



SINCE 1967

ALL ELECTRICAL SEGMENTS





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Corporate Information



MOHAN DAS GURNANI
Group Chairman



Akshay Kumar Gurnani
Managing Director



DINESH GURNANI
Whole-time Director



Jyoti Gurnani
Director



MURLI DHAR KAURANI (Retd. IAS)
Independent Director



MOHAN SUKHANI
Independent Director



GOVIND RAM THAWANI
Independent Director



PRIAVRAT SHARMA (B.Com. CA)
Group CFO

Company Secretary and Compliance Officer : CHAVI RAWAT (M. Com, CS)

Sr. Manager Accounts : ANUJ KHATOR (B.Com, C.A.)

Auditors : *SGCO & CO.*
Chartered Accountant
4A, kaledonia-HDIL,
2nd Floor, Sahar Road,
Near Andheri Station,
Andheri (East),
Mumbai-400069.

Registrar and Share transfer Agents : Bigshare Services Private Limited

Listed on : The National Stock Exchange India Limited

Registered Office : 506, 5th Floor Plot No. B-9, Landmark Building, New Link Road, Andheri (West), Mumbai, Maharashtra 400058

Corporate Office : 230 Sindhi Colony, Raja Park, Jaipur- 302004

Website : www.vetoswitchgears.com



Dinesh Gurnani, DIN: 00218635 is the Whole Time Executive Director of our Company. He is a Commerce Graduate and has over 10 years of experience in the field of wires and cable industry and other electrical accessories besides real estate. He has a specialized knowledge of manufacturing of copper wires, cables and electrical accessories. Further, he is instrumental in the formulation of distribution policies in India & abroad. Apart from the company, he is actively involved in the development of real estate projects of the group companies.

Other Directorships and Committee Memberships:

SI No.	Names of the Companies	Position
1	Mukesh Propcon Private Limited	Director
2	Pinkcity Buildhome Private Limited	Director
3	Veto Electric Components Private Limited	Director
4	Veto Power Products Private Limited	Director
5	Veto Electricals Private Limited	Director
6	Veto Exim Private Limited	Director
7	Gurnani Realators Private Limited	Director
8	Mukesh Buildhome Private Limited	Director
9	Pink Square Build Estate Private Limited	Director
10	Pink Square Real Estate Private Limited	Director
11	Pink Square Infra Developers Private Limited	Director
12	Vankon Switchgears And Cables Private Limited	Director
13	V1 Infradevelopers Private Limited	Director
14	Audit Committee	Member
15	Corporate Social Responsibility Committee	Member

Murlidhar Kaurani, DIN: 06367086 is Non- Executive Independent Director of our Company. He is a retired IAS officer and has over 36 years of experience and has been an active bureaucrat in Government of India. Being an active officer of the Indian Administrative Services, he has a good administrative power and his experience thus can act as a guiding role for growth of our organization. There were no other directorships held as on March 31, 2015. He is a member of Nomination and Remuneration Committee.

Other Directorships and Committee Memberships:

SI No.	Names of the Companies	Position
1.	Nomination and Remuneration Committee	Member

Mohan Sukhani, DIN: 00113432 is Non- Executive Independent Director of our Company. He is a Science Graduate and has over 31 years of experience in the field of textile and hotel business. There were no other directorships held as on March 31, 2015. He is a member of Nomination & Remuneration Committee and Audit Committee.





Other Directorships and Committee Memberships:

SI No.	Names of the Companies	Position
1.	Goyal Farms Pvt. Ltd	Director
2.	Manhattan Constructions Pvt. Ltd.	Director
3.	Sukhani Buildcon Private Limited	Director
4.	Manhattan Capital Services Private Limited	Director
5	Gestalt Builders Private Limited	Director
6.	Aravali Square Private Limited	Director
7.	Anokhi Builders Private Limited	Director
8.	Tulsan Constructions Private Limited	Director
9.	Vinayakraj Build Tech Private Limited	Director
10.	Spectrum Buildcon Private Limited	Director
11.	Kabir Education Wizards Private Limited	Director
12.	Tulsi Palace Resort Private Limited	Director
13.	Audit Committee	Member
14.	Nomination and remuneration Committee	Member
15.	Shareholders/Investors Grievance Committee	Member
16.	Corporate Social responsibility Committee	Member
17.	Risk management Policy	Member

Govind Ram Thawani DIN: 06367093 is Non- Executive Independent Director of our Company. He is an Arts Graduate and is a managerial level retired government employee. He is over 35 years of experience in the field of marketing and finance.

Other Directorships and Committee Memberships:

SI No.	Names of the Companies	Position
1	Veto Electricals Private Limited	Director
2	Audit Committee	Chairman
3	Nomination and Remuneration Committee	Chairman
4	Shareholder's/Investor's Grievance Committee	Chairman
5	Corporate Social Responsibility Committee	Chairman





Akshay Kumar Gurnani DIN: 06888193 is a Managing Director of our Company. He is a Commerce graduate having a Qualification of International Hotel Management and pursuing Master in Business Administration and Master in Commerce. He has a wide role to play in department of marketing, planning and production. He aims at achieving Rs. 1000 Crores from sales next Five years. He has great experience in manufacturing of copper wires, cables and electrical accessories.

Other Directorship and Committee Memberships:

SL No.	Names of the Companies	Position
1.	Veto Electropowers (India) Private Limited	Director
2.	Gurnani Holding Private Limited	Director

Jyoti Gurnani DIN: 06953899 is a Director of our Company. She is a Graduate and participates actively in the growth and development of the Company. She has no other Directorships.

SL No.	Names of the Companies	Position
1.	Internal Complaint Committee	Chairperson

Notes:

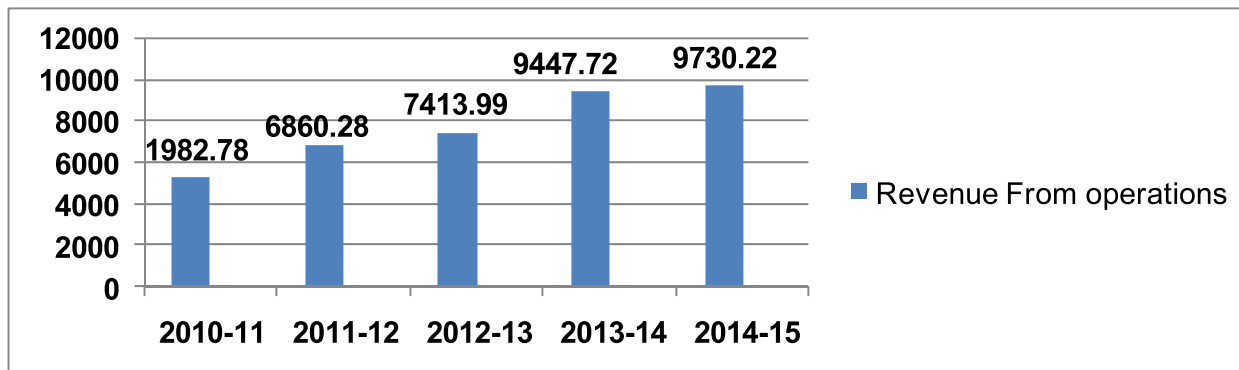
1. Other Directorships and Committee Memberships of Directors are as on 31st March, 2015.



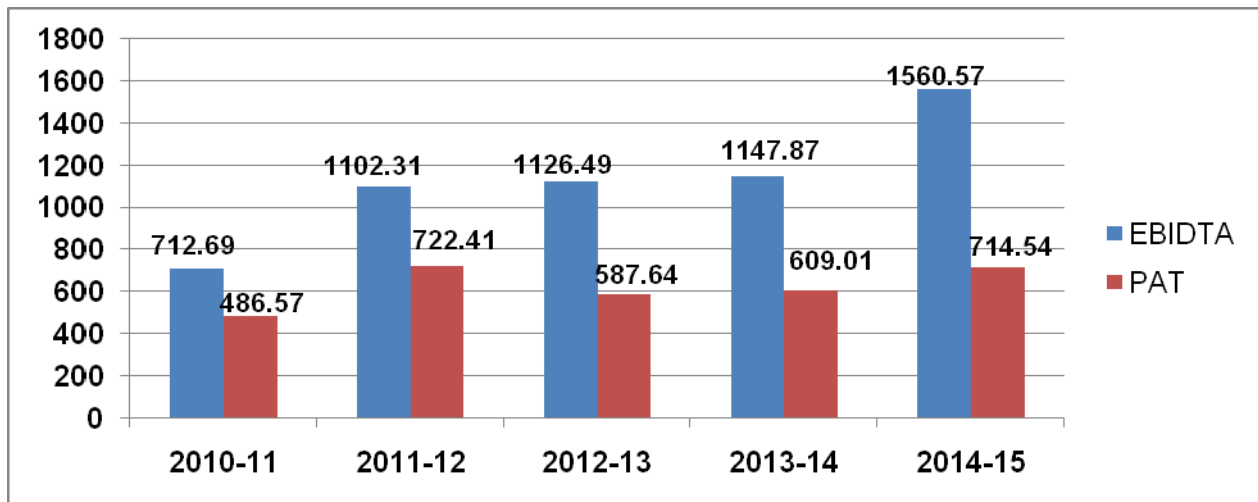


KEY PERFORMANCE INDICATORS

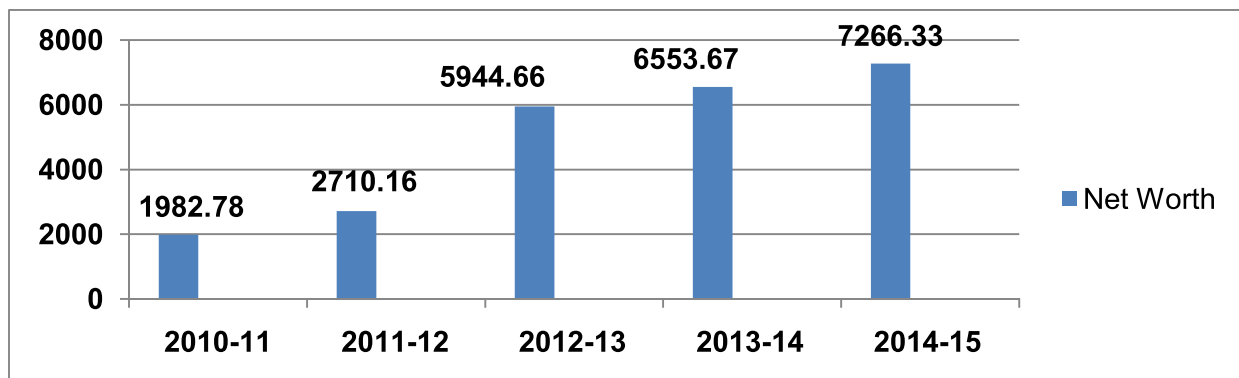
Revenue from Operations (in Lacs)



EBIDTA & Profit after Tax (in Lacs)



Net Worth (in lacs)





GROUP CHAIRMAN'S MESSAGE

"You may say I'm a dreamer, but I'm not the only one. I hope someday you'll join us and the World will live as one."

- John Lennon

Dear Shareowners,
Greeting from VETO!

It gives me an immense pleasure to welcome you all to the 8th Annual General Meeting of Veto Switchgears and Cables Limited.

Since its foundation in 2007, the Group business has grown exponentially. We have a wonderful ICRA grade of BBB+ in current year.

During the financial Year 2014-2015 the Company faced various challenges as to the time a major fire had occurred at one of the rental warehouse of the Company. Stock of Finished Goods/ Stock in trade amounting Rs. 1652.01 lakhs was destroyed in fire. Still the Company stands back with full of courage and dedication and achieve the highest sales in this year of Rs. 102 Crores out of Which 18.50 Crores is from the month of March.

Our Company had made a history of biggest selling M/s Wires in March 2015 by Selling around one lacs Coils.

We had purchase a Plot of about 10312.99 Sq.mts. in SEZ for setting up of manufacturing unit of LEDs.

"Optimism is the faith that leads to achievement. Nothing can be done without hope and confidence."

- Helen Keller

Veto is the premier company in India and has been developing as a distinctive brand of leadership well equipped to address critical challenges faced by industry and society. We know success comes with responsibility, so we take care to reinvest in protecting and developing the communities within which we operate. We live and work in communities where our operations are based and take our responsibilities to society seriously. We look forward to being recognized as one of the global electrical accessory industry. To achieve this goal we are following a three pronged approach:-

"Connect, Nurture and Grow"

1. CONNECT intensely with the worlds of practice and policy, with our alumni and with our local community.
2. NURTURE a highly performance and dedicated work environment by supporting a climate of autonomy and team work.
3. GROW ourselves in a strategic manner to upgrade the quality of our people and our experience.

"COMPANY MOTTO"

In the spirit of peace and harmony, improve and innovate technologies and carry out our responsibility towards society, nature and culture.

To conclude, I must say that Veto endeavors to remain at the zenith of change and continue to develop business thoughts that address vital business, social and human needs. As you know our business works on the basis of trust. One of the ways we inspire trust in our stakeholders is by knowing what they expect from us and how their expectations are changing. We therefore regularly engage in a dialogue with clients, shareholders, regulatory Bodies, employees, as well as other groups of stake holders. I am grateful to each one of you our customers, shareholders, employees and supporters for your continued trust in building VETO for this exciting future. My sincere thanks to the Board whose perspicacious advice has kept our Company on the path of the progress.

Thank you,



MOHAN DAS GURNANI

Group Chairman



Mohan Das Gurnani
(DIN: 01831741)
GROUP CHAIRMAN





MANAGING DIRECTOR MESSAGE

SAVING ENERGY, LIGHTINGS DREAMS

Dear Shareowners,
Greeting from Veto!

With great pride and pleasure I am presenting you, our Shareholders, the Annual Report 2013-14 of Veto Switchgears and Cables Limited.

Veto Switchgears and Cables Limited is engaged in manufacturing of Wires and Cables, electrical accessories, industrial cables, fans, CFL Lamps, pumps and modular switches, LED Lights, immersion heater, MCB and distribution boards.

The Company uses high quality raw material to give best products to its customers. VETO holds a major share of market in India. Since 1967, the brand name "VETO" for electrical Accessories and "VIMAL POWER" for Wires and Cables has had a strong distribution network of more than 2000 dealers across the country to provide quality products to valued customers.

During the financial year 2014-15, the Company faced various challenges but it stands back and earned a Profit of Rs. 714.54 Lacs as Compared to Rs. 609.01 in Financial Year 2013-14.

In the Middle of every difficulty lies an Opportunity

Albert Einstein

The Company strives to set new benchmarks in providing high quality products at competitive rates. VETO holds a major part in market share of electrical accessories in India. The sales of the Company are increasing day by day and its production is manifold by many times since its inception. Presently, the Company's states of art manufacturing plants in India are located at Haridwar, Vasai and Mumbai which are continuously manufacturing all the products with excellence and precision in the electrical industry.

I would further like to thank all the shareholders, customer, employees for supporting us and for absolute trust and confidence in Veto Switchgears and Cables Limited.

Thank you,



Akshay Kumar Gurnani
Managing Director

Akshay Kumar Gurnani
(DIN: 06888193)
Managing Director





Branding is not merely about differentiating products; it is about striking emotional, cultural, traditional chords with customers. It is about cultivating identity, fame, attachment and trust to inspire customer's loyalty.



brand scores high on attributes such as 'Sophisticated', 'desirable', 'innovative', 'friendly' 'value based decision making' and 'trustworthy'.





OUR MISSION

- To provide the people of our nation, a quality and eco-friendly products.
- To provide our employees a great work environment, continuous satisfaction and growth opportunities while treating each other with respect and dignity.
- To recognize that profitability is essential to our future success and therefore provide our investors the highest possible returns.
- To contribute positively and in a transparent way to our communities and our environment.





OUR VISION

- Veto Switchgears and Cables Limited vision is to bring a positive change by satisfying the demands of the Customers in an Eco- Friendly manner. Our vision unites us as one organization focused on delivering best results.
- We are focusing on our future projects by adding different electrical Accessories and Wires and cables for which we had purchase a land of 10312.99 Sq. meters in SEZ Jaipur.
- Our vision is to achieving sale target of more than Rs. 500 Crores in next Five Years.
- By our hard work, open communication and team work we will be the most relevant, innovative and insightful company in India.
- We continue to drive forward, offering new technology and products to our customers.
- We continue with our fair and transparent business in our operations to meet our obligations, sustain our growth and reach our goals.





1. DIRECTOR'S REPORT

Dear Shareowners,

Your Director's have great pleasure in presenting you the 8th Annual Report on the business and operations of the Company together with the Audited Statements of Accounts for the financial period from April 1, 2014 to March 31, 2015 and other accompanying reports, notes and certificates.

1. Company Performance

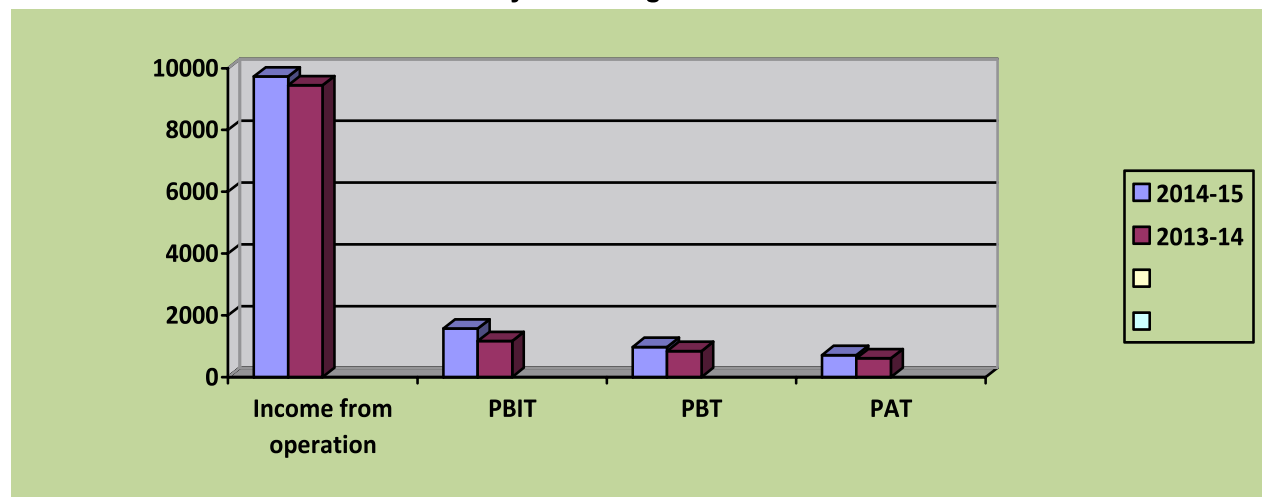
Your Company has grown exponentially during the current financial year. The financial results of current financial year are as follows:-

Financial Results

(Rs. in Lacs)

Particulars	Consolidated		Standalone	
	2014-2015	2013-2014	2014-2015	2013-2014
Income from operation	9730.22	9447.72	9730.22	9447.72
Profit before Interest/Depreciation/Tax (PBDIT)	1571.92	1168.34	1572.10	1168.53
Less: Interest & Financial Charges	395.17	204.73	395.17	204.73
Less: Depreciation	201.37	120.13	201.37	120.13
Profit Before Tax (PBT)	975.38	843.48	975.56	843.67
Less: Provision for Taxation	261.01	234.66	261.01	234.66
-Current				-
-Deferred				-
Profit after Taxation (PAT)	714.37	608.82	714.54	609.01
Balance Carried Forward	714.37	608.82	714.54	609.01

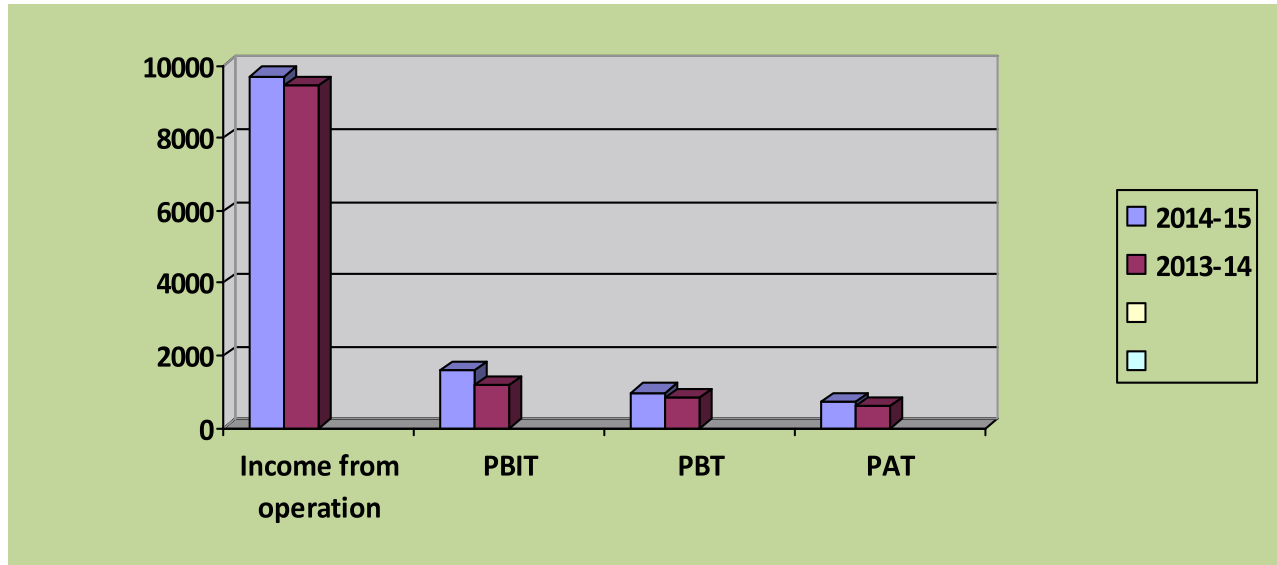
Consolidated Financial Results for the year ending 2014 and 2015:-





During the year under review on consolidated basis our Company earned an income of Rs. 975.38 Lacs against Rs. 843.48 Lacs in the previous year. The Company earned profit after tax of Rs. 714.37 Lacs as compare to Rs.608.82 Lacs in the previous year. The Company had Income from operation of Rs. 9730.22 Lacs as compared to Rs. 9447.72 Lacs in previous year. The Profit before Interest/Depreciation/Tax (PBIT) was Rs. 1571.38 Lacs as compared to Rs. 1168.34 Lacs in previous year.

Standalone Financial Results for the year ending 2014 and 2015:-



During the year under review on standalone basis our Company earned an income of Rs. 975.56 Lacs against Rs. 843.67 Lacs in the previous year. The Company earned profit after tax of Rs. 714.54 Lacs as compare to Rs. 609.01Lacs in the previous year. The Company had Income from operation of Rs. 9730.22 Lacs as compared to Rs. 9447.72 Lacs in previous year. The Profit before Interest/Depreciation/Tax (PBIT) was Rs.1572.10 Lacs as compared to Rs. 1168.53 Lacs in previous year.

Keeping pace with growth trajectory and its efforts to improve efficiency, productivity and profitability the management seeks the trust of shareholders in future growth of the Company and enhancement of shareholders wealth.

Dividend

The Board of Directors has decided not to recommend any dividend for the year ended on 31st March, 2015.

Reserves

Rs. 71,454,473 has been transfer to reserves and surplus account during the current year.





IPO proceeds and Deployment of funds

Your Company has successfully come up with an IPO on December 13, 2012 and listed on EMERGE in NSE. The issue size was Rs. 25, 00, 50,000/- (Twenty Five Crores Fifty Thousand only) consisting of 50, 01,000 (Fifty Lakh One Thousand only) Equity Shares offered at Rs. 50/- (Face value of shares Rs. 10/- per share and premium of Rs. 40/- per share). The issue open and close date was December 3, 2012 and December 5, 2012 respectively.

The detail of proceeds of IPO is as under:

Sl. No.	Particulars	Amount (Rs. in Lacs)
A	Proceeds of Issue	2500.50
B	Internal Accruals	49.50

As per RHP, the Proceeds of Issue were Rs. 2500 Lakh and Internal Accruals were Rs. 50 Lakh. However, due to lot size of 3000 Equity shares, IPO proceeds came to Rs. 2500.50 Lakh and therefore internal accruals get reduced by Rs. 0.50 Lakh.

The project covers Modernization of existing facility at Haridwar amounting Rs. 470 Lacs, Working capital requirement amounting Rs. 1580 Lacs, Enhancement of our Company's brand through advertising and other Brand Building activities amounting Rs. 200 Lacs, General Corporate purposes amounting Rs. 100 Lacs and to meet the issue expenses amounting Rs. 200 Lacs.

Sl. No.	Particulars	Amount (Rs. in Lacs)
1	Modernisation of existing facility at Haridwar	470.00
2	Working capital requirement	1580.00
3	Enhancement of our Company's brand through advertising and other Brand Building activities	200.00
4	General Corporate purposes	100.00
5	To meet the issue expenses	200.00
	Total	2550.00

As required under clause 52 (IV) (D) of SME Equity Listing Agreement, the utilization of IPO proceeds are being reported on half-yearly basis published by the Company after the same is reviewed by the Audit Committee.

The detailed description with respect to deployment of funds and explanation as per Clause 45 (c) of SME Listing Agreement is given hereunder:





1. Status of implementation of project/ commencement of commercial production

(i) As disclosed in the offer document

Sr. No	Activity	Date/Month of Commencement	Date/Month of Completion
1	Land	Completed	
2	Factory building & civil work (modernization)	October 2012	January 2013
3	Dies	October 2012	June 2013
4	Plant & Machinery & other service utilities	October 2012	December 2012

(ii) Actual Implementation AUGUST 2013 TO MARCH 2015

(iii) Reasons for delay in implementation, if any DELAY IN ARCHITECTURAL PLAN

2. Status of utilization of issue proceeds

(i) As disclosed in the offer document –

The total cost of the project is estimated at Rs. 2550.00 lacs brief details of which are as follows:

(Rs. in Lacs)

Sr. No	Details	Amount
1	Modernisation of existing facility at Haridwar, Uttarakhand	470.00
2	Incremental long-term working capital requirement	1,580.00
3	Enhancement of our Company's brand through advertising and other brand building activities	200.00
4	General Corporate Purposes	100.00
5	To meet the Issue expenses	200.00
Total Project Cost		2,550.00

Means of Finance

Particulars	Amount (In lacs)	Amount (In lacs)
Proceeds of the Issue		2,500.50
Internal accruals		49.50
Total means of finance		2,550.00



**(ii) Actual Utilisation –****(Rs. in lacs)**

Sr. no.	Particulars	Total	Actual Cost of entire project
1	Modernisation of existing facility at Haridwar, Uttarakhand.	470.00	470.00
2	Incremental long-term working capital requirement	1580.00	1580.00
3	Enhancement of our Company's brand through advertising and other brand building activities	150.50	200.00
4	General Corporate Purposes	100.00	100.00
5	To meet the Issue expenses	200.00	200.00
	TOTAL	2500.50	2550.00

The details of amount utilized out of the IPO proceeds in the project upto March 31, 2015 is as stated below :

(Rs. in lacs)

Particulars	Amount utilized till March 31, 2015
Proceeds from IPO	2500.50
Less :	
Issue related expenses	200.00
Utilised towards objects of issue	2300.50
Pending utilization towards objects of issue	NIL

(iii) Reasons for deviation, if any**NIL****Change in the nature of business, if any**

There is no change in the nature of business during current financial year.

Material changes if any affecting the financial position of the Company which have occurred between the ends of the financial year of the company to which the financial year relates and the date of the report.

On Feb 10, 2015 the Board decided to migrate the Company from SME Platform to NSE Main Board. A special Resolution was passed through the Postal Ballot on 18th March, 2015. On April 29, 2015 Company was migrated on Main Board of NSE by way of listing its entire share capital of 18327100 Equity Shares on NSE Main Board.

The Board of Directors of the company decided to grant shares under ESOP Scheme to the employees of the company, its holding & subsidiaries company subject to the approval of shareholders in Annual General Meeting.

Management Discussion and Analysis

In terms of the Provisions of Clause 49 of the Listing Agreement, the Management Discussion and Analysis is set out in this Annual Report.





Particulars of Loan, Guarantee and Investments

Loans, guarantees and investments covered under section 186 of the Companies Act, 2013 form part of the notes to the financial statements provided in this Annual Report.

Particulars of Contracts and Arrangement under section 188

Particulars of contracts and arrangements made with related parties referred to in Section 188 (1) of the Companies Act, 2013, in the prescribed form AOC-2, is appended as Annexure III to the Board's Report.

Deposits

The Company has not accepted any deposits from the public. The details relating to deposits, covered under Chapter V of the Act,-

- a) **Accepted during the year** : NIL
- b) **Remained unpaid or unclaimed as at the end of the year**: NIL
- c) **Whether there has been any default in repayment of deposits or payment of interest thereon during the year and if so, number of such cases and the total amount involved-**
 - i. **At the beginning of the year**: NIL
 - ii. **Maximum during the year**: NIL
 - iii. **At the end of the year**: NIL

Investments

Our Company has total fixed deposit of Rs. 57.82 lacs including accrued interest with the Indian Overseas Bank, M.I Road branch, Jaipur.

2. Business Operations/ State of Company's Affairs

Our Company is an ISO 9001:2008 certified company, engaged in the manufacture and sale of wires & cables and electrical accessories in India. The product portfolio ranges from industrial cables, stand cables to telephone & co-axial wires, from general switches to modular switches, from ceiling fans to rechargeable fans, compact fluorescent lamps, LED bulbs and other electrical accessories. Our Company supplies these products under the brands "VETO" and "VIMAL POWER" through large network of dealers to the customers in India as well as selected customers abroad.

Future Prospects

1. Company is planning to open 100 Retails exclusive Veto Retails outlets in Rajasthan.
2. Explore the possibility of marketing in abroad.
3. Board of the Company intents for direct listing in Bombay Stock Exchange Limited.

Raw Material

Our Company's present and proposed consumption of Raw material is as under:

(Qty. in kg)

Product category	Existing (2014-15)	Proposed (2015-16)
Copper	565170	678204.00
PVC Resin	86122	103346.40
Aluminium	621887	746264.40





Infrastructure facilities

➤ **Power**

Presently, we have 400 KVA of power supply sanctioned by Uttarakhand Power Corporation Limited, of which we utilize approximately 325 KVA of power for our present business operations. In addition, to avoid any disruption in the power supply, our Company has already installed a DG set of 250 KVA capacity. Therefore, we envisage that our further requirement of power for our proposed modernization at our Haridwar facility can be easily met from the present supplies.

➤ **Fuel**

Our Company mainly requires HSD for operating the DG sets. The present monthly consumption of HSD is about 1000 litres. The HSD is being supplied by retail outlets of IOC, HPCL and BPCL.

➤ **Water**

Water is basically required for drinking and other domestic purpose. Our present requirement at our Haridwar unit is about 5000 litres per day. Our entire water requirement is met from our own borewell. The water supply is regular and sufficient to meet entire requirements. The proposed modernization at our Haridwar facility will require additional 2000 litres of water per day. There is no difficulty in obtaining this because of the presence of a number of borewell and the water level in the area being high due to proximity to nearby canal and a river, Ganga.

➤ **Manpower**

Our Company has adequate manpower at all levels at present and does not envisage any difficulty in getting the requisite personnel for our business operations at existing locations. Following are the details of our manpower:

Category	Nos.
Top management	6
Managerial & Supervisory staff	62
Office staff	56
Skilled workers	65
Unskilled workers	435
Total	624

➤ **Effluent Treatment and Disposal**

Our Company does not generate any industrial effluents which is hazardous to the environment. The waste produced during the manufacturing operations is re-used or recycled.

➤ **Environmental Clearance**

We have got all the necessary approvals from the local authorities to operate our business.





➤ **Our Strategy**

Further research in process and product engineering to ensure the best manufacturing process for our products in order to enhance competitiveness in the markets is one of our goals. Research and development in electrical accessories and other allied products will better enable a competitive position in the market. Further enhancement of operations by improving the existing assets to yield better output and installation of new assets to enhance and attract new markets are also in the horizon.

➤ **Capacity and capacity utilization**

Particulars	Projected		Actual
	FY 2014-15	FY 2015-16	FY 2014-15
Wires & Cables			
Installed Capacity	20 Lacs Bundles	20.00 Lacs Bundles	14.08 Bundles
Capacity Utilization (in %)	80%	80%	81.88%
Production	16.00 Lac Bundles	16.00 Lac Bundles	13.36 Lac Bundles
Electrical Accessories			
Installed Capacity	380 Lac pieces	600 Lac pieces	380 Lac pieces
Capacity Utilization (in %)	47.36%	54.17%	71.16%
Production	180 Lac pieces	325 Lac pieces	270.41 Lac pieces

➤ **Insurance**

Our Company has taken up a range of insurance policies including:

1. Fire policies for our units, buildings and offices, raw materials, work-in-progress and finished goods;
2. Marine policy for transit of raw materials and finished products in India and Marine Export policy;
3. Accidental & Health insurance facility for field staff;
4. Gratuity policy;

These insurance policies are reviewed annually to ensure that the coverage is adequate. All the policies are in existence and the premiums have been paid thereon.

Risks and Concerns:

1. **Common Risks:** Accidents in the work place, fires, tornadoes, and other natural disasters
2. **Legal Risks:** Fraud, Theft, etc
3. **Uncertainties in financial markets**
4. **Failure in Projects**
5. **Credit Risks**
6. **Outstanding Debtors**
7. **Security and Storage of Data and Records**
8. **Competitors:** Havells, Polycab, Wizard, Anchor, Bajaj Electricals





Internal Control System

- Company has formed the Risk Management Committee for the assessment and monitoring of the risks involved in the Company.
- Preparation and issue of financial reports to shareholders and the markets, including the Annual Report and consolidated financial statements, is overseen by the Audit Committee. The Company's financial reporting process is controlled using documented accounting policies and reporting formats, supplemented by detailed instructions and guidance on reporting requirements. The Company's processes support the integrity and quality of data, including appropriate segregation of duties. The financial information of the parent entity and all subsidiary entities, which form the basis for the preparation of the consolidated financial statements are subject to scrutiny by Group level senior management. The Company's financial reports, financial guidance, and Annual Report and consolidated financial statements are also reviewed by the Audit Committee of the Board in advance of being presented to the full Board for their review and approval;
- Detailed budgetary process which includes identifying risks and opportunities and which is ultimately approved at Board level;
- Board approved capital expenditure and Audit Committee approved treasury policies which clearly define authorization limits and procedures;
- An internal audit function which reviews key financial/business processes and controls, and which has full and unrestricted access to the Audit Committee;
- Established systems and procedures to identify control and report on key risks. Exposure to these risks is monitored by the Risk Management Committee; and
- A risk management programme in place throughout the Company whereby Risk Management executive reviews and monitors the controls in place, both financial and non financial, to manage the risks facing the business.

Awards and Recognition





During the year Our Company's has been awarded by Top 100SME's Award which was received by Mr. Mohan Das Gurnani, Group Chairman on the behalf of the Company, by Hon'ble speaker Smt. Sumitra Mahajan and Hon'ble Minister of SME (Govt. of India) Mr. Kalraj Mishra.

Details of Subsidiaries/ Joint Venture/ Associate Companies

On 22nd November, 2014 Veto Electricals Private Limited becomes the Wholly Owned Subsidiary Company of the Company. Same has been disclosed in Annexure-I

A land is purchased by Veto Electricals Private Limited in Mahindra, SEZ. Company had already applied for letter of approval with the Development Commissioner SEZ, Noida. The case has already been approved by Unit Approval Committee (UAC) and company is planning to start construction work of building in Mahindra SEZ in Month of September, 2015 and expected to complete the Construction and erection of plant and machinery upto March, 2016. Hence commercial production will be start in the Month of April, 2016.

Performance and Financial position of Subsidiary Company

The details with respect to subsidiary Company as on March 31, 2015 have been discussed in Annexure II.

3. Human Resource Management

Employee Relations

VETO has over the years realized the importance of human capital and duly acknowledges it in its business operations. Your Company has managed to create "Lifers" at VETO- people who have been associated with your Company, many having started their earning life at VETO. It gives the much





needed stability and satisfaction when we realize that our partners in success trust us to such an extent that they stand by us at all times.

Their experience, skills, knowledge, ideas and enthusiasm are an invaluable asset. We humbly acknowledge their contributions with competitive compensation and benefits that appropriately reward performance. Pay revisions and other benefits are designed in such a way to compensate good performance of the employees of the Company.

The talent pool of your Company has steadily evolved with changing times with fresh talent being infused to meet demanding situations. The Company has a scalable recruitment and human resource management process which enables us to attract and retain high caliber minds.

Inspired by its commitment to quality and core values of honesty and transparency, your Directors and employees look forward to the future with confidence and stand committed to creating an even brighter future for all stakeholders.

Managerial Remuneration

A) Information as per Rule 5(1) of Chapter XIII, Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

The Nomination and Remuneration Committee continuously reviews the performance of the Managing Director, Whole Time Director and Other Directors.

Remuneration paid to Directors

Name of Director	Title	Remuneration in year 2014- 2015	Remuneration in Year 2013-2014	%increase in Remuneration in comparison to last year
Mr. Akshay Kumar Gurnani	Managing Director	1225000 (appointed on 27/08/2014)	-	100%
Mr. Dinesh Gurnani	Whole-time Director	720000	696000	3.45%
Ms. Jyoti Gurnani	Director	-	-	

Remuneration paid to Independent Directors

(In Lacs)

Name of Director	Remuneration in year 2014- 2015	Remuneration in Year 2013- 2014
Mr. Murlidhar Kaurani	0.00	0.075





Mr. Mohan Sukhani	0.00	0.15
Mr. Govind Ram Thawani	0.00	0.20

Remuneration paid to Key Managerial Personnel

(In Lacs)

Name of Key Managerial Personnel	Title	Remuneration in year 2014- 2015	Remuneration in Year 2013-2014
Mr. Priavrat Sharma	Group CFO	0.00	0.00
Ms. Chavi Rawat	Company Secretary cum Compliance Officer	60,000 (w.e.f 14/11/2014)	-
Mr. Anuj Khator	Sr. Accounts Officer	20,128 (w.e.f 11/03/2015)	-

***Mr. Priavrat Sharma, Group CFO draws his salary from its Holding Company Veto Electropowers (India) Private Limited.**

The Median Remuneration of Employees excluding Managing Director and Whole-time Director is Rs.1,80,600. No employee received remuneration in excess of the highest paid Director.

*** Median Remuneration is calculated by excluding the employees who leaves during the year and the unskilled employees.**

Particulars of Employees

Your Directors confirmed that no employee fall under the particulars of Section 192 (12) of the Companies Act, 2013 read with Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

4. Corporate Governance

Corporate Governance Report

Corporate Governance refers to laws, regulations, and acceptable business practices that determine relationships between corporation owners and its managers, on one hand, and its investors, on the other hand. It was born and evolved in response to corporate failures, crises, and misdeeds. In many types of economies, corporate governance concentrates on at least four important factors: Ensuring disclosures of all relevant information to shareholders and creditors; including business risk analyses; Building a system of rules and voluntary practices that will guide the board of directors; Establishing independent audit committees composed of outside directors; Monitoring and controlling management. On the other hand, developing economies, like the Caribbean, focus on strengthening and improving the legal and regulatory systems that will help ensure better enforcement of contracts and protection of property rights.

Your Company is committed to achieving and maintaining high standards of Corporate Governance and places high emphasis on business ethics. Your Company has set up a Remuneration Committee





under Annexure 1-D of SME Equity Listing Agreement, which was later reconstituted under the name 'Nomination and Remuneration Committee' pursuant to provisions of Section 174 of The Companies Act, 2013. The report on Corporate Governance as stipulated under Clause 49 of the Listing Agreement has been included in **Annexure IV** of this report.

The Company has laid down a well-defined Code of Conduct, which fairly addresses the issues of integrity, conflict of interest and confidentiality and stresses the need of ethical conduct, which is the basis of good Governance. This code is applicable to all members of the Board and the Senior Management Personnel. The declaration regarding compliance with Veto Switchgears And Cables Limited-Code of Conduct and Ethics for all Board Members and Senior Management Personnel of the Company forms part of the Report on Corporate Governance.

Directors

A. Change in directors and KMP during the year

There were certain appointments in capacity of directors as managing director and independent director. The current Managing Director of the Company w.e.f. August 27, 2014 is Mr. Akshay Kumar Gurnani, s/o Mr. Vishnu Kumar Gurnani. In order to comply with the provisions of Section 149 (1) and Section 149(10), Ms. Jyoti Gurnani, D/o Mr. Vishnu Kumar Gurnani has been appointed as a women Director of the Company in the Last AGM. The detail has been given below:

Sr. No.	Name Of Director	Designation	Date of Appointment	Date of Cessation
1	Mr. Dinesh Gurnani	Whole –Time Director and CFO	22/08/2012	NA
2	Mr. Murali dhar Kaurani	Non-executive Independent Director	31/08/2012	NA
3	Mr. Mohan Sukhani	Non-executive Independent Director	31/08/2012	NA
4	Mr. Govind Ram Thawani	Non-executive Independent Director	31/08/2012	NA
5	Ms. Jyoti Gurnani	Director	27/08/2014	NA
6	Mr. Akshay Kumar Gurnani	Executive Managing Director and CEO	27/08/2014	NA

Ms. Divya Singh, Company Secretary cum Compliance Officer of the Company had resigned on 14th November, 2014 in place of her Ms. Chavi Rawat was appointed as Company Secretary cum Compliance Officer of the Company.

B. Declaration by an Independent Director(s) and re-appointment, if any

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as per prescribed both under the Act and Clause 49 of the Listing Agreement with the Stock Exchange.





No. of meetings of the Board

Seven (7) Board meeting were held during the year 2014-2015 and the gap between two meetings did not exceed four months. The dates on which the Board Meeting was held are as follows:

Detail of Board Meetings held:

Sr. No.	Date of Board Meeting
1	May 30, 2014
2	July 28, 2014
3	November 14, 2014
4	January 24, 2015
5	February 2, 2015
6	February 10, 2015
7	March 30, 2015

Committees of Board

Name of Committee	Composition of Committee	Duties, Responsibilities and activities
Audit Committee	1. Mr. Govind Ram Thawani - Chairman 2. Mr. Mohan Sukhani 3. Mr. Dinesh Gurnani	Disclose under the heading Corporate Governance Report
Nomination and Remuneration Committee	1. Mr. Govind Ram Thawani – Chairman 2. Mr. Murlidhar Kaurani 3. Mr. Mohan Sukhani	Disclose under the heading Corporate Governance Report
Shareholders'/Investors' Grievance Committee	1. Mr. Govind Ram Thawani - Chairman 2. Mr. Dinesh Gurnani 3. Mr. Mohan Sukhani	Disclose under the heading Corporate Governance Report
Corporate Social Responsibility Committee	1. Mr. Govind Ram Thawani, Chairman 2. Mr. Mohan Sukhani 3. Mr. Dinesh Gurnani	Disclose under the heading Corporate Governance Report
Risk Management Policy	1. Mr. Dinesh Gurnani 2. Mr. Mohan Sukhani 3. Mr. Govind Ram Thawani	Disclose under the heading Corporate Governance Report
Internal Complaint Committee	1. Ms. Jyoti Gurnani, Presiding Officer 2. Mr. Priavrat Sharma, Member 3. Ms. Bharti Ajmera, Member 4. Mr. Anirudh Mathur, Member	Discloses under the Director Report



Directors Responsibility Statement

Pursuant to the requirements under Section 134 (5) of the Companies Act, 2013 with respect to the Directors' Responsibility Statement, it is hereby confirmed that:

- i. in the preparation of the annual accounts for financial year ended March 31, 2015, the applicable Accounting Standards had been followed along with proper explanation relating to material departures;
- ii. the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2015 and of the profit of the Company for the year under review;
- iii. the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- iv. the Directors had prepared the annual accounts for financial year ended March 31, 2015 on a 'going concern' basis.
- v. the Directors had laid down the internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operate effectively.
- vi. the Directors has devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Corporate Governance Certificate

The Company is promptly submitting a "half yearly Compliance Report on Corporate Governance" as per Clause 52 of the SME Listing Agreement with the Stock Exchanges.

Now as the Company is migrated on the Main Board of NSE the Company will submit the "quarterly Compliance Report on Corporate Governance" as per Clause 49 of the Listing Agreement.

The certificate from the Practicing Company secretary, Ms. Nisha Agarwal, C.P. No. 8584, confirming the compliance with the condition of Corporate Governance as stipulated under Clause 49 is reproduced in an Annexure IX in the report.

5. Auditors and Auditor's Report

SGCO&Co., (Membership No. 44739) Chartered Accountants Statutory Auditors of the Company holds office until the conclusion of the ensuing Annual General Meeting and is eligible for re-appointment. It is proposed to re-appoint them as Statutory Auditors of the Company for the financial year 2015-16.



The Company has received a letter from Statutory Auditors to the effect that their re-appointment, if made would have be within the prescribed limits under Section 139 of the Companies Act, 2013 and that they are not disqualifies for reappointment within the meaning of Section 141 of the said Act.

Our comments on financial statements referred to in the Auditor's Reports under Section 145 of the Companies Act, 2013 are given below:

- a) With regard to the Emphasis of Matter appearing in the Auditor's Report, your attention is drawn to the notes forming part of financial statements of the year which are self explanatory.
- b) With respect to the comments of the Auditors in their report on the Consolidated Audit Report, our responses are given in the Notes to the Financial Statements, which is self-explanatory.

Cost Auditors

Pursuant to the provisions of Section 148 of The Companies Act, 2013 M/s Rajesh & Company, Cost Accountants, Jaipur were appointed as Cost Auditors of the Company for conducting cost audit for the financial year 2015-2016.

As per amendment on 31.12.14 in Companies (Cost Record & Audit) Rules, 2014 Central Govt notified exemption for applicability of cost audit on the Company covered in serial no 12 and 24 to 32. This is applicable from 1st April 2015. Our Company covered in serial no 32.

Secretarial Audit Report

The Board has appointed Ms. Nisha Agarwal Practicing Company Secretary, to conduct Secretarial Audit for the Financial Year 2014-15. The Secretarial Audit Report for the Financial Year ended March 31, 2015 is annexed herewith marked as Annexure VII to this Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

Reservation and Qualification on Auditor Report

Basis for Qualified Opinion

1. *During the year the Company has recognized insurance claim on account of fire amounting to Rs.1, 669.03 lacs which is still not approved by the Insurance Company. Since at present there is no certainty of collection, in our view recognition of the same is not in compliance with Accounting Standard (AS-9) relating to "Revenue Recognition". Had the same not been recognized the loss for the year would have been Rs. 693.47 lacs as against the reported "Profit for the year" of Rs. 975.56 lacs and "Other Current Assets" would have been lower by Rs. 1669.03 lacs and having a consequential impact on the Reserves and surplus. (Refer Note :40)*





Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the Basis for Qualified Opinion paragraph above, the aforesaid standalone 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, of the state of affairs of the Company as at 31st March, 2015, its profit and its cash flows for the year ended on that date.

Management Reply towards Qualification:

Company is regularly in touch with surveyor appointed by Insurance Company & Insurance Company itself. Insurance Company is already disposed off the Scrap material from our godown in auction of Rs. 2.00 Crores. Hence claim is receivable.

As per our information the surveyor has not submitted the final report to the Insurance Company. Hence we are not able to provide any final report for this purpose. However, Insurance Company also considers provision of this claim in their balance sheet.

Details of significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future

There are no significant and material orders that are passed by the regulators or courts or tribunal impacting the going concern status and Company's operations in future.

Extract of Annual Return

The details with respect to extract of Annual Return have been discussed in **Annexure VI**.

Details in respect of adequacy of internal financial controls with reference to the financial statements

The Company has in place adequate internal financial controls with reference to financial statements. During the year, such controls were tested and no reportable material weakness is observed.

6. Depository System

Our Company's Equity Shares are available in dematerialized form through The National Stock Exchange of India Limited (NSDL) and The Central Depository Services of India (India) Limited (CDSL). As per the Securities and Exchange Board of India (SEBI) Circular No. : Cir/ISD/3/2011 dated June 17, 2011 on "trading rules and shareholding in dematerialized mode", all Listed Companies have to achieve 100% of their promoters and promoter group's holding in dematerialized form latest by quarter ended September 2011. Accordingly, all shares post IPO, of the Company is held in demat form.





7. Report under the Prevention of Sexual Harassment Act

There were no complaints reported under the Prevention of Sexual harassment of Women at workplace (Prevention, Prohibition & Redressal) Act, 2013.

8. Conservation of energy, technology absorption and foreign earning and outgo

i. Environment, Health and Safety

VETO is committed to caring for people and the planet by integrating environmental and safety principles in all aspects of its business are it from procurement, material-use, manufacturing of sustainable products, creating awareness through marketing, and innovation/R&D for better products and processes. We constantly monitor and better our environmental and occupational health and safety performance through our internal risk management exercise. At the compliance level, your Company conforms to all applicable regulatory Environmental Health & Safety (EHS) requirements wherever it operates.

Our Company is sensitive to environmental and resource conservation and its manufacturing philosophies ensure safety of the worker and surroundings. Being in a non-polluting category of business, it has minimal impact on the environment but has a huge positive impact on the local community. RoHS or 'Restriction of Hazardous Substances' compliance in all its products like CFLs, cables, PCBs, etc. ensures safety across the product life cycle. Our Company strongly believes and promotes energy conservation not only through its products but also within the premises. Energy conservation measures have been adopted at all the plants.

Our Company follows best practices for health and safety. Employees and workers are regularly trained by industry experts on issues of occupational and industrial health & safety, first-aid and environment management. Healthy lifestyle and well-being are also promoted as a culture at VETO. Our Company also provides life insurance cover, personal accident cover and robust medical & health policies to all field staff against any unfortunate incident. VETO India strongly believes in maintaining a work-life balance and therefore follows strict in-and-out work-timings. This has gone a long way in maintaining a healthy, happy and motivated workforce.

ii. Research & Development

To develop our product pipeline, we commit substantial time, efforts, funds and other resources for R&D. Our processes and products currently under development, if and when fully developed and tested, may not perform as we expect and we may not be able to successfully and profitably produce and utilize such products or processes. Therefore, our investments in R&D and new product launches could result in higher costs without a proportionate increase in revenues.

iii. Detail of Foreign Exchange Earnings and Outgo.

In this financial year Company exported electrical accessories and goods amounting USD 1231247.62 and imported electrical accessories amounting USD 480185.10. Hence net foreign exchange inflow is USD 751062.52.





9. Credit Rating

Our Company has been assigned long-term rating of BBB+ (pronounced ICRA triple B plus) by ICRA Limited.

10. Management Discussion and Analysis

Management Discussion and Analysis report is attached herewith forms part of this report. Summary of performance and various businesses and functions of the Company is as follows:

1. Economy and Markets

The after effects of the global financial crisis of 2008 have continued to cast their shadow on the economies around the world even now. The crisis brought to fore the vulnerabilities of the systems of regulation and operation of the financial and fiscal processes. The unprecedented scale of fiscal stimulus that was required to manage this crisis has meant that bringing the fiscal deficit back to acceptable levels is an equally daunting challenge.

The Indian economy rebounded strongly in fiscal 2011 from the moderation induced by the global downturn. India registered real GDP growth of, 12.25% in 2012-13, 11.94% in fiscal 2013-14 and an estimated 7.33% in fiscal 2014-15.

2. Market Overview

Our Company is a mid-sized recognized manufacturer in Rajasthan, India in the segment which we operate. Our products are mainly targeted to the households and business groups. Our products are marketed in both domestic and international markets.

The manufacturing of wires & cables and electrical accessories & other allied products in India has been growing at a steady rate and is expected to increase further due to affordability and changing life styles of the people. As such, demand for our products has been increasing and therefore we have proposed to expand our manufacturing capacity so as to meet the increased demand both in domestic and foreign markets.

3. Competition

Our Company operates in competitive environment and has a number of organized players and very few unorganized players. Our peers who are engaged in the similar activity like that of ours are namely, M/s. Havells India Limited, M/s Anchor Electricals Private Limited, M/s V-Guard Industries Limited, etc. Our Company's major emphasis is on manufacturing of superior designed quality product at affordable price. Thus, due to consistent emphasis on quality and delivery, our Company has been receiving repeated orders from its dealer network.

4. Marketing Setup

Our Promoters have vast experience of marketing of wires and cables and electrical accessories & other allied products. They have been manufacturing and marketing these products for past over 35 years. We have a good reputation among our dealer network which consists of more than 2,000 in number. The sale price of the components to be manufactured is decided based on design complexities, material, process, quantity, period of supply, etc.





5. Export obligation

As on the date, we do not have any export obligations.

6. Strength

- Established brand in North West India;
- Experienced management team;
- Organized and comprehensive product offering;
- Established reputation for quality products;
- Driving growth through innovation and marketing;
- Our relationship with customers;
- Our relationship with more than 2,000 dealers;
- Dedicated team of technical manpower;

7. Weakness

- Player in regional market.
- Any avoidance of rules of Govt. caused under unavoidable circumstances may have an adverse impact on the project.

8. Opportunity

- The location of the unit is the hub of industry of the multiproduct category. This will cause a competition and that will help the customer to differentiate between the average and the best product. The importers will get variety of the products, which will be a healthy situation for the Industry ultimately.
- The Company has many opportunities in view of the increasing demand for wires & cables and electrical accessories.

9. Threats

- **In the event there is any delay in the completion of the objects of this Issue it would in turn affect our revenues and results of operations.**

The funds that we receive would be utilized for the objects of the Issue. The proposed schedule of implementation of the objects of the Issue is based on our management's estimates. If the schedule of implementation is delayed for any other reason whatsoever, including any delay in the completion of the Issue, we may face time and cost overruns and this may affect our revenues and results of operations.

- **Our contingent liabilities, not provided for, if crystallized, could adversely affect our financial condition.**

We have not provided for certain contingent liabilities which if materialized could adversely affect our financial position. The details of the same areas under:

in Lacs

Particulars	As of March 31, 2015	As of March 31, 2014
Guarantee given by banks on behalf of the Company	121.72	12.50
Estimated amount of contracts remaining to be executed on capital account		-
Total	121.72	12.50





If these liabilities materialize, it could have an adverse effect on our results of operations.

- **The loss of or shutdown of operations at our production facilities may have a material adverse effect on our business, financial condition and results of operations.**

The breakdown or failure of our equipments and/ or civil structure can disrupt our production schedules, resulting in performance being below expected levels. In addition, the development or operation of our facilities may be disrupted for reasons that are beyond our control, including explosions, fires, earthquakes and other natural disasters, breakdown, failure or sub-standard performance of equipment, improper installation or operation of equipment, accidents, operational problems, transportation interruptions, other environmental risks, and labour disputes. Our production facilities are also subject to mechanical failure and equipment shutdowns. Our machineries may be susceptible to malfunction. If such events occur, the ability of our facilities to meet production targets may be adversely affected which may affect our business, financial condition and results of operations.

Acknowledgement

We thank our customers, vendors, investors and bankers for their intense support throughout the year. We place on record our appreciation of the contribution made by our employees at all levels. We thank the Government of India, particularly the Ministry of Commerce, Ministry of Finance, Ministry of Corporate Affairs, the Custom and Excise Departments, Income Tax Department, the Reserve Bank of India, the State Governments and other government agencies for their support, and look forward to their continued support in the future.

Date: 23/07/2015

Place: Jaipur

for and on behalf of the Board


Akshay Kumar Gurnani
Director
(06888193)


Dinesh Gurnani
Director
(00218635)



Subsidiary Company**1. Veto Electricals Private Limited**

Veto Electricals Private Limited ("VEPL") was incorporated on March 24, 2008 vide Certificate of Incorporation issued by the Registrar of Companies, Rajasthan, at Jaipur. The CIN of VEPL is U31300RJ2008PTC12189.

The main objects of VEPL are to carry on in India or elsewhere all or any of the business of general merchants, manufacturers, buyers, seller, importers, exporters, traders, procurers, retailers, distributors, franchises and collaborators in all kinds and every description of wires, cables, electrical fans and accessories, PVC wires, copper conductors, aluminum conductors or other conductors made of any of the substance, electrical lamps including vacuum and gas filled lamps, general lighting lamps, luminaries and accessories etc. and other appliances, cables, wire lines and all types of machinery, plant or apparatus and things required for or capable of being used in connection with the manufacture of the above and business related commercial activities and services, merchandise, electrical and electronic goods at outright commission basis or through departmental stores, super markets, chain stores of electrical and electronic items.

Registered Office

The registered office of VEPL is located at 230, Sindhi Colony, Raja Park, Jaipur, Rajasthan 302 004 India.

Capital Structure and Shareholding Pattern

The authorized share capital of VEPL is ` 1,000,000 divided into 100,000 equity shares of ` 10/- each. The issued, subscribed and paid- up share capital is ` 1,000,000 divided into 100,000 equity shares of Rs. 10/- each.

The shareholding of Veto Switchgears And Cables Limited is of 100% i.e. 1, 00,000 equity shares.

Board Composition

S.No.	Directors
1.	Mr. Dinesh Gurnani
2.	Mr. Vishnu Kumar Gurnani
3.	Mr. Govind Ram Thawani
4.	Mr. Jitendra Kumar

* Since the Company is not material Subsidiary Company, the Board does not include any independent Director.

Veto Switchgears and Cables Limited

Annexure II

FORM AOC-1


Statement containing salient features of the financials statements of subsidiaries/associate companies/joint ventures
(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

PART "A" : Subsidiaries

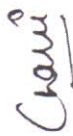
S.No.	Subsidiary Company	Reporting Currency	Capital Reserves	Total Assets	Total Liabilities	Investments	Turnover (Including other income)	Profit/(Loss) before taxation	Tax Expense	Profit/(Loss) after taxation	Proposed dividend	% of shareholding
1	Veto Electricals Private Limited	INR	10.00	196.04	196.04	-	-	(0.15)	-	(0.15)	-	100%

Notes :

- 1 Veto Electricals Private Limited has not commenced commercial activities since its incorporation and currently is not operational.
- 2 Reporting period and reporting currency of the above subsidiaries is the same as that of the Company.
- 3 Part B of the Annexure is not applicable as there is no associate companies/joint ventures of the Company as on 31st March, 2015.


Akshay Kumar Gurnani
 Managing Director
 DIN : 06888193


Dinesh Gurnani
 WTD & CFO
 DIN : 00218635


Chavi Rawat
 Company Secretary

Place : Jaipur
 Date : 29th May, 2015

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis:

There were no contracts or arrangements or transaction entered during the year ended March 31, 2015, which was not at arm's length basis.

2. Details of material contracts or arrangement or transactions at arm's length basis:

Name of Related Party	Nature of Contract	Nature of Relationship	Duration of contract	Salient terms	Amount
Tulsi Resort Place Pvt. Ltd.	Sales	Common Director	During the year 2014-15	As per arm length price guidelines	3,98,232
Veto Electropowers (India) Private Limited	Sales	Holding Company	During the year 2014-15	As per arm length price guidelines	99,494
Pinkcity Buildhome Private Limited	Sales	Common Director	During the year 2014-15	As per arm length price guidelines	1,90,300
Pink Square Real Estate Private Limited	Sales	Common Director	During the year 2014-15	As per arm length price guidelines	2,44,114
Vimal Power Cables Pvt. Ltd.	Purchase	KMP is Director	During the year 2014-15	As per arm length price guidelines	1,52,29,931
Kripa Realmart Pvt. Ltd.	Rent	Director's Relative	During the year 2014-15	As per arm length price guidelines	3,50,000
Mr. Akshay Kumar Gurnani	Remuneration	Managing Director	During the Year 2014-15	As per ScheduleV	12,25,000
Mr. Vishnu Kumar Gurnani	Remuneration	Director	During the Year 2014-15	As per ScheduleV	2,40,000
Mr. Dinesh Kumar Gurnani	Remuneration	Whole time Director	During the Year 2014-15	As per ScheduleV	7,20,000

Date: 23/07//2015

for and on behalf of the Board of Directors

Place: Jaipur


Akshay Kumar Gurnani
Director
(06888193)


Dinesh Gurnani
Director
(00218635)



Corporate Governance Report

1. Corporate governance in India

The last few years have seen some major scams and corporate collapse across the globe. In India, the major example is Satyam which is one of the largest IT companies in India. All these events have caused the pendulum of public faith to shift away from free market to a more closely regulated one. However "corporate governance", in spite of being the new object of interest and inquisitiveness from various quarters, remains an ambiguous and often misunderstood phrase. So before delving further on the subject it is important to define the concept of corporate governance.

- The Indian corporate scenario was more or less stagnant till the early 90s.
- The position and goals of the Indian corporate sector has changed a lot after the liberalization of 90s.
- India's economic reform programme made a steady progress in 1994.
- India with its 20 million shareholders is one of the largest emerging markets in terms of the market capitalization.

2. Corporate governance of India has undergone a paradigm shift

- In 1996, Confederation of Indian Industry (CII) took a special initiative on Corporate Governance.
- The objective was to develop and promote a code for corporate governance to be adopted and followed by Indian companies, be these in the Private Sector, the Public Sector, Banks or Financial Institutions, all of which are corporate entities.
- This initiative by CII flowed from public concerns regarding the protection of investor interest, especially the small investor, the promotion of transparency within business and industry.

Our Policy

Our Company has complied with the provisions of the Listing Agreement including Clause 49 of the Listing Agreement and other requirements under the Listing Agreement in relation to the meetings of the Audit Committee, the CSR Committee, Nomination and Remuneration Committee, Risk Management Committee and the Shareholders'/ Investors Grievance Committee. The Board of Directors consists of a total of 6 Directors of which 3 are independent Directors (as defined under Clause 52), which constitutes 50% of the Board of Directors. This is in compliance with the requirements of Clause 49 of the Listing Agreement.

Risk Management Committee was formed on 30/03/2015 in Compliance to 'Clause 49 of the Listing Agreement' under the Chairman Ship of Mr. Dinesh Gurnani





Ms. Chavi Rawat, Company Secretary and Compliance Officer of the Company shall act as Secretary to the Committee.

The details of the Board of Directors, Audit Committee, the CSR Committee, Nomination and Remuneration Committee, Risk Management Committee and the Shareholders'/ Investors Grievance Committee of our Company are given below:

1. Board of Directors

Our Company currently has Six Directors on the Board.

The following table sets forth details regarding the Board of Directors as on the March 31, 2015:

i. Composition and category of Directors:

Sr. No.	Name of Director	Designation	Attendance in Board Meeting	Number of other Board Committees in which the directors are member	Number of other Board Committees in which director is a chairman
1.	Akshay Kumar Gurnani	Managing Director, Chairman	06	-	-
2.	Dinesh Gurnani	Executive Whole – Time Director	06	04	01
3.	Jyoti Gurnani	Director	01	-	-
4.	Murali dhar Kaurani	Non-Executive Independent Director	06	01	-
5.	Mohan Sukhani	Non-Executive Independent Director	06	05	-
6.	Govind Ram Thawani	Non-Executive Independent Director	03	05	04

ii. Details of directors appointed and resigned during the year under review.

Sr. No.	Name Of Director	Designation	Date of Appointment	Date of Cessation
1	Mr. Mohan Das Gurnani	Director	22/08/2012	27/08/2014
2	Mr. Akshay Kumar Gurnani	Managing Director	27/08/2014	-
3	Ms. Jyoti Gurnani	Director	27/08/2014	-

Note: Private limited companies, foreign companies and companies under section 8 of the Companies Act, 2013 are excluded for the above purposes. Only audit committee, shareholders' grievance committee, Risk Management Committee, Nomination and Remuneration Committee and CSR Committee are considered for the purpose of committee positions as per listing agreement.





iii. Meeting of Independent Directors

The Company's Independent Directors should meet atleast once in every financial year without the presence of Executive Directors or management personnel to review the performance of non-independent Directors, Chairman and the Board.

The Committee presents their views about all the Directors and Management of the Company in their meeting held on 20/02/2015.

iv. Formal Annual Evaluation

The Board has established a formal process to annually evaluate the performance of the Board, that of its principal Committees, the Audit, Nomination and Remuneration committees, and that of the Chief Executive, the Chairman and individual non-executive directors. The Board anticipates that the formal evaluation will be completed yearly. Based on the evaluation process completed, the Board considers that the principal Committees have performed effectively throughout the year.

As part of the Board evaluation of its own performance, questionnaires are circulated to all directors. The questionnaire is designed to obtain directors' comments regarding the performance of the Board, the effectiveness of Board communications, the ability of directors to contribute to the development of strategy and the effectiveness with which the Board monitors risk and oversees progress. Directors are also invited to make recommendations for improvement.

The Chairman, on behalf of the Board, reviews the evaluations of performance of the non-executive directors on an annual basis. The non-executive directors, led by the Senior Independent Director, meet annually without the Chairman present to evaluate his performance, having taken into account the views of the executive director. The non-executive directors also evaluate the performance of the executive director. These evaluations are designed to determine whether each director continues to contribute effectively and to demonstrate commitment to the role.

The Audit, Nomination and Remuneration committees carry out annual reviews of their own performance and terms of reference to ensure they are operating at maximum effectiveness and recommend any changes they consider necessary to the Board for approval.

v. Detail of Board Meetings held:

Date of Board Meeting	Board Strength	No. of Directors Present
May 30, 2014	6	6
July 28, 2014	6	3
November 14, 2014	6	5
January 24, 2015	6	4
February 2, 2015	6	4
February 10, 2015	6	3
March 30, 2015	6	5





2. Audit Committee

The Audit Committee comprises of the following members:

1. Mr. Govind Ram Thawani - Chairman
2. Mr. Mohan Sukhani
3. Mr. Dinesh Gurnani

i. Terms of reference/scope of the Audit Committee:

1. Oversight of our Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommending to the Board, the appointment, re-appointment and if required, the replacement or removal of the statutory auditors and fixation of audit fees.
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
4. Reviewing, with the management the annual financial statements before submission to the Board for approval, with particular reference to:
 - a. Matters required being included in the Directors' Responsibility Statement to be included in the Board's report in terms of Sub-section 5 of Section 134 of the Companies Act, 2013.
 - b. Changes, if any, in accounting policies and practices and reasons for the same.
 - c. Major accounting entries involving estimates based on the exercise of judgment by management.
 - d. Significant adjustments made in the financial statements arising out of audit findings.
 - e. Compliance with listing and other legal requirements relating to financial statements.
 - f. Disclosure of any related party transaction.
 - g. Qualification in the draft audit report.
5. Reviewing with the management, the half-yearly financial statements before submission to the Board for approval.
6. Reviewing with the management, performance of statutory and internal auditors, and adequacy of the internal control systems.
7. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit Department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
8. Discussion with internal auditors any significant findings and follow-up thereon.
9. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
10. Discussion with the statutory auditors before the audit commences, about the nature and scope of audit as well as post audit discussion to ascertain any area of concern.
11. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
12. To review the functioning of the Whistle Blower Mechanism, in case the same exists.
13. Carry out any other function as is mentioned in the terms of reference of Audit Committee





ii. Meetings and Attendance during the year

Five Meetings of the Audit Committee were held during the year. The details of the Meeting and attendance are given hereunder:

Date of Meeting	Committee Strength	No. of members present
26/05/2014	03	03
26/08/2014	03	03
14/11/2014	03	03
22/01/2015	03	02
27/03/2015	03	02

3. Nomination and Remuneration Committee

Pursuant to Section 178 of The Companies Act, 2013, Nomination and Remuneration Committee comprises of the following members:

1. Mr. Govind Ram Thawani - Chairman
2. Mr. Murlidhar Kaurani
3. Mr. Mohan Sukhani

The role of the Nomination and Remuneration Committee is to review market practices and to decide on remuneration packages applicable to the Managing Director and Senior Executives of our Company.

i. Remuneration policy

1. For Labours: Minimum Wages Act is applicable.
2. For office staff: Minimum 5% for office staff. The management of the Company may provide excess of remuneration on the basis of outstanding performance of employee.

ii. Detail of remuneration to all directors as per format in main report

Sr. No.	Name of director	Remuneration (Rs.in Lacs)	Director's Sitting Fees (Rs. in Lacs)
1	Mohan Das Gurnani	-	0.025
2	Akshay Kumar Gurnani	12.25	-
3	Dinesh Gurnani	7.20	-
4	Murli dhar Kaurani	-	0
5	Mohan Sukhani	-	0
6	Govind Ram Thawani	-	0
7	Jyoti Gurnani	-	0

- As the fire has occurred in May, 2014 the Independent Directors and Ms. Jyoti Gurnani decided not to take any sitting fees for the Current Financial Year.





iii. Meetings and Attendance during the year

Two Meetings of the Nomination and Remuneration Committee were held during the year. The details of the Meeting and attendance are given hereunder:

Date of Meeting	Committee Strength	No. of members present
28/05/2014	03	03
28/02/2015	03	03

4. Shareholders'/ Investors' Grievance Committee

The Shareholders'/ Investor Grievance Committee comprises of the following members:

1. Mr. Govind Ram Thawani - Chairman
2. Mr. Dinesh Gurnani
3. Mr. Mohan Sukhani

The Committee normally meets as and when required and have following powers and responsibilities:

1. It shall have the authority to investigate into any matter in relation to transfer of securities or referred to it by the Board and for this purpose, shall have full access to information contained in the records of our Company and external professional advice, if necessary.
2. To investigate any activity within its terms of reference.
3. To seek information from any employee.
4. To seek information from share transfer agents.
5. To obtain outside legal or other professional advice.
6. To secure attendance of outsiders with relevant expertise, if it consider necessary.
7. To approve issue of duplicate share certificates and to oversee and review all matters connected with the transfer, transmission and issue of securities.
8. To approve share transfer / transmission of securities periodically, whether by circular resolution or otherwise.
9. To look into redressing of shareholders' complaint like transfer of shares, non-receipt of balance sheet, non receipt of declared dividends, etc.
10. To oversee the performance of the Registrar and Transfer Agents and recommend measures for overall improvement in the quality of investors services.

i. Meetings and Attendance during the year

One Meeting of the Shareholders'/ Investor Grievance Committee was held during the year. The details of the Meeting and attendance are given hereunder:

Date of Meeting	Committee Strength	No. of members present
08/08/2014	03	03

ii. Detail of shareholder's complaints

Particulars	No. of complaints	whether resolved/ if yes, no. of days taken in resolution
Shareholder's Complaints received during the year	0	-
Complaints not solved to the satisfaction of shareholders	0	
Complaints pending	0	





5. Corporate Social Responsibility Committee

Commitment

We are committed to:

- Continuous improvement in our Corporate and Social Responsibility (CSR) strategy;
- Encouraging our business partners to strive for matching performance;
- Acting in a socially responsible way;
- Continually improving our performance and meeting all relevant legislation;
- Encouraging our staff to be mindful of the effect of their actions on any natural resource.

Purpose and Aims

- The purpose of the policy is to make clear to all stakeholders what we mean by CSR and how we propose to work towards achieving it. The CSR policy applies throughout all of the Procurement Service and governs our approach to all our activities;

In implementing this policy we aim to:

- Be responsible;
- Be an exemplar of good practice.

Standards of business conduct

- We recognise that good CSR embraces all aspects of sustainable development and the way we affect people through our business operations;
- We will assess which social issues are of most relevance to the contract and decide at what stage in the procurement lifecycle this social policy could most effectively and legally be included;
- We shall operate in a way that safeguards against unfair business practices;
- We believe that a responsible approach to developing relationships between companies and the communities they serve, global or local, is a vital part of delivering business success;
- When carrying out our business, in consultation with our customers, we will determine the environmental, social and economic issues;
- Our contracts will clearly set out the agreed terms, conditions and the basis for our relationship;
- We will continually review our policies and business practices to encourage engagement with small and medium enterprises and to promote the development of the regional supply chain.

Corporate Governance

- We will share and declare information on personal and corporate conflicts of interest and seek guidance from higher authority before acting;
- We are committed to ensuring that our business is conducted in all respects according to rigorous ethical, professional and legal standards;
- All the laws that regulate and apply will be complied with;





- We endeavour to ensure that stakeholders have confidence in the decision-making and management processes of the Procurement Service, by the conduct and professionalism of all staff. We do this by continually training and developing our staff;
- All groups and individuals with whom we have a business relationship will be treated in a fair, open and respectful manner;
- Competition will be reasonable and based upon the quality, value and integrity of the products and services being supplied;
- Feedback on performance will be actively sought, and we will continually review all activities to ensure best practice is observed at all times;
- We will allow our customers and vendors to give feedback on our performance and ensure that all customer comments are analyzed, responded to and where appropriate, acted upon;
- An Action Plan will be developed to ensure continuous improvement is achieved.

Environment

- Our objective is to endeavour to reduce our impact on the environment through a commitment to continual improvement;
- We will continue to work with our vendors to reduce their impact on the environment;
- We do assess production, use and disposal associated with the main goods we use;
- Our customers will be informed of the key issues involved in procurement so they can make informed purchases to reduce their impact on the environment;
- We will ensure that paper products used come from forests independently certified as well-managed according to the standards of the Forest Stewardship Council (FSC), or from recycled materials. All virgin paper products have been banned throughout the Company, environmental alternatives are used.

Human Rights

- We aim to support and respect the protection of internationally proclaimed human rights;
- Vendors are actively encouraged to observe international human rights norms within their work.

Equality and Diversity

- We aim to eliminate discrimination on any grounds and promote equality of opportunity in the supply chain;
- We will ensure that our customers and vendors are able to work together in confidence and be treated with respect by each party;
- Our range of contracts will take account of the needs of a diverse customer base.

Sustainability

- A Sustainable Procurement Policy will be maintained that will set out the principles, policies and procedures on which sustainable business activity within Company will be based.
- The policy will act as a prompt to staff to consider sustainability as a factor in all purchasing decisions;
- We seek to minimize the adverse environmental effects of people travelling to and from our offices





Impact on Society

- We will take steps to understand how we can most effectively support the needs of the local community and implement initiatives accordingly;
- Our impact on the local and wider community will be understood and nurtured;
- Dialogue with local communities shall be encouraged for mutual benefit.

Ethics and Ethical Trading

- We will ensure clear visibility through our supply chains, so we know where all our products are made;
- Training will be provided to relevant people on environmental and social issues affecting our supply chains;
- We will ensure that vendors uphold the workplace standards and behaviours consistent with the Company's requirements.

Biodiversity

- We actively encourage the use of sustainable practices in the maintenance of the Company grounds and premises.

Vendors (Suppliers)

- Vendors will be worked with to help us achieve our policy aspirations in the delivery of our products and services;
- We shall encourage vendors to adopt responsible business policies and practices for mutual benefit;
- Vendors are regarded as partners and we will work with them to help us achieve our policy aspirations in the delivery of our products and services;
- A documented environmental and social assessment will be undertaken for every new contracted vendor;
- We are committed to ensuring that the welfare of workers and labour conditions within our supply chain meet or exceed recognized standards;
- Where necessary, we will exert procurement pressure to ensure that all of our vendors behave in a socially responsible way. This includes environmentally-friendly products and making sure that workers are treated properly;
- Where appropriate, our tender specifications include questions to reflect our desire for sustainable procurement;
- We hold regular meetings with vendors to support these ideas;
- We will continue to work with vendors to:
 - Promote more environmentally friendly products and promote these to our customers;
 - Reduce the amount of packaging and transit where possible;
 - Implement schemes to take-back, recover, re-use and recycle products at the end of their use/life.





Composition of CSR Committee:

1. Mr. Govind Ram Thawani, Chairman
2. Mr. Mohan Sukhani
3. Mr. Dinesh Gurnani

Earlier the CSR policy includes the following Projects:

1. Animal Protection (approx 25% of Projected monthly expenditure)
2. Children Education (approx 10% of Projected monthly expenditure)
3. Water Cooler in hospital and public area (approx 25% of Projected monthly expenditure)
4. Food Facility in Rain Basera (Night Shelter) (approx.20% of Projected monthly expenditure)
5. For Weaker employee welfare fund (approx 20% of Projected monthly expenditure)

*CSR Policy was revised on October 21, 2014

Now revised projects are as follows:

1. Rural Development/ Weaker Section Welfare (approx 60% of Projected monthly expenditure)
2. Animal Protection (approx 20% of Projected monthly expenditure)
3. Water facility to needy people (approx 20% of Projected monthly expenditure)

Monitoring Process

The Committee will monitor the outflow of funds for the above projects on Quarterly basis. The Annual report on Corporate Social Responsibility is given in Annexure V.

6.General Body Meetings

Annual General Meeting

The date and time of Annual General Meeting held during the last three years are as follows:

Sr. No.	Date of AGM	Location & Time	Whether any special resolution passed	Special resolution passed through postal ballot	Name of person, conducting postal ballot
1	August 27, 2014	Mumbai, 12:30 P.M.	06	NA	NA
2	August 28, 2013	Mumbai, 1:30 P.M.	01	NA	NA
3	August 31, 2012	Mumbai, 11:00 A.M.	NA	NA	NA

Special Resolution passed through Postal Ballot

During the year, the members of the Company have approved the Migration of the Company from NSE SME Emerge to NSE Main Board by passing a special resolution through postal ballot on March 18th, 2015. The resolution was taken on record in the minutes book of the company in the Board meeting held on 14 November, 2014





Resolutions of Special Business were as follows::

1. To shift registered office of the Company outside the limits of the city but within the limits of state and concerned registrar of Companies, to Gala No.2 Sanskruti Building, Sagar Signature Complex, Waliv Phata, Waliv, Vasai (East).Thane (Maharashtra), subject to approval of shareholders.

*The Registered Office of the Company was Shifted to 506, 5th Floor, Plot No. B-9, Landmark Building, New Link Road, Andheri (West), Mumbai, Maharashtra-400058

2. To appoint Mr. Akshay Kumar Gurnani as Managing Director of the Company in place of Mr. Vishnu Kumar Gurnani, subject to approval of shareholders on a monthly remuneration of Rs. 1,00,000/- (Rupees One Lakh only).
3. To appoint Ms. Jyoti Gurnani as Director of the Company pursuant to provisions of Section 149 of the Companies Act, 2013.
4. To re-appoint Mr. Govind Ram Thawani, independent director of the Company for a period of five years in pursuance of Section 149(10) of The Companies Act, 2013.
5. To re-appoint Mr. Mohan Sukhani, independent director of the Company for a period of five years in pursuance of Section 149(10) of The Companies Act, 2013.
6. To re-appoint Mr. Murli Dhar Kaurani, independent director of the Company for a period of five years in pursuance of Section 149(10) of The Companies Act, 2013.

II. Disclosure:

Relationship between Directors:

Name of the Director	Relationship between the Directors
Mr. Akshay Kumar Gurnani	Brother of Ms. Jyoti Gurnani
Mr. Dinesh Gurnani	First Cousin of Mr. Akshay Kumar Gurnani
Ms. Jyoti Gurnani	Sister of Mr. Akshay Kumar Gurnani & First Cousin of Mr. Dinesh Gurnani

III. Details of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchange or SEBI, or any statutory authority, on any matter related to Capital Markets, during the last three years:

During the last three years the Company had never received any notice for non- Compliance. No penalties, strictures were imposed on the Company by Stock Exchange or SEBI, or any statutory authority, on any matter related to Capital Markets.

IV. Means of Communication

The provisions with respect to half yearly results of the Company under the Listing Agreement have been duly complied with. The half-yearly results can be seen at Company's website www.vetoswitchgears.com and also at the website of The National Stock Exchange of India Limited. Results were published in Business Standard English and Hindi.

Website: www.vetoswitchgears.com

SEBI Complaints Redress System (SCORES)

Company has registered in SEBI Complaints Redress System (SCORES). This is managed by the Registrar and Transfer Agent.





IV. Name and Address of Designated Stock Exchange:

The National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex,
Bandra (E), Mumbai – 400 051

V. Whistle Blower Policy

The Company promotes ethical behavior and has put in place a mechanism for reporting illegal and unethical behavior. The Company has a Vigil mechanism and Whistle Blower Policy under which the employees are free to report violations of applicable laws and regulations and the Code of Conduct. The reportable matters may be disclosed under the supervision of Audit Committee. Employees may also report to the Chairman of the Audit Committee. During the year under review, no employee had report to the Committee.

VI. Policy on Prevention of Insider Trading

This code may be called as code of conduct of Veto Switchgears and Cables Limited for prevention of Insider Trading. This code can be modified/amended/ altered by Directors/Compliance Officer authorized by the Board. But in case of any statutory modifications or amendment or alteration of the provisions of SEBI (Prohibition of Insider Trading) Regulation, 2015, the newly modified/amended/ altered provisions of the Regulations shall be placed before the Board of Directors of the Veto for noting and amended code shall be deemed to be implemented effective from the date of approval of the same by the Board.

1. PREAMBLE

Insider trading means dealing in securities of a listed company traded on any Stock Exchange in India by insiders which term includes Directors, Officers and Designated Employees of Veto Switchgears and Cables Limited based on and when in possession of unpublished price sensitive information (UPSI).

The SEBI, as part of its efforts to protect the interest of investors in general, had issued the SEBI (Prohibition of Insider Trading) Regulation, 2015, under the powers conferred on it by the SEBI Act, 1992, which is made applicable to all the listed Companies. The Regulations prohibits insider trading.

2. APPLICABILITY

This code shall be applicable to all Directors, Officers and Designated Employees and their relatives of Veto Switchgears and Cables Limited.

3. DEFINITIONS

- a) **Act-** means the Securities and Exchange Board of India Act, 1992;
- b) **Board of Directors** – means the Board of Directors of Veto Switchgears and Cables Limited
- c) **Body Corporate-** means a body corporate as defined under Sub Section 11 of Section 2 of the Companies Act, 2013
- d) **The Company-** means Veto Switchgears and Cables Limited(VETO)
- e) **Compliance Officer-** the officer appointed by the Board of Directors of Veto Switchgears and Cables Limited for the purpose of these Regulations from time to time





- f) **Code-** means this Code of Conduct for Prevention of Insider Trading including modifications made thereto from time-to-time.
- g) **Connected Person-** means shall have the meaning given to it under Regulation 2(d) of the Regulations and shall also include the promoters and their directors and key managerial personnel.
- h) **Trading-** means and includes subscribing, buying, selling or agreeing to subscribe, buy, sell or deal in any securities and “trade shall be constructed accordingly.
- i) **Promoter-**shall have the meaning assigned to it under the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 or any modification thereof.
- j) **Designated Employees-** shall mean and include- Top three tier of Veto Switchgears and Cables Limited Management, namely:-
- i. Chief Executive Officer (CEO), Chief Financial Officer (CFO);
 - ii. General Manager and above of all the departments of Veto Switchgears and Cables Limited;
 - iii. Senior Manager and above of Finance and Accounts, Secretarial, Banking Department of Veto Switchgears and Cables Limited
- k) **Officer- shall mean and include-**
- i. Statutory, Secretarial and Internal Auditor of Veto Switchgears and Cables Limited.
 - ii. Person occupying the position as an officer or an employee of Veto Switchgears and Cables Limited or holds a position involving a professional or business relationship between himself and Veto Switchgears and Cables Limited whether temporary or permanent and who may reasonably be expected to have an access to unpublished price sensitive information in relation to that company.
 - iii. Any other person as decided by the Board of Directors of Veto Switchgears and Cables Limited.
- l) **Director-** means Directors on the Board of Veto Switchgears and Cables Limited both Executive and Non- Executive.
- m) **Insider-** means any person who,
- i. Is or was connected with Veto Switchgears and Cables Limited or is deemed to have been connected with Veto Switchgears and Cables Limited and who is reasonably expected to have access to unpublished price sensitive information in respect of Veto Switchgears and Cables Limited, or
 - ii. Has received or has had access to such unpublished price sensitive information.
- n) **Unpublished price sensitive information-**means any information, relating to a company or its securities, directly or indirectly, that is not generally available which upon becoming generally available, is likely to materially affected the price of the securities and shall, ordinarily including but not restricted to, information relating to the following:-
- i. Financial results;
 - ii. Dividends;
 - iii. Change in capital structure;
 - iv. Mergers, de-mergers, acquisitions, delisting, disposals and expansion of business and such other transactions;
 - v. Changes in key managerial personnel; and
 - vi. Material events in accordance with the listing agreement.





- o) **Regulation**-means Securities and Exchange Board of India (Prohibition of Insider Trading). Regulations 2015 as amended from time to time.
- p) **Securities**-shall mean the Equity Shares of Rs 10/- each of Veto Switchgears and Cables Limited and such other securities of Veto Switchgears and Cables Limited issued from time to time as may be specified by the Board or the Managing Director or the CEO as the case may be of Veto Switchgears and Cables Limited.
- q) **Trading Window**- means the period during which the Directors, officers and Designated Employees of Company may trade in Veto Switchgears and Cables Limited securities.
- r) **Trading Day**- means a day on which the Recognized stock exchanges are open for trading;
- s) **Immediate relative**- means the spouse of the Designated Person, and includes parent, sibling and child of such Designated Person or of the spouse, who are either financially dependent on the Designated Person or consults the Designated Person in taking decisions relating to trading in securities.

CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING

1. COMPLIANCE OFFICER:

The Board of the Company shall appoint the Company Secretary as the Compliance Officer to ensure compliance and for effective implementation of the Regulations and also this Code across the Company. The Compliance Officer shall report to the Board of the Company. The Company Secretary shall hold the position of the Compliance Officer so long as he/she remains the Company Secretary. In the event of the office of the Company Secretary falling vacant till such time a successor is appointed, the Managing Director shall, in the interim period act as the Compliance Officer. In order to discharge his/her functions effectively; the Compliance Officer shall be adequately empowered and provided with adequate manpower and infrastructure to effectively discharge his/her function. In the performance of his/her duties, the Compliance Officer shall have access to all information and documents relating to the Securities of the Company. The Compliance Officer shall act as the focal point for dealings with SEBI in connection with all matters relating to the compliance and effective implementation of the Regulations and this Code.

1.1 DUTIES OF THE COMPLIANCE OFFICER:

The Compliance Officer shall be responsible for:

- Setting forth policies in relation to the implementation of the Code and the Regulations in consultation with the Board/Audit Committee.
- Prescribing procedures for various activities referred to in the Code.
- Compliance with the policies and procedures referred hereinabove.
- Monitoring adherence to the rules for the preservation of UPSI.
- grant of pre-trading approvals to the Designated Persons for trading in the Company's Securities by them / their Immediate Relatives and monitoring of such trading.
- Implementation of this Code under the general supervision of the Audit Committee and the overall supervision of the Board of the Company.





The Compliance Officer shall maintain a record (either manual or in electronic form) of the Designated Persons and their Immediate Relatives (see Annexure-1) and changes thereto from time-to-time.

The Compliance Officer shall assist all the Designated Persons in addressing any clarifications regarding the Regulations and this Code.

The Compliance Officer shall place status reports before the Chairman of the Audit Committee, detailing Trading in the Securities by the Designated Persons along with the documents that such persons had executed in accordance with the pre-trading procedure prescribed under the Code on a quarterly basis.

2. Preservation of Price Sensitive Information

- 2.1 Directors, Officers, Designated Employees and Connected Persons shall maintain the confidentiality of all price sensitive information. Directors, Officers, Designated Employees and Connected Persons shall not pass on such information to any person directly or indirectly by way of making a recommendation for the purchase or sale of securities.
- 2.2 Price Sensitive Information is to be handled on a “**need to know**” basis, i.e., Price Sensitive Information should be disclosed only to those within Veto Switchgears and Cables Limited who need this information to discharge their duty.
- 2.3 Files containing confidential information shall be kept secure. Computer files must have adequate security of login and password etc.
- 2.4 Preservation of misuse of “Price Sensitive Information”.
- 2.5 All Directors, Officers and Designated Employees of Veto Switchgears and Cables Limited and Connected Persons shall be subject to trading restrictions as enumerated below.
 - i. When the trading Window is closed, the Directors, Officers, Designated Employees and Connected Persons shall not trade in the company’s Securities in such period.
 - ii. The trading window shall be, inter alia closed at the time:-
 - a) Declarations of the Financial Results (Quarterly, half yearly and annually).
 - b) Declaration of Dividends (interim and final).
 - c) Issue of securities by way of public/right/bonus etc.
 - d) Any major expansions plans or execution of new projects
 - e) Amalgamation, mergers, takeovers and buy-back.
 - f) Disposal of whole or substantially whole of the undertaking.
 - g) Any changes in policies, plans or operations of Veto Switchgears and Cables Limited.
 - h) And any other matter which is likely to be price sensitive.
 - iii. Closure of trading window shall commence 12 days before the date of meeting of Board of Directors of Veto Switchgears and Cables Limited are held to consider any of the items referred hereinabove, unless decided otherwise by the Board.





- iv. The trading Window shall re- opened 48 hours after the information referred hereinabove, is made public.
- v. All Directors/ Officers /Designated Employees of Veto Switchgears and Cables Limited and Connected Persons shall conduct all their dealings in the securities of Veto Switchgears and Cables Limited only during trading window is open.

2.6 All Directors, Officers and Designated Employees shall not engage in dealing in securities, whether on their own account or on behalf of the Dependent and shall ensure that their Dependent shall not engage in dealing in securities on their own account, if such Directors, Officers and Designated Employees is in possession of any unpublished price sensitive information.

3. Trading Plan

- 3.1 An insider shall formulated a trading Plan and present it to the Compliance Officer for approval and public disclosure pursuant to which trades may be carried out on his behalf in accordance with such plan.
- 3.2 Insider shall submit trading plan before six months from commencement of trading.
- 3.3 Insider shall not enter into the transaction between the twentieth days prior to the last day of any financial period for which results are required to be announced by Veto Switchgears and Cables Limited of the securities and the second trading day after he disclosure of such financial results.
- 3.4 If another trading day is already in existence than no other plan shall not be accepted covering the same time period.
- 3.5 Insider in his trading plan shall set out number of securities to be traded along with the nature of the trade and time gap between the trade and date on which such trade shall be effected.
- 3.6 Compliance officer shall review the trading plan, approve and monitor the implementation of the plan.
- 3.7 The trading plan once approved shall be irrevocable and the insider shall mandatorily have to implement the plan, without being entitled to either deviate from it or to execute any trade in the securities outside the scope of the trading plan.
- 3.8 The Insider shall not execute the aforesaid trading plan if any unpublished price sensitive information in possession of the insider at the time of formulation of the plan has not become generally available at the time of the commencement of implementation and in such event Insider shall execute trading plan when such information shall become public.
- 3.9 After approval the trading plan Compliance Officer shall inform the NSE about the approved trading plan and the same will be broadcast on Company's website.
- 3.10 Insider shall submit trading plan along with the declaration and application in "**Annexure1 to 3**" or any other format specified by SEBI or NSE.





4. Pre-clearance of trades

- 4.1 All Directors/ Officers /Designated Employees of Veto Switchgears and Cables Limited and Connected Persons who intend to deal in the securities of Veto Switchgears and Cables Limited should pre- clear the transaction as per the pre-dealing procedure as described hereunder.
- 4.2 An application may be made in prescribed format (Annexure-2) to the Compliance Officer indicating the estimated number of Shares that the insider intends to deal in, the depository with which he/she has an account and the details as to his/hr shareholding before and after the intended transaction.
- 4.3 An undertaking (Annexure-3) shall be executed in the favour of the Company by such Directors, Officers, Designated Employees incorporating, inter alia, the following clauses, as may be applicable:
 - a) That the Directors, Officers, Designated Employees does not have any access or has not received “Price Sensitive Information” upto the time of signing the undertaking.
 - b) That in the case the employee, director, officer has access to or receives “price Sensitive Information” after the signing of the undertaking but before the execution of the transaction he/she shall inform the Compliance Officer of the change in his position and that he/she would completely refrain from dealing in the securities of Veto Switchgears and Cables Limited till the time such information become public.
 - c) That he/she has not contravened the code of conduct for prevention of insider trading as notified by Veto Switchgears and Cables Limited from time to time.
 - d) That he/she has made a full and true disclosure in the matter.

5. Other restrictions

- 5.1 All directors, officers, designated employees their dependents and Connected Persons shall execute their order in respect of Securities of Veto Switchgears and Cables Limited within one week after the approval of pre-clearance is given. If the order is not executed within one week after the approval is given, the directors, officers, designated employees must pre-clear the transaction again.
- 5.2 All Directors/ Officers /Designated Employees who buy or sell any number of securities of Veto Switchgears and Cables Limited shall not enter into an opposite transaction i.e. sell or buy any number of shares during the next six months following the prior transaction. All Directors/ Officers /Designated Employees shall also not take position in derivative transactions in the shares of Veto Switchgears and Cables Limited at any time.
- 5.3 In case the sale of securities is necessitated by personal emergency, the holding period may be waived by the Compliance Officer after recording in writing his/her reasons in this regard.

6. Reporting requirements for transactions in securities

Initial Disclosures

- 6.1 Every promoter, Key managerial personnel and director of every company whose securities are listed on any recognized stock exchange shall disclose his latest holding of Securities of Veto switchgears and Cables Limited mentioning date of holding as on or before 15th May, 2015 taking effect, to the Company within thirty days of these CODE taking effect;





- 6.2 Every person on appointment as a Key managerial personnel or a director of Veto switchgears and Cables Limited or upon becoming a promoter shall disclose his holding of securities of Veto switchgears and Cables Limited as on the date of appointment or becoming a promoter, to Veto switchgears and Cables Limited within seven days of such appointment or becoming a promoter to Veto switchgears and Cables Limited/ Compliance Officer.

Continual Disclosures

- 6.3 Every promoter, employee and director of every company shall disclose to Veto switchgears and Cables Limited the number of such securities acquired or disposed of within two trading days of such transaction if the value of the securities traded, whether in one transaction or a series of transactions over any calendar quarter, aggregates to a traded value in excess of ten lakh rupees or such other value as may be specified by SEBI time to time.
- 6.4 Compliance Officer of Veto switchgears and Cables Limited shall notify the particulars of such trading to the stock exchange on which the securities are listed within two trading days of receipt of the disclosure or from becoming aware of such information.

Disclosures by other connected persons.

- 6.5 Disclosures shall be made as per the SEBI (Insider Trading) Regulation, 2015.
- 6.6 Compliance officer shall maintain records of all the declarations In the appropriate form given by the directors, officers, designated employees for a minimum period of three years.
- 6.7 The Compliance officer shall place before the Managing Director or Chief Executive Officer or Chief Financial Officer or a committee specified by Veto Switchgears and Cables Limited, on a monthly basis all the details of the dealing in the securities by a director, Officer, Designated employees of Veto Switchgears and cables Limited and the accompanied documents that such persons had executed under the pre-dealing procedure as envisaged in this code.

7. Penalty for contravention of Code of conduct

- 7.1 Any director, Officer, Designated employees who trades in securities or communicates any information for trading in securities in contravention of code of conduct may be penalized and appropriate action may be taken by Veto Switchgears and cable Limited.
- 7.2 Any, director, Officer, Designated employees of Veto Switchgears and cables Limited who violates the code of the conduct shall also be subject to disciplinary action by Veto Switchgears and cables Limited, which may include wage/salary freeze, suspension, ineligible for future participation in employee stock option plans, etc.
- 7.3 The action by Veto Switchgears and Cables Limited shall not preclude SEBI from taking any action in case of violation of SEBI (prohibition of Insider Trading) Regulations, 2015 and the SEBI has powers in case of violation of the aforesaid regulations to order for Penalty which shall not be less then Rs. 5 Lakhs but may increased upto 25 Crores and or imprisonment upto 10 years or both.





8. Information to SEBI in case of violation of SEBI (Prohibition of insider trading) Regulations, 2015

In case it is observed by Veto Switchgears and Cables Limited/Compliance Officer that there has been a violation of SEBI (Prohibition of Insider Trading) Regulations, 2015 SEBI shall be informed by Veto Switchgears and Cables Limited.

Note: the above said Code was approved by the Board of Directors at their meeting held on 29 May, 2015 and shall become applicable w.e.f 29 May, 2015.

VII. Code of Conduct

The Board has laid down "Veto Switchgears and Cables Limited-Code of Conduct" (Code) for all the Board members and the Senior Management of the Company and the Code is posted on the website of the Company. Annual declaration regarding compliance with the Code is being obtained from every Senior Management personnel covered by this Code of Conduct. A declaration to this effect signed by the Managing Director if forming part of the Corporate Governance Report.

VIII. General Shareholders Information

Company Registration Details

The Company is registered in the State of Maharashtra, India. The Corporate Identification Number (CIN) is **L31401MH2007PLC171844**

1. Annual General Meeting

Date	Day	Time	Venue
26/08/2015	Wednesday	1:00.P.M.	China 1, G-05, Morya Landmark 1, Plot B-25, Off New Link Road, Andheri West, Mumbai, Maharashtra

2. Book Closure

The Book Closure date will be August 20, 2015 to August 26, 2015 for the purpose of Annual General Meeting.

3. Financial calendar for the year 2015-2016

Financial reporting for the Quarter (tentative calendar)

Half Yearly	Time Period
April 1, 2015 –June 30, 2015	August 15, 2015
July1, 2015 –September 30, 2015	November 15, 2015
October 1, 2015- December 31, 2015	February 15, 2016
January 1, 2016- March 31, 2016	May 30, 2016





4. Registered Office

The registered office of the Company is 506, 5th Floor Plot No. B-9, Landmark Building, New Link Road, Andheri (West), Mumbai, Maharashtra-400058.

5. Listing on Stock Exchange and Stock Code

Name	Symbol
The National Stock Exchange of India Limited	VETO
ISIN Demat number	INE918N01018

6. Payment of Listing Fees

It is hereby been confirmed that Annual Listing Fees for year 2015-16 has been duly paid to The National Stock Exchange of India Limited.

7. Payment of Depository Fees

Annual Custodian Fees for the year 2015-16 will be paid by the Company to NSDL and CDSL on receipt of the invoices.

8. Registrar and Transfer Agent

Bigshare Services Private Limited
E/2, Ansa Industrial Estate,
Sakivihar Road, Sakinaka, Andheri (E),
Mumbai 400 072
Tel.: +91 22 404 30 200
Facsimile: +91 22 2847 5207
Email: ashok@bigshareonline.com
Website: www.bigshareonline.com

9. Stock Market Data

Month	High (Rs.)	Low (Rs.)	Volume Traded (Quantity)	Sensex (closing)
April, 2014	57.00	57.00	1650	57.00
May, 2014	63.00	57.50	85800	62.00
June, 2014	75.00	58.50	85800	61.00
July, 2014	64.00	59.00	62700	62.00
August, 2014	62.95	54.00	1019700	62.95
September, 2014	62.90	54.00	537900	60.50
October, 2014	66.00	60.00	31350	66.00
November, 2014	67.00	64.00	105600	64.00
December, 2014	64.00	59.50	440550	62.50
January, 2015	64.80	57.75	24750	60.00
February, 2015	71.00	61.00	427350	70.00
March, 2015	72.50	66.00	862950	70.00

Source: NSE





10. Distribution of Shareholding as on March 31, 2015:

Sr. No.	Category of Shareholder	Total Holders	% of Total Holders	No. of shares	% of shareholding
1	Promoter and Promoter Group	9	3.85	1282600	69.98
	Individuals	8	-	2510070	13.70
	Bodies Corporate	1	-	10315930	56.28
2	Public	215	96.15	5501100	30.02
	Total	224	100	18327100	100

11. Share Holding pattern

S.NO.	Name	Shares	Percentage of shareholding
I	Promoter Group		
A	Individual	2510070	13.69
1	Mr. Akshay Kumar Gurnani	1094867	5.97
2	Mr. Harish Kumar Gurnani	733333	4.00
3	Mr. Kishore Kumar Gurnani	439914	2.40
4	Mr. Kanishka Gurnani	109978	0.60
5	Mr. Mukesh Gurnani	6600	0.04
6	Mr. Narayan Das Gurnani	13200	0.07
7	Mrs. Pushpa Devi Gurnani & Mr. Akshay Kumar Gurnani	2200	0.01
8	Mr. Rohit Gurnani	109978	0.60
B	Body Corporate	10315930	56.29
1	Veto Electropowers (India) Private Limited	10315930	56.29
II	Public	5501100	30.02
	TOTAL	18327100	100.00

*No shares were allotted to non-executive directors of the Company.

12. Top Ten Shareholders as on March 31, 2015

Sr. No.	Name of Shareholder	Number of Shares held	%
1	Veto Electropowers (India) Private Limited	1031590	56.29
2	Akshay Kumar Gurnani	1094867	5.97
3	Hem Finlease Pvt. Limited	1038356	5.67
4	Harish Kumar Gurnani	733333	4.00
5	Kishore Kumar Gurnani	439914	2.40
6	Thakur Nihalchand Tolani	429000	2.34
7	India Max Investment Fund Limited	364650	1.99
8	Rajendra Goklani	363000	1.98
9	Prakash Thakurdas Tolani	326700	1.78
10	Kamal Kishore Sawlani	221100	1.21
	TOTAL	15326850	83.63





13. Dematerialization of Shares

As on 31st March 2015, 18327100 Equity Shares representing 100% of the Company's paid-up Equity Shares Capital have been dematerialized.

Trading in Equity Shares of the Company is permitted only in dematerialized form as per the notification issued by SEBI.

ADDRESS FOR CORESPONDENCE:

- **Website :** www.vetoswitchgears.com
- **Any query on Annual Report or Investors' Grievance Redressal:**

E-mail: cfo@vetoswitchgears.com, cs.chavi@vetoswitchgears.com

Phone: 0141-4100407, 4100416

- **For shares held in Demat form:**

Bigshare Services Private Limited

E/2, Ansa Industrial Estate,
Sakivihar Road, Sakinaka, Andheri (E),
Mumbai 400 072
Tel.: +91 22 404 30 200
Facsimile: +91 22 2847 5207
Email: ashok@bigshareonline.com
Website: www.bigshareonline.com

Date: 23/07//2015

for and on behalf of the Board of Directors

Place: Jaipur


Akshay Kumar Gurnani
Director
(06888193)


Dinesh Gurnani
Director
(00218635)





Annual Report on Corporate Social Responsibilities (CSR) activities for the financial year 2014-2015

1. A brief outline of the Company's CSR Policy including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR Policy and projects or programs	Refer :Corporate Social Responsibility given on Pg. No.41
2. Composition of CSR Committee	Refer :Corporate Social Responsibility Committee given on Pg. No.43
3. Average net profit of the Company for last three financial years	639.69 Lacs
4. Prescribed CSR Expenditure (two percent of the amount mentioned in item 3 above)	15.73 Lacs
5. Details of CSR spent during the Financial year :	
Total amount to be spent for the financial year	13.86 Lacs
Amount unspent, if any	1.87 Lacs
Manner in which the amount spent during the financial year	Given Below

Details of Amount spent on CSR Activities during the financial year 2014-2015

[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]
S. No.	CSR Project or activity identified	Sector in which the project is covered	Projects or Programs (1) Local Area or other (2) Specify the state and District where Projects or Programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Sub-heads: (1)Direct Expenditure on projects or programs (2) Overheads:	Cumulative expenditure upto the reporting period.	Amount spent: Direct or through implementing agency
1	Animal Protection Fund		Gaushala	Rs.2,55,875 (i.e. 20% of Projected Monthly Expenditure)	Rs.2,55,957	Rs.2,55,957	Direct
2	Rural Development / Weaker Section Welfare	Cl. (X) Rural Development Projects	1. Tonk 2. Jodhpur	Rs.7,67,623 (i.e 60% of Projected Monthly Expenditure)	Rs.8,74,138	Rs.8,74,138	Implementing Agency





3	Water Facility to needy people	Cl. (X) Rural Development Projects	1. Jawahar Nagar ,NearTila No.4 ,Jaipur ,Rajasthan	Rs.2,55,875 (i.e.20% of Projected Monthly Expenditure)			
			2.Jagatpura Basti Near Bus Stand,Jaipur ,Rajasthan				
			3.Vedpuri ,Jaipur ,Rajasthan				
			4.Rishi Galav Nagar ,Jaipur ,Rajasthan				
			5.Amritpuri ,Jaipur ,Rajasthan				
			6.Nag Talai ,Jaipur ,Rajasthan				
			7. Aamogarh ,Jaipur ,Rajasthan				
			8.Gordhanpuri ,Jaipur ,Rajasthan				
			Total				
			Total- Direct Expenses		511857	511857	
			Total- Indirect Expenses		874138	874138	
			Grand Total		1385995	1385995	

Reason for not spending full amount:

The Company does not get any suitable project to spend the balance money in financial year 2014-15. But the Company had made the expenditure in Month of May, 2015 by giving Rs. 6.40 Lacs to Pawan Enterprises for Earthquake disaster in Nepal.

Responsibility Statement

The implementation and monitoring of CSR Policy, is in compliance with CSR Objectives and Policy of the Company.


Akshay Kumar Gurnani
 (Managing Director)


Govind Ram Thawani
 (Chairman, CSR Committee)

Date: 23/07/2015



**Form No. MGT-9****EXTRACT OF ANNUAL RETURN****as on the financial year ended on March 31, 2015**

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i)	CIN	L31401MH2007PLC171844
ii)	Registration Date	20/06/2007
iii)	Name of the Company	Veto Switchgears and Cables Limited
iv)	Category Sub-Category of the Company	Company Limited by Shares Indian Non- Government Company
v)	Address of the Registered Office and contact details	506, 5 th Floor, Plot No. B-9, Landmark Building, New Link Road, Andheri(West), Mumbai cs.chavi@vetoswitchgears.com
vi)	Whether listed company Yes / No	Yes
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	Bigshare Services Pvt. Ltd. E-2/3, Ansa Industrial Estate, Sakivihar Road, Saki Naka, Andheri(E) Mumbai-400 072 info@bigshareonline.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Electrical Accessories	8501	52.02%
2	Wires and Cables	8501	47.98%





III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES –

S. NO	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% of shares held	Applicable Section
1.	Veto Electropowers (India) Private Limited Add.: 506, 5 th Floor, Plot No. B-9, Landmark Building, New Link Road, Andheri (West), Mumbai, Maharashtra-400058	U31909MH2007PTC168956	Holding	56.28%	Section 2(46)
2.	Veto Electricals Private Limited Add.: 230, Sindhi Colony, Raja Park, Jaipur-302004	U31300RJ2008PTC026189	Subsidiary	100%	Section 2 (87)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category Code	Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the Year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A.	Promoters									
1	Indian									
a)	Individual/HUF	2510070	0	2510070	13.69	2510070	0	2510070	13.69	0
b)	Central Govt	0	0	0	0	0	0	0	0	0





c)	State Govt (s)	0	0	0	0	0	0	0	0	0
d)	Bodies Corp.	10315930	0	10315930	56.28	10315930	0	10315930	56.28	0
e)	Banks / FI	0	0	0	0	0	0	0	0	0
f)	Any Other (Specify)	0	0	0	0	0	0	0	0	0
	Sub- Total (A) (1)	12826000	0	12826000	69.98	12826000	0	12826000	69.98	0
2	Foreign									
a)	NRIs-Individuals	0	0	0	0	0	0	0	0	0
b)	Other – Individuals	0	0	0	0	0	0	0	0	0
c)	Bodies Corp.	0	0	0	0	0	0	0	0	0
d)	Banks / FI	0	0	0	0	0	0	0	0	0
e)	Any Other....	0	0	0	0	0	0	0	0	0
	Sub- Total (A) (2)	0	0	0	0	0	0	0	0	0
	Total Shareholding of Promoter (A)= (A)(1)+(A) (2)	12826000	0	12826000	69.98	12826000	0	12826000	69.98	0
B.	Public Shareholding									
1	Institutions	0	0	0	0	0	0	0	0	0
a)	Mutual Funds	0	0	0	0	0	0	0	0	0
b)	Banks / FI	0	0	0	0	0	0	0	0	0
c)	Central Govt	0	0	0	0	0	0	0	0	0
d)	State Govt(s)	0	0	0	0	0	0	0	0	0
e)	Venture Capital Funds	0	0	0	0	0	0	0	0	0
f)	Insurance Companies	0	0	0	0	0	0	0	0	0
g)	FII's	0	0	0	0	582450	0	582450	3.17	3.17
h)	Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i)	Others (specify)	0	0	0	0	0	0	0	0	0





	Sub-total (B)(1):-	0	0	0	0	582450	0	582450	3.17	3.17
2	Non Institutions									
a)	Bodies Corp.									
	i) Indian	1579050	0	1579050	8.61	1229756	0	1229756	6.71	1.9
	ii) Overseas	0	0	0	0	0	0	0	0	0
b)	Individuals									
	i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	529650	0	529650	2.89	537394	0	537394	2.9322	0.04
	ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	1293600	0	1293600	7.05	1148400	0	1148400	6.26	0.79
c)	Others (specify) (NRI)	2098800	0	2098800	11.45	2003100	0	2003100	10.92	0.522
	Sub-total (B)(2):-	5501100	0	5501100	30.02	4918650	0	4918650	26.83	3.17
	Total Public Shareholding (B)= (B)(1)+(B)(2)	5501100	0	5501100	30.01	5501100	0	5501100	30.01	0
C.	Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
	Grand Total (A+B+C)	18327100	0	18327100	100	18327100	0	18327100	100	0



**(ii) Shareholding of Promoters**

Sl No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Veto Electropowers (India) Private Limited	10315930	56.28	0	10315930	56.28	0	0
2	Akshay Kumar Gurnani	1094867	5.97	0	1094867	5.97	0	0
3	Harish Kumar Gurnani	733333	4.00	0	733333	4.00	0	0
4	Kishore Kumar Gurnani	439914	2.40	0	439914	2.40	0	0
5	Rohit Kumar Gurnani	109978	0.60	0	109978	0.60	0	0
6	Kanishka Kishore Gurnani	109978	0.60	0	109978	0.60	0	0
7	Narain Das Gurnani	13200	0.07	0	13200	0.70	0	0
8	Mukesh Gurnani	6600	0.03	0	6600	0.03	0	0
9	Pushpa Devi Gurnani	2200	0.01	0	2200	0.01	0	0
	Total	12826000	69.98	0	12826000	69.98	0	0

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

Sl. No.		Shareholding at the beginning of the year			Cumulative Shareholding during the year		
		Name of Shareholder	No. of shares	% of total shares of the company	Name of shareholder	No. of shares	% of total shares of the company
	At the beginning of the year	1. Veto Electropowers (India) Private Limited	10315930	56.28	1. Veto Electropowers (India) Private Limited	10315930	56.28





		2. Akshay Kumar Gurnani	1094867	5.97	2. Akshay Kumar Gurnani	1094867	5.97
		3. Harish Kumar Gurnani	733333	4.00	3. Harish Kumar Gurnani	733333	4.00
		4. Kishore Kumar Gurnani	439914	2.40	4. Kishore Kumar Gurnani	439914	2.40
		5. Rohit Kumar Gurnani	109978	0.60	5. Rohit Kumar Gurnani	109978	0.60
		6. Kanishka Kishore Gurnani	109978	0.60	6. Kanishka Kishore Gurnani	109978	0.60
		7. Narain Das Gurnani	13200	0.07	7. Narain Das Gurnani	13200	0.07
		8. Mukesh Gurnani	6600	0.03	8. Mukesh Gurnani	6600	0.03
		9. Pushpa Devi Gurnani	2200	0.01	9. Pushpa Devi Gurnani	2200	0.01
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	0	0	0	0	0	0
	At the end of the year	1. Veto Electropowers (India) Private Limited	10315930	56.28	1. Veto Electropowers (India) Private Limited	10315930	56.28
		2. Akshay Kumar Gurnani	1094867	5.97	2. Akshay Kumar Gurnani	1094867	5.97
		3. Harish Kumar Gurnani	733333	4.00	3. Harish Kumar Gurnani	733333	4.00
		4. Kishore Kumar Gurnani	439914	2.40	4. Kishore Kumar Gurnani	439914	2.40
		5. Rohit Kumar Gurnani	109978	0.60	5. Rohit Kumar Gurnani	109978	0.60
		6. Kanishka Kishore Gurnani	109978	0.60	6. Kanishka Kishore Gurnani	109978	0.60
		7. Narain Das Gurnani	13200	0.07	7. Narain Das Gurnani	13200	0.07
		8. Mukesh Gurnani	6600	0.03	8. Mukesh Gurnani	6600	0.03
		9. Pushpa Devi Gurnani	2200	0.01	9. Pushpa Devi Gurnani	2200	0.01





(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

1. HEM Finlease Private Limited

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year			Cumulative Shareholding during the year		
		Date	No. of Shares	% of total shares of the company	Date	No. of shares	% of total shares of the company
	At the beginning of the year		316800	2.70		316800	2.70
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus / sweat equity etc):	4/4/2014	(1650)	0.01	4/4/2014	315150	1.72
		11/4/2014	1650	0.01	11/04/2014	316800	1.73
		09/05/2014	(4950)	0.03	09/05/2014	311850	1.70
		16/05/2014	4950	0.03	16/05/2014	316800	1.73
		23/05/2014	1650	0.01	23/05/2014	318450	1.74
		30/05/2014	26400	0.14	30/05/2014	344850	1.88
		06/06/2014	4950	0.03	06/06/2014	349800	1.91
		13/06/2014	8250	0.05	13/06/2014	358050	1.95
		20/06/2014	(51150)	0.28	20/06/2014	306900	1.67
		30/06/2014	(11550)	0.06	30/06/2014	295350	1.61
		11/07/2014	16500	0.09	11/07/2014	311850	1.70
		25/07/2014	(13200)	0.07	25/07/2014	298650	1.63
		08/08/2014	(23100)	0.13	08/08/2014	275550	1.50
		15/08/2014	(9950)	0.05	15/08/2014	265650	1.45
		22/08/2014	491700	2.68	22/08/2014	757350	4.13
		29/08/2014	(169950)	0.93	29/08/2014	587400	3.21
		05/09/2014	(70950)	0.39	05/09/2014	516450	2.82
		12/09/2014	(24750)	0.14	12/09/2014	491700	2.68
		26/09/2014	1650	0.01	26/09/2014	493350	2.69
		10/10/2014	(1650)	0.01	10/10/2014	491700	2.68
		17/10/2014	(4950)	0.03	17/10/2014	486750	2.66
		24/10/2014	1650	0.01	24/10/2014	488400	2.66
		08/11/2014	4950	0.03	08/11/2014	493350	2.69
		14/11/2014	99000	0.54	14/11/2014	592350	3.23
	21/11/2014	(217800)	1.19	21/11/2014	374550	2.04	
	05/12/2014	3300	0.02	05/12/2014	379500	2.07	
	12/12/2014	321750	1.76	12/12/2014	701250	3.83	
	19/12/2014	6600	0.04	19/12/2014	707850	3.86	
	31/12/2014	9900	0.05	31/12/2014	717750	3.92	
	02/01/2015	86850	0.47	02/01/2015	798600	4.36	





		09/01/2015	(1650)	0.01	09/01/2015	796950	4.35
		16/01/2015	(3300)	0.02	16/01/2015	793650	4.33
		23/01/2015	(132000)	0.72	23/01/2015	661650	3.61
		30/01/2015	(54450)	0.30	30/01/2015	607200	3.31
		06/02/2015	4950	0.03	06/02/2015	612150	3.34
		07/02/2015	(612150)	3.34	07/02/2015	0	0
		13/02/2015	691350	3.77	13/02/2015	691350	3.77
		20/02/2015	226050	1.23	20/02/2015	917400	5.01
		27/02/2015	(4950)	0.03	27/02/2015	912450	4.98
		06/03/2015	95859	0.52	06/03/2015	1008309	5.50
		13/03/2015	9900	0.05	13/03/2015	1018209	5.56
		20/03/2015	347	0.001	20/03/2015	1018556	5.56
		27/03/2015	16500	0.09	27/03/2015	1035056	5.65
		31/03/2015	3300	0.02	31/03/2015	1038356	5.67
	At the End of the year (or on the date of separation, if separated during the year)	1038356		5.67	1038356		5.67

2. Thakur Nihal Chand Tolani

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year			Cumulative Shareholding during the year		
		Date	No. of Shares	% of total shares of the company	Date	No. of shares	% of total shares of the company
	At the beginning of the year	01/04/2014	429000	2.34	01/04/2014	429000	2.34
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):			0			0
	At the End of the year (or on the date of separation, if separated during the year)	31/03/2015	429000		31/03/2015	429000	





3. India Max Investment Fund Limited

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year			Cumulative Shareholding during the year		
		Date	No. of Shares	% of total shares of the company	Date	No. of shares	% of total shares of the company
	At the beginning of the year	01/04/2014	132000	0.72	01/04/2014	132000	0.72
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	20/03/2015	82500	0.45	20/03/2015	214500	1.17
		27/03/2015	150150	0.82	27/03/2015	364650	1.99
	At the End of the year (or on the date of separation, if separated during the year)	31/03/2015	364650	1.99	31/03/2015	364650	1.99

4. Rajendra Goklani

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year			Cumulative Shareholding during the year		
		Date	No. of Shares	% of total shares of the company	Date	No. of shares	% of total shares of the company
	At the beginning of the year	01/04/2014	363000	1.98	01/04/2014	363000	1.98
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus / sweat equity etc):	-	0	0	-	0	0
	At the End of the year (or on the date of separation, if separated during the year)	31/03/2015	363000	1.98	31/03/2015	363000	1.98





5. Prakash Thakur Das Tolani

Sl. No.		Shareholding at the beginning of the year			Cumulative Shareholding during the year		
		Date	No. of Shares	% of total shares of the company	Date	No. of shares	% of total shares of the company
	For Each of the Top 10 Shareholders						
	At the beginning of the year	01/04/2014	326700	1.78	01/04/2014	326700	1.78
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus / sweat equity etc):	-	0	0	-	0	0
	At the End of the year (or on the date of separation, if separated during the year)	31/03/2015	326700	1.78	31/03/2015	326700	1.78

6. Kamal Kishore Sawlani

Sl. No.		Shareholding at the beginning of the year			Cumulative Shareholding during the year		
		Date	No. of Shares	% of total shares of the company	Date	No. of shares	% of total shares of the company
	For Each of the Top 10 Shareholders						
	At the beginning of the year	01/04/2014	221100	1.21	01/04/2014	221100	1.21
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus / sweat equity etc):	-	0	0	-	0	0
	At the End of the year (or on the date of separation, if separated during the year)	31/03/2015	221100	1.21	31/03/2015	221100	1.21





7. Grovsnor Investment Fund Limited

Sl. No.		Shareholding at the beginning of the year			Cumulative Shareholding during the year		
		Date	No. of Shares	% of total shares of the company	Date	No. of shares	% of total shares of the company
	For Each of the Top 10 Shareholders						
	At the beginning of the year	01/04/2014	135300	0.74	01/04/2014	135300	0.74
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus / sweat equity etc):	20/03/2015	82500	0.45	20/03/2015	217800	1.19
	At the End of the year (or on the date of separation, if separated during the year)	31/03/2015	217800	1.19	31/03/2015	217800	1.19

8. Jethanand Mahadevmal Fulwani

Sl. No.		Shareholding at the beginning of the year			Cumulative Shareholding during the year		
		Date	No. of Shares	% of total shares of the company	Date	No. of shares	% of total shares of the company
	For Each of the Top 10 Shareholders						
	At the beginning of the year	01/04/2014	214500	1.17	01/04/2014	214500	1.17
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus / sweat equity etc):	-	0	0	-	0	0
	At the End of the year (or on the date of separation, if separated during the year)	31/03/2015	214500	1.17	31/03/2015	214500	1.17





9. Santosh Bansali (HUF)

Sl. No		Shareholding at the beginning of the year			Cumulative Shareholding during the year		
		Date	No. of Shares	% of total shares of the company	Date	No. of shares	% of total shares of the company
	For Each of the Top 10 Shareholders						
	At the beginning of the year	01/04/2014	0	0	01/04/2014	0	0
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	15/08/2014	9900	0.05	15/08/2014	9900	0.05
		05/09/2014	198000	1.08	05/09/2014	207900	1.13
		14/11/2014	(99000)	0.54	14/11/2014	108900	0.59
		23/01/2015	80850	0.44	23/01/2015	189750	1.04
	At the End of the year (or on the date of separation, if separated during the year)	31/03/2015	189750	1.04	31/03/2015	189750	1.04

10. Harish D Narwani

Sl. No.		Shareholding at the beginning of the year			Cumulative Shareholding during the year		
		Date	No. of Shares	% of total shares of the company	Date	No. of shares	% of total shares of the company
	For Each of the Top 10 Shareholders						
	At the beginning of the year	01/04/2014	138600	0.76	01/04/2014	138600	0.76
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus / sweat equity etc):	-	0	0	-	0	0
	At the End of the year (or on the date of separation, if separated during the year)	31/03/2015	138600	0.76	31/03/2015	138600	0.76





(v) Shareholding of Directors and Key Managerial Personnel

1. Akshay Kumar Gurnani

Sl. No.		Shareholding at the Beginning of the year			Cumulative Shareholding during the		
		Date	No. of shares	% of total shares of the company	Date	No. of shares	% of total shares of the company
	At the beginning of the year	01/04/2014	1094867	5.97	01/04/2014	1094867	5.97
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase/ decrease(e.g. allotment / transfer / bonus/ sweat equity etc):	0	0	0	0	0	0
	At the End of the year	31/03/2015	1094867	5.97	31/03/2015	1094867	5.97

2. Priavrat Sharma HUF

Sl. No.		Shareholding at the Beginning of the			Cumulative Shareholding during the year		
		Date	No. of shares	% of total shares of the company	Date	No. of shares	% of total shares of the company
	At the beginning of the year	01/04/2014	0	0	01/04/2014	0	0
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase/ decrease(e.g. allotment / transfer / bonus/ sweat equity etc):	09/05/2014	4950	0.03	09/05/2014	4950	0.03
		16/05/2014	(4950)	0.03	16/05/2014	0	0.03
		12/09/2014	1650	0.01	12/09/2014	1650	0.01
	At the End of the year	31/03/2015	1650	0.01	31/03/2015	1650	0.01





V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment
(in Lacs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	654.32	-	-	654.32
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	654.32	-	-	654.32
Change in Indebtedness during the financial year				
.Addition				
.Reduction				
Net Change				
Indebtedness at the end of the financial Year				
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ ii+ iii)				





VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sl. no.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
		Akshay Kumar Gurnani	Dinesh Gurnani	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	12,25,000	7,20,000	19,45,000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0	0	0
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	0	0	0
2	Stock Option	0	0	0
3	Sweat Equity	0	0	0
4	Commission - as % of profit - other, specify....	0	0	0
5	Others, please specify	0	0	0
	Total (A)	12,25,000	7,20,000	19,45,000
	Ceiling as per the Act	5% of Net Profit	5% of Net Profit	11% of Net Profit



**B. Remuneration to other directors:**

Sl. no.	Particulars of Remuneration	Name of Directors			Total Amount
		Murlidhar Kaurani	Govind Ram Thawani	Mohan Sukhani	
	1. Independent Directors				
	· Fee for attending board committee meetings (Per Meeting)	0	0	0	0
	· Commission	0	0	0	0
	· Others, please specify	0	0	0	0
	Total (1)	0	0	0	0
	2. Other Non-Executive Directors				
	· Fee for attending board committee meetings				
	· Commission				
	· Others, please specify				
	Total (2)				
	Total (B)=(1+2)				
	Total Managerial Remuneration				
	Overall Ceiling as per the Act				





C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

Sl. no.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1.	Gross salary				
(a)	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	12000	-	12000
(b)	Value of perquisites u/s 17(2) Income-tax	-	0	-	0
(c)	Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	0	-	0
2.	Stock Option	-	0		0
3.	Sweat Equity	-	0	-	0
4.	Commission - as % of profit	-	0	-	0
5.	Others, please specify	-	0	-	0
	Total	-	12000	-	0

*Mr. Priavrat Sharma, Group CFO draws his salary from Holding Company M/s Veto Electropowers (India) Private Limited.





VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give details)
A. COMPANY					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
B. DIRECTORS					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
C. OTHER OFFICERS IN DEFAULT					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-





Annexure- VII

Nisha AGARWAL
Company Secretary

30/24/08 VARUN PATH
MANSAROVAR, JAIPUR-20
Ph.: + 91- 9950933137

Secretarial Audit Report

For the Financial Year 2014-15:

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the
Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

To,

The Members

VETO SWITCHGEARS AND CABLES LIMITED

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **VETO SWITCHGEARS AND CABLES LIMITED** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon. Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period ended on **31.03.2015**, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1. I have examined the books, papers, minute books, forms and returns filed and other records maintained by **VETO SWITCHGEARS AND CABLES LIMITED** (“**The Company**”) for the period ended on **31.03.2015** according to the provisions of:

I. The Companies Act, 2013 (**the Act**) and the Rules made thereunder;

II. The Securities Contracts (Regulation) Act, 1956 (**‘SCRA’**) and the Rules made thereunder;

III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

IV. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (**‘SEBI Act’**) to the extent applicable to the Company :-

- a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
- c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;





- d. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents)
- e. Regulations, 1993 regarding the Companies Act and dealing with client;
- f. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
- g. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- h. the Company has complied with the requirements under the Equity Listing Agreements entered into with BSE Limited, National Stock Exchange of India Limited; and
- i. The Memorandum and Articles of Association.

I have also examined compliance with the applicable clauses of the following:

- i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- ii) The Listing Agreements entered into by the Company with the BSE Limited, National Stock Exchange of India Limited.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, Listing Agreements etc mentioned above.

2. I further report that the Company has, in my opinion, complied with the provisions of the Companies Act, 1956 and the Rules made under that Act and the provisions of Companies Act, 2013 as notified by Ministry of Corporate Affairs and the Memorandum and Articles of Association of the Company, with regard to:

- a. maintenance of various statutory registers and documents and making necessary entries therein;
- b. closure of the Register of Members.
- c. forms, returns, documents and resolutions required to be filed with the Registrar of Companies and the Central Government;
- d. service of documents by the Company on its Members, Auditors and the Registrar of Companies;
- e. notice of Board meetings and Committee meetings of Directors;
- f. the meetings of Directors and Committees of Directors including passing of resolutions by circulation;
- g. the 7th Annual General Meeting held on 27th August, 2014;
- h. minutes of proceedings of General Meetings and of the Board and its Committee meetings;
- i. approvals of the Members, the Board of Directors, the Committees of Directors and the government authorities, wherever required;
- j. constitution of the Board of Directors / Committee(s) of Directors, appointment, retirement and reappointment of Directors including the Managing Director and Whole-time Directors;
- k. payment of remuneration to Directors including the Managing Director and Whole-time Directors,
- l. appointment and remuneration of Auditors and Cost Auditors;





- m. transfers and transmissions of the Company's shares and issue and dispatch of duplicate certificates of shares;
- n. declaration and payment of dividends;
- o. transfer of certain amounts as required under the Act to the Investor Education and Protection Fund and uploading of details of unpaid and unclaimed dividends on the websites of the Company and the Ministry of Corporate Affairs;
- p. borrowings and registration, modification and satisfaction of charges wherever applicable;
- q. investment of the Company's funds including investments and loans to others;
- r. form of balance sheet as prescribed under Part I, form of statement of profit and loss as prescribed under Part II and General Instructions for preparation of the same as prescribed in Schedule VI to the Act;
- s. Directors' report; and
- t. contracts, common seal, registered office and publication of name of the Company;

3. I further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

- _ Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- _ Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.
- _ The Company has obtained all necessary approvals under the various provisions of the Act; and
- _ There was no prosecution initiated and no fines or penalties were imposed during the year under review under the Act, SEBI Act, SCRA, Depositories Act, Listing Agreement and Rules, Regulations and Guidelines framed under these Acts against / on the Company, its Directors and Officers.
- _ The Directors have complied with the disclosure requirements in respect of their eligibility of appointment, their being independent and compliance with the Code of Business Conduct & Ethics for Directors and Management Personnel;

4. The Company has complied with the provisions of the Securities Contracts (Regulation) Act, 1956 and the Rules made under that Act, with regard to maintenance of minimum public shareholding.

5. I further report that the Company has complied with the provisions of the Depositories Act, 1996 and the Byelaws framed thereunder by the Depositories with regard to dematerialization / rematerialisation of





securities and reconciliation of records of dematerialized securities with all securities issued by the Company.

6. The Company has complied with the provisions of the FEMA, 1999 and the Rules and Regulations made under that Act to the extent applicable.

7. I further report that:

- a. the Company has complied with the requirements under the Equity Listing Agreements entered into with BSE Limited, National Stock Exchange of India Limited and Calcutta Stock Exchange Limited;
- b. the Company has complied with the provisions of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 including the provisions with regard to disclosures and maintenance of records required under the said Regulations;
- c. the Company has complied with the provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 including the provisions with regard to disclosures and maintenance of records required under the said Regulations;

8. I further report that based on the report of the internal auditor of the Company Mr. Anuj Kumar Khator, the statutory audit report by M/s. SGO & Co. and the information received and records maintained, there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that there are adequate systems and processes in the company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

Nisha Agarwal

Place: Jaipur

Practicing Company Secretary

Date: July 21, 2015

ACS:22732 ~ C. P. No.:8584





Affirmation by Chairman

To,
The Board of Directors,
Veto Switchgears and Cables Limited,
506, 5th Floor, Plot No-B-9,
Landmark Building, New Link Road,
Andheri (West), Mumbai

I Akshay Kumar Gurnani, Chairman of the Company do hereby affirm that all directors and senior managers of the Company have complied with the Code of Conduct for Board Members and Senior Managers of our Company during the financial year end on 31st March, 2015.

Akshay Kumar Gurnani

DIN: 06888193

Chairman

Place: Mumbai

Date: March 31st, 2015



CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of Veto Switchgears and Cables Limited

I have examined the compliance of conditions of Corporate Governance by **Veto Switchgears and Cables Limited** for the year ended 31st March, 2015 as stipulated in the Listing Agreement of the said Company with Stock Exchanges.

The Compliance of the conditions of Corporate Governance is the responsibility of the management. My examination has been limited to procedures and implementations thereof adopted by the Company for ensuring compliance with the Corporate Governance. It is neither an audit nor an expression of opinion of the financial statements of the company.

In my opinion and to the best of my information and according to the explanations given to me, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreements.

I state that no investor grievances are pending for a period exceeding one month against the company as per the records maintained by the Shareholders / Investors Grievance Committee.

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



Nisha Agarwal
Company Secretary in Practice
M.No. 22732, C.P. No. 8584

Place: Jaipur
Date: 22.07.2015



CERTIFICATION UNDER CLAUSE 49 (IX) OF LISTING AGREEMENT

This is to certify that:

1. I have reviewed financial statements and the cash flow statement for the year and that to the best of my knowledge and belief :
 - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

2. To the best of my knowledge and belief, no transactions entered into by the Company during the years which are fraudulent, illegal or violative of the Company's code of conduct.

3. I accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we were aware and sufficient steps have been taken or proposed to rectify these deficiencies.

4. I have indicated to the auditors and the Audit committee
 - (i) significant changes in internal control over financial reporting during the year;
 - (ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - (iii) instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

Akshay Kumar Gurnani

DIN: 06888193

Place: Mumbai

Date: 29/05/2015





INDEPENDENT AUDITOR'S REPORT

To the Members of Veto Switchgears and Cables Limited

Report on the Financial Statements

We have audited the accompanying standalone financial statements of **Veto Switchgears and Cables Limited** ("the Company"), which comprise the Balance Sheet as at 31st March, 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors are responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that are operating effectively for ensuring the accuracy and completeness of the accounting records, 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 have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements, that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial control system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, 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 on the financial statements.

Basis for Qualified Opinion

1. *During the year the Company has recognized insurance claim on account of fire amounting to Rs.1, 669.03 lacs which is still not approved by the Insurance Company. Since at present there is no certainty of collection, in our view recognition of the same is not in compliance with Accounting Standard (AS-9) relating to "Revenue Recognition". Had the same not been recognized the loss for the year would have been Rs. 693.47 lacs as against the reported "Profit for the year" of Rs. 975.56 lacs and "Other Current Assets" would have been lower by Rs. 1669.03 lacs and having a consequential impact on the Reserves and surplus. (Refer Note :40)*

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the Basis for Qualified Opinion paragraph above, the aforesaid standalone 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, of the state of affairs of the Company as at 31st March, 2015, its profit and its 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, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the annexure a statement on the matters specified in the paragraphs 3 and 4 of the Order.
2. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) Except for the effects of the matter described in the Basis for Qualified Opinion Paragraph above, in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) Except for the effects of the matter described in the Basis for Qualified Opinion paragraph above, in our opinion, the afore said standalone financial statements comply with the applicable Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) The matter described in the Basis for Qualified Opinion paragraph above, in our opinion, may have an adverse effect on the functioning of the Company.





- (f) On the basis of the written representations received from the directors as on 31st March, 2015 and taken on record by the Board of Directors, none of the directors are disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164(2) of the Act.
- (g) The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion paragraph.
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- (i) *The Company has Disclosed the impact of pending litigation on its financial position in its Financial Statements (Refer note no. 32(b) of the Financial Statements)*
 - (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For S G C O & Co.

Chartered Accountants

Firm's Registration No. 112081W

Suresh Murarka

Partner

Mem. No. 044739

Place: Mumbai

Date: 29th May, 2015





Annexure to the Independent Auditors Report

The Annexure referred to in Paragraph 1 under the heading “Report on Other Legal and Regulatory Requirements “in our Independent Auditor’s Report to the members of **Veto Switchgears and Cables Limited** for the year ended 31st March, 2015.

As required by the Companies (Auditors Report) Order, 2015 and according to the information and explanations given to us during the course of the audit and on the basis of such checks of the books and records as were considered appropriate we report that:

- (i) a) The company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.
- b) All the fixed assets have been physically verified by the management in accordance with a phased programme of verification, which in our opinion is reasonable, considering the size and the nature of its assets. In pursuant to the programme certain fixed assets have been physically verified by the Company during the year. The frequency of verification is reasonable and no discrepancies have been noticed on such physical verification.
- (ii) a) The inventories have been physically verified by the management during the year at reasonable intervals.
- b) The procedures of physical verification of the inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- c) The Company has maintained proper records of its inventories. No material discrepancies were noticed on physical verification as compared to book records.
- (iii) The Company has granted unsecured loans to one party covered in the register maintained under Section 189 of the Act. The said loans are interest free and the principal amount is refundable on call basis. Hence paragraph 3 (iii) a & b of the said Order are not applicable to the Company.
- (iv) There is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchase of inventories, fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weakness in internal control system.
- (v) The Company has not accepted any deposits from the public.
- (vi) The Company is not required to maintain cost records as per Section 148 (1) of the Companies Act, 2013 and Companies (Cost Records and Audit) Rules, 2014.
- (vii) a) According to the records of the Company, the undisputed statutory dues including Provident Fund, Employees’ State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax and Cess, to the extent applicable to the Company, have been regularly deposited with the appropriate authorities except there is slight delay in few cases of depositing TDS, Service Tax and Provident Fund. According to the information and explanation given to us, there are no undisputed amount payable in respect of such statutory dues which have remained outstanding as at 31st March, 2015 for a period more than six months from the date they became payable.





- b) According to the information and explanation given to us, disputed dues of Income Tax, Wealth Tax, Sales Tax, Service Tax, Duty of Custom, Duty of Excise, Value Added tax and Cess which have not been deposited on account of dispute with the related authorities are as under:

Name of Statute	Amount (Rs. in lacs)	Period to which amount relates	Forum where dispute is pending
Income Tax	2.02	A.Y. 2012-13	CIT (Appeals)

- c) There is no amount which is required to be transferred to Investor Education and Protection Fund by the Company in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder.
- (viii) The Company does not have any accumulated losses as at 31st March, 2015. However, if the impact of our basis of qualified opinion is considered, the Company has incurred cash losses during the year under review. During the year the Company has incurred cash loss of Rs. 492.12lacs after adjusting the amount mentioned in our Qualified Opinion. Further during the immediate preceding year the Company has not incurred any cash losses.
- (ix) In our opinion and according to the information and explanations given to us the Company has not defaulted in repayment of its dues to banks and financial institutions.
- (x) The Company has not given any guarantee for loans taken by others from banks and financial institutions.
- (xi) The Company has applied the term loans during the year for the purpose they were obtained.
- (xii) During the course of our 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 any fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the management.

For S G C O & Co.

Chartered Accountants

Firm's Registration No. 112081W

Suresh Murarka

Partner

Mem. No. 044739

Place:

Date: 29th May, 2015





Veto Switchgears and Cables Limited

Registered Office : 506, 5th Floor, Plot No. B-9, Land Mark Building,
New Link Road, Andheri (West), Mumbai- 400058
CIN : L31401MH2007PLC171844

Balance Sheet as at 31st March 2015

(Rs. in Lacs)

Particulars	Notes	As at 31st March 2015	As at 31st March 2014
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	2	1,832.71	1,832.71
Reserves and surplus	3	5,433.62	4,720.96
		7,266.33	6,553.67
Non-current liabilities			
Long-term borrowings	4	626.64	634.94
Deferred tax liabilities (Net)	5	-	11.87
Long-term provisions	6	7.55	4.83
		634.19	651.64
Current liabilities			
Short-term borrowings	7	2,834.53	2,909.94
Trade payables	8	1,030.08	720.37
Other current liabilities	9	339.62	367.25
Short-term provisions	10	17.39	-
		4,221.62	3,997.56
Total		12,122.14	11,202.87
ASSETS			
Non-current assets			
Fixed assets	11		
Tangible assets		1,984.30	1,969.78
Intangible assets		0.55	0.77
Capital work-in-progress		0.67	-
Non - current investments	12	11.49	10.49
Deferred tax asset (net)	5	17.99	-
Long - term loans and advances	13	1,962.44	1,810.71
Other non - current assets	14	0.27	0.27
		3,977.71	3,792.02
Current assets			
Current investments	15	48.98	93.44
Inventories	16	2,500.14	2,582.16
Trade receivables	17	3,339.66	3,028.62
Cash and bank balances	18	216.71	1,285.26
Short - term loans and advances	19	369.91	421.37
Other current assets	20	1,669.03	-
		8,144.43	7,410.85
Total		12,122.14	11,202.87

See Accompanying notes to the financial statements

1 to 44

As per our report of even date attached

For S G C O & Co.

Chartered Accountants

Suresh Murarka
Partner
Mem. No. 44739

Place : Mumbai
Date : 29th May, 2015

For and on behalf of the Board

Akshay Kumar Gurnani
Managing Director
DIN : 06888193

Chavi Rawat
Company Secretary
Place : Jaipur
Dated : 29th May, 2015

Dinesh Gurnani
Whole Time Director & CFO
DIN : 00218635





Veto Switchgears and Cables Limited

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Statement of Profit and Loss for the year ended 31 st March 2015

Particulars	Notes	(Rs. in Lacs)	
		Year ended 31st March 2015	Year ended 31st March 2014
INCOME			
Revenue from operations	21	9,730.22	9,447.72
Other income	22	53.64	87.46
Total Revenue		9,783.86	9,535.18
EXPENSES			
Cost of materials consumed	23	4,558.31	4,632.71
Purchases of Stock - in - Trade	24	2,290.03	2,284.52
Changes in Inventories of finished goods, work-in-progress and Stock in Trade	25	(398.49)	(69.32)
Employee benefits expense	26	599.61	525.65
Finance costs	27	395.17	204.73
Depreciation and amortisation expenses	11	201.37	120.12
Other expenses	28	1,162.30	993.14
Total Expenses		8,808.30	8,691.55
Profit Before Tax		975.56	843.63
Less : Tax Expense			
- Current tax		199.42	172.68
- MAT Credit (Entitlement)/Utilised		71.83	66.77
- Taxation for earlier years		18.73	-
- Deferred tax		(28.96)	(4.79)
Profit for the year		714.54	608.97
Earnings Per Equity Share	29		
Nominal value of share Rs.10/- each			
- Basic		3.90	3.32
- Diluted		3.90	3.32

See Accompanying notes to the financial statements

1 to 44

As per our report of even date attached

For S G C O & Co.

Chartered Accountants

Suresh Murarka
Partner
Mem. No. 44739

Place : **Mumbai**
Date : 29th May, 2015

For and on behalf of the Board

Akshay Kumar Gurnani
Managing Director
DIN : 06888193

Dinesh Gurnani
Whole Time Director & CFO
DIN : 00218635

Chavi Rawat
Company Secretary
Place : **Jaipur**
Dated : 29th May, 2015





Veto Switchgears and Cables Limited

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CIN : L31401MH2007PLC171844

Cash Flow Statement For the year ended 31st March. 2015

(Rs. in Lacs)

Particulars	Year ended 31st March 2015	Year ended 31st March 2014
A. Cash flow from operating activities		
Profit before taxation	975.56	843.66
<u>Adjustments for:</u>		
Depreciation on fixed assets	201.37	120.13
Diminution in Value of Investments	5.52	-
Finance costs	395.17	204.73
Provision for doubtful debts	18.87	19.07
Profit on sale of fixed assets	(1.94)	(1.11)
Profit on sale of Investments	(27.61)	-
Interest income	(23.41)	(70.89)
Operating profit before working capital changes	1,543.51	1,115.59
<u>Adjustments for :</u>		
(Increase) / Decrease in inventories	82.02	(147.68)
(Increase) / Decrease in Long term provisions	2.72	2.89
(Increase) / Decrease in trade receivables	(329.91)	(1,033.21)
(Increase) / Decrease in short term loans and advances	(1,617.56)	140.56
Increase / (Decrease) in trade payables	309.70	(28.11)
Increase / (Decrease) in other current liabilities	(27.63)	165.36
Cash generated from / (used in) operations	(37.15)	215.41
Direct taxes paid	(187.08)	(177.60)
Net cash flow from / (used in) operating activities	(224.24)	37.81
Net cash flow from operating activities	(224.24)	37.81
B. Cash flow from investing activities		
Purchase of fixed assets	(301.32)	(1,293.32)
Capital Work-in-progress	(0.67)	-
Sale proceeds from fixed assets	84.82	1.75
Sale proceeds from Investments	268.20	-
Investment in Subsidiary Company	(1.00)	-
(Increase) / Decrease in long term loans and advances	(237.22)	(1,265.40)
Redemption / maturity of bank deposits (having maturity of more than 3 months)	702.71	11.13
Purchase of current investments	(201.64)	(93.09)
Interest received	23.41	70.89
Net cash flow from / (used in) investment activities	337.30	(2,568.04)
C. Cash Flow from Financing Activities		
Proceeds / (Repayment) of borrowings	(83.71)	3,118.64
Interest paid	(395.17)	(204.73)
Net cash flow from / (used in) financing activities	(478.89)	2,913.91
Net increase / (decrease) in cash and cash equivalents	(365.83)	383.68
Cash and cash equivalents at the beginning of the year	524.72	141.04
Cash and cash equivalents at the end of the year	158.89	524.72





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CIN : L31401MH2007PLC171844

Cash Flow Statement For the year ended 31st March. 2015

Notes :

1 Cash and Cash Equivalents at the end of the year consists of cash in hand and balances with banks are as follows :

Particulars	(Rs. in Lacs)	
	As at 31st March 2015	As at 31st March 2014
Cash on hand	23.85	36.67
Balances with bank on current account	135.03	488.05
	158.89	524.72

2 The previous year's figures have been regrouped / rearranged wherever necessary in order to conform to current years presentation.

As per our report of even date attached

For S G C O & Co.
Chartered Accountants


Suresh Murarka
Partner
Mem. No. 44739

Place : **Mumbai**
Date : 29th May, 2015

For and on behalf of the Board


Akshay Kumar Gurnani
Managing Director
DIN : 06888193


Dinesh Gurnani
Whole Time Director & CFO
DIN : 00218635


Chavi Rawat
Company Secretary
Place : **Jaipur**
Dated : 29th May, 2015





Veto Switchgears and Cables Limited

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CIN : L31401MH2007PLC171844

Accompanying notes to the financial statements for the year ended 31st March 2015

Note 1 : Significant Accounting Policies:

A Corporate Information

Veto Switchgears and Cables Limited (the Company) is a listed public company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The Company has its manufacturing plant at Haridwar. The Company is engaged in manufacturing of wires & cables, electrical accessories & also deals in all type of LED lighting, CFL & Fans.

B Basis of Accounting:

The Financial Statements have been prepared under the historical cost convention, on an accrual basis of accounting and in accordance with the Generally Accepted Accounting Principles in India and in compliance with the Accounting Standards specified under section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014.

C Use of Estimates:

The preparation of financial statements in conformity with Generally Accepted Accounting Principles requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities on the financial statements and the reported amounts of revenues and expenses during the reporting period.

Difference between actual results and estimates are recognized in the periods in which the results are known/ materialize.

D Revenue Recognition

- i) Revenue is recognised when it is earned and no significant uncertainty exists as to its realisation or collection
- ii) Revenue in respect of export sales is recognised on shipment of products.
- iii) Sales are recognised net of discounts, rebates and returns.
- iv) Interest is recognised on a time proportion basis taking in to account the amount outstanding and the rate applicable.
- v) Dividend income is recognised when right to receive the payment is established.
- vi) Claims for insurance are accounted on receipts/ on acceptance of claim by insurer.

E Fixed Assets:

- i) Fixed Assets are stated at actual cost less accumulated depreciation. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.
- ii) Costs relating to acquisition of trademarks are capitalised as "Intangible Assets"

F Depreciation:

- i) Depreciation on Fixed Assets is provided on 'Written down value method' based on useful life of assets and in the manner specified in the Schedule II of the Companies Act, 2013.
- ii) Leasehold improvements are written off over the noncancellable period of lease .
- iii) Goodwill & Trade marks has been amortized over a period of five years.

G Impairment of Assets:

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.





Veto Switchgears and Cables Limited

Accompanying notes to the financial statements for the year ended 31st March 2015

Note 1 : Significant Accounting Policies:

H Investments:

Investments that are intended to be held for more than a year, from the date of acquisition, are classified as long term investments and are carried at cost less any provision for permanent diminution in value other than temporary. Investments other than long term investments being current investments are valued at cost or fair value whichever is lower.

I Inventories:

Inventories are valued as follows:

- i) Finished Goods are valued at lower of cost or net realisable value*.
- ii) Raw Materials are valued at lower of cost or net realisable value**.
- iii) Packing Materials are valued at cost or net realizable value**
- iv) Stock in Trade is valued at lower of cost or net realisable value**.

* Cost is arrived at on retail method.

** Cost is arrived at on weighted average cost method.

J Employee Benefits :

- i) Company's contribution to Provident Fund and other Funds for the year is accounted on accrual basis and charged to the Statement of Profit & Loss for the year.
- ii) Retirement benefits in the form of Gratuity are considered as defined benefit obligations and are provided on the basis of the actuarial valuation, using the projected unit credit method as at the date of the Balance Sheet.

K Provisions and Contingent Liabilities:

- i) Provisions are recognized in terms of Accounting Standard 29- "Provisions, Contingent Liabilities and Contingent Assets, when there is a present legal or statutory obligation as a result of past events where it is probable that there will be outflow of resources to settle the obligation and when a reliable estimate of the amount of the obligation can be made.
- ii) Contingent Liabilities are recognized only when there is a possible obligation arising from past events due to occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company or where reliable estimate of the obligation cannot be made. Obligations are assessed on an on going basis and only those having a largely probable outflow of resources are provided for.

L Foreign Currency Transactions :

- i) The transactions in foreign currencies are stated at the rate of exchange prevailing on the date of transactions.
- ii) The difference on account of fluctuation in the rate of exchange prevailing on the date of transaction and the date of realization is charged to the Statement of Profit and Loss.
- iii) Differences on translations of Current Assets and Current Liabilities remaining unsettled at the year-end are recognized in the Statement of Profit and Loss .
- iv) The premium in respect of forward exchange contract is amortised over the life of the contract. The net gain or loss on account of any exchange difference, cancellation or renewal of such forward exchange contracts is recognised in the Statement of Profit and Loss .

M Borrowing Costs

Borrowing costs are recognised as an expense in the period in which they are incurred except the borrowing cost attributable to be acquisitions / constructions of a qualifying assets which are capitalised as a part of the cost of the fixed assets, up to the date, the assets are ready for its intended use.





Veto Switchgears and Cables Limited

Accompanying notes to the financial statements for the year ended 31st March 2015

Note 1 : Significant Accounting Policies:

N Accounting for Taxes of Income:-

Current Taxes

Provision for current income-tax is recognized in accordance with the provisions of Indian Income- tax Act, 1961 and is made annually based on the tax liability after taking credit for tax allowances and exemptions.

O Deferred Taxes

Deferred tax assets and liabilities are recognized for the future tax consequences attributable to timing differences that result between the profits offered for income taxes and the profits as per the financial statements. Deferred tax assets and liabilities are measured using the tax rates and the tax laws that have been enacted or substantially enacted at the balance sheet date. Deferred tax assets are recognized only to the extent there is reasonable certainty that the assets can be realized in the future. Deferred tax assets are reviewed as at each Balance Sheet date.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company.





Veto Switchgears and Cables Limited

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Accompanying notes to the financial statements for the year ended on 31st March, 2015

(Rs. in Lacs)

Note 2 : Share capital

Particulars	As at 31st March, 2015	As at 31st March, 2014
Authorised		
2,00,00,000 Equity shares of Rs.10/- each	2,000.00	2,000.00
	2,000.00	2,000.00
Issued, Subscribed and Fully Paid Up		
183,27,100 Equity shares of Rs. 10/- each fully paid up	1,832.71	1,832.71
	1,832.71	1,832.71

a) Reconciliation of shares outstanding at the beginning and at the end of the reporting period

i) Equity Shares of Rs. 10/- each fully paid up

Particulars	As at 31st March, 2015		As at 31st March, 2014	
	No. of Shares	Amount	No. of Shares	Amount
Equity Shares				
At the beginning of the year	18,327,100	1,832.71	16,661,000	1,666.10
Issued during the year	-	-	1,666,100	166.61
Outstanding at the end of the year	18,327,100	1,832.71	18,327,100	1,832.71

ii) Shares allotted for a consideration other than cash

Allotment of Bonus Shares

Particulars	No. of Shares
Financial Year 2012-13	58.30
Financial Year 2013-14	16.66

b) Terms / rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity share is entitled to one vote per share.

In the event of liquidation of the Company, the holder of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c) Shares held by holding / ultimate holding company and / or their subsidiaries / associates

Particulars	As at 31st March, 2015		As at 31st March, 2014	
	No. of Shares	Amount	No. of Shares	Amount
Veto Electropowers (India) Private Limited	10,315,930	1,031.60	10,315,930	1,031.60

d) Details of Shareholders holding more than 5% shares in the company:

Particulars	As at 31st March, 2015		As at 31st March, 2014	
	No. of Shares	% holding	No. of Shares	% holding
Veto Electropowers (India) Private Limited	10,315,930	56.29%	10,315,930	56.29%
Maverick Share Brokers	-	-	1,544,400	8.43%
Akshay Gurnani	1,094,867	5.97%	1,094,867	5.97%
HEM Finlease Private Limited	1,038,356	5.67%	-	-





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Accompanying notes to the financial statements for the year ended on 31st March, 2015

(Rs. in Lacs)

Note 3 : Reserves & surplus

Particulars	As at 31st March, 2015	As at 31st March, 2014
Securities Premium Account		
Balance at the beginning of the year	1,594.72	1,761.33
Less : Utilised for Issue of Bonus Shares [Refer Note No. 2(a) (ii)]	-	166.61
Closing Balance	1,594.72	1,594.72
Surplus / (deficit) in the statement of profit and loss		
Balance at the beginning of the year	3,126.24	2,517.23
Add : Profit for the year	714.54	609.01
Less : Adjustment regarding Fixed Assets (Net of Deferred Tax) [Refer Note No. 31]	1.88	-
Closing Balance	3,838.90	3,126.24
	5,433.62	4,720.96

Note 4 : Long-term borrowings

Particulars	As at 31st March, 2015	As at 31st March, 2014
Secured		
Term loans from banks	612.26	618.76
Less: Interest accrued but not due on borrowings	6.72	4.22
Less: Current maturities of long term debt	5.54	9.00
	600.00	605.54
Hire purchase loans from banks	42.06	47.95
Less: Current maturities of long term debt	15.42	18.55
	26.64	29.40
	626.64	634.94

Additional information pursuant to long term borrowings :

a) Rs. 5.60 lacs (PY Rs.14.70 lacs) term loan from Indian Overseas Bank carries interest @ Base rate + 2.50% p.a. The loan is repayable in 60 Monthly instalments along with interest starting from January, 2011. The loan is secured by way of equitable mortgage of factory building and hypothecation of plant & machinery and personal guarantee of four directors.

b) Rs. 606.66 lacs (PY Rs. 614.53) term loan from Indian Overseas Bank carries interest @ Base rate + 2.75% p.a.. The loan is repayable in 20 Quaterly instalments along with interest starting from June, 2015. The loan is secured by way of equitable mortgage of land and building and personal guarantee of three directors.

c) Hire Purchase Loans are secured by hypothecation of vehicles financed. The loans carry interest @ 9% to 11% p.a. The loan is repayable in 36 to 60 equal monthly instalments starting from the respective date of finance.





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(Rs. in Lacs)

Note 5 : Deferred tax liabilities (Net)

Particulars	As at 31st March, 2015	As at 31st March, 2014
Deferred tax liabilities		
Fixed Assets : Impact of difference between tax depreciation and depreciation / amortisation charged for the financial reporting	-	18.06
Less : Deferred tax assets		
Fixed Assets : Impact of difference between tax depreciation and depreciation / amortisation charged for the financial reporting	(5.68)	-
Provision for Doubtful Advances	(12.31)	(6.19)
Deferred Tax Liabilities (Asset)/Liabilities (Net)	(17.99)	11.87

Note 6 : Long-Term Provisions

Particulars	As at 31st March, 2015	As at 31st March, 2014
Provision for Warranty	7.55	4.83
	7.55	4.83

In pursuance of Accounting Standard- 29 (AS 29) 'Provisions, Contingent Liabilities and Assets', the provision required have been incorporated in the books of accounts in the following manner

A provision is recognised for expected warranty claims on products sold during the year based on past experience of the level of repairs and returns. It is expected that significant portion of these costs will be incurred in the next financial year and is likely to be incurred within two years after the reporting date. Assumptions used to calculate the provisions for warranties are based on current sales levels and current information available about returns based warranty period for all products sold. The table below gives information about movement in warranty provisions.

Particulars	As at 31st March, 2015	As at 31st March, 2014
At the beginning of the year	4.83	1.94
Additions during the year	2.72	2.89
Utilised during the year	-	-
Unused amount reversed	-	-
At the end of the year	7.55	4.83

Note 7 : Short-term borrowings

Particulars	As at 31st March, 2015	As at 31st March, 2014
Working Capital Loan (Secured)		
From Bank	2,834.53	2,909.94
	2,834.53	2,909.94

Additional information pursuant to secured short term borrowing :

Rs. 2834.53 lacs (PY Rs. 2,909.94 lacs) working capital loan from Indian Overseas Bank carries interest @ 12% p.a. The loan is secured by way of hypothecation of stocks of raw materials, work in process, finished goods, book debts and personal guarantee of three directors, corporate guarantee by the holding Company and by one of the company in which directors are interested.





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Note 8 : Trade payables

Particulars	As at 31st March, 2015	As at 31st March, 2014
Due to Micro, Small & Medium Enterprises	1.73	-
Due to Others	1,028.35	720.37
	1,030.08	720.37

Note : The information regarding Micro Small and Medium Enterprises has been determined on the basis of information available with the Company

Particulars	As at March 31, 2015	As at March 31, 2014
The principal amount remaining unpaid to any supplier as at the end of accounting year;	1.73	-
The interest due and remaining unpaid to any supplier as at the end of accounting year;	-	-
The amount of interest paid by the buyer under MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the due date during each accounting year;	-	-
The amount of interest due and payable for the period (where the principal has been paid but interest under the MSMED Act, 2006 not paid);	-	-
The amount of interest accrued and remaining unpaid at the end of accounting year; and	-	-
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 to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23.	-	-

Note :

Interest paid or payable by the Company on the aforesaid principal amount has been waived by the concerned suppliers.

Note 9 : Other current liabilities

Particulars	As at 31st March, 2015	As at 31st March, 2014
Current maturities of loan term debt	20.96	27.55
Interest accrued but not due on borrowings	6.72	4.22
Trade deposits	49.22	45.78
Salary & Wages payable	35.54	29.16
Duties & taxes payable	141.71	114.38
Book overdraft	-	58.93
Provision for expenses	69.79	67.30
Advance from debtors	15.68	19.93
	339.62	367.25

Note 10 : Short term provisions

Particulars	As at 31st March, 2015	As at 31st March, 2014
Provision for taxation (Net of tax paid)	17.39	-
	17.39	-



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Note 11 : Fixed assets

(Rs. in Lacs)

Description	Gross Block			Depreciation			Net Block				
	As at 01.04.2014	Additions during the year	Deductions during the year	As at 31.03.2015	Upto 31.03.2014	Provided for the year	Trf to Retained Earnings	Adjustments	Upto 31.03.2015	As at 31.03.2015	As at 31.03.2014
Tangible Assets											
Leasehold Land	1,140.88	45.34	-	1,186.22	7.34	1.62	-	-	8.96	1,177.26	1,133.54
Factory Building	371.32	15.49	-	386.81	143.17	25.83	-	-	168.99	217.81	228.15
Leasehold Improvements	79.92	46.65	80.10	46.46	5.62	4.45	-	8.69	1.38	45.08	74.30
Plant & Machinery	683.69	120.43	-	804.11	309.08	98.26	-	-	407.35	396.77	374.60
Office Equipments	20.07	11.08	0.46	30.69	5.09	9.50	1.99	0.46	16.11	14.58	14.99
Furniture & Fixtures	84.68	24.07	13.71	95.04	35.41	16.76	-	6.49	45.68	49.36	49.26
Computers	14.02	5.64	-	19.67	10.30	4.13	0.78	-	15.21	4.45	3.71
Vehicles	188.00	32.62	9.76	210.85	96.78	40.60	-	5.51	131.86	78.99	91.21
Sub Total	2,582.57	301.32	104.03	2,779.85	612.79	201.15	2.77	21.15	795.55	1,984.30	1,969.78
Intangible Assets											
Goodwill	5.40	-	-	5.40	5.40	-	-	-	5.40	-	-
Trade Mark	1.12	-	-	1.12	0.35	0.22	-	-	0.57	0.55	0.77
Sub Total	6.52	-	-	6.52	5.75	0.22	-	-	5.97	0.55	0.77
Grand Total	2,589.09	301.32	104.03	2,786.37	618.54	201.37	2.77	21.15	801.52	1,984.85	1,970.55
Previous Year	1,299.43	1,293.35	3.69	2,589.09	501.47	120.12	-	3.05	618.54	1,970.55	798.01

Capital Work in Progress

Particular	As at 01.04.2014	Additions during the year	Deductions during the year	As at 31.03.2015
Office Building at Airport Plaza (CWIP)	-	0.67	-	0.67
	-	0.67	-	0.67



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(Rs. in Lacs)

Note 12 : Non - current investments

Particulars	As at 31st March, 2015	As at 31st March, 2014
Trade, Unquoted (At cost, unless stated otherwise)		
Investment in Equity Instruments		
Investment in Subsidiaries		
Veto Electricals Private Limited 1,00,000 (PY 90,000)Equity Shares of Rs.10 each fully paid up	10.00	9.00
Others		
Veto Lightings Private Limited 5,100 Equity Shares of Rs.10 each fully paid up	0.51	0.51
Vankon Switchgears and Cables Private Limited 9,800 Equity Shares of Rs.10 each fully paid up	0.98	0.98
	11.49	10.49

Particulars	As at Mar 31, 2015	As at March 31, 2014
Aggregate market value of quoted investments	-	-
Aggregate book value of quoted investments	-	-
Aggregate value of unquoted investments	11.49	10.49

Note 13 : Long - term loans and advances

(Unsecured, Considered Good)

Particulars	As at 31st March, 2015	As at 31st March, 2014
Capital Advances	317.60	100.30
Security Deposits		
- To related parties	35.00	1,250.00
- To Others	1,269.40	34.47
Loans & Advances to related party	170.10	170.10
MAT credit entitlement	170.34	242.17
Advance Tax (Net of Provisions)	-	13.67
	1,962.44	1,810.71
Security Deposits includes :		
Enterprises under significant influence of key management personnel	35.00	1,250.00
Loans and advances to related parties includes :		
Subsidiary company	170.10	170.10
	205.10	1,420.10

Note 14 : Other non - current assets

(Unsecured, Considered Good)

Particulars	As at 31st March, 2015	As at 31st March, 2014
Fixed Deposits (Maturity Period of more than 12 Months) - Held as Margin Money	0.27	0.27
	0.27	0.27





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(Rs. in Lacs)

Note 15 : Current investments

Particulars	As at 31st March, 2015	As at 31st March, 2014
Non Trade, Quoted (At lower of cost or fair value)		
Investment in Equity Instruments		
Jubilant Life Sciences Limited Nil (PY 61,000) Equity Shares of Rs.1 each fully paid up	-	93.44
Hindustan Construction Company Limited. 1,50,000 (PY Nil) Equity Shares of Rs.1 each fully paid up	54.49	-
Less : Provision for Diminution in Value of Investments	5.52	-
	48.98	
	48.98	93.44

Particulars	As at Mar 31, 2015	As at March 31, 2014
Aggregate market value of quoted investments	48.98	96.93
Aggregate book value of quoted investments	54.49	93.44
Aggregate value of unquoted investments	-	-

Note 16 : Inventories

(At lower of cost or net realisable value)

Particulars	As at 31st March, 2015	As at 31st March, 2014
Finished goods	763.23	915.27
Stock in trade	723.24	881.68
Raw materials	916.62	707.93
Packing materials	97.05	77.28
	2,500.14	2,582.16

Note 17 : Trade receivables

(Unsecured)

Particulars	As at 31st March, 2015	As at 31st March, 2014
Due for a period exceeding six months from the date they are due for payment		
Considered Good	461.10	175.94
Considered Doubtful	37.94	19.07
	499.04	195.01
Less :- Provision for Doubtful Debts	37.94	19.07
	461.10	175.94
Other debts - Considered Good	2,878.56	2,852.68
	3,339.66	3,028.62
Trade receivables includes due from related parties :		
Other debts		
Enterprises under significant influence of key management	3.55	0.54
	3.55	0.54





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(Rs. in Lacs)

Note 18 : Cash and bank balances

Particulars	As at 31st March, 2015	As at 31st March, 2014
Cash and cash equivalents		
Balances with banks:		
In current accounts	135.03	488.05
Cash in hand	23.86	36.68
Other bank balances		
Balance with banks*	58.09	760.80
Less : Deposits with maturity for more than 12 months	0.27	0.27
	57.82	760.53
	216.71	1,285.26

* Includes

Particulars	As at 31st March, 2015	As at 31st March, 2014
Held as margin money or security against borrowings, other commitments	4.20	4.08

Note 19 : Short - term loans and advances

(Unsecured Considered Good)

Particulars	As at 31st March, 2015	As at 31st March, 2014
Loans & advances		
- To related parties	17.00	-
- To others	-	17.00
Security Deposits	12.81	16.82
Advance recoverable in cash or kind		
- To related parties	10.29	26.35
- To others	329.81	361.20
	369.91	421.37
Loans and advances to related parties includes :		
Subsidiary Company	17.00	-
Advance recoverable in cash or kind includes :		
Enterprises under significant influence of key management personnel	10.29	26.35
	27.29	26.35

Note 20 : Other non - current assets

Particulars	As at 31st March, 2015	As at 31st March, 2014
Insurance Claim Receivable (Refer Note : 40)	1,669.03	-
	1,669.03	-





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(Rs. in Lacs)

Note 21 : Revenue from operations

Particulars	Year Ended 31st March, 2015	Year Ended 31st March, 2014
Revenue from operations		
Sale of Products *	9,702.62	9,434.71
Other Operating Revenue		
Gain on Foreign Exchange Fluctuations (Net)	9.47	4.00
Scrap Sales	10.22	1.54
Export benefits & incentives	7.91	7.47
	9,730.22	9,447.72

Details of Products Sold

Particulars	Year Ended 31st March, 2015	Year Ended 31st March, 2014
Finished Goods		
Electrical Accessories & Lightings	2,717.13	2,888.65
Electrical Wires	4,170.42	3,801.49
	6,887.55	6,690.14
Traded Goods		
Electrical Accessories & Lightings	2,329.69	2,593.35
Electrical Wires	485.38	151.21
	2,815.07	2,744.56
	9,702.62	9,434.71

Note 22 : Other income

Particulars	Year Ended 31st March, 2015	Year Ended 31st March, 2014
Interest Income	23.41	70.89
Profit on sale of fixed assets	1.94	1.11
Profit on sale of current investments	27.61	-
Miscellaneous Income	0.68	15.46
	53.64	87.46

Note 23 : Cost of materials consumed

Particulars	Year Ended 31st March, 2015	Year Ended 31st March, 2014
Opening stock	707.93	651.85
Add: Purchases	5,301.91	4,688.79
Less: Closing stocks	916.62	707.93
	5,093.22	4,632.71
Less : Loss by Fire (Refer Note: 40)	(534.91)	-
	4,558.31	4,632.71





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Details of Material Consumed

Particulars	Year Ended 31st March, 2015	Year Ended 31st March, 2014
Copper	2,747.84	2,520.70
Alluminium	150.51	93.53
PVC Compound	450.35	348.49
Others	1,744.52	1,669.99
	5,093.22	4,632.71

Details of Inventory

Particulars	Year Ended 31st March, 2015	Year Ended 31st March, 2014
Copper	243.65	5.24
Alluminium	7.35	7.91
PVC Compound	12.79	8.78
Others	652.83	686.00
	916.62	707.93

Note 24 : Purchases of stock - in - trade

Particulars	Year Ended 31st March, 2015	Year Ended 31st March, 2014
Purchase of stock in trade	2,698.15	2,284.52
Less : Loss by Fire (Refer Note: 40)	(408.12)	-
	2,290.03	2,284.52

Details of Purchases of stock - in - trade

Particulars	Year Ended 31st March, 2015	Year Ended 31st March, 2014
Electrical Accessories & Lightings	2,149.99	1,751.43
Electrical Wires	548.16	533.09
Less : Loss by fire (Refer Note : 40)	(408.12)	-
	2,290.03	2,284.52





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Note 25 : Changes in inventories of finished goods and stock in trade

Particulars	Year Ended 31st March, 2015	Year Ended 31st March, 2014
Finished goods		
Opening stock		
- Electrical Accessories & Lightings	681.58	362.71
- Electrical Wires	233.69	659.43
	915.27	1,022.14
Less : Loss by Fire (Refer Note : 40)	(375.76)	-
	539.51	1,022.14
Closing stock		
- Electrical Accessories & Lightings	348.48	681.58
- Electrical Wires	414.76	233.69
	763.24	915.27
Changes in inventories of finished goods (A)	(223.73)	(106.87)
Stock in trade		
Opening stock		
- Electrical Accessories & Lightings	667.57	553.18
- Electrical Wires	214.11	152.32
	881.68	705.50
Less : Loss by Fire (Refer Note: 40)	(333.21)	-
	548.47	705.50
Closing stock		
- Electrical Accessories & Lightings	592.97	667.57
- Electrical Wires	130.27	214.11
	723.24	881.68
Changes in inventories of stock in trade	(174.76)	176.18
	(398.49)	69.32

Note 26 : Employee benefits expense

Particulars	Year Ended 31st March, 2015	Year Ended 31st March, 2014
Salary, wages and other allowances	521.79	449.45
Directors Remuneration	16.85	21.36
Contribution to provident fund and other funds	42.09	37.21
Staff welfare expenses	18.88	17.63
	599.61	525.65

Note 27 : Finance costs

Particulars	Year Ended 31st March, 2015	Year Ended 31st March, 2014
Interest expense :		
On bank borrowings	379.64	167.88
Others	4.00	16.20
Bank Charges	11.53	20.65
	395.17	204.73





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Note 28 : Other expenses

Particulars	Year Ended 31st March, 2015	Year Ended 31st March, 2014
Manufacturing expenses		
Stores & Spares consumed	6.58	4.42
Power & Fuel	82.59	69.37
Job Charges	100.83	101.89
Repairs & Maintenance :		
- Plant & Machinery	34.05	22.85
- Factory Building	0.27	-
Freight & Transportation	31.35	29.75
Insurance Premium	2.27	2.30
Other Factory Expenses	16.68	14.17
	274.62	244.75
Administration, Selling and Distribution expenses		
Rent	12.75	14.76
Rates & Taxes	10.30	14.16
Repairs & Maintenance		
- Building	4.63	3.27
- Others	16.61	14.96
Legal and Professional Fees	40.82	42.55
Auditor's Remuneration	5.04	3.41
Travelling & Conveyance	64.97	51.79
Communication Costs	21.18	18.70
Printing & Stationery	7.60	7.48
Water & Electricity Charges	14.67	15.42
Commission	44.41	25.30
Packing Materials Consumed	227.14	217.06
Advertising & Sales Promotion Expenses	184.51	149.79
Transportation, Freight & Handling Charges	109.70	100.93
Provision for Doubtful Debts	18.87	19.07
Corporate Social Responsibility (Refer Note No. 41)	13.86	-
Diminution in Value of Investments	5.52	-
Miscellaneous Expenses	85.10	49.74
	1,162.30	993.14

Auditor's Remuneration Includes

Particulars	Year Ended 31st March, 2015	Year Ended 31st March, 2014
Audit fees	1.63	1.50
Tax Matters	2.24	0.11
Other services	1.17	1.80
	5.04	3.41





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Note 29 : Earnings per equity share

In accordance with Accounting Standard 20- Earning Per Share, the computation of earning per share is set out below :

Particulars	Year Ended 31st March, 2015	Year Ended 31st March, 2014
Weighted average number of Equity Shares of Rs. 10/- each		
Number of shares at the end of the year	18,327,100	18,327,100
Weighted average number of Equity Shares outstanding during the year *	18,327,100	18,327,100*
Weighted average number of Potential Equity Shares outstanding during the year	-	-
Total number of Equity share for calculating Diluted Earning Per Share	18,327,100	18,327,100
Net Profit after Tax available for Equity shareholders	714.54	608.97
Basic Earning Per Share (in Rs.)	3.90	3.32
Diluted Earning Per Share (in Rs.)	3.90	3.32

* Earning per share (EPS) is calculated after adjusting for 16.66 lacs bonus shares issued, vide resolution passed at the general meeting held on 28th August, 2013, with retrospective effect as provided in Accounting Standard (AS-20) - Earning Per Share.

Note 30 : In the opinion of the Board the Current Assets, Loans & Advances are realisable in the ordinary course of business atleast equal to the amount at which they are stated in the Balance Sheet. The provision for all known liabilities is adequate and not in excess of amount reasonably necessary.

Note 31 : Depreciation

Effective from 1st April, 2014 the Company has charged depreciation on its assets based on their useful life as stipulated under Schedule II of the Companies Act, 2013. Due to this, the depreciation for the year ended on 31st March, 2015 is lower by Rs 74.96 Lacs as compared to the depreciation computed under the provisions of the Companies Act, 1956. Further based on the transitional provisions in Note 7(b) of Schedule II, Rs. 2.77 Lacs (Net of Deferred Tax Rs. 1.88 Lakhs) is adjusted against opening balance of Retained Earnings

Note 32 : Contingent Liabilities

Particulars	Year Ended 31st March, 2015	Year Ended 31st March, 2014
a) Guarantees and L.C. given		
Gaurantee given by bank on behalf of the Company	121.72	12.50
b) Disputed Liabilities		
Tax matters in dispute under appeal	2.02	-
c) Estimated amount of contracts remaining to be executed on Capital Account (Net of Advance)		
	171.39	-
Total	295.12	12.50

Note 33: Disclosure pursuant to Accounting Standard – 15 'Employee Benefits'

Actuarial assumption:

Services Rendered	Year Ended 31st March, 2015	Year Ended 31st March, 2014
Salary Growth *	7%	7%
Discount Rate	7.8%	8%
Withdrawal Rate	5%	5%

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





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Note 33: Disclosure pursuant to Accounting Standard – 15 'Employee Benefits' (Continued)

(i) Changes in the present value of defined benefit obligation representing reconciliation of opening and closing balances thereof:

Particulars	Year Ended 31st March, 2015	Year Ended 31st March, 2014
Present value of obligation as at the beginning of the year:	24.31	20.84
Interest cost	1.90	1.96
Current service cost	8.01	8.96
Benefits paid	(0.17)	-
Actuarial (gain) / loss on obligation	(2.22)	(7.45)
Closing Present value of obligation	31.82	24.31

(ii) The amounts recognised in the Balance Sheet are as follows:

Particulars	Year Ended 31st March, 2015	Year Ended 31st March, 2014
Present value of obligation as at the beginning of the year	31.82	24.31
Fair Value of plan assets as at the end of the year	41.79	38.34
Unrecognised Actuarial (Gain) / Loss	-	-
Net (assets) / liability recognised in balance sheet	(9.97)	(14.03)

(iii) The amounts recognised in the Statement of Profit and Loss are as follows:

Particulars	Year Ended 31st March, 2015	Year Ended 31st March, 2014
Current service cost	8.01	8.96
Past service cost	-	-
Interest cost	1.90	1.96
Expected return on plan assets	(3.69)	(3.08)
Net actuarial (gain) / loss recognized in the year	(1.98)	(7.45)
Expenses recognised in the statement of profit and loss	4.23	(11.87)

Note 34 : Segmental Reporting

The Company is mainly engaged in the business of manufacturing and trading of Wires, Cables & Electrical Accessories and there is no other reportable business segment as per Accounting Standard (AS-17) "Segment Reporting"

Note 35 : Related Party Disclosure:-

As required under Accounting Standard 18 "Related Party Disclosure" (AS-18), following are the details of transactions during the year with the related parties of the Company as defined in AS 18 :

a. List of related parties

Key Management Personnel

Mohan Das Gurnani (Upto 27/08/2014)	Chairman
Vishnu Kumar Gurnani (Upto 19/05/2014)	Managing Director
Akshay Gurnani (From 27/08/2014)	Managing Director
Dinesh Gurnani	Whole Time Director & CFO
Jyoti Gurnani	Director
Ms. Diya Singh (Upto 14/11/2014)	Company Secretary
Ms. Chavi Rawat (From 01/11/2014)	Company Secretary





Veto Switchgears and Cables Limited

Registered Office : 506, 5th Floor, Plot No. B-9, Land Mark Building,
New Link Road, Andheri (West), Mumbai- 400058
CIN : L31401MH2007PLC171844

Accompanying notes to the financial statements for the year ended on 31st March, 2015

(Rs. in Lacs)

ii) Relative of Directors

Kishore Kumar Gurnani
Pushpa Gurnani
Jyoti Gurnani

iii) Holding Company

Veto Electropower (India) Private Limited

iv) Subsidiary Companies

Veto Electricals Private Limited

v) Enterprises owned or significantly influenced by Key Management Personnel and / or their Relatives with whom the Company has entered into transaction

Vimal Power Cables Private Limited
Veto Electro Power (India) Private Limited
Veto Electric Components Private Limited
Pinkcity Buildhome Private Limited
Pink Square Infra Developers Private Limited
Gurnani Infra Developer Private Limited
Tulsi Palace Resort Private Limited
Kripa Real Mart Private Limited
Pink square Real Estate Private Limited
Veto Electric Private Limited
Vankon Switchgears & Cables Private Limited
Veto Powers
Anjali Packaging
Gurnani Industries
Yashodevi Raichand Gurnani Trust

b. Transactions with Related Parties :

Name of Party	Nature of Transaction	Year ended March 31, 2015	Year ended March 31, 2014
Vishnu Kumar Gurnani	Director Remuneration	2.40	14.40
	Advance Granted	1.50	-
	Directors sitting fees	-	0.23
	Advance received back	1.50	8.44
Akshay Gurnani	Director Remuneration	7.25	-
	Salary	5.00	
	Advance Granted	3.00	
	Advance received back	3.00	
Dinesh Gurnani	Director Remuneration	7.20	6.96
	Advance Granted	2.50	-
	Directors sitting fees	-	0.23
Ms. Divya Singh	Salary	0.89	-
Ms. Chavi Rawat	Salary	0.60	-
Pushpa Gurnani	Advance received back	-	4.93
Jyoti Gurnani	Advance received back	-	4.93
Veto Electro Power (India) Private Limited	Sales	0.99	0.84
	Loan Taken	-	40.93
	Repayment of Loans Taken	-	40.93
Veto Electricals Private Limited	Loan Granted	31.00	-
	Advance Received Back	14.00	-





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Accompanying notes to the financial statements for the year ended on 31st March, 2015

(Rs. in Lacs)

Vimal Power Cables Private Limited	Purchases	152.30	151.83
	Loan Granted	-	110.00
	Loan Received back	-	110.00
Veto Electric Components Private Limited	Loan Granted	-	27.93
	Loan Received back	-	27.93
Pinkcity Buildhome Private Limited	Sales	3.90	3.74
	Service Taken	1.24	7.31
Pink Squire Infra Developers Private Limited	Loan Granted	-	0.55
	Loan Received back	-	0.55
Gurnani Infra Developer Private Limited	Rent	-	3.64
	Sales	-	0.05
	Loan Granted	-	443.00
	Loan Received back	-	443.00
	Advance granted	-	0.42
Tulsi Palace Resort Private Limited	Deposit	-	1,000.00
	Sales	3.98	-
Kripa Real Mart Private Limited	Security Deposit Granted	35.00	-
	Rent	3.50	-
Pink Square Real Estate Private Limited	Sales	2.44	-
Anjali Packaging	Sales	-	0.07
Gurnani Industries	Loan Granted	-	0.02
	Loan Received back	-	0.02
Yashodevi Raichand Gurnani Trust	Loan Received back	-	5.00

c. Balance Outstanding of Related Parties :

Name of Party	Receivable / Payable	Year ended March 31, 2015	Year ended March 31, 2014
Vishnu Kumar Gurnani	Remuneration Payable	-	0.89
Akshay Gurnani	Remuneration Payable	1.03	-
Dinesh Gurnani	Advance recoverable in cash or kind	2.50	-
	Other Payables	-	0.03
Kishore Kumar Gurnani	Advance recoverable in cash or kind	-	4.81
Vimal Power Cables Private Limited	Advance to Creditor	6.38	18.28
Pinkcity Buildhome Private Limited	Trade Receivables	-	0.54
	Advance to Creditor	0.16	1.59
Gurnani Infra Developer Private Limited	Advance to Creditor	-	0.42
	Security Deposit Granted	-	1,250.00
Tulsi Palace Resort Private Limited	Trade Receivables	3.55	-
Kripa Real Mart Private Limited	Security Deposit Granted	35.00	-
Veto Electricals Private Limited	Loan Receivable - Long term	170.10	170.10
	Loan Receivable - Short term	17.00	-
Vankon Switchgears and Cables Private Limited	Advance to Creditor	1.25	1.25
Veto Powers	Advance recoverable in cash or kind	-	2.27
Anjali Packaging	Trade Payables	-	2.33





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Accompanying notes to the financial statements for the year ended on 31st March, 2015

(Rs. in Lacs)

Note 36 : Disclosures with regards to section 186 of the Companies Act, 2013

During the year the Company has granted Unsecured loan to its Subsidiary Company for General Corporate Purposes, details as stated below :

Name of Party	During the Year	Closing Balance	Interest Rate
A. Loan Granted			
Veto Electricals Private Limited	17.00	187.10	Nil

Note : The above details includes the loan granted and investment made on or after 1st April 2014

Note 37: Operating Lease

Future minimum lease payment under non-cancellable operating leases is as follows:

Particulars	Year Ended 31st March, 2015	Year Ended 31st March, 2014
Not later than one year	1.06	2.68
Later than one year and not later than five years	-	0.90
Later than five	-	-
TOTAL	1.06	3.58

Note 38 : Information pursuant to para 5(viii) of the General Instructions to the Statement of Profit and Loss

a) Value of Imported and Indigenous Raw Materials consumed during the year

Particulars	Year Ended 31st March,2015		Year Ended 31st March,2014	
	In %	(Rs in lacs)	In %	(Rs in lacs)
Imported	-	-	2.78	105.07
Indigenous	100.00	4,558.31	97.73	4,527.64
Total	100.00	4,558.31	100.52	4,632.71

b) Value of Imported and Indigenous Consumables & Stores consumed during the year

Particulars	Year Ended 31st March,2015		Year Ended 31st March,2014	
	In %	(Rs in lacs)	In %	(Rs in lacs)
Imported			-	-
Indigenous	100.00	6.58	100.00	4.42
Total	100.00	6.58	100.00	4.42

c) C.I.F. Value of Imports , Earning and Expenditure in Foreign Exchange

Particulars	Year Ended 31st March,2015	Year Ended 31st March,2014
	(Rs in lacs)	(Rs in lacs)
C.I.F. Value of		
Raw Materials	-	105.07
Stock in Trade	341.48	205.49
Earnings in		
F.O.B. Value of	471.33	436.32





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Accompanying notes to the financial statements for the year ended on 31st March, 2015

(Rs. in Lacs)

Note 39 : The Company had raised an amount of Rs. 2500.50 Lacs through an IPO of equity shares during the financial year 2012-13, by way of 50.01 lacs Equity Shares of Rs 10/- at a premium of Rs 40/- per share. The said proceeds has been fully utilised during the current year in terms of the offer document for the purpose of modernisation of existing production facilities , working capital requirements, brand building and meeting IPO expenses.

Note 40 : A major fire had occurred at one of the rental warehouse of the Company on May 19, 2014. Stock of finished goods / stock in trade amounting Rs. 1652.01 lacs was destroyed in the fire. Further in respect to damages to the leasehold premises and improvement there at , the Company has made provision for the reinstatement value of Rs. 207.23 lacs which was destroyed in the fire. The Company has also incurred Rs. 9.79 Lacs towards various expenses related to the fire. The Company has lodged a claim for insurance for the above losses amounting to Rs.1669.03 Lacs net of salvage value of Rs. 200 lacs.

Note 41 : Corporate Social Responsibility

During the year, the Company has started various initiative towards CSR and spent Rs. 13.86/- lacs (as stated below) as against Rs. 15.73/- lacs as required by section 135 read with Schedule VII of the Companies Act 2013.

Amount spent during the year on :

Sr. No.	Particulars	In Cash/Bank	Yet to be paid in Cash/Bank	Total
(i)	Construction/acquisition of any asset	-	-	-
(ii)	On purposes other than (i) above	13.86	-	13.86
	Total	13.86	-	13.86

Note 42 : Post Balance Sheet Event

The equity shares of the Company are listed on SME Platform of NSE i.e. EMERGE. However w.e.f. April 29, 2015 the equity shares of the Company has been migrated from NSE SME Platform to Main Board of NSE.

Note 43 : Previous year's figure's have been re-grouped, re-arranged & re-classified, wherever considered necessary, to confirm the current period figures.

Note 44 : Figures less than Rs. 500/- have been shown at actuals wherever statutory required to be disclosed since figures have been rounded off to the nearest thousands.

As per our report of even date attached

For S G C O & Co.

Chartered Accountants

Suresh Murarka
Partner
Mem. No. 44739

Place : Mumbai
Date : 29th May, 2015

For and on behalf of the Board

Akshay Kumar Gurnani
Managing Director
DIN : 06888193

Dinesh Gurnani
Whole Time Director & CFO
DIN : 00218635

Chavi Rawat
Company Secretary
Place : Jaipur
Dated : 29th May, 2015





INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF Veto Switchgears and Cables Limited

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of **Veto Switchgears and Cables Limited** (hereinafter referred to as "the Holding Company") and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group"), comprising of the Consolidated Balance Sheet as at 31st March, 2015, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, 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, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

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





We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Basis for Qualified Opinion

1. *During the year the Company has recognized insurance claim on account of fire amounting to Rs. 1, 669.03 lacs which is still not approved by the Insurance Company. Since at present there is no certainty of collection, in our view recognition of the same is not in compliance with Accounting Standard (AS-9) relating to "Revenue Recognition". Had the same not been recognized the loss for the year would have been Rs. 693.47 lacs as against the reported "Profit for the year" of Rs. 975.56 lacs and "Other Current Assets" would have been lower by Rs. 1, 669.03 lacs and having a consequential impact on the Reserves and surplus. (Refer Note :36)*

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the Basis for Qualified Opinion paragraph above, the aforesaid consolidated 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, of the consolidated state of affairs of the Group as at 31st March, 2015, and their consolidated profit and their consolidated cash flows for the year ended on that date.

Other Matters

- (a) We did not audit the financial statements of the subsidiary whose financial statements reflect total assets of Rs. 196.04 lacs as at 31st March, 2015, total loss of Rs. 0.15 lacs and net cash flows amounting to Rs. 0.80 lacs for the year ended on that date, as considered in the consolidated financial statements. These financial statements are audited and have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiary, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act in so far as it relates to the aforesaid subsidiary, is based solely on such audited financial statements.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, based on the comments in the auditors' reports of the "the Group" company incorporated in India, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements of a subsidiary company, as noted in the "Other Matter paragraph, we report, to the extent applicable, that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - (b) Except for the effects of the matter described in the Basis for Qualified Opinion Paragraph above, in our opinion proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.





- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- (d) Except for the effects of the matter described in the Basis for Qualified Opinion paragraph above, in our opinion the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) The matter described in the Basis for Qualified Opinion paragraph above, in our opinion, may not have an adverse effect on the functioning of the Holding Company.
- (f) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2015 taken on record by the Board of Directors of the Holding Company, and on the basis of the relevant assertion contained in the audit report on standalone financial statement of the subsidiary company which is incorporated in India, none of the directors of the Group's companies, are disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
- (g) The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion paragraph.
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group (Refer note no.37(b) to the consolidated financial statements).
 - The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.
 - There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary company incorporated in India.

For S G C O & Co.

Chartered Accountants

Firm's Registration No. 112081W

Suresh Murarka

Partner

Mem. No. 044739

Place: Mumbai

Date: 29th May, 2015





Annexure to the Independent Auditors Report

The Annexure referred to in Paragraph 1 under the heading “Report on Other Legal and Regulatory Requirements” in our Independent Auditor’s Report of even date, the following statement is based on the comments in the auditors’ reports on the standalone financial statements of the Holding Company, its subsidiary company incorporated in India to the members of the **Veto Switchgears and Cables Limited** for the year ended 31st March, 2015.

- (i) a) The Holding Company, its subsidiary company incorporated in India has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.
- b) All the assets have been physically verified by the management of the Holding Company and its subsidiary company in accordance with a phased programme of verification, which in our opinion is reasonable, considering the size of the company and the nature of assets. In accordance with the programme, certain fixed assets were physically verified. The frequency of verification is reasonable and no material discrepancies have been noticed on such physical verification.
- (ii) a) The inventories have been physically verified by the management of the Holding Company, but as per the nature of the business of the subsidiary company, subsidiary company does not require it to have any inventory. Hence, the requirement of clause (ii) of paragraph 3 of the said order is not applicable to the subsidiary company.

The procedure of physical verification of the inventories followed by the management of the Holding Company is reasonable and adequate in relation to the size of the Company and the nature of its business.
- c) The Holding Company, is maintaining proper records of its inventories. No material discrepancies were noticed on physical verification as compared to book records.
- (iii) The Holding Company has granted unsecured loans to one party covered in the register maintained under Section 189 of the Act. The said loans are interest free and the principal amount is refundable on call basis. Hence paragraph 3 (iii) a & b of the said Order are not applicable to the Company. Its subsidiary company has not granted loans to the parties covered in the register maintained under Section 189 of the Act.
- (iv) In our opinion and according to the information and explanations obtained by Statutory auditor of the Holding Company and its subsidiary company, there is an adequate internal control system commensurate with the respective size of each company and the nature of its business with regard to purchase of fixed assets and sale of goods and services.
- (v) The Holding Company, its subsidiary company incorporated in India has not accepted any deposits in accordance with the provisions of section 73 to 76 of the Act and rules framed there under.





(vi) As per explanation & information given to us, the Holding Company and its subsidiary company not required to maintain cost records as per Section 148 (1) of the Companies Act, 2013 and Companies (Cost Records and Audit) Rules, 2014.

(vii) a) Accordingly to the records of the Holding Company and its subsidiary company incorporated in India, the undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Duty of Custom, Duty of Excise, Value Added tax and Cess, wherever applicable have been regularly deposited with the appropriate authorities except delay in certain cases of Service tax and Tax Deducted at Source (TDS) in case of the Holding Company. However, according to the information and explanations given to us, there are no undisputed amount payable in respect of such statutory dues which have remained outstanding as at 31st March, 2015 for a period more than six months from the date they became payable.

b) According to the records of the Holding Company and its subsidiary company incorporated in India, the Income Tax, Wealth Tax, Sales Tax, Service Tax, Duty of Custom, Duty of Excise, Value Added tax and Cess which have not been deposited on account of any dispute with the relevant authorities are given below:

Name of Statute	Amount (Rs. in lacs)	Period to which amount relates	Forum where dispute is pending
The Income Tax Act, 1961	2.02	A.Y. 2012-13	CIT (Appeals)

c) There is no amount which is required to be transferred to Investor Education and Protection Fund by the Holding Company and its subsidiary company incorporated in India in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder.

(viii) The Group does not have any accumulated losses as at 31st March, 2015. However, if the impact of our basis of qualified opinion is considered, the Group has incurred cash losses during the year under review. During the year Group has incurred cash loss of Rs. 492.27lacs after adjusting the amount mentioned in our Qualified Opinion. Further during the immediate preceding year the Group has not incurred any cash losses.

(ix) As per the information and explanations given to us, the Holding Company has taken facilities from banks and financial institutions and it has not defaulted in repayment its dues to banks and financial institutions. However, its subsidiary company has not availed of any loans from banks and financial institutions. The Holding Company, its subsidiary company incorporated in India did not have any outstanding debentures during the year.

(x) As per the information and explanation given to the respective statutory auditors, the Holding Company, its subsidiary company incorporated in India has not given any guarantees for loans taken by others from banks and financial institutions.





- (xi) As per the information and explanation given to us, the Holding Company has applied the term loan during the year for the purpose they were obtained. However, its subsidiary company has not obtained any term loans during the year under report.
- (xii) During the course of our examination of the books and records of the Holding Company, its subsidiary company incorporated in India, 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 any fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the management.

For S G C O & Co.

Chartered Accountants

Firm's Registration No. 112081W

Suresh Murarka

Partner

Mem. No. 044739

Place: Mumbai

Date: 29th May, 2015



Veto Switchgears and Cables Limited

Registered Office : 506, 5th Floor, Plot No. B-9, Land Mark Building,
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CIN : L31401MH2007PLC171844

Consolidated Balance Sheet as at 31st March 2015

(Rs. in Lacs)

Particulars	Notes	As at	
		31st March 2015	31st March 2014
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	2	1,832.71	1,832.71
Reserves and surplus	3	5,432.60	4,720.08
		7,265.31	6,552.79
Minority interest		-	0.90
Non-current liabilities			
Long-term borrowings	4	626.63	634.94
Deferred tax liabilities (Net)	5	-	11.87
Long-term provisions	6	7.55	4.83
		634.18	651.64
Current liabilities			
Short-term borrowings	7	2,834.53	2,909.94
Trade payables	8	1,030.08	720.37
Other current liabilities	9	339.68	367.28
Short term provisions	10	17.39	-
		4,221.68	3,997.59
Total		12,121.17	11,202.92
ASSETS			
Non-current assets			
Fixed assets	11		
Tangible assets		2,179.12	2,148.70
Intangible assets		0.55	0.77
Capital work-in-progress		1.09	-
Goodwill on consolidation		0.11	-
Non-current investments	12	1.49	1.49
Deferred tax asset (Net)	5	17.99	-
Long-term loans and advances	13	1,792.33	1,640.61
Other non-current assets	14	0.27	0.27
		3,992.95	3,791.84
Current assets			
Current investments	15	48.98	93.44
Inventories	16	2,500.14	2,582.16
Trade receivables	17	3,339.66	3,028.62
Cash and bank balances	18	217.51	1,285.50
Short-term loans and advances	19	352.91	421.37
Other current assets	20	1,669.03	-
		8,128.22	7,411.08
Total		12,121.17	11,202.92

See Accompanying notes to the financial statements

1 to 43

As per our report of even date attached

For S G C O & Co.

Chartered Accountants


Suresh Murarka
Partner
Mem. No. 44739

For and on behalf of the Board


Akshay Kumar Gurnani
Managing Director
DIN : 06888193


Dinesh Gurnani
WTD & CFO
DIN : 00218635


Chavi Rawat
Company Secretary

Place: Mumbai
Date : 29th May, 2015

Place: Jaipur
Date : 29th May, 2015



Veto Switchgears and Cables Limited

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CIN : L31401MH2007PLC171844

Consolidated Statement of Profit and Loss for the year ended 31st March 2015

Particulars	Notes	Year ended	Year ended
		31st March 2015	31st March 2014
INCOME			
Revenue from operations	21	9,730.23	9,447.72
Other income	22	53.64	87.46
Total Revenue		9,783.87	9,535.18
EXPENSES			
Cost of materials consumed	23	4,558.31	4,632.71
Purchases of Stock - in - Trade	24	2,290.03	2,284.52
Changes in Inventories of finished goods, work-in-Progress and Stock in Trade	25	(398.49)	(69.32)
Employee benefits expense	26	599.61	525.65
Finance costs	27	395.17	204.73
Depreciation and amortisation expenses		201.37	120.12
Other expenses	28	1,162.48	993.30
Total Expenses		8,808.46	8,691.71
Profit Before Tax		975.41	843.47
Less : Tax Expense			
- Current tax		199.42	172.68
- MAT Credit (Entitlement)/Utilised		71.83	66.77
- Taxes for earlier years		18.73	-
- Deferred tax		(28.96)	(4.79)
		261.01	234.66
Profit for the year before minority interest		714.40	608.81
Minority interest		-	(0.02)
Profit for the year		714.40	608.83
Earnings per equity share	29		
Nominal value of share Rs.10			
- Basic		3.90	3.32
- Diluted		3.90	3.32

See Accompanying notes to the financial statements

1 to 43

As per our report of even date attached

For and on behalf of the Board

For S G C O & Co.
Chartered Accountants


Suresh Murarka
Partner
Mem. No. 44739


Akshay Kumar Gurnani
Managing Director
DIN : 06888193


Dinesh Gurnani
WTD & CFO
DIN : 00218635


Chavi Rawat
Company Secretary

Place: Mumbai
Date : 29th May, 2015

Place: Jaipur
Date : 29th May, 2015



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Veto Switchgears and Cables Limited

Registered Office : 506, 5th Floor, Plot No. B-9, Land Mark Building,
New Link Road, Andheri (West), Mumbai- 400058
CIN : L31401MH2007PLC171844

Consolidated Cash Flow Statement For the year ended 31st March 2015

(Rs. in Lacs)

Particulars	Year ended	Year ended
	31.03.2015	31.03.2014
A. Cash flow from operating activities		
Net profit before taxation	975.41	843.48
<u>Adjustments for:</u>		
Depreciation / Amortisation	201.37	120.12
Diminution in Value of Investments	5.52	-
Finance costs	395.17	204.73
Provision for doubtful debts	37.94	19.07
Profit on sale of fixed assets	(1.94)	-
Profit on sale of Investments	(27.61)	(1.11)
Interest income	(23.41)	(70.89)
Operating profit before working capital changes	1,562.44	1,115.40
<u>Adjustments for :</u>		
(Increase) / Decrease in inventories	82.02	(147.68)
(Increase) / Decrease in Long term provisions	2.72	2.89
(Increase) / Decrease in trade receivables	(348.98)	(1,033.21)
(Increase) / Decrease in short term loans and advances	(1,600.57)	140.56
Increase / (Decrease) in trade payables	309.70	(28.10)
Increase / (Decrease) in other current liabilities	(27.60)	165.37
Cash generated from / (used in) operations	(20.27)	215.24
Direct taxes paid	(187.09)	(177.60)
Cash inflow before Prior Period Adjustment	(207.36)	37.64
Net cash flow from / (used in) operating activities	(207.36)	37.64
B. Cash flow from investing activities		
Purchase of fixed assets	(317.22)	(1,293.32)
Capital Work-in-Progress	(1.09)	-
Sale proceeds from fixed assets	84.82	1.75
Sale proceeds from Investments	268.20	-
Loans & advances received back / (given)	(237.22)	(1,265.41)
Investing in bank deposits (having maturity of more than 3 months)	702.71	11.13
Purchase of current investments	(201.64)	(93.09)
Acquisition of minority Interest	(1.00)	-
Interest received	23.41	70.89
Net cash flow from / (used in) investment activities	320.97	(2,568.06)
C. Cash Flow from Financing Activities		
Proceeds / (Repayment) of borrowings	(83.72)	3,118.64
Interest paid	(395.17)	(204.73)
Net cash flow from / (used in) financing activities	(478.89)	2,913.92
Net increase / (decrease) in cash and cash equivalents	(365.28)	383.50
Cash and cash equivalents at the beginning of the year	524.97	141.47
Cash and cash equivalents at the end of the year	159.69	524.97



Notes :

1 Cash and Cash Equivalents at the end of the year consists of cash in hand and balances with banks are as follows :

Particulars	(Rs. in Lacs)	
	As at 31.03.2015	As at 31.03.2014
Cash on hand	23.94	36.70
Balances with bank on current account	135.75	488.27
	159.69	524.97

2 The previous year's figures have been regrouped / rearranged wherever necessary in order to conform to current year's presentation.

As per our report of even date attached

For S G C O & Co.
Chartered Accountants


Suresh Murarka
Partner
Mem. No. 44739


Akshay Kumar Gurnani
Managing Director
DIN : 06888193


Dinesh Gurnani
WTD & CFO
DIN : 00218635

Chavi Rawat
Company Secretary

Place: Mumbai
Date : 29th May, 2015

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Notes to consolidated financial statements for the year ended 31st March 2015

Note 1 : Significant Accounting Policies:

A Corporate Information

Veto Switchgears and Cables Limited (the Company) is a listed public company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The Company has its manufacturing plant at Haridwar. The Company is engaged in manufacturing of wires & cables, electrical accessories & also deals in all type of LED lighting, CFL & Fans.

B Basis of Accounting:

The Financial Statements have been prepared under the historical cost convention, on an accrual basis of accounting and in accordance with the Generally Accepted Accounting Principles in India and in compliance with the Accounting Standards specified under section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014.

C Principles Of Consolidation:

The Consolidated Financials Results comprise of the financial statements of Veto Switchgears and Cables Limited and its subsidiary, which are consolidated in accordance with Accounting Standard 21 on Consolidated Financial Statements notified pursuant to the Companies (Accounting Standards) Rules, 2006.

The Consolidated Financial Statements relate to Veto Switchgears and Cables Limited ('The Company') and its Subsidiary has been prepared on the following basis:

- i) The financial statements of the Company and its subsidiary has been combined on a line-by-line basis by adding together the balances of like items of assets, liabilities, income and expenditure after fully eliminating the intra-group balances and intra-group transactions resulting in unrealized profit or loss.
- ii) The consolidated financial statements has been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the Company's separate financial statements.
- iii) The excess of cost to the Company of its investments in the subsidiary over its portion of equity of subsidiary at the dates they become subsidiary is recognized in the financial statements as goodwill.
- iv) The excess of Company's portion of equity of the subsidiary over the cost to the Company of its investments at the dates it become subsidiary is recognized in the financial statements as capital reserve.

- D The preparation of financial statements in conformity with Generally Accepted Accounting Principles requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities on the financial statements and the reported amounts of revenues and expenses during the reporting period.

Difference between actual results and estimates are recognized in the periods in which the results are known/ materialize.

E Revenue Recognition

- i) Revenue is recognised when it is earned and no significant uncertainty exists as to its realisation or collection
- ii) Revenue in respect of export sales is recognised on shipment of products.
- iii) Sales are recognised net of discounts, rebates and returns.
- iv) Interest is recognised on a time proportion basis taking in to account the amount outstanding and the rate applicable.
- v) Dividend income is recognised when right to receive the payment is established.
- vi) Claims for insurance are accounted on receipts/ on acceptance of claim by insurer.



**F Fixed Assets:**

- i) Fixed Assets are stated at actual cost less accumulated depreciation. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.
- ii) Costs relating to acquisition of trademarks are capitalised as "Intangible Assets"

G Depreciation:

- i) Depreciation on Fixed Assets is provided on 'Written down value method' based on useful life of assets and in the manner specified in the Schedule II of the Companies Act, 2013.
- ii) Leasehold improvements are written off over the noncancellable period of lease .
- iii) Goodwill & Trade marks has been amortized over a period of five years.

H Impairment of Assets:

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss is charged to the Profit and Loss Account in the year in which an asset is identified as impaired. The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

I Investments:

Investments that are intended to be held for more than a year, from the date of acquisition, are classified as long term investment and are carried at cost less any provision for permanent diminution in value other than temporary. Investments other than long term investments being current investments are valued at cost or fair value whichever is lower.

J Inventories:

Inventories are valued as follows:

- i) Finished Goods are valued at lower of cost or net realisable value*.
- ii) Raw Material are valued at lower of cost or net realisable value**.
- iii) Packing Materials are valued at cost or net realizable value**.
- iv) Stock in Trade is valued at lower of cost or net realisable value**.

* Cost is arrived at on retail method.

** Cost is arrived at on weighted average cost method.

K Employee Benefits :

- i) Company's contribution to Provident Fund and other Funds for the year is accounted on accrual basis and charged to the Statement of Profit & Loss Account for the year.
- ii) Retirement benefits in the form of Gratuity are considered as defined benefit obligations and are provided on the basis of the actuarial valuation, using the projected unit credit method as at the date of the Balance Sheet.

L Provisions and Contingent Liabilities:

- i) Provisions are recognized in terms of Accounting Standard 29- "Provisions, Contingent Liabilities and Contingent, when there is a present legal or statutory obligation as a result of past events where it is probable that there will be outflow of resources to settle the obligation and when a reliable estimate of the amount of the obligation can be made.
- ii) Contingent Liabilities are recognized only when there is a possible obligation arising from past events due to occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company or where reliable estimate of the obligation cannot be made. Obligations are assessed on an on going basis and only those having a largely probable outflow of resources are provided for.





M Foreign Currency Transactions :

- i) The transactions in foreign currencies are stated at the rate of exchange prevailing on the date of transactions.
- ii) The difference on account of fluctuation in the rate of exchange prevailing on the date of transaction and the date of realization is charged to the Statement of Profit and Loss.
- iii) Differences on translations of Current Assets and Current Liabilities remaining unsettled at the year-end are recognized in the Statement of Profit and Loss .
- iv) The premium in respect of forward exchange contract is amortised over the life of the contract. The net gain or loss on account of any exchange difference, cancellation or renewal of such forward exchange contracts is recognised in the Statement of Profit and Loss .

N Borrowing Cost

Borrowing costs are recognised as an expense in the period in which they are incurred except the borrowing cost attributable to be acquisitions / constructions of a qualifying assets which are capitalised as a part of the cost of the fixed assets, up to the date, the assets are ready for its intended use.

O Accounting for Taxes of Income:-

Current Taxes

Provision for current income-tax is recognized in accordance with the provisions of Indian Income- tax Act, 1961 and is made annually based on the tax liability after taking credit for tax allowances and exemptions

Deferred Taxes

Deferred tax assets and liabilities are recognized for the future tax consequences attributable to timing differences that result between the profits offered for income taxes and the profits as per the financial statements. Deferred tax assets and liabilities are measured using the tax rates and the tax laws that have been enacted or substantially enacted at the balance sheet date. Deferred tax Assets are recognized only to the extent there is reasonable certainty that the assets can be realized in the future. Deferred Tax Assets are reviewed as at each Balance Sheet date.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company.





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Notes to consolidated financial statements for the year ended 31st March 2015

(Rs. in Lacs)

Note 2 : Share capital

Particulars	As at 31st	As at 31st
	March, 2015	March, 2014
Authorised		
2,00,00,000 Equity shares of Rs.10/- each	2,000.00	2,000.00
	2,000.00	2,000.00
Issued, Subscribed and Fully Paid Up		
1,83,27,100 Equity shares of Rs. 10/- each fully paid up	1,832.71	1,832.71
	1,832.71	1,832.71

a) Reconciliation of shares outstanding at the beginning and at the end of the reporting period

i) Equity Shares of Rs. 10/- each fully paid up

Particulars	As at 31st March, 2015		As at 31st March, 2014	
	No. of Shares	Amount	No. of Shares	Amount
Equity Shares				
At the beginning of the year	18,327,100	1,832.71	16,661,000	1,666.10
Issued during the year	-	-	1,666,100	166.61
Outstanding at the end of the year	18,327,100	1,832.71	18,327,100	1,832.71

ii) Shares allotted for a consideration other than cash

Allotment of Bonus Shares

Particulars	No. of Shares
Financial Year 2012-13	58.30
Financial Year 2013-14	16.66

b) Terms / rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity share is entitled to one vote per share.

In the event of liquidation of the Company, the holder of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c) Shares held by holding / ultimate holding company and / or their subsidiaries / associates:

Holding Company

Particulars	As at 31st March, 2015		As at 31st March, 2014	
	No. of Shares	Amount	No. of Shares	Amount
Veto Electropowers (India) Private Limited	10,315,930	1,031.60	10,315,930	1,031.60

d) Details of Shareholders holding more than 5% shares in the company:

Particulars	As at 31st March, 2015		As at 31st March, 2014	
	No. of Shares	% holding	No. of Shares	% holding
Veto Electropowers (India) Private Limited	10,315,930	56.29%	10,315,930	56.29%
Maverick Share Brokers Limited	-	-	1,544,400	8.43%
Akshay Gurnani	1,094,867	5.97%	1,094,867	5.97%
HEM Finlease Private Limited	1,038,356	5.67%	-	-





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Notes to consolidated financial statements for the year ended 31st March 2015

(Rs. in Lacs)

Note 3 : Reserves and surplus

Particulars	As at 31st March, 2015	As at 31st March, 2014
Securities Premium Account		
Balance at the beginning of the year	1,594.72	1,761.33
Less : Utilised for Issue of Bonus Shares [Refer Note No. 2(a) (ii)]	-	166.61
Closing Balance	1,594.72	1,594.72
Surplus / (Deficit) in the Statement of Profit and Loss		
Balance at the beginning of the year	3,125.36	2,516.52
Add : Profit for the year	714.40	608.84
Less : Adjustment Regarding Fixed Assets (Net of Deferred Tax) (Refer Note: 38)	1.88	-
Closing Balance	3,837.88	3,125.36
	5,432.60	4,720.08

Note 4 : Long-term borrowings

Particulars	As at 31st March, 2015	As at 31st March, 2014
Secured		
Term loans from bank	612.26	618.76
Less: Interest accrued but not due on borrowings	6.73	4.22
Less: Current maturities of long term debt	5.54	9.00
	599.99	605.54
Hire purchase loans from banks	42.06	47.95
Less: Current maturities of long term debt	15.42	18.55
	26.64	29.40
	626.63	634.94

Additional information pursuant to long term borrowings :

- a) Rs. 5.60 lacs (PY Rs. 14.70 lacs) term loan from Indian Overseas Bank carries interest @ Base rate + 2.50% p.a. The loan is repayable in 60 Monthly instalments along with interest starting from January, 2011. The loan is secured by way of equitable mortgage of factory building and hypothecation of plant & machinery and personal guarantee of four directors.
- b) Rs.606.66 lacs (PY Rs. 614.53) term loan from Indian Overseas Bank carries interest @ Base rate + 2.75% p.a.. The loan is repayable in 20 Quaterly instalments along with interest starting from June, 2015. The loan is secured by way of equitable mortgage of land and building and personal guarantee of three directors.
- c) Rs 42.06 lacs (PY Rs. 47.95 lacs) hire purchase loans carry interest @ between 9% to 11% p.a. The loans are repayable in 36 to 60 equal monthly instalments starting from the respective date of finance. The loan are secured by hypothecation of vehicles financed.





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Notes to consolidated financial statements for the year ended 31st March 2015

Note 5 : Deferred tax liabilities (Net)

(Rs. in Lacs)

Particulars	As at 31st March, 2015	As at 31st March, 2014
Deferred Tax Liabilities		
Fixed Assets : Impact of difference between tax depreciation and depreciation / amortisation charged for the financial reporting	-	18.06
Deferred Tax Assets		
Fixed Assets : Impact of difference between tax depreciation and depreciation / amortisation charged for the financial reporting	(5.68)	
Provision for Doubtful Advances	(12.31)	(6.19)
Deferred Tax Liabilities (Asset)/Liabilities (Net)	(17.99)	11.87

Note 6 : Long-term provisions

Particulars	As at 31st March, 2015	As at 31st March, 2014
Provision for Warranty	7.55	4.83
	7.55	4.83

In pursuance of Accounting Standard- 29 (AS 29) 'Provisions, Contingent Liabilities and Assets', the provision required have been incorporated in the books of accounts in the following manner

A provision is recognised for expected warranty claims on products sold during the year, based on past experience of the level of repairs and returns. It is expected that significant portion of these costs will be incurred in the next financial year and to be incurred within two years after the reporting date. Assumptions used to calculate the provisions for warranties are based on current sales levels and current information available about returns based warranty period for all products sold. The table below gives information about movement in warranty provisions.

Particulars	As at 31st March, 2015	As at 31st March, 2014
At the beginning of the year	4.83	1.94
Additions during the year	2.72	2.89
Utilised during the year	-	-
Unused amount reversed	-	-
At the end of the year	7.55	4.83

Note 7 : Short-term borrowings

Particulars	As at 31st March, 2015	As at 31st March, 2014
Working Capital Loan (Secured)		
From Bank	2,834.53	2,909.94
	2,834.53	2,909.94





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Notes to consolidated financial statements for the year ended 31st March 2015

(Rs. in Lacs)

Additional information pursuant to secured short term borrowing :

Rs. 2834.53 lacs (PY Rs. 2,909.94 lacs) working capital loan from Indian Overseas Bank carries interest @ 12% p.a. The loan is secured by way of hypothecation of stocks of raw materials, work in process, finished goods, book debts and personal guarantee of three directors, corporate guarantee by the holding company and by one of the company in which directors are interested.

Note 8 : Trade payables

Particulars	As at 31st March, 2015	As at 31st March, 2014
Due to Micro, Small & Medium Enterprises	1.73	-
Due to Others	1,028.35	720.37
	1,030.08	720.37

Note : The information regarding Micro Small and Medium Enterprises has been determined on the basis of information available with the Company

Particulars	As at 31st March, 2015	As at 31st March, 2014
The principal amount remaining unpaid to any supplier as at the end of accounting year;	1.73	-
The interest due and remaining unpaid to any supplier as at the end of accounting year;	-	-
The amount of interest paid by the buyer under MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the due date during each accounting year;	-	-
The amount of interest due and payable for the period (where the principal has been paid but interest under the MSMED Act, 2006 not paid);	-	-
The amount of interest accrued and remaining unpaid at the end of accounting year; and	-	-
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 to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23.	-	-

Note : Interest paid or payable by the Company on the aforesaid principal amount has been waived by the concerned suppliers.

Note 9 : Other current liabilities

Particulars	As at 31st March, 2015	As at 31st March, 2014
Current maturities of long term debt	20.96	27.55
Interest accrued but not due on borrowings	6.72	4.22
Trade deposits	49.22	45.78
Salary & Wages payable	35.54	29.16
Book overdraft	-	58.93
Duties & taxes payable	141.71	114.38
Provision for expenses	69.84	67.33
Advance from debtors	15.69	19.93
	339.68	367.28

Note 10 : Short term provisions

Particulars	As at 31st March, 2015	As at 31st March, 2014
Provision for taxation (Net of tax paid)	17.39	-
	17.39	-



Veto Switchgears and Cables Limited

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Notes to consolidated financial statements for the year ended 31st March 2015

Note : 11 Tangible Assets

(Amount in Rs.)

Description	Gross Block			Depreciation / Amortisation			Net Block				
	As at 01.04.2014	Additions during the year	Deductions during the year	As at 31.03.2015	Upto 31.03.2014	Provided for the year	Trf to Retained Earnings	Adjustments	Upto 31.03.2015	As at 31.03.2015	As at 31.03.2014
Tangible assets											
Freehold Land	178.92	15.90	-	194.82	-	-	-	-	-	194.82	178.92
Leasehold Land	1,140.88	45.34	-	1,186.22	7.34	1.62	-	-	8.96	1,177.26	1,133.54
Factory Building	371.32	15.49	-	386.81	143.17	25.83	-	-	168.99	217.82	228.15
Leasehold Improvements	79.92	46.65	80.10	46.46	5.62	4.45	-	8.69	1.38	45.08	74.30
Plant & Machinery	683.69	120.43	-	804.12	309.08	98.26	-	-	407.35	396.77	374.60
Office Equipments	20.07	11.08	0.46	30.69	5.09	9.50	1.99	0.46	16.12	14.57	14.98
Furniture & Fixtures	84.68	24.07	13.71	95.04	35.42	16.76	-	6.49	45.69	49.36	49.27
Computers	14.02	5.64	-	19.67	10.30	4.13	0.78	-	15.21	4.45	3.72
Vehicles	188.00	32.62	9.76	210.86	96.78	40.60	-	5.51	131.86	79.00	91.24
Total	2,761.50	317.22	104.03	2,974.68	612.79	201.15	2.77	21.15	795.56	2,179.13	2,148.71
Previous Year	1,471.98	1,293.18	3.66	2,761.50	495.83	119.98	-	3.02	612.79	2,148.71	976.15
Intangible assets											
Trade Marks	1.12	-	-	1.12	0.35	0.22	-	-	0.57	0.55	0.77
Goodwill	5.40	-	-	5.40	5.40	-	-	-	5.40	-	-
Total	6.52	-	-	6.52	5.75	0.22	-	-	5.97	0.55	0.77
Previous Year	5.94	0.44	-	6.38	5.48	0.11	-	-	5.59	0.79	0.46
Grand Total	2,768.02	317.22	104.03	2,981.20	618.54	201.37	21.15	21.15	801.53	2,179.68	2,149.48
Previous Year	1,478.36	1,293.32	3.66	2,768.02	501.42	120.14	-	3.02	618.54	2,149.48	976.94

Capital Work in Progress

Particular	As at 01.04.2014	Additions during the year	Deductions during the year	As at 31.03.2015
Office Building at Airport Plaza	-	0.67	-	0.67
Building Construction	-	0.42	-	0.42
	-	1.09	-	1.09



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Notes to consolidated financial statements for the year ended 31st March 2015

(Rs. in Lacs)

Note 12 : Non - current investments

Particulars	As at 31st March, 2015	As at 31st March, 2014
Trade, Unquoted (At cost, unless stated otherwise)		
Investment in Equity Instruments		
Veto Lightings Private Limited 5,100 Equity Shares of Rs.10/- each fully paid up	0.51	0.51
Vankon Switchgears and Cables Private Limited 9,800 Equity Shares of Rs.10/- each fully paid up	0.98	0.98
	1.49	1.49

Particulars	As at Mar 31, 2015	As at March 31, 2014
Aggregate market value of quoted investments	-	-
Aggregate book value of quoted investments	-	-
Aggregate value of unquoted investments	1.49	1.49

Note 13 : Long - term loans and advances

(Unsecured, Considered Good)

Particulars	As at 31st March, 2015	As at 31st March, 2014
Capital Advances	317.59	100.30
Security Deposits		
- To related parties	35.00	1,250.00
- To Others	1,269.40	34.47
MAT credit entitlement	170.34	242.17
Advance Tax (Net of Provisions)	-	13.67
	1,792.33	1,640.61
Security Deposits includes :		
- Enterprises under significant influence of key management personnel	35.00	1,250.00

Note 14 : Other non - current assets

(Unsecured, considered goods)

Particulars	As at 31st March, 2015	As at 31st March, 2014
Fixed Deposits (Maturity period of more than 12 Months) - Held as Margin Money	0.27	0.27
	0.27	0.27





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Notes to consolidated financial statements for the year ended 31st March 2015

(Rs. in Lacs)

Note 15 : Current investments

Particulars	As at 31st March, 2015	As at 31st March, 2014
Non - trade, Quoted (At lower of cost and fair value)		
Investment in Equity Instruments		
Jubilant Life Sciences Limited Nil (PY 61,000) Equity Shares of Rs.1 each fully paid up	-	93.44
Hindustan Construction Company Limited 1,50,000 (PY Nil) Equity Shares of Rs.1 each fully paid up	54.49	-
Less: Provision for Diminution in Value of Investments	5.52	-
	48.98	93.44
	48.98	93.44

Particulars	As at 31st March, 2015	As at March 31, 2014
Aggregate market value of quoted investments	48.98	96.93
Aggregate book value of quoted investments	54.49	93.44
Aggregate value of unquoted investments	-	-

Note 16 : Inventories

(At lower of cost or net realisable value)

Particulars	As at 31st March, 2015	As at 31st March, 2014
Finished goods	763.23	915.27
Stock in trade	723.24	881.68
Raw materials	916.62	707.93
Packing materials	97.05	77.28
	2,500.14	2,582.16

Note 17 : Trade receivables

(Unsecured)

Particulars	As at 31st March, 2015	As at 31st March, 2014
Unsecured		
Due for a period exceeding six months from the date they are due for payment		
Considered Good	461.10	175.94
Considered Doubtful	37.94	19.07
	499.04	195.01
Less :- Provision for Doubtful Debts	37.94	19.07
	461.10	175.94
Other debts - Considered Good	2,878.56	2,852.68
	3,339.66	3,028.62
Trade receivables includes due from related parties :		
Other debts		
- Enterprises under significant influence of key management personnel	3.55	0.54
	3.55	0.54





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Notes to consolidated financial statements for the year ended 31st March 2015

Note 18 : Cash and bank balances

(Rs. in Lacs)

Particulars	As at 31st March, 2015	As at 31st March, 2014
Cash and cash equivalents		
Balances with banks:		
In current accounts	135.75	488.27
Cash in hand	23.94	36.70
Other bank balances		
Balance with banks*	58.09	760.80
Less : Deposits with maturity for more than 12 months	0.27	0.27
	57.82	760.53
	217.51	1,285.50

* Includes

Particulars	As at 31st March, 2015	As at 31st March, 2014
Held as margin money or security against borrowings, other commitments	4.20	4.08

Note 19 : Short - term loans and advances

(Unsecured Considered Good)

Particulars	As at 31st March, 2015	As at 31st March, 2014
Loans & advances		
- To others	-	17.00
Security Deposits	12.81	16.82
Advance recoverable in cash or kind		
- To related parties	10.29	26.35
- To others	329.81	361.20
	352.91	421.37
Advance recoverable in cash or kind includes :		
Enterprises under significant influence of key management personnel	10.29	26.35
	10.29	26.35

Note 20 : Other current assets

Particulars	As at 31st March, 2015	As at 31st March, 2014
Insurance Claim Receivable (Refer Note : 36)	1,669.03	-
	1,669.03	-





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Notes to consolidated financial statements for the year ended 31st March 2015

Note 21 : Revenue from operations

(Rs. in Lacs)

Particulars	Year Ended 31st March, 2015	Year Ended 31st March, 2014
Revenue from operations		
Sale of Products *	9,702.62	9,434.71
Other Operating Revenue		
Gain on Foreign Exchange Fluctuations (Net)	9.47	4.00
Scrap Sales	10.22	1.54
Export benefits & incentives	7.92	7.47
	9,730.23	9,447.72

Details of Products Sold

Particulars	Year Ended 31st March, 2015	Year Ended 31st March, 2014
Finished Goods		
Electrical Accessories & Lightings	2,717.13	2,888.65
Electrical Wires	4,170.42	3,801.49
	6,887.55	6,690.14
Traded Goods		
Electrical Accessories & Lightings	2,329.69	2,593.35
Electrical Wires	485.38	151.21
	2,815.07	2,744.56
	9,702.62	9,434.70

Note 22 : Other income

Particulars	Year Ended 31st March, 2015	Year Ended 31st March, 2014
Interest Income	23.41	70.89
Profit on sale of fixed assets	1.94	1.11
Profit on sale of investments	27.61	-
Miscellaneous Income	0.68	15.46
	53.64	87.46

Note 23 : Cost of materials consumed

Particulars	Year Ended 31st March, 2015	Year Ended 31st March, 2014
Opening stock	707.93	651.85
Add: Purchases	5,301.91	4,688.79
Less: Closing stock	916.62	707.93
	5,093.22	4,632.71
Less: Loss By Fire (Refer Note: 36)	(534.91)	-
	4,558.31	4,632.71





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Notes to consolidated financial statements for the year ended 31st March 2015

(Rs. in Lacs)

Details of Material Consumed

Particulars	Year Ended 31st March, 2015	Year Ended 31st March, 2014
Copper	2,747.84	2,520.70
Aluminium	150.51	93.53
PVC Compound	450.35	348.49
Others	1,744.52	1,669.99
	5,093.22	4,632.71

Details of Inventory

Particulars	Year ended 31.03.2015	Year ended 31.03.2014
Copper	243.65	5.24
Aluminium	7.35	7.91
PVC Compound	12.79	8.78
Others	652.83	686.00
	916.62	707.93

Note 24 : Purchases of Stock - in - Trade

Particulars	Year Ended 31st March, 2015	Year Ended 31st March, 2014
Purchase of stock in trade	2,698.15	2,284.52
Less: Loss By Fire (Refer Note: 36)	(408.12)	-
	2,290.03	2,284.52

Details of Purchases of stock - in - trade

Particulars	Year Ended 31st March, 2015	Year Ended 31st March, 2014
Electrical Accessories & Lightings	2,149.99	1,751.43
Electrical Wires	548.16	533.09
Less: Loss By Fire (Refer Note: 36)	(408.12)	-
	2,290.03	2,284.52

Note 25 : Changes in Inventories of finished goods, work-in-Progress and Stock in Trade

Particulars	Year Ended 31st March, 2015	Year Ended 31st March, 2014
Finished goods		
Opening stock		
- Electrical Accessories & Lightings	681.58	362.71
- Electrical Wires	233.69	659.43
	915.27	1,022.14
Less: Loss By Fire (Refer Note: 36)	(375.76)	-
	539.51	1,022.14
Closing stock		
- Electrical Accessories & Lightings	(348.48)	(681.58)
- Electrical Wires	(414.76)	(233.69)
	(763.24)	(915.27)
Changes in inventories of finished goods (A)	(223.73)	106.87





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Notes to consolidated financial statements for the year ended 31st March 2015

(Rs. in Lacs)

Stock in trade		
Opening stock		
- Electrical Accessories & Lightings	667.57	553.18
- Electrical Wires	214.11	152.32
	881.68	705.50
Less: Loss By Fire (Refer Note: 36)	(333.21)	-
	548.47	705.50
Closing stock		
- Electrical Accessories & Lightings	(592.97)	(667.57)
- Electrical Wires	(130.27)	(214.11)
	(723.24)	(881.68)
Changes in inventories of stock in trade (B)	(174.76)	(176.18)
Total (A+B)	(398.49)	(69.32)

Note 26 : Employee benefits expense

Particulars	Year Ended 31st March, 2015	Year Ended 31st March, 2014
Salary, wages and other allowances	521.79	449.45
Contribution to provident fund and other funds	42.09	37.21
Staff welfare expenses	18.88	17.63
Director's remuneration	16.85	21.36
	599.61	525.65

Note 27 : Finance costs

Particulars	Year Ended 31st March, 2015	Year Ended 31st March, 2014
Interest expense :		
On bank borrowings	379.64	167.88
Others	4.00	16.20
Bank Charges	11.53	20.65
	395.17	204.73





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Notes to consolidated financial statements for the year ended 31st March 2015

(Rs. in Lacs)

Note 28 : Other expenses

Particulars	Year Ended 31st March, 2015	Year Ended 31st March, 2014
Manufacturing expenses		
Stores & Spares consumed	6.58	4.42
Power & Fuel	82.59	69.37
Job Charges	100.83	101.89
Repairs & Maintenance		-
- Plant & Machinery	34.05	22.85
- Factory Building	0.27	-
Freight & Transportation	31.35	29.75
Insurance Premium	2.27	2.30
Other Factory Expenses	16.68	14.15
	274.62	244.75
Administration, Selling and Distribution expenses		
Rent	12.75	14.76
Rates & Taxes	10.30	14.16
Repairs & Maintenance		
- Building	4.63	3.27
- Others	16.61	14.96
Travelling & Conveyance	64.97	51.79
Communication Costs	21.18	18.70
Printing & Stationery	7.60	7.48
Water & Electricity Charges	14.67	15.42
Legal and Professional Fees	40.82	42.55
Auditor's Remuneration	5.04	3.41
Packing Materials Consumed	227.14	217.06
Commission	44.41	25.30
Provision for Doubtful Debts	18.87	19.07
Advertising & Sales Promotion Expenses	184.51	149.79
Transportation, Freight & Handling Charges	109.70	100.93
Corporate Social Responsibility (Refer Note 39)	13.86	-
Miscellaneous Expenses	90.81	49.91
	1,162.48	993.30

Payment to Auditor

Particulars	Year Ended 31st March, 2015	Year Ended 31st March, 2014
Audit fees	1.63	1.50
Tax Matters	2.24	0.11
Other services	1.17	1.80
	5.04	3.41

Note 29 : Earnings per equity share

In accordance with Accounting Standard 20- Earning Per Share, the computation of earning per share is set out below :

Particulars	Year Ended 31st March, 2015	Year Ended 31st March, 2014
Weighted average number of Equity Shares of Rs. 10/- each		
Number of shares at the end of the year	18,327,000	18,327,000
Weighted average number of Equity Shares outstanding during the year*	18,327,000	18,327,000*
Weighted average number of Potential Equity Shares outstanding during the year	-	-





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		(Rs. in Lacs)
Total number of Equity share for calculating Diluted Earning Per Share	18,327,000	18,327,000
Net Profit after Tax available for Equity shareholders	714.40	608.83
Basic Earning Per Share (in Rs.) {B/A (ii)}	3.90	3.32
Diluted Earning Per Share (in Rs.) {B/A (iv)}	3.90	3.32

* Earning per share (EPS) is calculated after adjusting for 16.66 lacs bonus shares issued, vide resolution passed at the general meeting held on 28th August, 2013, with retrospective effect as provided in Accounting Standard (AS-20) - Earning Per Share.

Note 30 : Companies considered in the consolidated financial statement are

Subsidiaries

Name of Company	Date of Becoming Subsidiary	Country of Incorporation	% Voting Power held As on 31.03.2015	% Voting Power held As on 31.03.2014
Veto Electricals Private Limited	22-Feb-10	India	100.00	90.00

Note 31 : Disclosure pursuant to Accounting Standard – 15 'Employee Benefits

Actuarial assumption:

Services Rendered	Year Ended 31st March, 2015	Year Ended 31st March, 2014
Salary Growth *	7%	7%
Discount Rate	7.8%	8%
Withdrawal Rate	5%	5%

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

(i) Changes in the present value of defined benefit obligation representing reconciliation of opening and closing balances thereof:

Particulars	Year Ended 31st March, 2015	Year Ended 31st March, 2014
Present value of obligation as at the beginning of the year:	24.31	20.84
Interest cost	1.90	1.96
Current service cost	8.01	8.96
Benefits paid	(0.17)	-
Actuarial (gain) / loss on obligation	(2.22)	(7.45)
Closing Present value of obligation	31.82	24.31

(ii) The amounts recognised in the Balance Sheet are as follows:

Particulars	Year Ended 31st March, 2015	Year Ended 31st March, 2014
Present value of obligation as at the beginning of the year	31.82	24.31
Fair Value of plan assets as at the end of the year	41.79	38.34
Unrecognised Actuarial (Gain) / Loss	-	-
Net (assets) / liability recognised in balance sheet	(9.97)	(14.03)

(iii) The amounts recognised in the Statement of Profit and Loss are as follows

Particulars	Year Ended 31st March, 2015	Year Ended 31st March, 2014
Current service cost	8.01	8.96
Past service cost	-	-
Interest cost	1.90	1.96
Expected return on plan assets	(3.69)	(3.08)
Net actuarial (gain) / loss recognized in the year	(1.98)	(7.45)
Expenses recognised in the statement of profit and loss*	4.23	(11.87)





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(Rs. in Lacs)

Note 32 : Segmental Reporting :

The Group is mainly engaged in the business of manufacturing and trading of Wires, Cables & Electrical Accessories and there is no other reportable business segment as per Accounting Standard (AS-17) "Segment Reporting".

Note 33 : Related Party Disclosure:-

As required under Accounting Standard 18 "Related Party Disclosure" (AS-18), following are the details of transactions during the year with the related parties of the Company as defined in AS 18 :

a. List of related parties

Name of the Party

i) Director

Mohan Das Gurnani (Upto 27/08/2014)	Chairman
Vishnu Kumar Gurnani (Upto 19/05/2014)	Managing Director
Akshay Gurnani (From 27/08/2014)	Managing Director
Dinesh Gurnani	Whole Time Director
Jyoti Gurnani	Director
Priavrat Sharma	Group CFO
Ms. Diya Singh (Upto 14/11/2014)	Company Secretary
Ms.Chavi Rawat (From 01/11/2014)	Company Secretary

ii) Relative of Directors

Kishore Kumar Gurnani
Pushpa Gurnani
Jyoti Gurnani

iii) Holding Company

Veto Electropower (India) Private Limited

iv) Enterprises owned or significantly influenced by Key Management Personnel and / or their Relatives

Vimal Power Cables Private Limited
Veto Electro Power (India) Private Limited
Veto Electric Components Private Limited
Pinkcity Buildhome Private Limited
Pink Square Infra Developers Private Limited
Gurnani Infra Developer Private Limited
Tulsi Palace Resort Private Limited
Kripa Real Mart Private Limited
Pink Square Real Estate Private Limited
Veto Electric Private Limited
Vankon Switchgears and Cables Private Limited
Veto Powers
Anjali Packaging
Gurnani Industries
Yashodevi Raichand Gurnani Trust

b. Transactions with Related Parties :

Name of Party	Nature of Transaction	Year ended March 31, 2015	Year ended March 31, 2014
Vishnu Kumar Gurnani	Director Remuneration	2.40	14.40
	Advance Granted	1.50	-
	Directors sitting fees	-	0.23
	Advance received back	1.50	8.44
Akshay Gurnani	Director Remuneration	7.25	-
	Salary	5.00	-
	Advance Granted	3.00	-
Dinesh Gurnani	Advance received back	3.00	-
	Director Remuneration	7.20	6.96
	Director Sitting Fees	-	0.23
Ms. Diya Singh	Advance Granted	2.50	-
	Salary	0.89	-





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(Rs. in Lacs)

Ms. Chavi Rawat	Salary	0.60	
Pushpa Gurnani	Advance received back	-	4.93
Jyoti Gurnani	Advance received back	-	4.93
Veto Electropower (India) Private Limited	Sales	0.99	0.84
	Loan Taken	-	40.93
	Repayment of Loans Taken	-	40.93
	Purchases	152.30	151.83
Vimal Power Cables Private Limited	Loan Granted	-	110.00
	Loan Received back	-	110.00
	Loan Granted	-	27.93
Veto Electric Components Private Limited	Loan Received back	-	27.93
	Sales	3.90	3.74
Pinkcity Buildhome Private Limited	Service Taken	1.24	7.31
	Loan Granted	-	0.55
Pink Squire Infra Developers Private Limited	Loan Received back	-	0.55
	Rent	-	3.64
Gurnani Infra Developer Private Limited	Sales	-	0.05
	Loan Granted	-	443.00
	Loan Received back	-	443.00
	Advance granted	-	0.42
	Deposit	-	1,000.00
Tulsi Palace Resort Private Limited	Sales	3.98	-
Kripa Real Mart Private Limited	Security Deposit Granted	35.00	-
	Rent	3.50	-
Pink Square Real Estate Private Limited	Sales	2.44	-
Anjali Packaging	Sales	-	0.07
Gurnani Industries	Loan Granted	-	0.02
	Loan Received back	-	0.02
Yashodevi Raichand Gurnani Trust	Loan Received back	-	5.00

c. Balance Outstanding of Related Parties :

Name of Party	Receivable / Payable	Year ended March 31, 2015	Year ended March 31, 2014
Vishnu Kumar Gurnani	Remuneration Payable	-	0.89
Akshay Gurnani	Remuneration Payable	1.03	-
Dinesh Gurnani	Advance recoverable in cash or kind	2.50	-
	Other Payables	-	0.03
Kishore Kumar Gurnani	Advance recoverable in cash or kind	-	4.81
Vimal Power Cables Private Limited	Advance to Creditor	6.38	18.28
Pinkcity Buildhome Private Limited	Trade Receivables	-	0.54
	Advance to Creditor	0.16	1.59
Gurnani Infra Developer Private Limited	Advance to Creditor	-	0.42
	Deposit	-	1,250.00
Tulsi Palace Resort Private Limited	Trade Receivables	3.55	-
Vankon Switchgears and Cables Private Limited	Advance to Creditor	1.25	1.25
Kripa Real Mart Private Limited	Security Deposit Granted	35.00	-
Veto Powers	Trade Payables	-	2.27
Anjali Packaging	Trade Payables	-	2.33

Note 34 : Operating Lease

Future minimum lease payment under non-cancellable operating leases is as follows

Particulars	Year Ended 31st March, 2015	Year Ended 31st March, 2014
Not later than one year	1.06	2.68
Later than one year and not later than five years	-	0.90





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(Rs. in Lacs)

Later than five years	-	-
TOTAL	1.06	3.58

Note 35 : The Company had raised an amount of Rs. 2500.50 Lacs through an IPO of equity shares during the financial year 2012-13, by way of 50.01 lacs Equity Shares of Rs 10/- at a premium of Rs 40/- per share. The said proceeds has been fully utilised during the current year in terms of the offer document for the purpose of modernisation of existing production facilities , working capital requirements, brand building and meeting IPO expenses.

Note 36 : A major fire had occurred at one of the rental warehouse of the Company on May 19, 2014. Stock of finished goods / stock in trade amounting Rs. 1652.01 lacs was destroyed in the fire. Further in respect to damages to the leasehold premises and improvements there at , the Company has made provision for the reinstatement value of Rs. 207.23 lacs which was destroyed in the fire. The Company has also incurred Rs. 9.79 Lacs towards various expenses related to the fire. The Company has lodged a claim for insurance for the above losses amounting to Rs.1669.03 Lacs net of salvage value of Rs. 200 lacs.

Note 37 : Contingent Liabilities

Particulars	Year Ended 31st March, 2015	Year Ended 31st March, 2014
a) Guarantees and L.C.given		
Gaurantee given by bank on behalf of the Company	121.72	12.50
b) Diputed Liabilities		
Tax matters in dispute under appeal	2.02	-
c) Estimated amount of contracts remaining to be executed on Capital Account (Net of Advance)		
	171.39	-
Total	295.12	12.50

Note 38 : Depreciation

Effective from 1st April,2014 the Company has charged depreciation on its assets based on their useful life as stipulated under Schedule II of the Companies Act, 2013. Due to this,the depreciation for the year ended on 31st March, 2015 is lower by Rs 74.96 Lacs as compared to the depreciation computed under the provisions of the Companies Act, 1956. Further based on the transitional provisions in Note 7(b) of Schedule II, Rs. 2.77 Lacs (Net of Deferred Tax Rs. 1.88 Lacs) which is adjusted against opening balance of Retained Earnings

Note 39 : Corporate Social Responsibility

During the year, the Company has started various initiative towards CSR and spent Rs. 13.86 lacs (as stated below) as against Rs. 15.73 as required by section 135 read with Schedule VII of the Companies Act 2013.

Amount spent during the year on :

Particulars	In Cash/Bank	Yet to be paid in Cash/Bank	Total
Construction/acquisition of any asset	-	-	-
On purposes other than (i) above	13.86	-	13.86
Total	13.86	-	13.86

Note 40 : Post Balance Sheet Event

The equity shares of the Company are listed on SME Platform of NSE i.e. EMERGE. However w.e.f. April 29, 2015 the equity shares of the Company has been migrated from NSE SME Platform to Main Board of NSE.



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Notes to consolidated financial statements for the year ended 31st March 2015

(Rs. in Lacs)

Note : 41

Additional information as required under schedule III of Companies Act, 2013, of enterprises consolidated as Subsidiary and Joint Venture .

Name of the Enterprises	Net Assets i.e. Total assets minus total liabilities		Share in Profit or loss	
	As % of Consolidated Net Assets	Amount	As % of Consolidated Profit or Loss	Amount
Parent				
Veto Switchgears And Cables Limited	97.44	7,079.23	100.02	714.54
Subsidiaries				
Veto Electricals Private Limited	2.56	185.98	(0.02)	(0.15)

Note 42 : Previous year's figure's have been re-grouped, re-arranged & re-classified, wherever considered necessary, to confirm the current period figures.

Note 43 : Figures less than Rs. 500/- have been shown at actuals wherever statutory required to be disclosed since figures have been rounded off to the nearest thousands.

As per our Report of even date attached

For S G C O & Co.

Chartered Accountants

For and on behalf of the board


Suresh Murarka
Partner
Mem. No. 44739

Place: Mumbai
Date : 29th May, 2015


Akshay Kumar Gurnani
Managing Director
DIN : 06888193

Place: Jaipur
Date : 29th May, 2015


Dinesh Gurnani
WTD & CFO
DIN : 00218635


Chavi Rawat
Company Secretary



NOTICE

Notice is hereby given that the 8th Annual General Meeting of Veto Switchgears And Cables Limited will be held on Wednesday, August 26, 2015 at China 1 G-05, Morya Landmark 1, Plot No. B-25, Off New Link Road, Andheri (West), Mumbai- 400020, Maharashtra at 1:00 P.M. to transact following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at 31st March, 2015 and Profit & Loss Account for the year ended on that date along with the Reports of Auditors and Director's thereon.
2. To appoint Ms. Jyoti Gurnani as director, who retires by rotation and being eligible offers herself for re-appointment.
3. To re-appoint Auditor and to fix their remuneration.

SPECIAL BUSINESS

Item No. 1: Increase in Managerial Remuneration

To consider, and if thought fit, to pass, with or without modification, the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to applicable provisions of section 197, Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) a sum not exceeding 11% per annum of the net profit of the Company calculated in accordance with the provisions of Section 198 of the Companies Act, 2013 to be paid to the Managing Director subject to the approval of shareholders of the Company.”

“RESOLVED FURTHER THAT in the event of inadequacy of profits in any financial year the Managing Director shall be paid a minimum remuneration upto Rs. 1,25,000 subject however that the maximum remuneration payable shall be within the limits prescribed under Schedule V as amended from time to time and in the event such remuneration exceeds the prescribed limits under Schedule V, consent of members, Board of Directors and the Central Government be obtained in such a manner that the remuneration payable by way of salary and perquisites shall not be reduced.”

Item No. 2: Approval of Employee Stock Option Purchase (ESOP)

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 62 (1) (b) and all other applicable provisions, if any, of the Companies Act, 2013 read with Rules framed under (including any statutory modification(s) or re-enactment(s) thereof for the time being in force, the Memorandum and Articles of Association of the Company, Securities and Exchange Board of India (Share Based employees benefits) Regulations, 2014, as amended from time to time and subject to such other approvals, permissions and Sanctions as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions, which may be accepted by the Board of Directors of the Company (hereinafter referred to as the “Board” which shall be deemed to include any committee, including Nomination and Remuneration Committee, which the Board has constituted to exercise its powers, including the powers conferred by this resolution) approval of the Shareholders of the Company be and is hereby accorded respectively to the ‘Veto Switchgears and Cables Limited Employees Stock Option Plan, 2015 (hereinafter referred to as the “Veto ESOP 2015”/Plan”) and to the Board to create, offer and grant from time to time Employees stock Options (“ESOPs”) upto 5 % of the paid up share Capital of the Company as on the date of passing the resolution to the permanent employees including





Directors of the Company (other than Promoters or belonging Promoters Group of the Company, Independent Directors or Directors holding directly or indirectly more than 10 % of the outstanding Equity shares of the Company), Whether whole-time or otherwise, as may be decided solely by the Board under this plan, exercisable into not more than 9,16,355 fully paid Equity Shares in the Company in aggregate of face value of Rs. 10 at such price or prices, in one or more tranches and on such terms and conditions, as may be determined by the Board in accordance with the Provisions of the Plan, SEBI (Share Based employees benefits) Regulations and in due compliance with other applicable laws and regulations.”

“RESOLVED FURTHER THAT all actions taken by the Board in connection with the above and all incidental and ancillary things done are hereby specifically approved and ratified.’

“RESOLVED FURTHER THAT the Board be and is hereby further authorized to issue and to allot equity shares upon exercise of ESOPs from time to time in accordance with the Plan and such equity shares rank pari passu in all respects with the then existing equity shares of the Company.”

“RESOLVED FURTHER THAT the number of ESOPs that may be granted to the Employee(s), in any financial year and in aggregate under the plan shall not be less than 9,16,355 of the issued Equity Share Capital (excluding outstanding warrants and conversions) of the Company.”

“RESOLVED FURTHER THAT in case of any corporate action(s) such as right issues, bonus issues, change in capital structure, merger and/or sale of division/undertaking or other re-organisation, and others, if any additional equity shares are required to be issued by the Company to the Shareholders, the ceiling as aforesaid 916355 ESOPs and equity Shares respectively to be issued and allotted shall be deemed to increase in proportion of such additional Shares issued to facilitate making a fair and reasonable adjustment.”

“RESOLVED FURTHER THAT in case the equity shares of the Company are either sub-divided or consolidated, then the number of shares to be allotted and the price of acquisition payable by the option grantees under the plan shall automatically stand augmented or reduced, as the case may be, in the same proportion as the present face value of Rs. 10 along with the Premium as decided by the Board per equity share bears to the revised face value of the equity shares of the Company after such sub-division or consolidation, without affecting any other rights or obligations of the option grantees.

“RESOLVED FURTHER THAT the Board be and is hereby authorized at any time to modify, change, alter, vary, amend, suspend or terminate the “Veto ESOP 2015”/Plan” subject to the compliance with the applicable laws and regulations and to do all such acts, deeds, matters and things as it may in its absolute discretion deem fit, for such purpose and also to settle any issues, questions, difficulties or doubts that may arise in this regard without being required to seek any further consent or approval of shareholders and further to execute all such documents, writings and to give such directions and/or instructions as may be necessary or expedient to give effect to such modification, change, variation, alteration, amendment, suspension or termination of the “Veto ESOP 2015”/Plan” and do all other things incidental and ancillary thereof.”

“RESOLVED FURTHER THAT the Company shall confirm to the accounting policies prescribed from time to time under the SEBI Share Based employees benefits) Regulations and any other applicable laws and regulations to the extent relevant and applicable to the “Veto ESOP 2015”/Plan”.

“RESOLVED FURTHER THAT the Board can allot the shares as per its discretion to the Employees of the Company.”

“RESOLVED FURTHER THAT the Board be and is hereby authorized to take necessary steps for listing of the equity shares allotted under the “Veto ESOP 2015”/Plan” on the stock Exchanges, where the equity share of the Company are listed as per the provisions of the Listing Agreement with the Concerned Stock Exchanges and other applicable laws, guidelines, rules and regulations.”





“RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds and things, as it may in its absolute discretion, deem necessary including appointment of Merchant Bankers, Brokers, Solicitors, Registrars, Advertisement Agency, Compliance officer, Investor Service Centre and other Advisors, Consultants or Representatives, being incidental to the effective implementation and administration of “Veto ESOP 2015”/Plan” as also to prefer application to the appropriate authorities, parties and the institutions for their requisite approvals as also to initiate all necessary action for the preparation and issue of public announcement and filing of public announcement if required, with the SEBI/Stock Exchange(s), and all other documents required to be filed in the above connection and to settle all such questions or difficulties whatsoever which may arise and take all such steps and decisions in this regard.”

“RESOLVED FURTHER THAT the Board be and is hereby also authorized Mr. Akshay Kumar Gurnani, Managing Director cum CEO to represent the Company for carrying out any or all the activities for the purpose of giving effect to this resolution.”

Item No. 3: Grant of Stock Options to the Employees of Holding and Subsidiary Companies under ESOP Scheme

To consider, and if thought fit, to pass, with or without modification, the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to applicable laws, approval of members of the Company be and is hereby accorded to grant the Stock Options under ESOP Scheme to the Present and Future, Permanent employees of the Holding and Subsidiary Companies and their Directors whether Whole Time Director or not but Excluding Independent Director, if any from time to time, on such terms and conditions as may be decided by the Board.”

“RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution the Board or the Officers authorized by the Board in this regard be and is hereby authorized to do all such acts, deeds, matters and things as may be necessary for expedient and to settle any questions, difficulties or doubts that may arise in this regard without requiring the Board to secure any further consent or approval of the members of the Company.”

Regd. Office:

506,5th Floor, Plot No. B-9,
Landmark Building, New Link Road,
Andheri(West), Mumbai 400058.

By order of the Board

for VETO SWITCHGEARS AND CABLES LIMITED

Date: 01/08/2015


(AKSHAY KUMAR GURNANI)
MANAGING DIRECTOR
(DIN: 06888193)


(DINESH GURNANI)
WHOLE TIME DIRECTOR
(DIN: 00218635)





NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF/HERSELF. THE PROXY NEED NOT TO BE A MEMBER OF THE COMPANY. A BLANK FORM IS ENCLOSED HEREWITH AND, IF INTENDED TO BE USED, IT SHOULD BE RETURNED DULY COMPLETED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY EIGHT HOURS BEFORE THE SCHEDULED TIME OF THE COMMENCEMENT OF THE 8th ANNUAL GENERAL MEETING.
- 2) Members are required to notify immediately any changes in their address AND email Id to the Company.
- 3) The instrument appointing the proxy, duly completed, stamped and signed, must be deposited at the Company's registered office not less than 48 hours before the commencement of the meeting. The Proxy Form for the AGM is enclosed herewith.
- 4) Members / proxies should bring the duly filled Attendance Slip enclosed herewith to attend the meeting.
- 5) Members may also note that the Notice of AGM will be available on the Company's website, www.vetoswitchgears.com . The Notice will also be available at the Company's Registered Office for inspection during normal business hours on working days. Members may write us at cs.chavi@vetoswitchgears.com if they have any queries or require communication in physical form in addition to electronic communication.
- 6) An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, with respect to the Special Business set out in the Notice is annexed hereto.
- 7) In compliance with the provisions of Section 108 of the Companies Act, 2013 and Rules framed there under, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by CDSL, on the resolution set forth in this Notice.

The instructions for members for voting electronically are as under:-

In case of members receiving e-mail:

- (i) Log on to the e-voting website www.evotingindia.com
- (ii) Click on "Shareholders" tab.
- (iii) Now, select the "Veto Switchgears and Cables Limited" from the drop down menu and click on "SUBMIT"
- (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	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <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 sequence number (refer serial no. printed on the name and address sticker/Postal Ballot Form/mail) in the PAN Field. In case the sequence 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 serial 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	<p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <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 member id / folio number 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 reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (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 Veto Switchgears and Cables Limited.
- (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 changed password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
 - Non-Individual shareholders (i.e. other than Individuals, HUF, and NRI etc.) are required to log on to <https://www.evotingindia.com> and register themselves as Corporate.
 - They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com.
 - After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

In case of members receiving the physical copy:

- Please follow all steps from sl. no. (i) to sl. no. (xvii) above to cast vote.

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

General Instructions:

- (A) The e- voting period begins on August 23rd, 2015 at 10:00 A.M. and ends on August 25th, 2015 at 10:00 A.M. During this period, shareholders’ of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date of 19th August, 2015, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the Shareholder; the shareholder shall not be allowed to change it subsequently.
- (B) A person who has voted through e-voting mechanism as detailed above shall not be debarred from participation in the Annual General Meeting physically. But he shall not be able to vote in the meeting again, and his earlier vote (cast through e-means) shall be treated as final.
- (C) The Voting rights of Members shall be in proportion to their shares of the paid up equity share capital of the Company as on 19th, August, 2015.





- (D) Ms. Manisha Kalra, Practicing Company Secretary has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- (E) The Scrutinizer shall, at the Annual General Meeting, unblock the votes in the presence of at least two witnesses, who are not in employment of the Company and make a Scrutinizer's Report of the votes cast in favor of or against, if any, forthwith to the Chairman of the Company.
- (F) The results declared along with the Scrutinizer's Report shall be placed on the Company's Website (www.vetoswitchgears.com) and on RTA's or CDSL's Website within two days of passing of resolution at the Annual General Meeting of the Company held on August 26th, 2015 and communicated to the National Stock Exchange of India Limited, where the shares of the Company are listed.

All documents referred to in the accompanying Notice and the Statement pursuant to Section 102 (1) of the Companies Act, 2013, will be available for inspection at the registered office of the Company during business hours on all working days up to the date of declaration of the result of the Annual General Meeting.

Redg Office:

506, 5th Floor Plot No. B-9, Landmark Building
New Link Road, Andheri (West),
Mumbai, Maharashtra 400058.

Place : Jaipur
Date: August 1, 2015

By Order of the Board
For, Veto Switchgears and Cables Limited

Akshay Kumar Gurnani
(Managing Director)
(DIN: 06888193)





EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 TO THE NOTICE CALLING ANNUAL GENERAL MEETING OF THE MEMBERS OF THE COMPANY TO BE HELD ON WEDNESDAY, 26 DAY OF AUGUST, 2015 AT 01:00 P.M. AT CHINA 1 G-05, MORYA LANDMARK 1, PLOT NO. 25, OFF NEW LINK ROAD, ANDHERI WEST, MUMBAI-400020, MAHARASHTRA

Item No. 1

As the Company has grown manifold and the duties and responsibilities of the Managing Director of the Company have increased to a considerable extent. The Remuneration Committee and Board of Directors of the Company discussed the matter and felt that their hard work and efforts have contributed well towards the growth of the Company and opined to increase the remuneration of Managing Director.

The approval of the members is being sought to the terms, conditions and stipulations for the remuneration of Managing Director.

None of the Directors and Key Managerial personnel of the Company or their respective relatives is concerned or interested in the passing of this resolution.

Item No. 2 & 3

The Company intends to implement Veto Switchgears and Cables Limited Employees Stock Option Plan, 2015 ("Veto ESOP 2015"/Plan") with a view to attract and retain key talents working with the Company. Veto ESOP 2015"/Plan envisages primary issue of 9,16,355(Nine Lacs Sixteen Thousand Three hundred fifty five) equity shares within the term of the Plan.

The Board of Directors of the Company have at its meeting held on 23rd July, 2015 approved Veto ESOP 2015"/Plan, envisaging aforesaid number of Equity Shares.

The main features of the employee stock option scheme are as under:

1. Total number of options to be granted

A total of 916355 options would be available for being granted to eligible employees of the company under employee stock option scheme/s. Each option when exercised would be converted into one equity share of ` 10/- each fully paid-up along with approved by the Board.

Vested options that lapse due to non-exercise or unvested options that get cancelled due to resignation of the employees or otherwise, would be available for re-grant at a future date.

SEBI guidelines require that in case of any corporate action(s) such as rights issues, bonus issues, merger





and sale of division, stock split/consolidation and others, a fair and reasonable adjustment needs to be made to the options granted. Accordingly, if any additional equity shares are issued by the company, the ceiling of 916355 equity shares shall be deemed to be increased proportionately to the extent of such additional equity shares issued.

2. Identification of classes of employees entitled to participate in the Employee Stock Option Scheme(s)

All eligible employees of the company, including the employees of the Holding and subsidiaries but excluding the promoters of the company, as may be decided by the committee from time to time would be entitled to be granted stock options under the ESOP scheme(s).

3. Transferability of employee stock options

The stock options granted to an employee will be non transferable to any person and shall not be pledged, hypothecated, mortgaged or otherwise alienated in any manner. However, in the event of the death of an employee stock option holder while in employment, the right to exercise all the options granted to him till such date shall be transferred to his legal heirs or nominees.

4. Requirements of vesting and period of vesting

The options granted shall vest so long as the employee continues to be in the employment of the company. The committee may, at its discretion, lay down certain performance metrics on the achievement of which the granted options would vest, the detailed terms and conditions relating to such performance-based vesting, and the proportion in which options granted would vest (subject to the minimum and maximum vesting period as specified below).

The options would vest not earlier than one year and not later than five years from the date of grant of options. The exact proportion in which and the exact period over which the options would vest would be determined by the committee, subject to the minimum vesting period of one year from the date of grant of options.

5. Exercise Price

The options would be granted at an exercise price not less than face value and not more than Rs. 50 and can vary on the discretion of Board of Directors.

6. Exercise period and the process of exercise

The exercise period would commence from the date of vesting and will expire on completion of three years from the date of vesting of options.

The options will be exercisable by the employees by a written application to the company to exercise the options in such manner and on execution of such documents, as may be prescribed by the committee from time to time. The options will lapse if not exercised within the specified exercise period.

7. Process for determining the eligibility of the employees for ESOP

The process for determining the eligibility of the employee will be specified by the committee and will be based on criteria such as role/designation of the employee, length of service with the company, past performance record, future potential of the employee and/or such other criteria that may be determined by the committee at its sole discretion.





8. Maximum number of options to be issued per employee and in aggregate

The number of options that may be granted to any specific employee under the Scheme, during any one year, shall not exceed 5% of the paid up share capital of the company at the time of grant of options.

9. Disclosure and accounting policies

The company shall comply with the applicable disclosure and the accounting policies prescribed as per SEBI Guidelines and the guidance note issued by the Institute of Chartered Accountants of India.

10. Method of option valuation

To calculate the employee compensation cost, the company shall use the intrinsic value method for valuation of the options granted.

As the company calculates the employee compensation cost using the intrinsic value of the stock options, the difference between the employee compensation cost so computed and the cost that shall have been recognized if it had used the fair value of the options, shall be disclosed in the directors' report and also the impact of this difference on profits and on EPS of the company shall also be disclosed in the directors' report.

Consent of the members is being sought pursuant to the applicable provisions of the Act, if any and as per SEBI Guidelines to give effect to the above proposal. The board of directors recommend passing of the special resolutions for the approval of the members.

None of the Directors and Key Managerial personnel of the Company or their respective relatives is concerned or interested in the passing of this resolution.

The Directors recommend the resolution proposed at Item No.2 of this Notice for your approval.

Regd. Office:

506, 5th Floor Plot No. B-9, Landmark Building
New Link Road, Andheri (West),
Mumbai, Maharashtra 400058.

By order of the Board

for VETO SWITCHGEARS AND CABLES LIMITED

Place: Jaipur

Date: 23/07/2015

AKSHAY KUMAR GURNANI
(MANAGING DIRECTOR)
(06888193)





Proxy Form

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



VETO SWITCHGEARS AND CABLES LIMITED

Redg. Office: 506, 5th Floor, Plot No. B-9, Landmark Building, New Link Road, Andheri (West), Mumbai, Maharashtra-400058

CIN: L31401MH2007PLC171844

www.vetoswitchgears.com

Annual General Meeting –August 26, 2015

Name of the member (s):

Registered address:

E- mail Id:

Folio No/ Client Id:

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DP ID:

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I /We, being the member (s) of _____ Shares of the above named Company, hereby appoint





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 the Wednesday, August 26, 2015 at 1:00 P.M. at China 1 G-05, Morya Landmark 1, Plot No. B-25, Off New Link Road, Andheri (West), Mumbai- 400020, Maharashtra, India and at any adjournment thereof in respect of such resolution as is indicated below:

Resolution Number	Resolution		
		For	Against
Special Business			
1.	Increase in the Remuneration of Managing Director		
2.	To Issue Equity Shares under ESOP Scheme upto 5% of its paid up share capital to Employees of the Company		
3.	Grant of Stock Options to the Employees of Holding and Subsidiary Companies under ESOP Scheme		

Signed this _____ day of August , 2015.

Signature of Shareholder

Signature of Proxy holder (s)

Affix 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. It is optional to indicate your preference if you leave the 'for or against' column blank against resolution, your proxy will be entitled to vote in the manner as he/ she may deem appropriate.



AN ISO 9001:2008 CERTIFIED COMPANY

V Veto®

SINCE 1967

ALL ELECTRICAL SEGMENTS



VETO SWITCHGEARS AND CABLES LTD.

Corp. Office : 230, Sindhi Colony, Raja Park, Jaipur-3020014 (Raj.) India.

Regd. Off.: 506, 5th Floor, Landmark Building, Link Road, Andheri (W), Mumbai - 400 053 (India)

Factory : (Haridwar) Plot No. 65-67, 74-77, Sector-5, 2E, Sidcual, Ranipur, Haridwar-24403 (UK) INDIA

Email : info@vetoswitchgears.com | Website : www.vetoswitchgears.com