ready. Replies will be provided only at the Annual General Meeting.

The Notice of the AGM along with the Annual Report 2013-14 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company / Depositories, unless any Member has requested for a physical copy of the same. For Members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode.

All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during (3.00 pm to 5.00 pm) on all working days, upto and including the date of the Annual General Meeting of the Company.

The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013 will be available for inspection by the members at the Annual General Meeting.

The Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013 will be available for inspection by the members at the Annual General Meeting.

Voting through electronic means

In compliance with the provisions of Section 108 of the Act and the Rules made thereunder, the Members are provided with the facility to cast their vote electronically, through the e-Voting Services provided by Central Depository Services (India) Limited (CDSL) on all resolutions set forth in this Notice.

SHAREHOLDER INSTRUCTIONS FOR E-VOTING

The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on 20th September 2014 10.A.M. and ends on 22nd September 2014 , 5.P.M. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) 31.08.2014 .may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iii) Click on Shareholders.
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

| For Members holding shares in Demat Form and Physical Form | |
|---|--|
| PAN | Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> ● Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the folio number in the PAN field. ● In case the folio number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with folio number 1 then enter RA00000001 in the PAN field. |
| DOB | Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format. |
| Dividend Bank Details | Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. <ul style="list-style-type: none"> ● Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the number of shares in the Dividend Bank details field. |

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Note for Non - Individual Shareholders and Custodians
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details they should be create a compliance user using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xix) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com.

In terms of Clause 35B of the Listing Agreement, in order to enable its members, who do not have access to e-voting facility, to send their assent or dissent in writing in respect of the resolutions as set out in this Notice, a Ballot Form is annexed. A member desiring to exercise vote by Ballot shall complete the enclosed Ballot Form with assent (for) or dissent (against) and send it to Ms/Mr. Mandar Jog, Proprietor M/s. Mandar S.Jog Company Secretaries, Scrutinizer, Address: Office No.3 Bramha Chambers 2010 Sadashiv Peth Tilak road Pune 411 030 so as to reach her on or before 22nd September, 2014 by 5.30 p.m. Any Ballot Form received after the said date shall be treated as if the reply from the Members has not been received. In the light of the recent judgment of the Bombay High Court, until clarity is available members who have not voted electronically or through ballot, will be permitted to deposit the filled in Ballot Forms, physically at the AGM to enable them to exercise their vote.

Other Instructions

The voting rights of Members shall be in proportion to their share of the paid up share capital of the Company as on 1st September, 2014

Mr. Mandar S. Jog of, M/s. Mandar S. Jog Company secretaries, Practising Company Secretary, has been appointed as the Scrutinizer to scrutinize the e-voting process (including voting by Poll and the Ballot Form received from the Members who do not have access to the e-voting process) in a fair and transparent manner.

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

The Scrutinizer shall, within a period not exceeding three working days from the conclusion of the e-voting period shall make a report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.

Members who do not have access to e-voting facility may send duly completed Ballot Form (enclosed with the Annual Report) in the postage prepaid self addressed envelope so as to reach the scrutinizer not later than 22nd September, 2014. Ballot form received after this date will be treated as invalid.

Members can also download the Ballot Form from the link <https://www.evoting.cdsl.com> or www.iitnlindia.com or seek duplicate Ballot Form from M/s. Link Intime (India) Private Limited, Registrar & Transfer Agents, C-13, Pannalal Silk Mills Compound, LBS Marg, Bhandup (West), Mumbai 400078.

A Member can opt for only one mode of voting i.e either through e-voting or by ballot. If a Member casts votes by both modes, then voting done through e-voting shall prevail and ballot shall be treated as invalid.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**Item No. 4 and 5:**

In terms of Section 149 and any other applicable provisions of the Companies Act, 2013, Mr. Padmakar Kashyapi (holding DIN 02781653) and Mr. Prabhakar Hegde (holding DIN 02780554) are proposed to be appointed as an Independent Directors to hold office upto March 31, 2019. A notice pursuant to Section 160 of the Companies Act, 2013, has been received from a member proposing Mr. Padmakar Kashyapi and Mr. Prabhakar Hegde as a candidate for the office of Independent Directors of the Company.

In the opinion of the Board, the Independent Directors fulfils the conditions specified in the Section 149, 152 and Schedule IV of Companies Act, 2013 read with Companies (Appointment and Qualifications of Directors) Rules, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force) for their appointment as an Independent Directors of the Company. Further, all the aforesaid Independent Directors have given a declaration to the Board of Directors' to the effect that they meet the criteria of independence as provided in Section 149(6) of the Companies Act, 2013. Copy of the draft letter for appointment of Mr. Padmakar Kashyapi and Mr. Prabhakar Hegde as an Independent Directors setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day, excluding Saturdays, between 11.00 a.m. and 1.00 p.m. up to the date of the Meeting.

The Board considers that continued association of these directors would be of immense benefit to the Company and it is desirable to continue to avail their services as an Independent Directors. Accordingly, the Board recommends the resolution in relation to appointment of Mr. Padmakar Kashyapi and Mr. Prabhakar Hegde as an Independent Directors, for the approval by the shareholders of the Company.

None of the Directors, Key Managerial Personnel or their relatives are interested in passing of the aforesaid resolution except Mr. Padmakar Kashyapi and Mr. Prabhakar Hegde.

The Board recommends the resolution set forth in Item No 4 and 5 for approval of members.

Item No. 6 :

According to the provisions of Section 188 and other applicable provisions under the Companies Act, 2013, Rules notified there under and revised Clause 49 of the Listing Agreement effective from 1st October, 2014, the consent of the Members by special resolution is to be accorded for entering into transactions with related parties as mentioned in the resolution subject to the conditions prescribed under said provisions.

The first proviso to the said section read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 provides that no contract or arrangement, in the case of transactions exceeding the prescribed limits, shall be entered into except with the prior approval of the company by a special resolution.

In the light of provisions of the Act, the Board of Directors of your Company has approved the proposed transactions along with annual limits that your Company may enter into with its related parties (as defined under the Act) for the financial year 2014-15 and beyond.

Disclosures as required under Rule 15 of the Companies (Meetings of Board and its powers) Rules, 2014 are given herein below for perusal of members:

| Name of the Related Party | Name of the Director or Key Managerial Personnel who is related | Nature of relationship |
|----------------------------------|--|-------------------------------|
| Schmidt Bretten India Pvt Ltd | Sadanand Hegde, Managing Director, is a common director | Managing Director |
| Fristam Pumps (I) Pvt Ltd | Joachim Friedsch, Director, is a common director | Director |

Nature, material terms, monetary value and particulars of the contract or arrangement:

Nature of transactions, period of the transactions and monetary value of the transactions are referred in the resolution set out in Resolution no. 6. All transactions would be carried out as part of the business requirement of the Company

Members are hereby informed that pursuant to second proviso of section 188(1) of the Act, no member of the Company shall vote on such special resolution to approve any contract or arrangement which may be entered into by the Company, if such member is a related party.

The Board of Directors of your Company has approved this item in the Board meeting and recommends the resolution as set out in the accompanying notice for the approval of members of the Company as a special resolution.

None of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the resolution except Mr. Sadanand Hegde and Mr. Joachim Friedsch.

Interested Shareholders would not be eligible to vote on the resolution set out at item no. 6 of the accompanying notice in term of Section 188 of the Companies Act, 2013 and Clause 49 of the Listing Agreement.

Item No. 7:

It is hereby informed that majority of the sections of the Companies Act, 2013 have been notified. Pursuant to the notified provisions, the Articles of Association is required to be amended to align it with new provisions. It is therefore proposed to adopt new set of the Articles of Association of the Company in place of existing Articles of Association of the Company.

As per section 14 of the Companies Act, 2013 approval of members of the Company by Special Resolution is required. Therefore members are requested to pass the necessary special resolution as mentioned in the notice.

The copy of the Articles of Association of the Company is open for inspection of the shareholders at the registered office of the Company during working hours except on holidays

None of the Directors or Key Managerial Personnel or their relatives, are interested or concerned in the resolution.

The Board recommends the resolution set forth in Item No 7 for approval of members.

Item No. 8:

Mr. Sadanand Hegde (having DIN 00195106) is a Managing Director of the Company. He joined the Board of Directors of the Company in April, 1982. He has attained the age of seventy on 10.07.2014 and pursuant to section 196(3) of the Companies Act, 2013, to make him eligible for continuing the employment as a Managing Director of the Company, approval of members by way of Special Resolution is required.

Accordingly, the Board recommends the resolution for the approval by the shareholders of the Company.

None of the Directors or Key Managerial Personnel or their relatives are interested or concerned in the resolution except Mr. Sadanand Hegde.

The Board recommends the resolution set forth in Item No 8 for approval of members.

By order of the Board
for Filtron Engineers Limited

Place : Pune
Date : 09th August 2014

SADANAND HEGDE
Managing Director
DIN: 00195106

Details of Directors Seeking Appointment / Re-appointment at the Annual General Meeting

| Name of the Director | Yashwantrao Mali | Prabhakar Hegde | Padamakar Kashyapi |
|---|-----------------------------------|--|--|
| Date of Birth | 25/07/1960 | 26/04/1942 | 10/06/1942 |
| Date of Appointment | 21/01/2012 | 09/12/2009 | 09/12/2009 |
| Qualifications | IDD DAIRY TECH | B.E CIVIL | B.E.CIVIL |
| Expertise in specific functional area | 27 yrs experience in dairy field. | 39 yrs experience in project planning & execution of large industrial complex, material management, inbound and outbound logistgics. | 45 YRS Experience in civil engineering |
| Other Directorships | - | - | - |
| Memberships/Chairmanships of Committees of other public companies (includes only Audit Committee and Shareholders/ Investors Grievance Committee) | - | - | - |
| Number of shares held in the Company | 0 | 0 | 0 |

DIRECTOR'S REPORTFor the year ended on 31st March, 2014

To,
The Shareholders of
Filtron Engineers Limited

Your Directors present the Annual Report together with the audited accounts for the year ended 31st March 2014.

1. FINANCIAL RESULTS & OPERATIONS :

| Particulars | 2013-2014 | (Rs. In Lacs) 2012-2013 |
|--|------------------|----------------------------|
| Profit / (Loss) before exceptional and extraordinary items and tax | 0.81 | 11.19 |
| Exceptional items | NIL | 10.65 |
| Profit / (Loss) before extraordinary items and tax | 0.81 | 0.53 |
| Extraordinary Items | NIL | NIL |
| Profit / (Loss) before tax | 0.81 | 0.53 |
| Less: Tax Expense: | | |
| (a) Current tax | NIL | NIL |
| (b) MAT credit | 0.16 | 0.11 |
| (c) Current tax expense relating to prior years | NIL | NIL |
| (d) Deferred tax | | |
| Net current tax expense | NIL | NIL |
| | 0.16 | 0.11 |
| Profit / (Loss) from continuing operations | 0.65 | 0.42 |
| Profit / (Loss) for the year | 0.65 | 0.42 |

The profit for the year ended 31st March 2014, after providing depreciation, comes to Rs. 65451.59/-.

2. OPERATIONS

During the Financial Year under this report the Company has satisfactorily executed Local & Export order worth Rs 699.090 lakhs in the previous year 642.44 Lacs)

The Company Shares are now demated with NSDL and CDSL. The BSE has issued a notice dated 4th July, 2014 revoking the suspension of trading of equity shares of the Company w.e.f. 11th July, 2014. Pursuant to same, the trading of securities of the Company is resumed in "T" group.

3. DIVIDEND

Your Directors feel that it is prudent to plough back the profits for future growth of the Company and do not recommend any dividend for the year ended 31st March, 2014.

4. DIRECTORS

In accordance with the provisions of the Companies Act, 2013 Mr. Yashwantrao Ramchandra Mali , Director of the company is due to retire by rotation, and being eligible, have offered himself for reappointment. Members are requested to reappoint him as the Director of the Company liable to retire by rotation.

5. INFORMATION AS PER SECTION 217(1)(e) OF THE COMPANIES ACT, 1956 READ WITH THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF DIRECTORS) RULES, 1988 AND FORMING PART OF THE DIRECTORS REPORT FOR THE YEAR ENDED ON 31ST MARCH, 2014.**a) CONSERVATION OF ENERGY:**

Your company has successfully maintained energy efficient lighting has been at a low level, it also implemented the plan to utilize energy efficient welding sets in the Factory. The company is making all efforts for better utilizations of energy wherever possible. The company is not being a specified industry under (Disclosure of particulars in the Report of the Board of directors) rules, 1988, the details regarding consumption of electricity, fuel, oil etc. is not annexed.

b) RESEARCH & DEVELOPMENT :

The Company undertakes turnkey project works. The plants commissioned and installed at Customer's site. This activity involves peculiar designing work which entails high precision and continuous R & D.

c) TECHNOLOGY ABSORPTION:

Required technology is absorbed, adapted wherever necessary to keep the Company competitive.

d) FOREIGN EXCHANGE EARNING AND OUTGO:

| Particulars | 2013-2014 | (All figures in Rs.) 2012-2013 |
|---|----------------------|---|
| Expenditure in foreign currency: | | |
| Gain Due to Fluctuation | 1,037,153.00 | 746,109.00 |
| Loss Due to Fluctuation | (717,557.00) | (72,763) |
| Earnings in Foreign Exchange | | |
| Export of goods calculated on FOB basis | 29,242,085.00 | 35,478,692.00 |

6 EMPLOYEES RELATIONS :

Relations between the employees and the management continued to be cordial throughout the year under report. Information as required under the provisions of sections 217(2A) of the companies act, 1956 read with the companies (particulars of employees) Rules, 1975, has not been annexed since there are no employees to whom the said provisions are applicable.

7 AUDITORS :

M/s. A.A. Bhat & Co. Chartered accountants will retire at the conclusion of the ensuing Annual general meeting and are eligible for re-appointment. The board requests you to reappoint them and fix their remuneration for the year 2014-2015. The Company has received letter from M/s. A.A. Bhat & Co. Chartered accountants, to the effect that their re-appointment, if made, would be within the prescribed limits under Section 141(3)(g) of the Companies Act, 2013 and that they are not disqualified from being appointed as the Statutory Auditor of the Company.

8. DIRECTORS RESPOSIBILITY STATEMENT :

Pursuant to the requirements under the section 217(2AA) of the Companies Act, 1956 with respect to director's responsibility statement for the year ended on 31st March 2014 the directors of the company do state as under:

1. In preparation of the annual accounts for the financial year ended on 31st March 2014 the applicable accounting standards have been followed along with proper explanation relating to material departures. Also necessary disclosures are made in the notes to the accounts.
2. That the directors have selected such accounting policies and applied them consistently so as to give a true & fair view of the state of affairs of the company at the end of the financial year and of the profit of the company for the year under review.
3. That the directors have taken proper and sufficient care for the maintenance of the adequate accounting records in accordance with provisions of the act for safeguarding the assets of the company and for preventing and detecting fraud and other regularities
4. That the directors have prepared the accounts for the financial year ended on 31st March 2014 on going concern basis.

9. OBSERVATION IN AUDITOR'S REPORT :

In respect to observations made by the auditors regarding the internal audit system of the Company in their report on 24th May 2014, the board of directors would like to state that steps are being taken for implementation of internal audit.

10. ACKNOWLEDGMENT :

The directors place on record their appreciation for the whole hearted and sincere co-operation received by the company during the year from employees, customers, suppliers, business associates, consultants, shareholders, bankers and various government authorities at all levels.

on behalf of Board of Directors
of Filtron Engineers Limited

Place : Pune

Date : 29rd August 2014

SADANAND HEGDE
Chairman and Managing Director
DIN : 00195106

COMPLIANCE CERTIFICATE**CIN: L57909PN1982PLC026929****Nominal Capital: 35,000,000/-****Paid Up Capital: 26,165,000/-**

To,
The Members,
Filtron Engineers Limited,
Filtron house,
6, Sitabag Colony,
Sinhgad Road,
Pune 411030.

We have examined the registers, records, books and papers of Filtron Engineers Limited as required to be maintained under the Companies Act, 1956 and notified sections of the Companies Act, 2013 (the Act) and the Rules made thereunder and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on **31st March 2014**. In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished to us by the Company, its officers and agents, we certify that in respect of the aforesaid financial year:

1. The Company has kept and maintained all Registers as stated in **Annexure 'A'** to this Certificate, as per the provisions of the Act and the rules made thereunder and all entries therein have been duly recorded.
2. The Company has duly filed the forms and returns as stated in **Annexure 'B'** to this Certificate, with the Registrar of Companies within the time prescribed under the Act and rules made thereunder.
3. The Company being a Public Limited Company, the provisions of Section 3(1)(iii) are not applicable.
4. The Board of Directors duly met 5 times on 25th May 2013, 9th July, 2013, 3rd August, 2013, 26th October 2013, and 1st February, 2014 in respect of which meetings proper notices were given and the proceedings were properly recorded and signed including the circular resolutions passed in the Minutes Book maintained for the purpose.
5. The Company has closed its Register of Members during the year under consideration from Tuesday, 24th September, 2013 to Saturday, 28th September, 2013 (both days inclusive) and has complied with the provisions of Section 154 of the Companies Act, 1956.
6. The Annual General Meeting for the financial year ended on 31st March 2013 was held on 28th September, 2013 after giving due notice to the members of the Company and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.
7. No Extra Ordinary General Meeting was held during the financial year under consideration.
8. The Company has not advanced any loans to its directors and persons or firms or companies referred to under Section 185 of the Companies Act, 2013 during the year under consideration.
9. The Company has not complied with the provisions of Section 297 of the Act in respect of contracts specified in that Section.
10. The Company has made the necessary entries in the register maintained under section 301 of the Companies Act, 1956.
11. No approval was required from Board of Directors, members or previous approval of the Central Government, pursuant to section 314 of the Companies Act, 1956 during the financial year under review.
12. No issue of duplicate Share Certificate was made by the Company during the period under scrutiny.

13. (i) The Company has delivered all share certificates for transfer of equity shares lodged in physical mode and there were no allotment/transmission of shares during the financial year under consideration so no certificates were required to be delivered.
- (ii) The Company has not deposited any amount in a separate bank account as no dividend was declared during the financial year under consideration.
- (iii) The Company was not required to post warrants to any member of the company as no dividend was declared during the financial year under consideration.
- (iv) No provisions as to transferring the amounts in unpaid dividend account, application money due for refund, matured deposits, matured debentures and the interest accrued thereon which have remained unclaimed or unpaid for a period of seven years to Investor Education and Protection Fund are applicable.
- (v) The Company has duly complied with the requirements of section 217 of the Act.
14. The Board of Directors of the Company is duly constituted and all appointments have been duly made.
15. The appointment of Mr. Venkat Giri as an Additional Director and designating him as Whole –Time Director of the Company has been made in compliance with the provisions of section 269 read with Schedule XIII of the Act. However, the Company has not filed Form 32 for appointing Mr. Venkat Giri as Additional Director with Registrar of Companies.
16. No sole-selling agent was appointed by the Company for the period under scrutiny.
17. The Company was not required to obtain approvals of Central Government, Company Law Board, Registrar of Companies or such other Authorities as may be prescribed under the various provisions of the Act except for taking approval of Regional Director under section 297 of the Act.
18. The directors have disclosed their interest in other firms/companies to the Board of Directors pursuant to the provisions of the Act and the rules made thereunder except Mr. Joachim Friedsch, Director of the Company.
19. The Company has not issued shares/ debentures/ other securities during the financial year under consideration.
20. The Company has not bought back any share during the financial year under consideration.
21. There was no preference share or debenture. Hence, provision of redemption of preference share or debentures is not applicable.
22. The provisions as to keeping in abeyance rights to dividend, rights shares and bonus shares pending registration of transfer of shares are not applicable.
23. The Company has not invited/accepted deposits including unsecured loans during the period under consideration.
24. The Company has made borrowings from banks during the financial year under scrutiny and the same is in compliance with provisions of Section 180 of the Companies Act, 2013. The Company has created a charge on loan amounting to Rs.90,00,000/- in favour of Bank of Maharashtra, the same is as on date of this certificate satisfied by the Company. However, the Company has not filed Form 8 and 17 as required to be filed with Registrar of Companies intimating the creation and satisfaction of charge.
25. During the financial year, the Company has not acquired, by way of subscription, purchase or otherwise the securities of any other body corporate and has not given any loan, guarantee or provided any security in connection with loan as prescribed under section 372A Companies Act, 1956.
26. The Company has not altered the provisions of the Memorandum with respect to situation of the Company's Registered Office from one state to another during the year under scrutiny.
27. The Company has not altered the provisions of the Memorandum with respect to the objects of the Company during the year under scrutiny.
28. The Company has not altered the provisions of the Memorandum with respect to name of the Company during the year under scrutiny.

29. The Company has not altered the provisions of the memorandum with respect to share capital of the Company during the year under scrutiny.
30. The Company has altered its articles of association after obtaining approval of members in the annual general meeting held on 28th September, 2013 and the amendments to the articles of association have not been duly registered with the Registrar of Companies.
31. No prosecutions were initiated against or show cause notices received by the Company for alleged offences under the Act.
32. The Company has not received security deposit from its employees during the year under certification and therefore the provisions of section 417(1) of the Companies Act, 1956 are not applicable.
33. The provisions of depositing both employee's and employer's contribution to Provident Fund with prescribed authorities pursuant to section 418 of the Companies Act, 1956 are not applicable to the Company.

**For Makarand M. Joshi & Co.
Company Secretaries**

Place : Mumbai
Date : 09-08-2014

ANNEXURE A

Register under the Companies Act, 1956

1. Register of Charges-u/s 143
2. Register of Members -u/s 150
3. Minutes Book for Board and General Meetings – u/s 193
4. Register of particulars of contract in which the Directors are interested u/s – 301
5. Register of Directors and Managing Director, Manager and Secretary u/s – 303
6. Register of Directors' shareholdings u/s 307
7. Share Transfer Register
8. Register of Investments u/s 372A

ANNEXURE B

Forms and Returns as filed by the Company with the Registrar of Companies, Regional Director, Central Government or other authorities during the financial year ending on 31st March, 2014.

Forms filed with ROC

| Sr.No | Form no./ Return | Filed u/s | Date of Filing/ registration | Filed within Time | If delay whether additional fee paid |
|-------|---|-----------|------------------------------|-------------------|--------------------------------------|
| 1 | Form 32 – Appointment of Mr. Venkat Giri as Whole Time Director w.e.f 8 th July, 2013 | 303 | 24/07/2013 | Yes | NA |
| 2 | Form – 66 for Compliance Certificate for the year ended 31 st March 2013 | 383A | 02/12/2013 | No | Yes |
| 3 | Form – 23AC & ACA for filing Balance sheet and Profit loss account of the Company for year ended 31 st March 2013 | 220 | 13/12/2013 | No | Yes |
| 4 | Form – 20B for Annual Return as at the Annual General Meeting held on 28 th September 2013 | 159 | 27/11/2013 | Yes | NA |
| 5 | Form 23 – For appointment of Mr. Venkat Giri as Whole –Time Director of the Company in the Board meeting held on 9 th July, 2013 | 192 | 24/07/2013 | Yes | NA |
| 6. | Form 8 for creation of charge dated 13 th February, 2014 in favour of Bank of Maharashtra amounting to Rs. 31,50,000/- | 125 | 12/05/2014 | No | Yes |
| 7. | Form 25C for appointment of Mr. Venkat Giri as Whole –Time Director of the Company w.e.f. 8 th July, 2013 | 269 | 06/08/2013 | Yes | NA |

For Makarand M. Joshi & Co.
Company Secretaries

Place : Mumbai
Date : 09-08-2014

INDEPENDENT AUDITOR'S REPORT

To The Members of,
FILTRON ENGINEERS LIMITED

REPORT ON THE FINANCIAL STATEMENTS

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

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act") read with the General Circular No. 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

AUDITOR'S RESPONSIBILITY

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

An audit involves performing procedure 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 consider 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 polices used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements

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

OPINION

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

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

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2003 (the order) issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the order.
2. As required by section 227(3) of the Act, we report that:
 - a. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit ;

- b. In our opinion proper books of account as required by law have been kept by the company so far as it appears from our examination of the books and proper returns adequate for the purposes of our audit have been received from branches not visited by us ;
- c. The balance sheet, profit and loss account dealt with by this report are in agreement with the books of account and with the returns received from branches not visited by us;
- d. In our opinion, the Balance Sheet, statement of Profit and Loss and Cash Flow statement dealt with by this report comply with the Accounting Standards notified under the Companies Act, 1956 read with General Circular No. 15/2013 dated September 13, 2013 of Ministry Of Corporate Affairs in respect of Section 133 of Companies Act, 2013 and except AS 15 in respect of Retirement Benefits and AS 22 in respect of Deferred Tax Asset/Liability.
- e. On the basis of written representations received from the directors, as on 31st March 2014 and taken on record by the Board of Directors, none of the director is disqualified as on 31st March 2014 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of Act.
- f. Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Companies Act, 1956 nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.

For and on behalf of
A.A. BHAT & CO.
Chartered Accountants
Firm Registration No. 101282W

Place : Pune
Dated : 24/05/2014

CA. NISHIKANT V. BADWE
Partner
Membership No. 31637

ANNEXURE TO THE AUDITORS' REPORT
(Referred to in paragraph 3 of our report of even date)

- (i) In respect of its fixed assets:
- (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) The fixed assets were physically verified during the year by the management at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
 - (c) In our opinion and according to the information and explanations given to us, a substantial part of fixed assets has not been disposed of by the Company during the year.
- (ii) In respect of its inventories:
- (a) As explained to us, inventories were physically verified at the year end by the management.
 - (b) In our opinion and according to the information and explanation given to us the procedure for physical verification of inventory followed by the management is reasonable and adequate in relation to the size of the Company and the nature of its business.
 - (c) On the basis of our examinations of records of inventory in our opinion the Company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification of inventory and book record.
- (iii) (a) In our opinion and according to the information and explanations given to us the Company has granted Loans/Advances to the parties covered in the register maintained U/s. 301 of The Companies Act, 1956. The maximum amount of Loans/Advances during the year was Rs. 91.74 Lacs (P.Y. Rs. 91.74Lacs)
- (b) As per the information and explanation given to us we are *unable* to express our opinion in respect of whether the rate of interest and other terms & condition of the Loans/Advances, repayments thereof and over dues amount of more than rupees one lacs of Loans/Advances given by the Company is prima facie prejudicial to the interest of the company.
- (iv) In our opinion there is an adequate internal control procedure commensurate with the size of the company and the nature of its business for the purchase of inventory and fixed assets and sale of goods and services.
- (v) In respect of transactions entered in the register maintained in pursuance of section 301 of the Companies Act, 1956:
- (a) To the best of our knowledge and belief and according to the information and explanations given to us, transactions that needed to be entered into the register have been so entered.
 - (b) According to the information and explanations given to us, where each of such transactions is in excess of Rs. 5 Lacs in respect of any party, the transactions have been made at prices which are prima facie reasonable having regard to the prevailing market prices at the relevant time.
- (vi) The Company has not accepted any deposits from public within the meaning of section 58A & 58AA of the Act and rules framed there under.
- (vii) The Company does not have an internal audit system. We are informed that the steps are being taken for implementation of internal audit.
- (viii) According to the information and explanation given to us, The Central Government has not prescribed the maintenance of cost records under Section 209(1)(d) of the Companies Act, 1956, for any of the products of the company.
- (ix) According to the information and explanations given to us in respect of the Statutory and other dues:
- (a) The Company has been generally regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Excise Duty, Custom Duty, Cess and other statutory dues except Sales Tax with the appropriate authorities during the year. Undisputed dues in respect of sale tax outstanding for the period of more than 6 month from the date they become payable is nil. (P.Y. Rs. NIL)

- (x) The accumulated losses of the company as at the end of the year are not more than 50% of its net worth. The Company has not incurred cash losses during the financial period covered by our audit in the immediately preceding financial year.
- (xi) According to the records of company examined by us and as per audit procedures and on the basis of information and explanations given by the management, we are of the opinion that the company has not defaulted in the repayment of dues to financial institutions, banks and debenture holders as at the balance sheet date.
- (xii) According to the information and explanations given to us, the Company has not granted loans or advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) The Provisions of any special statute applicable to chit fund/nidhi/mutual benefit fund/societies are not applicable to the Company.
- (xiv) In our opinion and according to the information and explanations given to us, the Company is not a dealer or trader in securities.
- (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) In our opinion, and the information and explanation given to us the term loans were applied on an overall basis, for the purpose for which they obtained.
- (xvii) According to the Cash Flow Statement and other records examined by us and the information and explanations given to us, on an overall basis, funds raised on short term basis have, prima facie, not been used during the year for long term investment and vice versa.
- (xviii) The Company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under Section 301 of the Companies Act, 1956, during the year and hence the question of whether the price at which shares have been issued is prejudicial to the interest of the Company does not arise.
- (xix) According to the information and explanations given to us and the records examined by us, the company has not made any debenture issue.
- (xx) The Company has not raised money by public issues during the year and hence the question of disclosure and verification of end use of such monies does not arise.
- (xxi) During the course of examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year nor have we have been informed of any such case by the management.

Place : Pune
Dated : 24/05/2014

For and on behalf of
A.A.BHAT & CO.
Chartered Accountants
Firm Registration No. 101282W

CA. N. V. BADWE
Partner
Membership No. 31637

BALANCE SHEET AS AT 31ST MARCH, 2014

| | Note No. | As at 31 March 2014 | As at 31 March 2013 |
|------------------------------------|-------------|-----------------------------|-----------------------------|
| EQUITY AND LIABILITIES | | | |
| Shareholders' funds | | | |
| (a) Share capital | 3 | 28,146,500.00 | 28,146,500.00 |
| (b) Reserves and surplus | 4 | (89,533.49) | (154,985.08) |
| | | <u>28,056,966.51</u> | <u>27,991,514.92</u> |
| Non-current liabilities | | | |
| (a) Long-term borrowings | 5 | 5,591,763.83 | 946,527.64 |
| (b) Deferred tax liabilities (net) | | - | - |
| (c) Other long-term liabilities | 6 | 1,272,692.00 | 1,182,500.00 |
| | | <u>6,864,455.83</u> | <u>2,129,027.64</u> |
| Current liabilities | | | |
| (a) Short-term borrowings | 7 | 16,525,107.15 | 24,351,932.70 |
| (b) Trade payables | 8 | 25,431,380.03 | 22,342,824.03 |
| (c) Other current liabilities | 9 | 9,628,798.80 | 14,353,424.80 |
| (d) Short-term provisions | 10 | 1,168,849.00 | 874,117.00 |
| | | <u>52,754,134.98</u> | <u>61,922,298.53</u> |
| | | TOTAL | |
| | | <u><u>87,675,557.32</u></u> | <u><u>92,042,841.09</u></u> |
| ASSETS | | | |
| Non-current assets | | | |
| (a) Fixed assets | | | |
| (i) Tangible assets | 11 | 24,411,043.63 | 22,622,427.87 |
| (ii) Capital work-in-progress | | 9,949,968.00 | - |
| | | <u>34,361,011.63</u> | <u>22,622,427.87</u> |
| (b) Non-current investments | 12 | - | - |
| (d) Long-term loans and advances | 13 | 9,174,500.43 | 9,174,500.43 |
| (e) Other non-current assets | 14 | 367,448.00 | 336,726.00 |
| | | <u>43,902,960.06</u> | <u>32,133,654.30</u> |
| Current assets | | | |
| (b) Inventories | 15 | 7,747,599.00 | 14,116,037.00 |
| (c) Trade receivables | 16 | 20,723,479.68 | 27,945,314.21 |
| (d) Cash and cash equivalents | 17 | 5,720,978.37 | 4,666,034.37 |
| (e) Short-term loans and advances | 18 | 9,053,089.21 | 12,880,549.21 |
| (f) Other current assets | 19 | 527,451.00 | 301,252.00 |
| | | <u>43,772,597.26</u> | <u>59,909,186.79</u> |
| | | - | - |
| | | TOTAL | |
| | | <u><u>87,675,557.32</u></u> | <u><u>92,042,841.09</u></u> |

See accompanying notes forming part of the financial statements

As per our Report attached of even date

For and on behalf of

A. A. Bhat & Co.Chartered Accountants
(Firm Reg. No. 101282W)**Nishikant V. Badwe**Partner
Membership No. 31637
Pune, 24 May 2014

For and on behalf of the Board of Directors

MR. SADANAND HEGDE MR. YASHWANTRAO MALI
MANAGING DIRECTOR WHOLE TIME DIRECTOR
Pune, 24 May 2014

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2014

| | Note No. | For the year ended 31 March 2014 (Rs.) | For the year ended 31 March 2013 (Rs.) |
|--|----------|--|--|
| CONTINUING OPERATIONS | | | |
| Revenue from operations (gross) | 20 | 69,909,896.00 | 64,244,095.00 |
| Less: Excise duty | 20 | - | - |
| Revenue from operations (net) | | 69,909,896.00 | 64,244,095.00 |
| Other income | 21 | 1,236,476.39 | 2,282,433.85 |
| Total revenue | | 71,146,372.39 | 66,526,528.85 |
| Expenses | | | |
| (a) Cost of materials consumed | 22 a | 39,778,992.00 | 41,404,714.00 |
| (b) Changes in inventories of finished goods, work-in-progress and stock-in-trade | 22 b | 1,740,053.00 | 247,458.00 |
| (d) Employee benefits expense | 23 | 8,107,576.00 | 7,112,325.00 |
| (e) Finance costs | 24 | 4,121,043.30 | 3,019,260.67 |
| (f) Depreciation and amortisation expense | 11 | 1,927,400.63 | 1,945,983.36 |
| (g) Other expenses | 25 | 15,390,355.87 | 9,450,504.28 |
| Total expenses | | 71,065,420.80 | 65,407,367.31 |
| Profit / (Loss) before exceptional and extraordinary items and tax | | 80,951.59 | 1,119,161.54 |
| Exceptional items | 26 | - | 1,065,360.00 |
| Profit / (Loss) before tax | | 80,951.59 | 53,801.54 |
| Tax expense: | | | |
| (a) Current tax expense for current year | | - | - |
| (b) (Less): MAT credit | | 15,500.00 | 11,000.00 |
| (c) Current tax expense relating to prior years | | - | - |
| (d) Net current tax expense | | 15,500.00 | 11,000.00 |
| (e) Deferred tax | | - | - |
| | | 15,500.00 | 11,000.00 |
| Profit / (Loss) from continuing operations | | 65,451.59 | 42,801.54 |
| TOTAL OPERATIONS | | | |
| Profit / (Loss) for the year | | 65,451.59 | 42,801.54 |
| See accompanying notes forming part of the financial statements | | | |

As per our Report attached of even date
For and on behalf of

A. A. Bhat & Co.
Chartered Accountants
(Firm Reg. No. 101282W)

Nishikant V. Badwe
Partner
Membership No. 31637
Pune, 24 May 2014

For and on behalf of the Board of Directors

MR. SADANAND HEGDE MR. YASHWANTRAO MALI
MANAGING DIRECTOR WHOLE TIME DIRECTOR
Pune, 24 May 2014

NOTES FORMING PART OF THE FINANCIAL STATEMENTS**NOTE - 1**

Established in 1982, the Company is a manufacturing and suppliers Food, Dairy, Beverages and Chemical Equipment. The Company currently operates through its facilities located at Pune and Chakan.

I) SIGNIFICANT ACCOUNTING POLICIES**NOTE - 2****Basis of Accounting :**

Accounts of the company are prepared under the historical cost convention and accrual basis as a going concern. The Company has complied with accounting standards recommended by Institute of Chartered Accountants of India & as per prescribed under Sec. 211(3C) of the Companies Act 1956 except Accounting Standard 15 in respect of Retirement Benefits

A) Inventories :

Valuation of Inventories: Inventories are valued at cost or at net realisable value which ever is lower. Scrap generated in manufacturing process is accounted for on sale.

B) Revenue Recognition :

1. Sales: Sales are accounted as soon as material is dispatched and are shown net of MVAT
2. Income arising out of Erection and Installation and Commissioning of equipment is accounted for on completion. The erection and/ or commissioning of
 - i) The Composite and independently functional portion of the project
 - or
 - ii) On completion of the project itself, as is applicable.

C) Fixed Assets :

Fixed assets are stated at cost of acquisition and other attributable costs to bring the Assets to their working condition

- 1) Depreciation is charged on all the assets on straight-line method at rates and manner prescribed in schedule XIV of the Companies Act, 1956 except on Vehicles, it is charged on WDV method. Prorata depreciation is provided in the year of installation as also in the year of sale or disposal of the assets.
- 2) The cost of Leasehold land is amortized over the period of the lease.

D) Foreign currency Transactions :

Foreign Currency transactions of income and expenditure are accounted for at the exchange rate prevailing as on the date of the transaction. Debtors & Creditors in respect of Foreign Currency transactions outstanding as on 31/03/2014 have been expressed at the foreign exchange rates prevailing as on the year end date. The difference between the rate prevailing on the transaction date and settlement /year ended is recognized as Income or Expenses as the case may be.

E) Retirement Benefits - Accounting Standard 15 :

Contributions are made to provident funds, Provisions for gratuity is made as per the amount ascertained by the management. No provision is made for amount towards earned leave.

F) Taxation - Accounting Standard 22 :

- i) Provision for taxation includes current income tax.
- ii) The Company follows - Accounting for taxes on income issued by the Institute of Chartered Accountants of India'. The Company has timing difference between accounting & tax profits on account of accumulated losses and unabsorbed depreciation. As per the perception of the management since there is no convincing evidence which demonstrates the virtual certainty of realisation of such 'Deferred tax assets', the Company has presently decided not to recognize any deferred tax asset or deferred tax liability either.

G) Segment Reporting under Accounting Standard 17 :

The company operates in one business segment namely dairy and beverage equipment and hence reporting under this accounting standard is not applicable to the company.

H) Lease Accounting As per Accounting Standard 19 :

This is not applicable to the company since no new lease transaction took place during the year under report.

I) Consolidated Financial Statement & Investment in Associate as per Accounting Standard 21 & 23:

Not applicable to the Company as the Company does not have any subsidiary.

J) Impairment of Assets as per Accounting Standard 28 :

As on the Balance Sheet date the carrying amounts of the assets net of accumulated depreciation is less than the recoverable amount of those assets. Hence there is no impairment loss on the assets of the company.

K) Capital Commitment :

Estimated amount of contracts remaining to be executed on Capital Account and not provided for Rs. 5,00,000/-Lacs approx (P.Y. Rs. 2,50,000/- Lacs)

L) Related party disclosures as per A.S. 18**A) Subsidiaries : Nil****B) Associates and Joint Ventures:**

- 1) Real Centrifuges Asia Pvt. Ltd.
- 2) Fristam Pumps India Pvt. Ltd.
- 3) Filtron India
- 4) Bertron Equipments Pvt. Ltd.
- 5) Schmidt Bretten India Pvt. Ltd.
- 6) Nerb India Pvt Ltd.

C) Key Management Personnel & Relatives

| | | |
|-----------------------|---|------------------------------|
| Mr. Sadanand Hegde | : | Chairman & Managing Director |
| Mr. Joachim Friedech | : | Director |
| Mr. Prabhakar Hegde | : | Director |
| Mr. Padmakar Kashyapi | : | Director |
| Mr. Yashwantrao Mali | : | Whole time Director |
| Mr. Venkat Giri | : | Whole time Director |

Relatives**M) As 26 Accounting for intangible Assets****Details relating to intangible Assets :**

Intangible assets represents cost of non competition fee paid. It is to be amortized equally over a estimated useful life as below:

| | 31.03.2014 | 31.03.2013 |
|--|---------------------|--------------|
| Useful life: 07 years | | |
| Amortization method : Straight line method | | |
| Carrying amount at the beginning | Rs.11,00,000 | Rs.11,00,000 |
| Amortization during this year | Rs. 10,25000 | Rs. 9,50,000 |
| Carrying amount at the end of the year | Rs. 75,000 | Rs.1,50,000 |

N) In the opinion of the Board the balances in Current Assets, Loans & Advances are approximately of the value stated if realised in the ordinary course of business are taken as per books. The provision for depreciation and all known liabilities is adequate and not in excess of the amounts reasonably necessary. These are no Contingent Liabilities other than those stated in above note No.2(K)

For FILTRON ENGINEERS LIMITED

As per our report of even date
For A. A. BHAT & COMPANY
 CHARTERED ACCOUNTANTS
 Firm Registration No. 101282W

(S. HEGDE)
 MANAGING DIRECTOR

(Y. MALI)
 WHOLE TIME DIRECTOR

C.A. N. V. BADWE
 PARTNER
 Membership No.031637

DATE : 24/05/2014

PLACE : PUNE

Notes on Financial Statements for the Year Ended 31st March 2014.

The Previous year figures have been regrouped/reclassified, wherever necessary to conform to the current year presentation.

Note 3 Share capital**(Rs. in Lacs)**

| Particulars | As at 31 March, 2014 | | As at 31 March, 2013 | |
|---|----------------------|----------------------|----------------------|----------------------|
| | Number of shares | | Number of shares | |
| (a) Authorised Equity shares of Rs.10 each with voting rights | 35,00,000 | 35,00,000.00 | 35,00,000 | 35,00,000.00 |
| | - | - | - | - |
| | 35,00,000 | 35,00,000.00 | 35,00,000 | 35,00,000.00 |
| (b) Issued Equity shares of Rs.10 each with fully Paid voting rights | 2,616,500 | 26,165,000.00 | 2,616,500 | 26,165,000.00 |
| | 2,616,500 | 26,165,000.00 | 2,616,500 | 26,165,000.00 |
| (c) Subscribed and fully paid up Equity shares of Rs.100 each with voting rights | 2,616,500 | 26,165,000.00 | 2,616,500 | 26,165,000.00 |
| | 2,616,500 | 26,165,000.00 | 2,616,500 | 26,165,000.00 |
| (d) Subscribed but not fully paid up Forfeited Equity shares of Rs. 5 Paid Up | 396,300 | 1,981,500.00 | 396,300 | 1,981,500.00 |
| | 396,300 | 1,981,500.00 | 396,300 | 1,981,500.00 |
| Total | 3,012,800 | 28,146,500.00 | 3,012,800 | 28,146,500.00 |

(i) 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 | Bonus | ESOP | Conversion | Buy back | Other changes | Closing Balance |
|---|-----------------|-------------|---------|------|------------|----------|---------------|-----------------|
| Equity shares with voting rights Issued, Subscribed and fully Paid Up Year ended 31 March, 2014 | | | | | | | | |
| - Number of shares | 2499960 | - | 116540 | 0 | 0 | 0 | 0 | 2616500 |
| - Amount @ Rs.10/- | 24999600 | - | 1165400 | 0 | 0 | 0 | 0 | 26165000 |
| Year ended 31 March, 2013 | | | | | | | | |
| - Number of shares | 2499960 | - | 116540 | 0 | 0 | 0 | 0 | 2616500 |
| - Amount @ Rs.100 each | 24999600 | - | 1165400 | 0 | 0 | 0 | 0 | 26165000 |

(ii) 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. Sadanand Hegde | 1154980 | 44.14% | 1154980 | 44.14% |
| S.G. Hegde (HUF) | 142500 | 5.45% | 142500 | 5.45% |

(iii) Details of forfeited shares

| Class of shares | As at 31 March, 2014 | | As at 31 March, 2013 | |
|----------------------------------|----------------------|---------------------------|----------------------|---------------------------|
| | Number of shares | Amount originally paid up | Number of shares | Amount originally paid up |
| Equity shares with voting rights | 396300 | 1981500 | 396300 | 1981500 |

Note 4 Reserves and surplus

| Particulars | (Rs. in Lacs) | |
|--|---------------------------|----------------------------|
| | As at 31 March, 2014 | As at 31 March, 2013 |
| (a) General reserve | | |
| Opening balance | 58,857.00 | 58,857.00 |
| Add: Transferred from surplus in Statement of Profit and Loss | - | - |
| Less: Utilised / transferred during the year | - | - |
| Closing balance | <u>58,857.00</u> | <u>58,857.00</u> |
| (b) Securities Premium Account | | |
| Opening balance | 9,037,544.94 | 9,037,544.94 |
| Add: Premium on Shares issued during the year | - | - |
| Less: Utilised / transferred during the year | - | - |
| Closing balance | <u>9,037,544.94</u> | <u>9,037,544.94</u> |
| (c) Surplus / (Deficit) in Statement of Profit and Loss | | |
| Opening balance | (9,251,387.02) | (9,294,188.56) |
| Add: Profit / (Loss) for the year | 65,451.59 | 42,801.54 |
| Less: Interim dividend | - | - |
| Dividends proposed to be distributed to equity shareholders (Rs 10 per share) | - | - |
| Tax on dividend | - | - |
| Prior period Appropriation | - | - |
| Transferred to: | | |
| General reserve | - | - |
| Reserve for Doubtful Debts | - | - |
| Closing balance | <u>(9,185,935.43)</u> | <u>(9,251,387.02)</u> |
| Total | <u><u>(89,533.49)</u></u> | <u><u>(154,985.08)</u></u> |

Note 5 Long-term borrowings

| | | |
|---|----------------------------|--------------------------|
| (a) Term loans | | |
| Secured | | |
| From banks | 4,709,220.83 | 946,527.64 |
| (b) Deferred payment liabilities | | |
| Unsecured | 882,543.00 | 0.00 |
| Total | <u><u>5,591,763.83</u></u> | <u><u>946,527.64</u></u> |

The above long term borrowings have been guaranteed by the a director

The Company has not defaulted in repayment of the above loans and interest thereon

(ii) Details of terms of repayment and security for the long-term borrowings.

| Particulars | Terms of repayment and security* | Security | As at 31 March, 2014 | As at 31 March, 2013 |
|-------------------------------|--|---|----------------------------|--------------------------|
| <u>Term loans from banks:</u> | | | | |
| Bank of Maharashtra | By equated monthly instalments on the seventh day of the first month of each quarter | Secured by mortgage of immovable property situate at Chakan Plot No. 36, WMDC Industrial Area, Ambethan Road, Chakan, & Pune & Apt 6 & 7 Sr. No. 124, Sitabag Colony, Parvati, Pune - 30 and hypothecation of Plant & Machinery and other moveable fixed assets and current Assets and against the Personal Guarantee of a Director | 3,061,118.83 | 946,527.64 |
| HDFC Bank Ltd. | Secured against Hypothecation Vehicles | | 1,648,102.00 | 0.00 |
| Total | | | <u><u>4,709,220.83</u></u> | <u><u>946,527.64</u></u> |

Note 6 Other long-term liabilities

| Particulars | (Rs. in Lacs) | |
|---|-------------------------|-------------------------|
| | As at 31 March, 2014 | As at 31 March, 2013 |
| (a) Others: | | |
| (i) Compensated absences (net of funding) | - | - |
| (ii) Gratuity (net of funding) | 1,272,692.00 | 1,182,500.00 |
| (iii) Unclaimed Dividends | - | - |
| (iv) Security Deposit received | - | - |
| Total | 1,272,692.00 | 1,182,500.00 |

Note - 1) The Company has not ascertained the amount of Compensated absences.

2) Gratuity - The Liability has been ascertained by the company. The Company does not have funding arrangements.

3) No Provision is made for the amount towards earned leave.

Note 7 Short-term borrowings

| Particulars | (Rs. in Lacs) | |
|-------------------------------|-------------------------|-------------------------|
| | As at 31 March, 2014 | As at 31 March, 2013 |
| (a) Loans repayable on demand | | |
| From banks | | |
| Bank of Maharashtra -CC | 5,224,715.15 | 4,559,343.70 |
| Bank of Maharashtra | 11,300,392.00 | 19,792,589.00 |
| | - | - |
| Total | 16,525,107.15 | 24,351,932.70 |

The Company has not defaulted in repayment of the above loans and interest thereon.

Notes: (i) Details of security for the secured short-term borrowings from banks:

| Particulars | Nature of security |
|---------------------------|--|
| Loans repayable on demand | |
| Bank of Maharashtra | 1. Includes Rs. 26,30/- Lacs being the instalment due within one year for the repaying date refer. Note No.5 |
| | 2. One Time Packing Credit - Secured by mortgage of immovable property situate at Chakan Plot No. 36, WMDC Industrial Area, Ambethan Road, Chakan, & Pune & Apt 6 & 7 Sr. No. 124, Sitabag Colony, Parvati Pune - 30 and hypothecation of Plant & Machinery and other moveable fixed asset and current assets and against the Personal Guarantee of a Director & Hypothecation of Finished Goods and Debtors upto maximum 120days considered for DP |

Note 8 Trade payables

| Particulars | (Rs. in Lacs) | |
|---------------------------|-------------------------|-------------------------|
| | As at 31 March, 2014 | As at 31 March, 2013 |
| Trade payables : | | |
| Acceptances | 25,431,380.03 | 22,342,824.03 |
| Other than Acceptances | - | - |
| Due to Subsidiary Company | - | - |
| Total | 25,431,380.03 | 22,342,824.03 |

Note 9 Other current liabilities

| Particulars | (Rs. in Lacs) | |
|--|-------------------------|-------------------------|
| | As at 31 March, 2014 | As at 31 March, 2013 |
| (a) Current maturities of long-term debt | - | - |
| (b) Interest accrued and due on borrowings | - | - |
| (c) Other payables | | |
| (i) Statutory remittances (Contributions to PF and ESIC, Withholding Taxes, Excise Duty, VAT, Service Tax, etc.) | 295,124.00 | 327,354.00 |
| (ii) Advances from customers | 2,112,563.00 | 7,062,158.80 |
| (iii) Income Tax Payables | - | - |
| (iv) Payables on Purchase of Fixed Assets | - | - |
| (v) Security Deposit Received | - | - |
| (vi) Others | 273,192.00 | 92,275.00 |
| Total | 2,680,879.00 | 7,481,787.80 |
| | | |
| (a) Term loans | | |
| (i) From banks | | |
| Secured | 0.00 | 0.00 |
| | <u>0.00</u> | <u>0.00</u> |
| (ii) From other parties | | |
| Unsecured | 6,947,919.80 | 6,871,637.00 |
| | <u>6,947,919.80</u> | <u>6,871,637.00</u> |
| Total | 9,628,798.80 | 14,353,424.80 |

Note 10 Short-term provisions

| | | |
|--|---------------------|-------------------|
| (a) Provision for employee benefits : | | |
| (i) Provision for bonus | 500,129.00 | 330,520.00 |
| (ii) Provision for other defined benefit plans (Refer Note 28.1.a) (Superannuation) | - | - |
| (iii) Provision for other employee benefits | 668,720.00 | 543,597.00 |
| | <u>1,168,849.00</u> | <u>874,117.00</u> |
| (b) Provision - Others : | | |
| (i) Provision for tax (net of advance tax /TDS Rs 51207 (As at 31 March, 2013 R) | - | - |
| (ii) Provision for warranty | - | - |
| (iii) Provision for proposed equity dividend | - | - |
| (iv) Provision for tax on proposed dividends | - | - |
| (vi) Provision - others | - | - |
| | <u>-</u> | <u>-</u> |
| Total | 1,168,849.00 | 874,117.00 |

Note 11 Fixed assets

(Figures in Rs.)

| a. | Tangible assets | Balance as at 1 April, 2013 | Additions | Disposals | Acquisition through business combinations | Reclassified as held for sale | Revaluation increase | Effect of foreign currency exchange differences | Borrowing cost capitalised | Other adjustments | Balance as at 31 March, 2014 | | | | | | | | | | |
|----|--------------------------|-----------------------------|--|----------------------------------|---|--|--|---|-----------------------------|-----------------------------|---|-------------|--|--|--|--|--|--|--|--|--|
| | | | | | | | | | | | | Gross block | | | | | | | | | |
| b. | Tangible assets | Balance as at 1 April, 2013 | Depreciation/amortisation expense for the year | Eliminated on disposal of assets | Eliminated on reclassification as held for sale | Impairment losses recognised in statement of Profit & Loss | Reversal of impairment losses recognised in statement of Profit & Loss | Other adjustments | Balance as at 31 March 2014 | Balance as at 31 March 2013 | Net block | | | | | | | | | | |
| | | | | | | | | | | | Accumulated depreciation and impairment | | | | | | | | | | |
| | (a) Land | 919820 | - | - | - | - | - | - | - | - | 919820 | | | | | | | | | | |
| | Freehold Leasehold | 477000 | 5,126.00 | - | - | - | - | - | 102,506.00 | 374,494.00 | 379620 | | | | | | | | | | |
| | (b) Buildings | 18172952 | 548,578.00 | - | - | - | - | - | 4,423,357.00 | 13,749,595.00 | 14298173 | | | | | | | | | | |
| | Own use | 416575 | 6,790.00 | - | - | - | - | - | 130,066.00 | 286,509.00 | 293299 | | | | | | | | | | |
| | Flat | - | - | - | - | - | - | - | - | - | - | | | | | | | | | | |
| | (c) Plant and Machinery | 13865457 | 735,874.00 | - | - | - | - | - | 8,917,123.00 | 5,725,334.00 | 5684208 | | | | | | | | | | |
| | Owned | 2274289 | 384,162.00 | - | - | - | - | - | 2,302,853.54 | 2,670,915.63 | 202126.87 | | | | | | | | | | |
| | Vehicles | 1904307.00 | 95,026.00 | - | - | - | - | - | 1,565,771.00 | 372,560.00 | 433562 | | | | | | | | | | |
| | Owned | 2,959,543.00 | 18,123.00 | - | - | - | - | - | 426,236.00 | 173,382.00 | 191505 | | | | | | | | | | |
| | (e) Office equipment | 599618 | 6,680.00 | - | - | - | - | - | 6,680.00 | 63,434.00 | 70114 | | | | | | | | | | |
| | Owned | 1904307.00 | 18,123.00 | - | - | - | - | - | 17,867,912.54 | 24,336,043.63 | 22,472,427.87 | | | | | | | | | | |
| | (f) Officer Furniture | 70114 | - | - | - | - | - | - | - | - | - | | | | | | | | | | |
| | Owned | 38,700,132.00 | 1,800,359.00 | - | - | - | - | - | 8,675,000.00 | 75,000.00 | 225,000.00 | | | | | | | | | | |
| | (g) Tools | 3,770,567.00 | 2,368,241.00 | - | - | - | - | - | 23,190,934.00 | 15,509,198.00 | 22,697,427.87 | | | | | | | | | | |
| | Total | 38,700,132.00 | 3,770,567.00 | - | - | - | - | - | 260,062.83 | 260,062.83 | 42,210,636.17 | | | | | | | | | | |
| | Intangible assets | 8,750,000.00 | - | - | - | - | - | - | - | - | 8,750,000.00 | | | | | | | | | | |
| | Non-Competition | 47,450,132.00 | 3,770,567.00 | - | - | - | - | - | - | - | 50,960,636.17 | | | | | | | | | | |
| | Total | 47,450,132.00 | 3,770,567.00 | - | - | - | - | - | - | - | 50,960,636.17 | | | | | | | | | | |
| | Previous year | 36,592,082.00 | 2,532,893.00 | - | - | - | - | - | - | - | 38,700,132 | | | | | | | | | | |

Note - During the year The Company has changed the method of Depreciation on Vehicles from Straight Line Method To Written Down Value Method as per the rates prescribed in Schedule XIV of the Company's Act 1956. As such the depreciation for the year is less by Rs. 46,961/- and the profit for the year is more by Rs. 46,961/- and retrospective effect of such depreciation has been incorporated.

Note 11 Fixed assets (contd.)

(Rs. in Lacs)

b. Depreciation and amortisation relating to continuing operations :

| Particulars | For the Year Ended 31 March, 2014 | For the Year Ended 31 March, 2013 |
|--|--------------------------------------|--------------------------------------|
| Depreciation and amortisation for the year on tangible assets as per Note 12 A | 1,927,400.63 | 1,945,983.36 |
| Less: Utilised from revaluation reserve | - | - |
| Depreciation and amortisation relating to continuing operations | <u>1,927,400.63</u> | <u>1,945,983.36</u> |

Note 12 Non-current investments

| Particulars | As at 31 March, 2014 | | | As at 31 March, 2013 | | |
|--|----------------------|----------|-------|----------------------|----------|-------|
| | Quoted | Unquoted | Total | Quoted | Unquoted | Total |
| Investments (At cost) : | | | | | | |
| A. Other investments | | | | | | |
| (a) Investment in equity instruments | | | | | | |
| (i) of subsidiaries | - | - | - | - | - | - |
| (ii) of others | - | - | - | - | - | - |
| Sub Total | - | - | - | - | - | - |
| (b) Investment in preference shares | | | | | | |
| (i) of subsidiaries | - | - | - | - | - | - |
| (c) Investment in Govt. Securities | - | - | - | - | - | - |
| Total | - | - | - | - | - | - |
| Less: Provision for diminution in value of investments | | | - | | | - |
| Total | | | - | | | - |
| Aggregate amount of unquoted investments | | | - | | | - |

Note 13 Long-term loans and advances

| Particulars | As at 31 March, 2014 | As at 31 March, 2013 |
|-------------------------------|-------------------------|-------------------------|
| (i) Capital Advances | | |
| Secured, considered good | - | - |
| (ii) Other loans and advances | | |
| Unsecured, considered good | 9,174,500.43 | 9,166,444.43 |
| Total | <u>9,174,500.43</u> | <u>9,166,444.43</u> |

Note - 1) In our Opinion the realisability of this amount is doubtful.

2) Out of above amount the Company has filed a suits for recovery against the Harvest Financial Ltd Rs. 35,91,760/- and Harvest Infrastructure & D Ltd Rs. 35,41,053/- and Nerb India Pvt Ltd, 839123/- and Filtron Indis Rs. 1202564.42/- In our Opinion the realisability of this amount is Doubtful

Note 14 Other non-current assets

| Particulars | As at 31 March, 2014 | As at 31 March, 2013 |
|----------------------------------|-------------------------|-------------------------|
| (a) Unamortised expenses | | |
| (i) Deferred Revenue expenditure | - | - |
| (b) Others | | |
| (i) Income Tax refund receivable | 0.00 | 0.00 |
| (ii) Others | 367,448.00 | 336,726.00 |
| Total | <u>367,448.00</u> | <u>336,726.00</u> |

Note 15 Inventories

(At lower of cost and net realisable value)

| Particulars | (Rs. in Lacs) | |
|--|----------------------------|----------------------------|
| | As at 31 March, 2014 | As at 31 March, 2013 |
| (a) Raw materials | 2,387,789.00 | 7016174.00 |
| Goods-in-transit | - | 0.00 |
| | <u>2,387,789.00</u> | <u>7016174.00</u> |
| (b) Work-in-progress (Refer Note below) | 5,359,810.00 | 7099863.00 |
| (c) Finished goods | - | 0.00 |
| (d) Stock-in-trade | - | 0.00 |
| (e) Stores and spares | - | 0.00 |
| Total | <u><u>7,747,599.00</u></u> | <u><u>14116037.00</u></u> |
| Note: Details of inventory of work-in-progress | - | - |
| Others | 5,359,810.00 | 7,099,863.00 |
| Total | <u><u>5,359,810.00</u></u> | <u><u>7,099,863.00</u></u> |

Note 16 Trade receivables

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

| | | |
|--|-----------------------------|-----------------------------|
| Unsecured, considered good | 836,726.00 | 700,000.76 |
| Doubtful | 1,134,864.26 | 18,469,990.00 |
| | <u>8,538,106.42</u> | <u>8,775,323.45</u> |
| | <u>20,723,479.68</u> | <u>27,945,314.21</u> |
| Less: Provision for doubtful trade receivables | - | - |
| | <u>20,723,479.68</u> | <u>27,945,314.21</u> |
| Other Trade receivables | - | - |
| Unsecured, considered good | - | - |
| Doubtful | - | - |
| | - | - |
| Total | <u><u>20,723,479.68</u></u> | <u><u>27,945,314.21</u></u> |

Note 17 Cash and cash equivalents

| | | |
|-----------------------------|----------------------------|----------------------------|
| (a) Cash on hand | 12,845.00 | 7,356.00 |
| (b) Cheques, drafts on hand | - | - |
| (c) Balances with banks | | |
| (i) In current accounts | 769,360.37 | 46,651.37 |
| (ii) In deposit accounts | 4,938,773.00 | 4,612,027.00 |
| | <u>5,720,978.37</u> | <u>4,666,034.37</u> |
| Total | <u><u>5,720,978.37</u></u> | <u><u>4,666,034.37</u></u> |

Of the above, the balances that meet the definition of

Cash and cash equivalents as per AS 3 *Cash Flow Statements* is

| | | |
|--|---------------------|---------------------|
| | <u>5,720,978.37</u> | <u>4,666,034.37</u> |
|--|---------------------|---------------------|

Note - Deposits with Banks Rs. 49.38/- Lacs (P.Y. Rs. 46.12/- Lacs) as margin money are against the Bank Guaranteed given and LCs

Note 18 Short-term loans and advances

| Particulars | (Rs. in Lacs) | |
|--|----------------------------|-----------------------------|
| | As at 31 March, 2014 | As at 31 March, 2013 |
| (a) Security deposits Unsecured, considered good | 1,787,180.00 | 1,834,618.00 |
| (b) Loans and advances to employees | 83,594.00 | 2,420,911.00 |
| (c) Prepaid expenses | 150,731.00 | 1,066,489.00 |
| (d) Balances with government authorities | | |
| (i) VAT credit receivable | 6,709,622.21 | 5,773,994.21 |
| | <u>194,140.00</u> | <u>-</u> |
| | <u>6,903,762.21</u> | <u>5,773,994.21</u> |
| (e) Advance to suppliers | 127,822.00 | 1,784,537.00 |
| Less: Provision for doubtful loans and advances | - | - |
| | <u>127,822.00</u> | <u>1,784,537.00</u> |
| Total | <u><u>9,053,089.21</u></u> | <u><u>12,880,549.21</u></u> |

Note 19 Other current assets

| | | |
|------------------------------------|--------------------------|--------------------------|
| (a) Unamortised expenses | | |
| (i) Deferred Revenue expenses | - | - |
| (b) Accruals | | |
| (i) Interest accrued on deposits | 527,451.00 | 301,252.00 |
| (ii) Dividend receivables | - | - |
| (c) Others | | |
| (i) Insurance claims | - | - |
| (ii) Receivable in cash or in kind | - | - |
| Total | <u><u>527,451.00</u></u> | <u><u>301,252.00</u></u> |

Note 20 Revenue from operations

| Particulars | (Rs. in Lacs) | |
|---|---|---|
| | For the Year ended 31 March, 2014 | For the Year ended 31 March, 2013 |
| (a) Sale of products (Refer Note (i) below) | 69,909,896.00 | 64,244,095.00 |
| (b) Sale of services (Refer Note (ii) below) | 0.00 | 0.00 |
| (c) Other operating revenues (Refer Note (iii) below) | 0.00 | 0.00 |
| | <u>69,909,896.00</u> | <u>64,244,095.00</u> |
| Less : | | |
| (d) Excise duty | 0.00 | 0.00 |
| Total | <u><u>69,909,896.00</u></u> | <u><u>64,244,095.00</u></u> |

Note

(i) Sale of products comprises of:**Manufactured goods**

| | | |
|------------------------------------|----------------------|----------------------|
| Mini Dairy Plant | 62,755,508.00 | 59,766,773.00 |
| Plate Heat Exchanger | 4,154,500.00 | 2,977,251.00 |
| Others | 2,999,888.00 | 1,500,071.00 |
| Total - Sale of manufactured goods | <u>69,909,896.00</u> | <u>64,244,095.00</u> |
| Total - Sale of services | <u>0.00</u> | <u>0.00</u> |

(iii) Other operating revenues comprises of:

| | | |
|-----------------------------------|-----------------------------|-----------------------------|
| Total - Other operating revenues | <u>0.00</u> | <u>0.00</u> |
| Total - operating revenues | <u><u>69,909,896.00</u></u> | <u><u>64,244,095.00</u></u> |

Note 21 Other income

| Particulars | For the Year ended 31 March, 2014 | (Rs. in Lacs) For the Year ended 31 March, 2013 |
|---|---|--|
| (a) Interest income (Refer Note (i) below) | 458,413.00 | 615,827.00 |
| (b) Dividend income : | | |
| from long-term investments | | |
| subsidiaries - | 0.00 | 0.00 |
| others | 0.00 | 0.00 |
| (c) Net gain on foreign currency transactions and translation | 319,596.00 | 673,346.00 |
| (d) Other non-operating income (Refer Note (ii) below) | 458,467.39 | 993,260.85 |
| Total | 1,236,476.39 | 2,282,433.85 |
| Note | | |
| (i) Interest income comprises : | | |
| Interest from banks on : | | |
| Deposits | 458,413.00 | 615,827.00 |
| Interest on loans and advances | 0.00 | 0.00 |
| Total - Interest income | 458,413.00 | 615,827.00 |
| (ii) Other non-operating income comprises: | | |
| Rental income from operating leases | 0.00 | 0.00 |
| Liabilities / provisions no longer required written back | 0.00 | 0.00 |
| Miscellaneous income : | | |
| Sundry balances written back | 5,907.00 | 684,568.62 |
| Profit on Sale of Assets | 16,559.39 | 14,587.23 |
| Expenses Reimbursement | 0.00 | 0.00 |
| Miscellaneous income | 436,001.00 | 294,105.00 |
| Total - Other non-operating income | 458,467.39 | 993,260.85 |

Note 22. a Cost of materials consumed

| | | |
|----------------------------------|----------------------|----------------------|
| Opening stock | 7,016,174.00 | 2,676,735.00 |
| Add: Purchases | 35,150,607.00 | 45,744,153.00 |
| | 42,166,781.00 | 48,420,888.00 |
| Less: Closing stock | 2,387,789.00 | 7,016,174.00 |
| Cost of material consumed | 39,778,992.00 | 41,404,714.00 |
| Material consumed comprises : | | |
| Homoginiser & Spares | 10,015,780.00 | 15,744,153.00 |
| Others | 25,134,827.00 | 30,000,000.00 |
| Total | 35,150,607.00 | 45,744,153.00 |

Note 22. b Changes in inventories of finished goods, work-in-progress and stock-in-trade

| Particulars | (Rs. in Lacs) | |
|---|---|---|
| | For the Year ended 31 March, 2014 | For the Year ended 31 March, 2013 |
| <u>Inventories at the end of the year :</u> | | |
| Finished goods | - | 0 |
| Work-in-progress | 5,359,810.00 | 7,099,863.00 |
| Stock-in-trade | - | 0 |
| | <u>5,359,810.00</u> | <u>7,099,863.00</u> |
| <u>Inventories at the beginning of the year :</u> | | |
| Finished goods | - | 0 |
| Work-in-progress | 7,099,863.00 | 9,574,443.00 |
| Stock-in-trade | - | 0 |
| | <u>7,099,863.00</u> | <u>9,574,443.00</u> |
| Net (increase) / decrease | <u>1,740,053.00</u> | <u>2,474,580.00</u> |

Note 23 Employee benefits expense

| | | |
|--|---------------------|---------------------|
| Salaries and wages | 7,198,078.00 | 6,351,722.00 |
| Contribution to provident fund and other funds | 851,020.00 | 684,664.00 |
| Staff Welfare expenses | 58,478.00 | 75,939.00 |
| Total | <u>8,107,576.00</u> | <u>7,112,325.00</u> |

Note 24 Finance costs

| | | |
|---|---------------------|---------------------|
| (a) Interest expense on : | | |
| (i) Borrowings - Loans | 1,781,337.00 | 1,492,785.00 |
| (ii) Borrowings - others | 2,226,983.11 | 609,141.78 |
| (b) Other borrowing costs (Bank charges and other Finance Charges) | 112,723.19 | 917,333.89 |
| Total | <u>4,121,043.30</u> | <u>3,019,260.67</u> |

Note 25 Other expenses**Manufacturing Expenses**

| | | |
|--|--------------|--------------|
| Consumption of stores and spare parts & Packing & Forwarding | 743,439.00 | 277,220.00 |
| Power and fuel | 347,181.00 | 184,258.00 |
| Transport & Octroi | 710,519.00 | 491,766.00 |
| Labour Processing Charges | 2,806,298.00 | 2,473,424.00 |
| Erection & Commissioning | 456,089.00 | 202,662.00 |
| Repairs and maintenance - Machinery | 74,290.00 | 150,182.00 |
| Repairs and maintenance - Others | 392,544.10 | 413,461.00 |
| Insurance | 70,795.00 | 107,428.00 |
| Water charges | 69,260.00 | 36,265.00 |

Administrative Expenses

| | | |
|------------------------------|--------------|------------|
| Advertisement Expenses | 184,018.00 | - |
| Rates and taxes | 8,900.00 | 16,780.00 |
| Travelling and conveyance | 1,052,399.00 | 941,781.28 |
| Printing and stationery | 137,516.90 | 99,404.00 |
| Marketing & Saleing Expenses | 632,558.00 | 2,087.00 |
| Books and Periodicals | 4,766.00 | 4,244.00 |
| Testing and Inspection | 29,229.00 | 3,635.00 |
| Legal and professional | 659,396.00 | 637,517.00 |

Note 25 Other expenses (Contd.)

| Particulars | (Rs. in Lacs) | |
|---|---|---|
| | For the Year ended 31 March, 2014 | For the Year ended 31 March, 2013 |
| Membership and Subscription | 100,052.00 | 80,035.00 |
| Communication | 291,726.00 | 273,981.00 |
| Miscellaneous expenses | 549,765.00 | 366,797.00 |
| Payments to auditors (Refer Note (i) below) | 98,397.00 | 64,010.00 |
| Registration and Licence Fees | 45,945.00 | 72,445.00 |
| Labour Welfare Fund | 468.00 | 1,284.00 |
| Sundry balances written off | 23,521.87 | 50,731.00 |
| Commission Paid | 4,239,523.00 | 300,000.00 |
| Tender Expenses | 1,079,159.00 | - |
| Tea Snacks & Lunch Expenses | 134,268.00 | 94,298.00 |
| Loss on Forward Contract | - | 1,816,330.00 |
| Security Charges | 448,333.00 | 288,479.00 |
| Total | 15,390,355.87 | 9,450,504.28 |

(i) Payments to the auditors comprises (net of service tax input credit, where applicable) :

| | | |
|-------------------------------|------------------|------------------|
| As auditors - statutory audit | 45,000.00 | 45,000.00 |
| For taxation matters | 0.00 | - |
| Reimbursement of expenses | 2,809.00 | 2,809.00 |
| Total | 47,809.00 | 47,809.00 |

(ii) Details of Prior period items (net)
 Prior period expenses (give details)
 Prior period income (give details)

| | | |
|--------------|----------|----------|
| | 0 | 0 |
| | 0 | 0 |
| | 0 | 0 |
| Total | 0 | 0 |

Note 26. Exceptional items

| | | |
|--|----------|---------------------|
| Re- Instatement Fees (BSE Reinstatement Fees) | - | 758,360.00 |
| Professional Fees | - | 307,000.00 |
| Total | - | 1,065,360.00 |

Note 27 Additional information to the financial statements**27.1 Contingent liabilities and commitments (to the extent not provided for)**

| | | |
|---|------------|---------------|
| (i) Contingent liabilities | | |
| (a) Bank Guarantees | 6725763.00 | 17,017,572.00 |
| (ii) Commitments | | |
| (a) Estimated amount of contracts remaining to be executed on capital account and not provided for Tangible assets | 500,000.00 | 250,000.00 |

27.2 Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

| | | |
|--|------|---|
| (i) Principal amount remaining unpaid to any supplier as at the end of the accounting year | 0.00 | 0 |
| (ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year | - | - |
| (iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day | - | - |
| (iv) The amount of interest due and payable for the year | - | - |
| (v) The amount of interest accrued and remaining unpaid at the end of the accounting year | - | - |
| (vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid | - | - |

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

Note 27 Additional information to the financial statements (Contd.)

(Rs. in Lacs)

| Particulars | For the Year ended 31 March, 2014 | For the Year ended 31 March, 2013 |
|---|--|---|
| 27.3 Value of imports calculated on CIF basis : | | |
| Raw materials | - | - |
| Spare parts and Components | - | - |
| Capital goods | - | - |
| Stock In Transit | - | - |
| 27.4 Expenditure in foreign currency : | | |
| Gain Due to Fluctuation | 1,037,153.00 | 746,109.00 |
| Loss due to Fluctuation | 717,557.00 | 72,763.00 |
| 27.5 Details of consumption of imported and indigenous items | For the year ended 31 March, 2014 | |
| | Amount | % |
| Imported | | |
| Raw materials | - | - |
| | 0.00 | - |
| Total | - | - |
| | 0.00 | - |
| Indigenous | | |
| Raw materials | 35,150,607.00 | 100.00 |
| Total | 35,150,607.00 | 100.00 |
| | 0.00 | - |

Note : Figures / percentages in brackets relates to the previous year

| | For the Year ended 31 March, 2014 | For the Year ended 31 March, 2013 |
|--|---|---|
| 27.6 Earnings in foreign exchange : | | |
| Export of goods calculated on FOB basis | 29,242,085.00 | 35,478,692.00 |

27.7 In the opinion of the Board, all the assets other than fixed assets and non-current investments have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated.

Note 28 Disclosures under Accounting Standards (Contd.)**28.1** Related party transactions**28.2** Details of related parties :

| Description of relationship | Names of related parties |
|-----------------------------|---------------------------------|
| Relative | Bertron Equipment Pvt. Ltd. |
| Comman Director | Schmidt Bretten India Pvt. Ltd. |
| Relative | Real Centrifuge Asia Pvt. Ltd. |
| Relative | Fristam Pumps (I) Pvt. Ltd. |
| Relative | Filtron India |
| Comman Director | Pune Precicast Pvt. Ltd. |
| Comman Director | Nerb India Pvt. Ltd. |

Note: Related parties have been identified by the Management.

28.3 Details of related party transactions during the year ended 31 March, 2014 and balances outstanding as at 31 March, 2014 :

(Rs. in Lacs)

| | Berton Equipment Pvt Ltd | Schmidt Bretten India Pvt Ltd | Real Centrifuge Asia Pvt Ltd | Fristam Pumps (I) Pvt Ltd | Nerb India Pvt Ltd | Pune Precicast Pvt Ltd | Filtron India | Total |
|--|--------------------------------|--|---------------------------------------|---------------------------------|--------------------------|------------------------------|----------------------|----------------------|
| Purchases | 0 (3324722) | 4003232 (3398221) | 0 (3362359) | 2230536 (3111978) | 0 0 | 0 0 | 0 0 | 6233768 -13197280 |
| Balances outstanding at the end of the year | 841802 (1449909) | 1653008 (740256) | 752440 (1326026) | 3903751 (3272396) | 839123 (831067) | 0 (375272) | 1202564 (1202564) | 9192688 9197490 |

Note: Figures in bracket relates to the previous year

Note 28 Disclosures under Accounting Standards (contd.)

(Rs. in Lacs)

Particulars

**For the
Year ended
31 March, 2014** For the
Year ended
31 March, 2013

28.4 Earnings per share

Basic

28.4.a Continuing operations

| | | |
|---|-------------------|------------|
| Net profit / (loss) for the year from continuing operations | 65,451.59 | 42,801.54 |
| Less: Preference dividend and tax thereon | — | — |
| Net profit / (loss) for the year from continuing operations attributable to the equity shares | 65,451.59 | 42,801.54 |
| Weighted average number of equity shares (Nos.) | 2616500.00 | 2616500.00 |
| Par value per share (Rs.) | 10.00 | 10.00 |
| Earnings per share from continuing operations - Basic | 0.03 | 0.02 |

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2014

| Particulars | For the year ended | | (Rs. in Lacs) |
|---|------------------------|----------------|-----------------------------------|
| | 31 March, 2014 | 31 March, 2013 | For the year ended 31 March, 2013 |
| A. Cash flow from operating activities | | | |
| Net Profit / (Loss) before extraordinary items and tax | 80,951.59 | | 53,801.54 |
| Adjustments for: | | | |
| Depreciation and amortisation | 1,927,400.63 | 1945983.36 | |
| Finance costs | 4,121,043.30 | 3019260.67 | |
| Interest income | (458413.00) | (615827.00) | |
| Dividend income | 0.00 | 0.00 | |
| Profit on Sale of Assets | (16559.39) | (14587.23) | |
| | <u>5,573,464.10</u> | | <u>4,334,822.36</u> |
| Operating profit / (loss) before working capital changes | 5,654,415.69 | | 4,388,623.90 |
| Changes in working capital: | | | |
| Adjustments for (increase) / decrease in operating assets : | | | |
| Inventories | 6,368,438.00 | (1,864,859.00) | |
| Trade receivables | 7,221,834.53 | 234,435.03 | |
| Short-term loans and advances | 3,827,460.00 | (5,112,258.20) | |
| Other current assets | (226,199.00) | (182,892.00) | |
| Other non-current assets | (30,722.00) | (858,002.02) | |
| Adjustments for increase / (decrease) in operating liabilities: | | | |
| Trade payables | 3,088,556.08 | (1,420,365.04) | |
| Other current liabilities | (4,724,626.00) | (8,154,804.50) | |
| Other long-term liabilities | 90,192.00 | (8,846.00) | |
| Short-term provisions | 294,732.00 | (104,676.00) | |
| Tax provisions | (15,500.00) | (11,000.00) | |
| | <u>15,894,165.61</u> | | <u>(17483267.73)</u> |
| | <u>21,548,581.30</u> | | <u>(13,094,643.83)</u> |
| Cash flow from extraordinary items | - | | - |
| Cash generated from operations | - | | - |
| Net income tax (paid) / refunds | | | 0.00 |
| Net cash flow from / (used in) operating activities (A) | 21,548,581.30 | | (13,094,643.83) |
| B. Cash flow from investing activities | | | |
| Capital expenditure on fixed assets, including capital | | | |
| Payments for purchase of fixed assets | (13,720,535.00) | (2,532,893.00) | |
| Inter-corporate deposits (net) | | | |
| Sale of Vehicle | 71,117.01 | 191,118 | |
| Interest received | | | |
| - Subsidiaries | | | |
| - Others | 458,413.00 | 615,827.00 | |
| Dividend received | | | |
| - Subsidiaries | - | - | |
| - Others | - | - | |
| | <u>(13,191,005.00)</u> | | <u>(1,725,948.01)</u> |
| Net income tax (paid) / refunds | | | |
| Net cash flow from / (used in) investing activities (B) | (13,191,005.00) | | (1,725,948.01) |
| C. Cash flow from financing activities | | | |
| Proceeds from long-term borrowings | 4,645,236.19 | (1,449,092.00) | |
| Repayment of long-term borrowings | | | |
| Proceeds from other short-term borrowings | (7,826,825.21) | 17,531,637.82 | |
| Repayment of other short-term borrowings | - | - | |
| Finance cost | (4,121,043.30) | (3,019,260.67) | |
| Dividends paid | 0.00 | 0.00 | |
| Tax on dividend | | 0.00 | |
| | <u>(7,302,632.32)</u> | | <u>13,063,285.15</u> |
| Cash flow from extraordinary items | | | |
| Net cash flow from / (used in) financing activities (C) | (7,302,632.32) | | 13,063,285.15 |

| | | |
|---|----------------------------|----------------------------|
| Net increase / (decrease) in Cash and cash equivalents (A+B+C) | 1,054,944.00 | (1,757,306.67) |
| Cash and cash equivalents at the beginning of the year | <u>4,666,034.37</u> | <u>6,423,341.04</u> |
| Cash and cash equivalents at the end of the year | <u>5,720,978.37</u> | <u>4,666,034.37</u> |
| Reconciliation of Cash and cash equivalents with the Balance Sheet: | | |
| Cash and cash equivalents as per Balance Sheet (Refer Note 17) | | |
| Less: Bank balances not considered as Cash and cash equivalents as defined in AS 3 Cash Flow Statements (give details) | | |
| Net Cash and cash equivalents (as defined in AS 3 Cash Flow Statements) included in Note 17 | | |
| Add: Current investments considered as part of Cash and cash equivalents (as defined in AS 3 Cash Flow Statements) (Refer Note (ii) to Note 16 Current investments) | | |
| Cash and cash equivalents at the end of the year * | <u>5,720,978.37</u> | <u>4,666,034.37</u> |
| * Comprises: | | |
| (a) Cash on hand | 12,845.00 | 7,356.00 |
| (b) Cheques, drafts on hand | - | - |
| (c) Balances with banks | | |
| (i) In current accounts | 769,360.37 | 46,651.37 |
| (ii) In EEFC accounts | | |
| (iii) In deposit accounts with original maturity of less than 1 Year | 4,938,773.00 | 4,612,027.00 |
| (iv) In earmarked accounts (give details) Refer Note (ii) below | | |
| (d) Others (specify nature) | <u>5,720,978.37</u> | <u>4,666,034.37</u> |

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 and on behalf of the Board of Directors

A. A. Bhat & Co.

Chartered Accountants
(Firm Reg. No. 101282W)

N. V. Badwe

Partner
Membership No. 31637
Pune, 24 May 2014

Mr. SADANAND HEGDE
MANAGING DIRECTOR
Pune, 24 May 2014

Mr. YASHWANTRAO MALI
WHOLE TIME DIRECTOR

Form No. 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]

FILTRON ENGINEERS LIMITED

Regd. Office: Filtron House 6 Sitabag Colony,
Sinhagad Road, Pune - 411030
CIN: L57909PN1982PLC026929
Website: www.filtronindia.com

Name of the member (s) :

Registered address :

E-mail Id:

Folio No/ Client Id:

DP ID:

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

1. Name:.....Address:.....

E-mail Id:Signature:....., or failing him

2. Name:.....Address:.....

E-mail Id:Signature:....., or failing him

3. Name:.....Address:.....

E-mail Id:Signature:....., or failing him

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Annual General Meeting of the Company to be held on Saturday, 27th September, 2014 at 4.00 pm. at Filtron House 6 sitabag Colony, Sinhagad Raod, Pune - 411030

Signed this day of 2014.

Signature of shareholder

Signature of Proxy holder(s)

Affix
Re. 1/-
Revenue
Stamp

Notes:

1. 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.
2. A person can act as proxy on behalf of Members upto and not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company. Further, a Member holding more than ten percent, of the total share capital of the Bank carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or Member.

* it is optional to put a 'X' in the appropriate column against the Resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all Resolutions, your proxy will be entitled to vote in the manner as he/she thinks appropriate.

FILTRON ENGINEERS LIMITED

Regd. Office: Filtron House 6 Sitabag Colony, Sinhagad Road, Pune - 411030

ANNUAL GENERAL MEETING

Please fill this attendance slip and hand it over at the entrance of the venue of the meeting.

| | Name and Address: | No. of Shares held: |
|---------------------------------|--------------------------|----------------------------|
| *DP Id No. _____ | | |
| *Client Id No. _____ | | |
| Regd. Folio No. _____ | | |

I hereby record my presence at the Annual General Meeting of Filtron Engineers Limited on 27th September, 2014 at 4.P.M. at Filtron House 6 sitabag Colony , Sinhgad Raod, Pune - 411030

*Applicable to members holding shares in electronic form

Signature of the Member / Proxy

FILTRON ENGINEERING LIMITED

Register Office: Filtron House, 6 Sitabag Colony, Sinhagad Road, Pune - 411030.

[CIN No. L57909PN1982PLC026929][E-mail Id : info@filtronindia.com]

[Website: www.filtronindia.com] [Tel. 020 - 24338642]

BALLOT FORM

(To be returned to scrutinizer appointed by Filtron Engineering Limited ("The Company"))

Name(s) of Member(s)
(including joint-holders, if any)

Registered Folio No. / DPID No. / Client Id No.*
(*Applicable to Members holding shares In dematerialized form)

Number of Shares Held:

I/We hereby exercise my/our vote in respect of the Ordinary Resolution(s) / Special Resolution(s) as specified in the Notice of Filtron Engineering Limited dated 09.08.2014 to be passed through Ballot for the business stated in the said Notice by conveying my/our assent or dissent to the said resolution in the relevant box below:

| Item No. | Description | Type of resolution (Ordinary / Special) | I/We assent to the resolution (For) | I/We dissent to the resolution (For) |
|----------|--|---|-------------------------------------|--------------------------------------|
| 1. | Adoption of the audited Balance Sheet, and Statement Profit & loss for the year ended March 31, 2014 and the reports of the Board of Directors and Auditors thereon. | Ordinary | | |
| 2. | Appointment of Director in place of Mr. Yashwantrao Mali who retires by rotation and being eligible offers himself for re-appointment. | Ordinary | | |
| 3. | Appointment of Auditors and fixing of their remuneration. | Ordinary | | |
| 4. | Appointment Mr. Padmakar Kashyapi as an Independent Director for the Company. | Ordinary | | |
| 5. | Appointment Mr. Prabhakar Hegde as an Independent Director for the Company. | Ordinary | | |
| 6. | Approve the Related Party Transaction | Special | | |
| 7. | Adoption of New set of Article of Association | Special | | |
| 8. | Approval for continuing employment term of Mr. Sadanad Hegde, Managing Director of the Company, pursuant to his attaining the age of seventy. | Special | | |

Place :

Date :

(Signature of Member / Beneficial Official Owner)

E mail: _____ Tel No. _____

BOOK-POST

If undelivered, Please return to :

FILTRON ENGINEERS LIMITED

6 Sitabag Colony, Filtron House, Sinhagad Road, Pune 411 030.