

**SHIVAGRICO IMPLEMENTS  
LIMITED**

**35<sup>TH</sup> ANNUAL REPORT  
2013-2014**

# SHIVAGRICO IMPLEMENTS LIMITED

## BOARD OF DIRECTORS

Shri Vimalchand M. Jain	Chairman
Shri Hemant Ranawat	Executive Director
Shri Vinit Ranawat	Director
Shri Narpatmal Singhvi	Independent non executive Director
Shri Bhavesh Shah	Independent non executive Director
Br. Karan Singh Chauhan	Independent non executive Director

## AUDITORS

### **Sanghvi Sanghvi & Sanghvi**

Chartered Accountants  
10, La Citadelle,  
99, Maharshi Karve Road,  
Mumbai - 400 020

## **Registrar and Share Transfer Agents:**

### **Big Share Services Pvt. Ltd.**

E-2/3 Ansa Indl. Estate  
Saki Vihar Road, Saki Naka  
Andheri (E), Mumbai- 400 072  
Tel.No.: 022- 28470652/53  
Fax No.: 022 28475207  
Email: [bigshare@bom7.vsnl.net.in](mailto:bigshare@bom7.vsnl.net.in)

## BANKERS

### **State Bank of Bikaner & Jaipur,**

FALNA (RAJ.) - 306116

## REGD. OFFICE

A-1, Adinath Apartments,  
281, Tardeo Road,  
Mumbai - 400 007

## FACTORY

A-38/C-38, Rana Pratap Marg,  
H.M. Nagar, Falna 306116  
Rajasthan

# SHIVAGRICO IMPLEMENTS LIMITED

**ADDRESS :** A-1 Ground Floor, Adinath Apartment, 281, Tardeo Road, Mumbai- 400007

**CIN :** L28910MH1979PLC021212

**E-MAILID:** shivimpl@shivagrigo.com

**Website :- :** [www.shivagrigo.com](http://www.shivagrigo.com)

## NOTICE

NOTICE is hereby given that the **THIRTY FIFTH ANNUAL GENERAL MEETING** of the members of **SHIVAGRICO IMPLEMENTS LIMITED** will be held on Thursday, the 11<sup>th</sup> day of September, 2014 at 11.00 a.m. at P-4, Party Hall, 4<sup>th</sup> Floor, The Majestic, Anna Saheb Patil Marg, Khed Gully X Lane, Prabhadevi, Mumbai- 400025 to transact the following business:

### **ORDINARY BUSINESS :**

1. To receive, consider and adopt the Audited Financial Statement of the Company for the financial year ended 31<sup>st</sup> March, 2014 including the audited Balance sheet as at 31<sup>st</sup> March, 2014 and the statement of Profit & Loss Account of the Company for the year ended as on that date and the Report of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Vimalchand Jain (DIN-00194574), who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mr. Vinit Ranawat (DIN-00778655), who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint Auditor of the Company and fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution :

Resolved that M/s Sanghvi Sanghvi & Sanghvi, Chartered Accountants, the retiring auditors of the Company be and hereby appointed as the auditors of the Company to hold office from the conclusion of this Annual General meeting until the conclusion of the 38<sup>th</sup> Annual General Meeting of the Company (subject to ratification of their Appointment at every AGM, on such remuneration as may be decided by the Board of Directors of the Company and the Auditors.

### **SPECIAL BUSINESS:**

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

**“RESOLVED THAT** pursuant to Section 148 and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the remuneration of Rs. 7500/- (Rupees Seven Thousand Five Hundred only) and reimbursement of actual travel and out of pocket expenses, to be paid to M/s. Chittora & Co., Cost Auditor of the Company, for the financial year 2014-2015, as approved by the Board of Directors of the Company, be and is hereby ratified”.

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

**“RESOLVED THAT** pursuant to the provisions of sections 149, 150, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies(Appointment and Qualifications of Directors)Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Narpatmal Sanghvi (DIN- 00206662), who was appointed as a Director liable to retire by and in respect of whom the Company has received a notice in writing under section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for a term upto the conclusion of the 39<sup>th</sup> Annual General Meeting of the Company in the calendar year 2018.”

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

**“RESOLVED THAT** pursuant to the provisions of sections 149, 150, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies(Appointment and Qualifications of Directors)Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Bhavesh Shah (DIN- 00194318), who was appointed as a Director liable to retire by rotation and in respect of whom the Company has received a notice in writing under section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for a term upto the conclusion of the 39<sup>th</sup> Annual General Meeting of the Company in the calendar year 2018.”

## SHIVAGRICO IMPLEMENTS LIMITED

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

**“RESOLVED THAT** pursuant to the provisions of sections 149, 150, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies(Appointment and Qualifications of Directors)Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), Br. Karan Singh Chauhan (DIN- 03033192), who was appointed as a Director liable to retire by rotation and in respect of whom the Company has received a notice in writing under section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for a term upto the conclusion of the 39<sup>th</sup> Annual General Meeting of the Company in the calendar year 2018.”

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

**“RESOLVED THAT** in supersession of the Resolution passed in the year 1992, in this behalf, and pursuant to the provisions of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013, consent of the Members of the Company be and is hereby accorded to the Board of Directors (hereinafter referred to as “the Board, which term shall be deemed to include any Committee thereof) of the company to borrow from time to time such or sums of money as they deem necessary for the purpose of the business of the Company, notwithstanding that the monies to be borrowed together with the monies already borrowed by the Company (apart from temporary loans obtained from the Company’s bankers in the ordinary course of business) and remaining outstanding at any point of time will exceed the aggregate of the paid-up share capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose, provided that the total amount up to which money to be borrowed by the Board of Directors/Committee and which may remain outstanding at any given point of time shall not exceed the sum of Rs.20 crores (Rupees Twenty crores only) on such terms and conditions as to interest, repayment, security or otherwise as they may, in their absolute direction, deem fit,”

**“RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorised and it shall always be deemed to have been authorised to finalise and execute with the Lenders/Trustees for the holders of the requisite agreement, documents, deeds and writings for borrowing and/ or for creating the aforesaid mortgage(s) and/ or charge(s) and to do all such acts, deeds and things as may be necessary to give effect to the above Resolutions.”

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

**“RESOLVED THAT** in supersession of the Resolution passed in the year 1993, in this behalf, and pursuant to the provisions of the Section 180(1)(a) and the other applicable provisions, if any, of the Companies Act, 2013 consent of the Company be and is hereby accorded to the Board of the Company to mortgage and/ or create charge on all or any one or more of the movable/ immovable properties or such other assets of the Company, wheresoever situated, both present and future, on such terms and conditions and at such time or times and in such form or manner as it may deem fit, to or in favour of National/ International Financial Institutions/Banks/ Trustees for the Bond holders (in case of issue of Bonds)etc. hereinafter referred as” the lenders” to secure any Term Loans/ Cash Credit Facilities/Debentures/Bonds or the like, obtained / to be obtained from any of the aforesaid lenders together with interest thereon at the respective agreed rate(s), compound interest, additional interest, liquidated damage(s), commitment charge(s), premia on prepayment or on redemption cost, charge(s), expenses and all other monies payable by the Company to such lenders under the respective loan/ other agreement(s) entered /to be entered into between the Company and the lender(s) in respect of the said borrowing(s), such security to rank in such manner as may be agreed to between the concerned parties and as may be thought expedient by the Board.”

**“RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorised and it shall always be deemed to have been authorised to finalise and execute with the Lenders/Trustees for the holders of the requisite agreement, documents , deeds and writings for borrowing and/ or for creating the aforesaid mortgage(s) and/ or charge(s) and to do all such acts, deeds and things as may be necessary to give effect to the above Resolutions.”

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

**(Vimalchand Jain)**  
**Chairman**

**Place:** Mumbai

**Date:** 30<sup>th</sup> May, 2014

# SHIVAGRICO IMPLEMENTS LIMITED

## NOTES :

1. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 relating to the Special Businesses to be transacted at the Annual General Meeting is annexed hereto.

2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND TO VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**

The instrument(s) appointing a proxy, if any shall be deposited at the Registered Office of the Company at A-1 Ground Floor, Adinath Apartment, 281, Tardeo Road, Mumbai- 400007 not less than 48 hours before the commencement of the meeting.

A person acting as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10 percent of the total share capital of the Company carrying voting rights. A member holding more than 10 percent of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

3. The Register of Members and Share Transfer Books of the Company will remain close from 8th September, 2014 to 11<sup>th</sup> September, 2014 (both days inclusive).
4. Members are requested to intimate the Registrar and Share Transfer Agent of the Company- Big Share Services Private Limited, immediately of any change in their address on respect of equity shares held in physical mode and to their Depository Participants (DP) in respect of equity shares held in dematerialized form.
5. Members holding share certificates under different folio numbers but in the same order of name are requested to apply for consolidation of such folios and send relevant share certificates to the Registrar and Share Transfer Agent of the Company.
6. Pursuant to Section 101 and 136 of the Companies Act, 2013 read with relevant Rules made thereunder, Companies can serve Annual Report and other communications through electronic mode to those Members who have registered their e-mail address with the Company or with the Depository. Members who have not registered their e-mail address either with the Company or with the Depository can now register the same by submitting updated email address to Big Share Services Private Limited, the Registrar and Share Transfer Agent or Company. Members of the Company, who have registered their e-mail address, are entitled to receive such communication in physical form upon request.

The Notice of AGM, Annual Report and Attendance Slip are being sent in electronic mode to members whose e-mail IDs are registered with the Company or the Depository Participant(s) unless the Members have registered their request for a hard copy of the same. Physical copy of the Notice of AGM, Annual Report and Attendance Slip are being sent to those members who have not registered their e-mail IDs with the Company or Depository Participant(s). Members who have received the Notice of AGM, Annual Report and Attendance Slip in electronic mode are requested to print the Attendance Slip and submit a duly filled in Attendance Slip at the registration counter to attend the AGM. Members may also note that the Annual Report for FY 2013-2014 will also be available on the Company's website : [www.shivagrigo.com](http://www.shivagrigo.com) for their download

7. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Clause 35B of the Listing Agreement, Members have been provided with the facility to cast their vote electronically, through the e-voting services provided by Central Depository Services Limited, on all resolutions set forth in this notice.

The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on 4<sup>th</sup> September, 2014 (9.00 a.m. IST) and ends on 5<sup>th</sup> September, 2014 (6.00 p.m. IST). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 14<sup>th</sup> August, 2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).

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

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(vi) 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"> <li>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 <b>folio/client id</b> number in the PAN field.</li> <li>In case the <b>folio</b> 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 <b>folio</b> number 1 then enter RA00000001 in the PAN field.</li> </ul>
DOB	<p>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.</p>
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"> <li>Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the number of shares in the Dividend Bank details field.</li> </ul>

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

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

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

(x) Click on the EVSN for the relevant Shivagrigo Implements Limited on which you choose to vote.

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

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

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

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

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

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

(xvii) Note for Non – Individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporate.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- After receiving the login details they have to create a user who would be able to link the account(s) for which they wish to vote on.
- The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

(xviii) 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](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

Since the Company is required to provide members the facility to cast their vote by electronic means, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut – off date and not casting their votes electronically, may cast their vote at the AGM venue, facility will be available at the venue. The results of e-voting will be placed by the Company on the website: [www.shivagrigo.com](http://www.shivagrigo.com) two days of the AGM and also communicated to the stock exchanges, where the shares of the Company are listed.

8. The resolutions proposed will be deemed to have been passed on the date of AGM subject to receipt of number of votes in favour of the resolutions.

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9. Mr. Narayan Parekh, Partner, PRS Associates, Practicing Company Secretaries, (Membership No : ACS 8059) has been appointed as the Scrutinizer to scrutinize the e-voting process.
10. In terms of clause 35B of the Listing Agreement, those members, who do not access to e-voting facility, may send their assent or dissent in writing on the Ballot Form sent along with this AGM Notice so as to reach the Scrutinizer at the Address- Mr. Narayan Parekh, Partner, PRS Associates, Practicing Company Secretary, (Membership No : ACS 8059) c/o Shivagrigo Implements Limited, Big Share Services Pvt. Ltd. E-2/3 Ansa Indl. Estate Saki Vihar Road, Saki Naka Andheri (E), Mumbai- 400 072. Any Ballot Form received after this date will be treated as if the reply from the member has not been received.
11. Voting will be provided to the members through e-voting and / or at the AGM venue. A member can opt for only one mode of voting i.e. either through e-voting or ballot. If a member cast votes by both modes, then voting done through e-voting shall prevail and the ballot shall be treated as invalid.
12. All the documents referred to in the accompanying Notice and Explanatory Statement are open for inspection at the Company's Registered office on all working days of the Company between 10.00 a.m. to 1.00 p.m. upto the date of the Annual General Meeting except Saturday and Sunday.
13. Members/Proxies are requested to bring their attendance slip duly filled in along with their copy of Annual Report to the Meeting.

## BRIEF RESUME OF PERSONS TO BE APPOINTED/ REAPPOINTED AS DIRECTORS OF THE COMPANY AT THE ANNUAL GENERAL MEETING PURSUANT TO CLAUSE 49 OF THE LISTING AGREEMENT.

Name of the Director	Mr. Vimalchand Jain	Mr. Vinit Ranawat	Mr. Narpatmal Sanghvi	Mr. Bhavesh Shah	Br. Karan Singh Chauhan
Date of Birth	25/01/1949	09/01/1979	21/02/1937	02/02/1981	06/01/1939
Date of Appointment	17/04/1979	25/02/2008	31/10/2001	29/12/2005	30/01/2010
Age	65	36	77	33	75
Qualification	B.E. (Mech)	M.B.BA	Post Graduate	L.L.B	MBA
Nature of Expertise	Business, Technical & Management	Business	Management	Business	Administration
Experience	43 years	13 years	56 years	10 years	15 years
Directorship in Indian other Public Limited Companies as on 31.3.2014.	NIL	NIL	NIL	NIL	NIL
Membership/ Chairmanship of Committees in other Indian Public Limited Companies as on 31.3.2014 *	NIL	NIL	NIL	NIL	NIL
No of shares held in the Company as on 31.3.2014	835000	528500	4800	NIL	1000

## ANNEXURE TO NOTICE:

### EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013.

#### Item No 5 :

The Board of Directors of the Company, on the recommendation of the Audit Committee, at its meeting held on 30<sup>th</sup> May, 2014, has considered and approved the appointment of M/s. Chittora & Co., as the Cost Auditor of the Company for the financial year 2014-2015 at a remuneration of Rs. 7500/- (Rupees Seven Thousand Five Hundred only) per annum and reimbursement of actual travel and out of pocket expenses.

Pursuant to Section 148(3) of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration, as approved by the Board of Directors of the Company on the recommendation of the Audit Committee, is required subsequently ratified by the Members of the Company.

The Resolution as at Item No. 5 of the Notice is therefore set out as an Ordinary Resolution for approval and ratification by the Members.

None of the Directors, Manager and/or Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in these Resolutions.

Your Directors recommend the resolution as at Item No. 5 for your approval.

#### Item Nos. 6 to 8 :

In accordance with relevant provisions of the Article of Associations of the Company and the erstwhile provisions of the Companies Act, 1956, Mr. Narpatmal Sanghvi, Mr. Bhavesh Shah and Br. Karan Singh Chauhan as Independent Directors were appointed /re-appointed by the Members of the Company. The provisions of the Companies Act, 2013 with respect to the appointment and tenure of the Independent Directors have come into effect w.e.f 01<sup>st</sup> April, 2014. As per the said provisions, the Independent Directors shall be appointed for not more than two terms of five years each and shall not be liable to retire by rotation at every AGM.

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The Board of Directors of the Company has decided to adopt the provisions with respect to appointment and tenure of Independent Directors which is consistent with the Companies Act, 2013. The Independent directors who have already served for ten or more years will serve for a maximum period of one term of five years. This is consistent with the provisions of Companies Act, 2013. In effect, the transition will be managed by re-appointment of such Independent Directors for a period of one more term that does not exceed five years. With the above changes, the Company would not have any upper age limit of retirement of Independent Directors from the Board and their appointment and tenure will be governed by the provisions of the Companies Act, 2013.

Mr. Narpatmal Sanghvi, Mr. Bhavesh Shah and Br. Karan Singh Chauhan are not disqualified from being appointed as Directors in terms of section 164 of the Companies Act, 2013 and have given their consent to act as a Directors.

The company has received notices in writing from members alongwith the deposit of requisite amount under section 160 of the Companies Act, 2013 proposing the candidatures of each Mr. Narpatmal Sanghvi, Mr. Bhavesh Shah and Br. Karan Singh Chauhan for the office of Directors of the Company.

The company has also received declarations from Mr. Narpatmal Sanghvi, Mr. Bhavesh Shah and Br. Karan Singh Chauhan that they have meet with the criteria of independence as prescribed both under 149(6) of the Act and clause 49 of the Listing Agreement.

In terms of Section 149 and any other applicable provisions of the Companies Act, 2013, Mr. Mr. Narpatmal Sanghvi, Mr. Bhavesh Shah and Br. Karan Singh Chauhan being eligible, offer themselves for appointment as Independent Directors on the board of the Company in line with the requirements of the Companies Act, 2013. It is therefore proposed to appoint Mr. Narpatmal Sanghvi, Mr. Bhavesh Shah and Br. Karan Singh Chauhan, as Independent Directors on the Board of the Company for a term upto five consecutive years, commencing from 11<sup>th</sup> September, 2014. A Brief profile of Proposed Independent Directors, Including nature of their expertise provided in the separate section. A copy of the draft letter of Appointment for Independent Directors, setting out terms and conditions of their appointment, is available for inspection at the Registered office of the Company during business hours on any working days and is also available on the website of the Company [www.shivagrigo.com](http://www.shivagrigo.com). The Board commends the Ordinary Resolutions as set out at item no.5,6 and 7 for approval of the Members.

None of the Directors, manager or Key Managerial Personnel of the Company and their relatives, other than Independent Directors for their respective appointment, are concerned or interested, financially or otherwise, in these Resolutions.

## Item No. 9 :-

The shareholders vide their ordinary resolution passed at the General Meeting held on 24<sup>th</sup> March, 1992 had authorised the Board of Directors of the Company to borrow the amount not exceed, at any point of time, Rs. 10,00,00,000/- (Rupees Ten Crores Only) over and above the aggregate of the paid – up capital and free reserves of the Company under the provisions of the Companies Act, 1956.

However, pursuant to the provisions of section 180(1)(c) of the Companies Act, 2013, since notified, the Board can exercise borrowing powers only with the consent of the members of the Company by way of Special Resolution. In view of the proposed expansion /diversification, the Company proposes to increase the said limit to Rs. 20,00,00,000 (Rupees Twenty Crores Only) .

Accordingly, the Board recommends the special resolution set forth in item no. 8 for the notice for approval of the members.

None of the Directors, Manager, Key Managerial Personnel of the Company and/or their relatives may be deemed to be concerned or interested in the proposed resolution.

## Item No. 10 :

As per the provisions of Section 180(1)(a) of the Companies Act, 2013 (the Act), a Company shall not sell, lease or otherwise dispose of the whole or substantially the whole of the undertaking of the Company or where the Company owns more than one undertaking, of the whole of any of such undertakings, unless approval of shareholders is obtained by way of special resolution.

In connection with the loan / credit facilities to be availed by the Company, as and when required, through various sources for business purposes, the Company might be required to create charges over its assets, properties and licenses by way of hypothecation, mortgage, lien, pledge etc. in favour of its lender (upto the limits approved under Section 180(1)(c) of the Act), for the purpose of securing the loan/credit facilities extended by them to the Company.

Accordingly, the Board recommends the special resolution set forth in item no. 9 for the notice for approval of the members.

None of the Directors, manager, Key Managerial Personnel of the Company and/or their Relatives may be deemed to be concerned or interested in the proposed resolution.

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

**(Vimalchand Jain)**  
**Chairman**

**Place:** Mumbai

**Date:** 30<sup>th</sup> May, 2014



# SHIVAGRICO IMPLEMENTS LIMITED

## DIRECTOR'S REPORT

Your Directors have pleasure in presenting the Thirty Fifth - Annual Report together with the Audited Statements of Account of the Company for the year ended 31st March, 2014.

### **FINANCIAL RESULTS :**

The Financial Performance of the Company for the year ended 31<sup>st</sup> March, 2014 is summarized below.

	<b>(Rupees in Lakhs)</b>	
	31-03-2014	31-03-2013
<b>Sales and Other Income</b>	2620.31	3025.28
<b>Profit before Depreciation, Interest and Tax</b>	174.99	171.32
Less : Depreciation	100.06	76.27
Interest	62.22	64.67
Profit before tax	12.71	30.38
Less: Income Tax	3.77	2.10
Profit after tax	8.94	28.28
Profit brought forward from earlier Year adjusted	147.67	119.39
Balance Profit carried forward	156.61	147.67

### **PERFORMANCE REVIEW:**

The Total turnover of the company during the year under review was Rs. 2620.31 Lacs as compared to Rs. 3025.28 Lacs in the year 2013. The decrease in profit after tax from Rs. 28.28 Lakhs to Rs. 8.94 Lakhs is on account of increase in cost of production.

### **DIVIDEND:**

In order to conserve the financial resources of the company, your Board of Directors regret their inability to declare dividend for the year ended 31<sup>st</sup> March 2014.

### **Fixed Deposit :**

The Company has not accepted deposits from public and hence directives issued by the Reserve Bank of India and the provisions of Section 58A, 58AA or any other relevant provisions of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975 are not applicable for the year under audit.

### **DIRECTORS :**

#### **Retirement by Rotation :**

In accordance with the provisions of the Companies Act 2013 and in terms of Articles of Association of the Company, Mr. Vimalchand Jain and Mr. Vinit Ranawat, Directors retires by rotation at the ensuing Annual General Meeting and being eligible offer themselves for reappointment.

Mr. Narpatmal Sanghvi, Mr. Bhavesh Shah and Br. Karan Singh Chauhan, are directors whose period of office is liable to determination by retirement of Directors by rotation under the erstwhile provisions of the Companies Act, 1956. In terms of section 149 of the Companies Act, 2013 the aforesaid directors being eligible and offering themselves for appointment, are proposed to be appointed as Independent Director under section 149 of the Companies Act, 2013 to hold office as per their tenure of appointment mentioned in the notice of the forth coming Annual General Meeting of the Company.

In the opinion of the Board .Mr. Narpatmal Sanghvi, Mr. Bhavesh Shah and Br. Karan Singh Chauhan fulfill the condition specified in the Companies Act, 2013 and rules made thereunder for their appointment as Independent Directors of the Company and are Independent of the management.

The proposal regarding the appointment/re-appointment of the aforesaid Directors are placed for your approval.

The Board of Directors recommend their appointment/re-appointment.

### **AUDITORS:**

M/s. Sanghvi Sanghvi & Sanghvi, Chartered Accountants will retire at the forthcoming Annual General Meeting and have expressed their willingness to continue as Auditors of the Company if appointed.

They have further confirmed that the said appointment if made, would be within the prescribed limits under section 143(1) (g) of the Companies Act, 2013 and that they are not disqualified for re-appointment.

In terms of Rule 6 of the Companies (Audit and Auditors) Rules, 2014, M/s. Sanghvi Sanghvi & sanghvi having held office as Auditor for a period of 8 years prior to the commencement of the Companies Act, 2013, are eligible to be appointed as Auditor for a period of Three (3) more years, that is until the conclusion of Thirty Eight(38) Annual General Meeting of the Company.

# SHIVAGRICO IMPLEMENTS LIMITED

Resolution seeking your approval on the item is included in the Notice convening the AGM.

The observation made in the Auditors Report are self explanatory and therefore, do not call for any Further comments under section 217(3) of the Companies Act, 1956.

## **COST AUDITORS:**

The Board of Directors at their meeting held on 30<sup>th</sup> May, 2014, has on the recommendations of the Audit Committee, re-appointed M/s. Chittora & Co., Cost Accountant, to conduct the audit of the Cost Accounting records of the Company for the year 2014-2015 on a remuneration of Rs. 7500/- and reimbursement of actual travel & out of pocket expenses. The said remuneration is subject to the ratification of the Members in terms of Section 148 of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014. The payment of remuneration to M/s. Chittora & Co. approved by the Board is accordingly placed for your ratification.

## **Audit Committee/ Remuneration Committee/Shareholders Committee:**

The Board of Directors has constituted three committees i.e. Audit Committee/ Remuneration Committee/ Shareholders Committee as per the requirements of Corporate Governance under Listing Agreement. The majority of members of these Committees are independent & non executives.

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

(1) Conservation of Energy, Technology, Absorption: -

Information in accordance with the provisions of Section 217(1) (e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules 1988, regarding conservation of energy and technology absorption is given in the statement annexed (Annexure A) hereto and forming part of the report.

## **PARTICULARS UNDER SECTION 217(2A) OF THE COMPANIES ACT, 1956 :**

There are no employees who are in receipt of remuneration exceeding the ceiling limit prescribed under the Companies (Particulars of Employees) Rules 1975 calling for furnishing their particulars.

## **CORPORATE GOVERNANCE:**

Report on Corporate Governance as stipulated under clause 49 of the Listing Agreement with the Stock Exchange forms part of the Annual Report.

A certificate from the Auditors of the Company regarding compliance of the conditions of Corporate Governance as stipulated under clause 49 of the Listing Agreement is annexed to this Report.

## **DIRECTOR'S RESPONSIBILITY STATEMENT :**

Pursuant to the requirements under Section 217(2AA) of the Companies Act, 1956 the Board of Directors with respect to Director's Responsibility Statement hereby confirms that:

(a) in preparation of the annual accounts, for the year ended on 31st March, 2014, the applicable accounting standards have been followed in the preparation of the final accounts and that there are no other material departures.

(b) the Accounting policies have been selected and applied consistently and such judgments and estimates made are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2014 and of the profit of the company for the year ended on that date.

(c) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 1956 for safeguarding the asset of company and for preventing and detecting fraud and other irregularities; and

(d) the annual accounts have been prepared on a going concern basis.

## **ACKNOWLEDGEMENT :**

Your Directors record their gratitude to the Banks, Financial Institutions, Government Departments, Vendors and all the clients of the company for the unstinted support received from them during the year.

The Directors would also like to place on record their appreciation for the dedicated efforts and services put in by employees of the Company.

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

**(Vimalchand Jain)  
Chairman**

**Place:** Mumbai

**Date:** 30<sup>th</sup> May, 2014

# SHIVAGRICO IMPLEMENTS LIMITED

## ANNEXURE "A" TO DIRECTORS REPORT

PARTICULARS REQUIRED UNDER THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988

1. Consumption of Coal							
		Production		Consumption of Coal (in Rs.)		Average Per MT	
Name of Process		Current	Previous	Current	Previous	current	Previous
		Year	Year	Year	Year	year	year
	Units	(M/T)	(M/T)	(Rs.)	(Rs.)	(Rs.)	(Rs.)
Rolling	M.T	12184	13269	12366760	13136310	1015	990
Full Forging	M.T	1212	1397	1266540	1417955	1045	1015
Partial Forging	M.T	2467	2172	2528598	2046628	1025	942
<b>TOTAL</b>		<b>15863</b>	<b>16838</b>	<b>16161898</b>	<b>16600893</b>		

2. Consumption of Power							
		Production		Consumption of Power (in Rs.)		Average Per MT	
Name of Process		Current	Previous	Current	Previous	current	Previous
		Year	Year	Year	Year	year	year
	Units	(M/T)	(M/T)	(Rs.)	(Rs.)	(Rs.)	(Rs.)
Rolling	M.T	12184	13269	8955240	9263671	735	698
Full Forging	M.T	1212	1397	812040	873125	670	625
Partial Forging	M.T	2467	2172	868577	695040	352	320
<b>TOTAL</b>		<b>15863</b>	<b>16838</b>	<b>10635857</b>	<b>10831836</b>		

**Note:**

The electrical Consumption of Rolling, forging and other activities have been bifurcated on practical estimate as separate measurement of consumptions are not feasible.

### 3. High Speed Diesel (For Generator)

Power Generation : NIL

#### FOREIGN EXCHANGE EARNING AND OUTGO:-

The required information is respect of Foreign Exchange earnings and outgo for the year ended 31st March, 2014

Foreign Exchange earning: Rs. 490400/- (Previous Year: Rs. NIL)

Foreign Exchange outgo : Rs. NIL (Previous Year: Rs. 14620/-)

For and on Behalf of the Board of Directors

(Vimalchand Jain)  
Chairman

Place: Mumbai

Date: 30<sup>th</sup> May, 2014

# SHIVAGRICO IMPLEMENTS LIMITED

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

### A. INDUSTRY STRUCTURE AND DEVELOPMENTS :

- a) The Indian Steel Industry continued to showcase trends of higher consumption of finished steel and continued to be a net importer on account of increased demand for special grades of steel in the country. As GDP growth weakened more than expected in 2013 on account of stalled investment against the backdrop of tightening policies, widening trade and fiscal deficit high inflation and weak FDI inflows, the financial year 2013-14 was a year of subdued activity. It is expected that 2014-15 will continue to remain a challenging year as high interest rates, labour cost, power and fuel expenses will continue to act as a drag on demand. Steel demand has remained sluggish so far in 2013 amidst weak activity and poor sentiment; however activity is expected to accelerate modestly in the coming months. Steel demand is expected to grow by 3.6% following 3.5% growth in 2013 as monetary easing is expected to support investment activities. Strengthening domestic consumption and improving external conditions will also help underpin the growth of steel. The global industrial production in 2013 dropped to its concept level since 2009. Global steel market continued to witness supply growth outpacing demand with capacity utilization rates remaining consisting below 80% sustained steel prices and slowdown.
- b) In demand, growth from China continued to high on the global steel section in the past year.
- c) The company is gradually increasing its utilization of its capacities in Rolling and Forging by developing various market products other than traditional products and by exploring new markets for its existing products, also by marketing products in the local area markets. The conversion work of Tata Steel is being continued.
- d) The company is Certified ISO – 9001 compliant for all its products.

### B. OPPORTUNITIES :

The company sees more opportunities in the years to come due to continuous development of new items in the Rolling and Forging lines by higher value additions also by offering and increasing the producing by marketing the forging production in the local markets as well as through exports.

Also, the company looks forward to explore all the new markets, local as well as international, by participating in various exhibitions, to promote direct exports in order to increase and have the maximum advantage of our production capacities. We also have got in to operation our drop forged plant, which was non operational, so thereby diversifying our product base thru drop forged products.

### C. THREATS :

The volatility of prices of critical raw materials for steel has increased significantly therefore mitigating the impact of the price volatility is a key object of the company.

### D. SEGMENT WISE PERFORMANCE :

Your company has two segments viz.

1. Rolling and Forging Segment.
2. Others

Overall production in Rolling Division for the present year was 12184 MT, as compared with last year production of 13269 MT i.e. a decrease of 8.16%.

Over all forging production of the current year was 3679 MT as compared with last year production of 3569 MT i.e. Increase of 3.08%.

Both the above production figures include the production against conversion activity also.

However the present year Turnover in Rolling & Forging Division was Rs. 1122 Lacs and Rs 1089 Lacs respectively as against last year's turnover of Rs 1283 lacs and Rs 1232 Lacs respectively.

The Conversion charges of Rs 405 Lacs were received as against last year conversion charges of Rs. 505 Lacs.

### E. The company has in place adequate internal control systems and procedure commensurate with the size and nature of business. These procedures are designed to ensure.

1. That all assets and resources are used efficiently and adequately protected.
2. That all internal policies and statutory guidelines are complied with: and
3. The accuracy and timing of financial reports and management information is maintained.

# SHIVAGRICO IMPLEMENTS LIMITED

## F. FINANCIAL AND OPERATION PERFORMANCE :

### Turnover

The net turnover decreased by 13% from the previous year.

### Operation Profit (PBIDT) & Margin

Operating Profit has been marginally increased by 2% from Rs.171.32 lacs to Rs.174.99 lacs.

### Power and Fuel Cost

Power & Fuel cost is more or less same

### Employees Cost

Employees cost has been decreased by 21.57% in the current year due to retirement of nos. of employees.

### Interest

The interest cost is decreased by 3.79 %

### Profit Before Tax

Profit before tax in the current year has been decreased from Rs. 30.38 Lacs to Rs.12.71 Lacs , i.e. a decrease of 58.16 %

### Income Tax

The company has provided Rs 3.77 Lacs towards tax.

## G. Human Resources / Industrial Relations.

The company has established team working of all employees at various levels at factory site the company is managed under the able guidance of its Executive Director Mr. Hemant Ranawat who in turn is supported by office staff senior foreman, supervisors and assistant. Each division has its in charge/foreman who are supported by assistants and workshop staff. The supervisor assists foreman and acts as a link between management. Systems are further developed to strengthen the management cordial. Regular meeting with union leader maintains harmony. The company has legal consultants to ensure timely compliance with labour law.

## H. Cautionary Statement :

Statements in the Management Discussion and Analysis describing the Company's objectives, projections, estimates and expectations may be 'forward-looking statement' within the meaning applicable to securities laws and regulations.

Actual results could differ materially from those expresses or implied. Important factors that could make a difference to the company's operations include economic conditions affecting demand / supply and price conditions in the domestic and overseas markets, changes in the Government regulation, tax laws and other statutes and other incidental factors.

# SHIVAGRICO IMPLEMENTS LIMITED

## CORPORATE GOVERNANCE REPORT

### Introduction :

A report for the financial year ended 31<sup>st</sup> March, 2014 on the compliance by the Company with the Corporate Governance requirements under Clause 49 of the Listing Agreement is furnished below:

#### 1. Company's philosophy on code of Governance.

Corporate Governance is the combination of voluntary practices and compliance with laws and regulations leading to effective control and management of the organization. Good Corporate Governance leads to long term shareholder value and enhances interest of other stakeholders. It brings into focus the fiduciary and the trusteeship role of the Board to align and direct the actions of the organization towards creating wealth and shareholder value.

#### 2. Board of Directors :

##### (i) Board Composition

Composition of the Board:

Sr. No.	Name of the Directors	Category	No. of other Directorships in other public limited companies	Committee Membership	
				Member	Chairman
1	Mr. Vimalchand M Jain	Chairman Non-Executive Director	Nil	Nil	Nil
2	Mr. Vinit Ranawat	Non-Executive Director	Nil	Nil	Nil
3	Mr. Hemant Ranawat	Executive Director	Falna Udyog Mandal Ltd	Nil	Nil
4	Mr. Narpatmal Singhvi	Non-Executive Independent Director	Nil	Nil	Nil
5	Mr. Bhavesh Shah	Non-Executive Independent Director	Nil	Nil	Nil
6	Br. Karan Singh Chauhan	Non-Executive Independent Director	Nil	Nil	Nil

# Excludes Directorships of Foreign Companies and Alternate Directorships.

# # Committee of Directors include Audit Committee, Shareholders / Investors Grievance Committee and Remuneration Committee of Directors only and excludes Memberships in Private Limited Companies, Foreign Companies and Section 25 Companies of the Companies Act, 1956.

##### (ii) Number of Board meetings held, dates on which held.

The Board of Company met Five (4) times during the last financial year, on the following dates: 30<sup>th</sup> May, 2013, 30<sup>th</sup> July, 2013, 8th November, 2013 and 7<sup>th</sup> February, 2014

The Company placed before the Board various information including the applicable items specified under Annexure 1A of the Listing Agreement, from time to time.

## SHIVAGRICO IMPLEMENTS LIMITED

### (iii) Attendance of each director at the Board meetings and the last AGM

Sr. No.	Name of the Directors	No. of the Meetings Attended	Attendance at last Annual General Meeting
1.	Mr. Vimalchand Jain	4	Yes
2.	Mr. Vinit Ranawat	4	Yes
3.	Mr. Hemant Ranawat	4	Yes
4.	Mr. Narpatmal Singhvi	4	Yes
5.	Mr. Bhavesh Shah	4	No
6.	Br. Karan Singh Chauhan	4	Yes

### (3) Code of Conduct

The Company has formulated and implemented a Code of Conduct for Board Members and Senior Management of the Company. Requisite annual affirmation of compliance with the respective Codes has been made by the Directors and Senior Management.

### (4) Audit Committee:

During the financial year 2013-14, for Audit Committee Meetings were held on the following dates, including before finalization of accounts and adoption of Quarterly Financial Results by the Board:

30<sup>th</sup> May, 2013, 30<sup>th</sup> July, 2013, 8<sup>th</sup> November, 2013 and 7<sup>th</sup> February, 2014

The constitution of the Committee and the attendance of each member of the Committee are given below:

Sr. No.	Member of Audit committee	Designation	Category	No. of Meetings Held	No. of Meetings Attended
1.	Br. Karan Singh Chauhan	Chairman	Non-Executive Independent Director	4	4
2.	Mr. Bhavesh Shah	Member	Non-Executive Independent Director	4	4
3.	Mr. Vinit Navratan Ranawat	Member	Non Executive Director	4	4

### (5) Remuneration Committee

The Remuneration Committee constituted by the Board of Directors of the Company consists of 3 directors i.e. Mr. Bhavesh Shah, Mr. Vinit Ranawat, Br. Karan Singh Chauhan.

### (6) Share Transfer Committee

During the year Thirteen (13) Share Transfer Committee Meetings were held on the following dates:

5<sup>th</sup> April, 2013, 12<sup>th</sup> April, 2013, 26<sup>th</sup> April, 2013, 3<sup>rd</sup> May, 2013, 17<sup>th</sup> May, 2013, 14<sup>th</sup> June, 2013, 21<sup>st</sup> June, 2013, 28<sup>th</sup> June, 2013, 5<sup>th</sup> July, 2013, 16<sup>th</sup> July, 2013, 26<sup>th</sup> July, 2013, 3<sup>rd</sup> January, 2014 and 28<sup>th</sup> March, 2014

Sr. No.	Member of Share Transfer committee	Designation	Category	No. of Meetings Held	No. of Meetings Attended
1.	Mr. Bhavesh Shah	Chairman	Non-Executive Independent Director	13	13
2.	Br. Karan Singh Chauhan	Member	Non-Executive Independent Director	13	13
3.	Mr. Vinit Navratan Ranawat	Member	Non Executive Director	13	13

During the year, 2 Complaint received from the Shareholders, and there are no outstanding complaints pending as on March 31, 2014

# SHIVAGRICO IMPLEMENTS LIMITED

## (7) General Body Meetings:

Year	Day and Date	Venue	Time	No. of Special Resolutions passed
2011	Thursday 29/09/2011	Indian Merchant's Chamber Building Trust, Ashok Birla Board Room, IMC bldg.,3 <sup>rd</sup> floor, IMC Marg, Churchgate, Mumbai-400020	11.00a.m.	1
2012	Saturday 29/09/2012	Indian Merchant's Chamber Building Trust, Ashok Birla Board Room, IMC bldg.,3 <sup>rd</sup> floor, IMC Marg, Churchgate, Mumbai-400020	11.00a.m	–
2013	Saturday 21/09/2013	P-4, Party Hall, 4th Floor, The Majestic, Anna Saheb Patil Marg, Khed Gully X Lane, Prabhadevi, Mumbai – 400025	11.00a.m	

## Resolution passed through Postal Ballot

No resolution has been passed through postal ballot nor is there any proposal for postal ballot.

## (8) Disclosures:

### (i) Related Party Transactions:

There are no transactions of material nature with Directors/ Promoters or any related entity, which will have any potential conflict with the interest of the Company. However, Transactions with the related parties are disclosed in Note No. 2 of Schedule 30 to the 'Notes on Accounts forming part of the Annual Report.

### (ii) Compliances by the Company:

There has been no instance of non-compliance by the Company on any matter related to capital markets during the last three years and hence no penalties or structures have been imposed on the Company by the Stock Exchanges or SEBI or any other statutory authority.

## (9) Means of Communication:

The quarterly results of the Company are published in two newspapers in compliance with the provisions of Clause 41 of the Listing Agreement. Generally, the same are published in The Asian Age (English Language) and Ratnagiri Times (Marathi). As the results of the company are published in the Newspapers, half-yearly reports are not sent to each household of shareholders. The quarterly results as well as the proceedings of the Annual General Meeting are submitted to the BSE Limited, Mumbai immediately after the conclusion of the respective meeting.

## (10) General Shareholder information:

- |    |  |   |
|----|--|---|
| 1) | Date, time and venue of Annual General Meeting of Shareholders | 11th September, 2014 at 11.00 a.m.<br>P-4, Party Hall, 4th Floor,<br>The Majestic, Anna Saheb Patil Marg,<br>Khed Gully X lane, Prabhadevi,<br>Mumbai - 400 025 |
| 2) | Financial Calendar (tentative)                                 | The Financial Year covers the period<br>April 1 to March 31.  |

## Financial reporting for quarter ended

- |    |   |   |
|----|---|---|
|    | June 30, 2014   | : By August 15, 2014  |
|    | September 30, 2014  | : By November 15, 2014  |
|    | December 31, 2014   | : By February 15, 2015  |
|    | March 31, 2015  | : By May 15, 2015   |
|    | Annual General Meeting for year ended 31 <sup>st</sup> March 2015 | : By 30 <sup>th</sup> September, 2015   |
| 3) | Dates of book closures  | from 8 <sup>th</sup> September, 2014 to<br>11 <sup>th</sup> September, 2014 (both days inclusive) |
| 4) | Dividend Payment  | Not Applicable  |
| 5) | Listing on stock exchanges  | The Company's shares are listed and traded<br>on BSE Limited, Mumbai.                             |
| 6) | Stock Exchange Code   | 522237  |

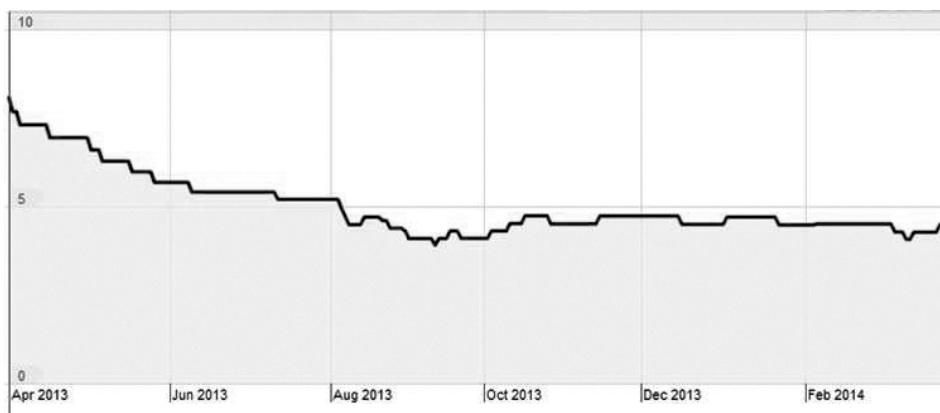


## SHIVAGRICO IMPLEMENTS LIMITED

- 7) **Stock Market price data** monthly high and low at the Bombay Stock Exchange Limited for the financial year ended 31st March, 2014:

Month	High (Rs.)	Low (Rs.)
April, 2013	8.08	6.94
May, 2013	6.60	5.68
June, 2013	5.40	5.40
July, 2013	5.20	5.14
August, 2013	4.95	4.30
September, 2013	4.30	3.90
October, 2013	4.73	4.30
November, 2013	4.72	4.30
December, 2013	4.72	4.49
January, 2014	4.70	4.47
February, 2014	4.50	4.50
March, 2014	4.50	4.07

Performance in comparison to broad-based indices such as BSE Sensex, CRISIL Index etc. Monthly high and low at the BSE Limited for financial year ended 31st March, 2014.



8) **Registrar and Share Transfer Agents:**

Big Share Services Pvt. Ltd.  
 E-2/3 Ansa Indl. Estate  
 Saki Vihar Road, Saki Naka  
 Andheri (E), Mumbai- 400 072  
 Tel.No.: 022- 28470652/53  
 Fax No.: 022 28475207  
 Email: [bigshare@bom7.vsnl.net.in](mailto:bigshare@bom7.vsnl.net.in)

9) **Share Transfer System:**

All transfers received are processed and approved by the Share Transfer Committee, which, considers transfers and other related matters. The Share Transfer committee of the Company meets as often as required.

## SHIVAGRICO IMPLEMENTS LIMITED

### 10) Distribution of Shareholding as on March 31, 2014

No. of Equity Shares held	Shareholders		Shares	
	Number	% to total shareholders	Number	% to total Capital
1 – 500	1787	73.24	517269	10.32
501 – 1000	384	15.74	342787	6.84
1001 – 2000	111	4.55	185894	3.71
2001 – 3000	47	1.93	121006	2.41
3001 – 4000	23	0.94	84997	1.70
4001 – 5000	18	0.74	86299	1.72
5001 – 10000	24	0.98	174200	3.47
10001 and above	46	1.88	3501148	69.83
<b>Total</b>	<b>2440</b>		<b>5013600</b>	<b>100.00</b>

### SHARE HOLDING PATTERN AS ON 31.03.2014 :

Category	Shares	
	Number	% to total Capital
Promoters & their Relatives	2979653	59.43
Banks, Financial Institutions	0	0.00
Mutual Funds and UTI	43800	0.87
Body Corporate	100335	2.00
Indian Public	1881812	37.54
NRIs / OCBs	2000	0.04
Clearing Members	0	0.00
Directors and their Relatives	6000	0.12
<b>Total</b>	<b>5013600</b>	<b>100.00</b>

### 11) Dematerialization of Shares and Liquidity

The Company has established required connectivity with National Securities Depository Limited and Central Depository Services Limited and the same are available in electronic segment under ISIN - **INE092H01014**.

### 12) Outstanding GDRs / ADRs / Warrants or any Convertible Instruments, conversion date and likely impact on equity.

There is no GDR/ADR/Warrant or any Convertible Instruments pertaining conversion or any other instrument likely to impact the equity share capital of the Company.

### 13) Plant Location

A-38/C-38, H.M. Nagar, Falna – 306 116, Rajasthan.

### 14) Address for Correspondence:

**Shivagrigo Implements Limited**  
A - 1, Adinath Apartments,  
281, Tardeo Road,  
Mumbai – 400 007  
Tel. No: 022-2389 3022, 2389 3023  
Fax No: 022-2380 2678  
Email: shivimpl@shivagrigo.com

# SHIVAGRICO IMPLEMENTS LIMITED

## DECLARATION BY THE EXECUTIVE DIRECTOR PURSUANT TO CLAUSE 49 OF THE LISTING AGREEMENT

To

The Members of **SHIVAGRICO IMPLEMENTS LIMITED**

I, Hemant Ranawat, Executive Director of Shivagrigo Implements Limited declare that all the members of the Board of Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct.

**Hemant V Ranawat**  
Executive Director

**Place:** Mumbai

**Date:** 30<sup>th</sup> May, 2014

---

### CEO/CFO Certificate under Clause 49 of the Listing Agreement

To,

The Board of Directors

**Shivagrigo Implements Limited**

**Mumbai**

I Hemant Ranawat Executive Director, of the Company do hereby certify that:

- (a) I have reviewed financial statements and the cash flow statement for the year and that to the best of our knowledge and belief:
  - i. These statements do not contain any materially untrue statement or omit any material fact or contain statement that might be misleading;
  - ii. These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- (c) I accept responsibility for establishing and maintaining internal controls and that we have evaluated the effectiveness of the internal control systems of the Company and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) I have indicated to the auditors and the Audit Committee
  - i. Significant changes in internal control 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. There have been no 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.

For **Shivagrigo Implements Limited**

**Hemant Ranawat**  
Executive Director

DATE: 30<sup>th</sup> May, 2014

PLACE: Mumbai

# SHIVAGRICO IMPLEMENTS LIMITED

## AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

To,

The Members of  
**Shivagrigo Implements Limited**

We have examined the compliance of conditions of Corporate Governance by Shivagrigo Implements Limited (the Company) for the year ended March 31, 2014, as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchange.

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

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

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

**For Sanghvi Sanghvi & Sanghvi**  
**Chartered Accountants**  
Firm Registration No. 109138W

**Place:** Mumbai  
**Date:** 30<sup>th</sup> May, 2014

**M.B. Sanghvi**  
Partner  
Membership No. 040835

# SHIVAGRICO IMPLEMENTS LIMITED

## INDEPENDENT AUDITORS' REPORT

### TO THE MEMBERS OF SHIVAGRICO IMPLEMENTS LIMITED

#### REPORT ON FINANCIAL STATEMENTS

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

#### MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

The Company's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act") read with General Circular No. 15/2013 dated 13 September 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013.

This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

#### AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with the 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 the internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the financial statements.

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

#### OPINION

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

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

#### REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2003("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by Section 227(3) of the Act, we report that:
  - (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - (c) The Balance Sheet, Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the Balance Sheet, Statement of Profit and Loss, and the Cash Flow Statement comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Act read with General Circular No.15/2013 dated 13 September 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013.
  - (e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2014 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2014 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Act.

**For SANGHVI SANGHVI & SANGHVI**  
**Chartered Accountants**

Firm Registration No. : 109138W

**PLACE : MUMBAI**  
**DATED : 30<sup>th</sup> May, 2014**

**M. B. Sanghvi**  
*Partner*  
Membership No. : 040835

# SHIVAGRICO IMPLEMENTS LIMITED

## ANNEXURE TO AUDITORS' REPORT

*(Referred to in paragraph (1) of our report of even date)*

- (i) (a) The company is maintaining proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) All the assets have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion the frequency of verification, is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies were noticed in respect of the assets physically verified.
- (c) As per the information and explanations given to us, during the year, the company has not disposed off any substantial part of fixed assets.
- (ii) (a) As explained to us, the management has physically verified the inventories as at the end of the financial year. In our opinion, the frequency of verification is reasonable.
- (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
- (c) In our opinion and according to the information and explanations given to us, the company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material.
- (iii) (a) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Accordingly sub clause (b) (c) & (d) of clause (iii) of the Order are not applicable to the Company.
- (b) According to the information and explanations given to us, the Company has taken unsecured loan from one party covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount outstanding during the year is 1,45,00,000/- and year-end balance of such loan amounts to Rs.48,00,000/- Other than above, the company has not taken any loan, secured or unsecured from any companies or firms or parties covered under section 301 of the Companies Act, 1956.
- (c) In our opinion, the rate of interest and other terms and conditions for loan taken by the company from one party covered in the register maintained under section 301 of the Companies Act, 1956, is not prima facie prejudicial to the interest of the company;
- (iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the company and the nature of its business with regard to purchases of inventory, fixed assets and with regard to the sale of goods. Further, on the basis of our examination and according to the information and explanations given to us, we have neither come across nor have we been informed of any instance of major weaknesses in the aforesaid internal control system.
- (v) According to the information and explanations given to us, we are of the opinion that the Company has not entered into any contracts or arrangements referred to in section 301 of the Companies Act, 1956, accordingly, sub-clause (b) of clause (v) of the Order is not applicable to the Company.
- (vi) The company has not accepted deposits from public and hence directives issued by the Reserve Bank of India and the provisions of sections 58A, 58AA or any other relevant provisions of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975 are not applicable for the year under audit.
- (vii) In our opinion, the company has an internal audit system commensurate with the size of the Company and the nature of its business.
- (viii) We have broadly reviewed the books of accounts maintained by the company pursuant to the rules made by the Central Government for the maintenance of cost records under section 209(1)(d) of the Companies Act, 1956 and are of the opinion that prima facie the prescribed accounts and records have been maintained. We have not, however made a detailed examination of the records with a view to determine whether they are accurate of complete.
- (ix) (a) According to the information and explanations given to us, the company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education protection fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, custom duty, excise duty, cess, service tax and other material statutory dues.
- (b) As at 31.03.2014 according to the records of the company, the following are the particulars of disputed dues on account of sales tax, income tax, custom duty, wealth tax, excise duty and other statutory dues that have not been deposited.

## SHIVAGRICO IMPLEMENTS LIMITED

Nature of Statute	Amount (Rs) in Lacs	Forum where dispute is pending
Excise duty	60.50	Rajasthan High Court
Excise duty	11.62	Joint Commissioner of Central Excise, Jaipur - II
Excise duty	2.92	CESTAT, New Delhi
Service Tax	0.82	CESTAT, New Delhi

- (x) The Company does not have accumulated losses at the end of the financial year. The Company has not incurred cash losses during the financial year covered by the audit and in the immediately preceding financial year
- (xi) The company has not defaulted in repayment of dues to any financial institution or bank or debenture holders
- (xii) The company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion, the company is not a chit fund or a nidhi/mutual benefit fund/society. Therefore, the provisions of clause 4(xiii) of paragraph 4 of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- (xiv) In our opinion, the company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause (xiv) of paragraph 4 of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- (xv) As informed to us, the company has not given any guarantees for loans taken by others from banks or financial institutions.
- (xvi) In our opinion and according to the information and explanations given to us and on an overall examination, the term loans have been applied for the purpose for which they were raised.
- (xvii) In our opinion and according to the information and explanations given to us, and on an overall examination of the Balance Sheet of the Company, we report that no funds raised on short term basis have been used for long-term investment.
- (xviii) According to the information and explanations given to us, the company has not made any allotment of shares during the period covered by our report. Accordingly, the provisions of clause (xviii) of paragraph 4 of the Companies (Auditors Report) Order 2003, is not applicable to the company.
- (xix) In our opinion and according to the information and explanations given to us, the company has not issued any secured debentures during the period covered by our report. Accordingly, the provisions of clause (xix) of paragraph 4 of the Companies (Auditor's Report) Order, 2003 is not applicable to the company.
- (xx) During the period covered by our audit report, the company has not raised any money by public issue.
- (xxi) According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the course of our audit.

**For SANGHVI SANGHVI & SANGHVI**  
**Chartered Accountants**

Firm Registration No. : 109138W

**PLACE : MUMBAI**  
**DATED : 30<sup>th</sup> May, 2014**

**M. B. Sanghvi**  
*Partner*  
Membership No. : 040835

# SHIVAGRICO IMPLEMENTS LIMITED

BALANCE SHEET AS AT 31-03-2014	NOTES	AS AT 31- 03 - 2014 RUPEES	AS AT 31 - 03 - 2013 RUPEES
<b><u>EQUITY AND LIABILITIES</u></b>			
<b><u>SHARE HOLDER'S FUNDS</u></b>			
Share Capital	2.1	50,136,000	50,136,000
Reserve & Surplus	2.2	27,220,499	26,326,397
Money Received against Share Warrants		—	—
		<u>77,356,499</u>	<u>76,462,397</u>
<b><u>NON-CURRENT LIABILITIES</u></b>			
Long-term borrowings	2.3	10,556,117	2,966,646
Deferred tax liabilities (net)	2.4	2,088,574	2,147,471
Other Long Term Liabilities		—	—
Long Term Provision		—	—
		<u>12,644,691</u>	<u>5,114,117</u>
<b><u>CURRENT LIABILITIES</u></b>			
Short-term borrowings	2.5	55,103,157	55,906,841
Trade payables	2.6	4,948,815	4,234,151
Other current liabilities	2.7	13,393,492	13,891,196
Short-term provisions		—	—
		<u>73,445,464</u>	<u>74,032,188</u>
<b>Total Rs.</b>		<b><u>163,446,654</u></b>	<b><u>155,608,702</u></b>
<b><u>ASSETS</u></b>			
<b><u>NON-CURRENT ASSETS</u></b>			
<b><u>Fixed Assets</u></b>			
Tangible assets	2.8.a	69,415,453	75,761,392
Intangible assets	2.8.b	2,928	3,660
Capital work-in-progress	2.9	19,675,086	11,411,691
Capital Expenditure not represented by assets (to the extent not written off)			
Net Block		<u>89,093,467</u>	<u>87,176,743</u>
Non-current investments	2.10	16,500	16,500
Deferred Tax Assets (Net)		—	—
Long-term loans and advances	2.11	<u>1,567,575</u>	<u>1,278,038</u>
		<u>1,584,075</u>	<u>1,294,538</u>
<b><u>CURRENT ASSETS</u></b>			
Current Investments		—	—
Inventories	2.12	49,776,233	39,890,912
Trade Receivables	2.13	8,194,005	14,672,735
Cash and cash equivalents	2.14	950,378	1,116,753
Short-term loans & advances	2.15	13,848,496	11,457,021
Other Current Assets		—	—
		<u>72,769,112</u>	<u>67,137,421</u>
<b>Total Rs.</b>		<b><u>163,446,654</u></b>	<b><u>155,608,702</u></b>

## SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS

1 & 2

As per our report attached.

**For SANGHVI SANGHVI & SANGHVI**

Chartered Accountants

Firm Registration No. : 109138W

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

**(M. B. Sanghvi)**  
Partner

Membership No. 040835

**(Hemant Ranawat)**  
*Executive Director*

**(Bhavesh Shah)**  
*Director*

**(Vinit Ranawat)**  
*Director*

**MUMBAI**

**Dated : 30<sup>th</sup> May, 2014.**



# SHIVAGRICO IMPLEMENTS LIMITED

## STATEMENT OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31-03-2014

Particulars	NOTES	AS AT 31- 03 - 2014 RUPEES	AS AT 31 - 03 - 2013 RUPEES
<b><u>INCOME</u></b>			
Revenue from operations	2.16	261,647,201	302,041,484
Other income	2.17	384,177	486,948
<b>Total revenue</b>		<b>262,031,378</b>	<b>3,02,528,432</b>
<b><u>EXPENSES</u></b>			
Cost of raw materials consumed	2.18	168,237,436	181,383,867
Purchases of traded goods		1,394,853	4,088,257
Employee benefit expenses	2.19	5,148,805	6,564,790
Change in inventories of finished goods, work-in-progress and stock in trade	2.20	(8,845,369)	2,338,480
Finance costs	2.21	6,222,025	6,467,178
Depreciation and amortization expense	2.8	10,006,283	7,627,137
Other expenses	2.22	78,596,141	91,020,403
<b>Total expenses</b>		<b>260,760,174</b>	<b>299,490,112</b>
<b>PROFIT/(LOSS) BEFORE EXCEPTIONAL AND EXTRAORDINARY ITEMS AND TAX</b>		<b>1,271,204</b>	<b>3,038,320</b>
Exceptional items		-	-
<b>PROFIT/(LOSS) BEFORE EXTRA ORDINARY ITEMS AND TAX</b>		<b>1,271,204</b>	<b>3,038,320</b>
Extraordinary Items		-	-
<b>Profit / (Loss) Before Tax</b>		<b>1,271,204</b>	<b>3,038,320</b>
<b><u>Tax expenses</u></b>			
Current tax expenses for current year		436,000	631,000
Less : MAT Credit		-	-
Current tax expenses relating to prior years			
Net Current Tax Expenses		436,000	631,000
Defferred tax liability/ (asset)		(58,897)	(420,872)
<b>PROFIT / (LOSS) FOR THE PERIOD</b>		<b>894,101</b>	<b>2,828,192</b>
Earning per share of par value Rs.10/- each (Basic/diluted)		0.18	0.56

### SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS

1 & 2

As per our report attached.

**For SANGHVI SANGHVI & SANGHVI**

Chartered Accountants

Firm Registration No. : 109138W

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

**(M. B. Sanghvi)**  
Partner

Membership No. 040835

**(Hemant Ranawat)**  
Executive Director

**(Bhavesh Shah)**  
Director

**(Vinit Ranawat)**  
Director

**MUMBAI**

**Dated : 30<sup>th</sup> May, 2014.**

# SHIVAGRICO IMPLEMENTS LIMITED

## SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS

### 1 SIGNIFICANT ACCOUNTING POLICIES

#### a) Fixed assets

- (i) Leasehold Land is valued at cost.
- (ii) All other fixed assets are stated at cost of acquisition or construction less depreciation.

#### b) Depreciation

- (i) Leasehold & Freehold land is not depreciated.XIV to the Companies Act, 1956.
- (ii) Depreciation on all other fixed assets is provided on written down value method in accordance with Schedule XIV to the Companies Act, 1956. Extra shift depreciation wherever applicable is calculated on actual shift basis in respect of each mill/unit.

#### c) Long Term Investments

Long Term Investments are carried at cost.

#### d) Inventories

Inventories are valued as under

- i. Raw Materials : At lower of cost or market value
- ii. Finished Goods : At lower of cost or market value
- iii. Semi Finished Goods : At lower of cost or market value
- iv. Stores & Spares : At cost
- v. Other Consumables : At cost

#### e) Employee benefits

##### i. Short Term Employee Benefits

All employee benefits falling due wholly within twelve months of rendering the service are classified as short term employee benefits. The benefits like salaries, wages, short term compensated absences etc. and the expected cost of bonus, ex-gratia are recognized in the period in which the employee renders the related service.

##### ii. Post-employment Benefits

(i) Defined Contribution Plans : The Company's state governed provident fund scheme, employee state insurance scheme and employee pension scheme are defined contribution plans. The contribution paid / payable under the schemes is recognized during the period in which the employee renders the related service.

(ii) Defined Benefit Plans : The Employees Gratuity Fund Scheme managed by trust is the company's defined benefit plan. Wherever applicable, the present value of the obligation under such defined benefit plan is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at the present value of the estimated future cash flows. The discount rate used for determining the present value of the obligation under defined benefit plan is based on the market yield on government securities of a maturity period equivalent to the weighted average maturity profile of the related obligations at the Balance Sheet date.

Actuarial gains and losses will be recognized immediately in the Profit and Loss Account.

In case of funded plans, the fair value of the plan assets is reduced from the gross obligation under the defined benefit plan to recognize the obligation on the net basis.

Gains or losses on the curtailment or settlement of any defined benefit plan are recognized when the curtailment or settlement occurs. Past service cost is recognized as expense on a straight-line basis over the average period until the benefits become vested.

# SHIVAGRICO IMPLEMENTS LIMITED

## f) Borrowing Cost

Borrowing cost that are attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use or sale. All other borrowing costs are charged to revenue.

## g) Revenue Recognition

- (i) Revenue in respect of local sale of products is recognised at the point of despatch to customers.
- (ii) Revenue in respect of export sale is recognised on the date of bill of lading.
- (iii) Local sales comprise of sale value of goods, excise duty and is net of trade discounts and returns.
- (iv) Revenue in respect of conversion charges is recognised on accrual basis.

## h) Provision for Taxation

- i. Current Tax: Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income Tax Act, 1961.
- ii. Deferred Tax: The differences that result between the profit offered for income tax and the profit as per the financial statements are identified and thereafter a deferred tax asset or deferred tax liability is recorded for timing differences, namely the differences that originate in one accounting period and reverse in another, based on the tax effect of the aggregate amount being considered. The tax effect is calculated on the accumulated timing differences at the end of an accounting period based on prevailing enacted regulations. Deferred tax assets are recognised only if there is reasonable certainty that they will be realized and are reviewed for the appropriateness of their respective carrying values at each balance sheet date.

## i) Foreign Exchange Transactions

Transactions relating to exports are translated into Indian Rupees at the rates prevailing at the time of negotiation of export documents by Bank. Foreign currency transactions and forward exchange contracts used to hedge fluctuations in currency are initially recognised at the spot rate on the date of the transaction /contract. Monetary assets and liabilities relating to foreign currency transactions and forward exchange contracts remaining unsettled at the end of the year are translated at year end rates . The difference in translation and realised gains and losses on foreign exchange transactions are recognised in the profit and loss account.

## j) Impairment of Assets

Impairment is ascertained at each balance sheet date in respect of the Companies fixed assets. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount.

## 2 NOTES ON ACCOUNTS

### 1 SHARE CAPITAL

(in rupees)

i. Particulars	As at	
	31st March,2014	31st March,2013
<u>Authorized</u>		
Equity shares, Rs.10/- par value		
6990000 (previous year 6990000) Equity Shares	<u>69,900,000</u>	<u>69,900,000</u>
9% Cumulative Redeemable preference shares, Rs.10 par value	<u>100,000</u>	<u>100,000</u>
1000 (previous year 1000) preference shares	<u>70,000,000</u>	<u>70,000,000</u>
<u>Issued, Subscribed and Paid-Up</u>		
Equity shares, Rs.10/- par value		
5013600 (previous year 5013600) Equity Shares	50,136,000	50,136,000
Less: Calls in Arrears	-	-
	<u>50,136,000</u>	<u>50,136,000</u>

## SHIVAGRICO IMPLEMENTS LIMITED

ii. The company has only two classes of shares referred to as equity shares and cumulative redeemable preference shares having a par value of Rs.10/-. Each holder of equity shares is entitled to one vote per share.

iii. The details of shareholder holding more than 5% shares are as below :

Name of the shareholder	as at 31st March,2014		as at 31st March,2013	
	No. of shares	% held	No. of shares	% held
Vimalchand Mulchand Jain	835,000	16.66%	820,700	16.37%
SDD Agencies P Ltd	699,600	13.95%	699,600	13.95%
Vinit N Ranawat	528,500	10.54%	528,500	10.54%

iv. The reconciliation of the number of shares outstanding and the amount of share capital are as under:

Particulars	as at 31st March,2014		as at 31st March,2013	
	No. of shares	Amount	No. of shares	Amount
Number of shares at the beginning	5013600	50,136,000	5013600	50,136,000
Add: Shares issued during the year	-	-	-	-
	5013600	50,136,000	5013600	50,136,000
Number of shares at the end	<b>5013600</b>	<b>50,136,000</b>	<b>5013600</b>	<b>50,136,000</b>

v. Shares allotted and bought back within the period of preceding five years:-

Particulars	Year (Aggregate No. of Shares)				
	2013-14	2012-13	2011-12	2010-11	2009-10
<b>Equity Shares:-</b>					
Fully paid up pursuant to contract(s) without payment being received in cash	NIL	NIL	NIL	NIL	NIL
Fully paid up by way of bonus shares					
Shares bought back					

## 2 RESERVES AND SURPLUS

(in rupees)

Particulars	As at	
	31st March,2014	31st March,2013
Capital Reserve	1,500,000	1,500,000
Securities Premium Account	10,058,995	10,058,995
Surplus- Profit & Loss account		
Opening balance	14,767,402	11,939,210
Add: Net profit after tax trfd. from Statement of Profit and Loss	894,101	2,828,192
	<u>15,661,504</u>	<u>14,767,402</u>
Closing Balance	<u>27,220,499</u>	<u>26,326,397</u>

# SHIVAGRICO IMPLEMENTS LIMITED

## 3 LONG-TERM BORROWINGS

(in rupees)

Particulars	As at	
	31st March,2014	31st March,2013
<b><u>SECURED</u></b>		
i. <u>From Banks</u>		
a S.B.B.J Term Loan A/c No 61097808158 (100 Lacs) (Secured against Hypothecation of all fixed assets and current assets as collateral security at the rate of 12.75% p.a) (Repayable in 54 instalments of Rs. 1,78,910 plus variable interest till 31/05/2015) (Interest of Rs. 202266/- payable till 31/03/2015)	357,820	2,270,886
b. S.B.B.J Term Loan A/c No 61201842264 (150 Lacs) (Secured against Hypothecation of all Machinery as collateral security at the rate of 12.75% p.a) (Repayable in 60 instalments of Rs.2,50,000 plus variable interest till 01/12/2018 ) (Interest of Rs.20,16,284/- payable till 31/03/2015)	9,330,910	-
c. S.B.B.J (Swift Falna) (Secured against Hypothecation of Swift Car at the rate of 8.75% p.a) (Repayable in 36 monthly instalments of Rs.17,373/- plus variable interest till 01/08/2016)	263,500	
d. S.B.B.J (Toyota Altis) (Secured against Hypothecation of Toyota Car at the rate of 10.75% p.a)	-	350,617
e. S.B.B.J (Swift) (Secured against Hypothecation of Maruti Swift Car at the rate of 10.75% p.a) (Repayable in 60 monthly instalments of Rs.9,584/- plus variable interest till 31/08/2017)	266,920	345,143
f. S.B.B.J (Hyndui i10) (Secured against Hypothecation of Hyndui i10 car at the rate of 10.75% p.a) (Repayable in 36 monthly instalments of Rs.14,450/- plus variable interest till 01/02/2017)	336,967	
	<b>10,556,117</b>	<b>2,966,646</b>

### Details of terms of repayment

Particulars	Maturity Profile				
	2014-15	2015-16	2016-17	2017-18	2018-19
S.B.B.J (Maruti Swift Falna)	208,476	208,476	86,865		
S.B.B.J (Maruti Swift Mumbai)	115,008	115,008	115,008	47,920	
S.B.B.J (Hyndui i10)	173,400	173,400	158,950		
S.B.B.J Term Loan A/c No 61201842264 (150 Lacs)	3,000,000	3,000,000	3,000,000	3,000,000	3,30,000
S.B.B.J Term Loan A/c No 61097808158 (100 Lacs)	2,146,920	357,820			

## 4 DEFERRED TAX LIABILITY

Deferred Tax Liability	2,088,574	2,147,471
	<b>2,088,574</b>	<b>2,147,471</b>

# SHIVAGRICO IMPLEMENTS LIMITED

## 5 SHORT-TERM BORROWINGS

*(in rupees)*

Particulars	As at	
	31st March,2014	31st March,2013
<b>SECURED</b>		
i. <u>From Banks</u>		
a S.B.B.J C.C. A/c No 61137958260 (Secured by hypothecation of stock of the Company at the rate of 12.5% p.a)	50,300,495	54,503,217
b S.B.B.J (S.L.C.) A/c No 61138045044 (Secured by hypothecation of stock of the Company at the rate of 12.5% p.a)	2,662	1,403,624
<b>UNSECURED</b>		
i. From Directors	4,800,000	
	<b>55,103,157</b>	<b>55,906,841</b>

## 6 TRADE PAYABLES

*(in rupees)*

Particulars	As at	
	31st March,2014	31st March,2013
Sundry creditors for goods and job work	4,948,815	4,234,151
	<b>4,948,815</b>	<b>4,234,151</b>

## 7 OTHER CURRENT LIABILITIES

*(in rupees)*

Particulars	As at	
	31st March,2014	31st March,2013
i. <u>Current Maturities of Long Term Debt</u>		
a. S.B.B.J Term Loan A/c No. 2264 (150 Lacs) (Secured against Hypothecation of all Machinery as collateral security at rate of interest of 12.75%)	3,000,000	-
b. SBBJ (Maruti Swift) (Secured against Hypothecation of Maruti Swift Car at the rate of 11.25% p.a)	115,008	167,400
c. SBBJ (Toyota Altis) (Secured against Hypothecation of Toyota Altis Car at the rate of 11.25% p.a.)	-	248,952
d. S.B.B.J (Swift Falna) (Secured against Hypothecation of Swift Car at the rate of 8.75% p.a)	208,476	
e. S.B.B.J (Hyndui i10)	173,400	
d. S.B.B.J Term Loan A/c No 61097808158 (100 Lacs) (Secured against Hypothecation of all fixed assets and current assets as collateral security at the rate of 14% p.a.)	2,173,447	2,802,292
ii Interest Accrued but not due on borrowings	-	-
iii <u>Other Payables</u>		
Statutory remittances (Contributions to PF and ESIC, Withholding Taxes, Excise Duty, VAT, Service Tax, etc.)	239,497	189,953
Payables on purchase of fixed assets	650,000	-
For other liabilities	4,499,463	5,625,153
Advances received from customers	2,334,201	4,857,446
	<b>13,393,492</b>	<b>13,891,196</b>

# SHIVAGRICO IMPLEMENTS LIMITED

## 8 FIXED ASSETS

Particulars	Gross Block			Depreciation				Net Block		
	As on 01/04/2013	Addition	Deletion	As on 31/03/2014	As on 01/04/2012	For the year	Deduction	As on 31/03/2014	As on 31/03/2014	As on 31/03/2013
<b>a) Tangible Assets:-</b>										
Land	2229942	-	-	2229942	-	-	-	-	2,229,942	2,229,942
Freehold Land	158840	-	-	158840	-	-	-	-	158,840	158,840
Buildings	44516532	807221	-	45323753	11,490,331	3169709	-	14660040	30,663,713	33,026,201
Plant & Machinery	105254616	1078580	7871145	98462051	67,711,908	5951926	7871145	65792689	32,669,362	37,542,708
Office Equipments	2323053	292659	-	2615712	1,720,808	199145	-	1919953	695,759	602,245
Furniture & Fixtures	1498035	-	-	1498035	1,200,028	53939	-	1253967	244,068	298,007
Vehicles	4274028	1561009	220753	5614284	2,370,580	630832	140896	2860516	2,753,768	1,903,448
<b>b) Intangible Assets:-</b>										
Computer Software	17784	-	-	17784	14,124	732	-	14,856	2,928	3,660
<b>Total</b>	<b>160272831</b>	<b>3739469</b>	<b>8091898</b>	<b>155920402</b>	<b>84507779</b>	<b>10006283</b>	<b>8012041</b>	<b>86502021</b>	<b>69,418,381</b>	<b>75,765,052</b>
<b>Previous Year</b>	<b>124778473</b>	<b>35494358</b>	<b>-</b>	<b>160272831</b>	<b>76880642</b>	<b>7627137</b>	<b>0</b>	<b>84507779</b>	<b>75,765,052</b>	<b>47,897,831</b>

## 9 Capital Work-In-Progress

*(in rupees)*

Particulars	As at	
	31st March,2014	31st March,2013
i Capital Work - in - Progress	19,675,086	11,411,691
	<b>19,675,086</b>	<b>11,411,691</b>

## 10 NON-CURRENT INVESTMENTS

*(in rupees)*

Particulars	As at	
	31st March,2014	31st March,2013
i. <u>Other Investments:-</u>		
Unquoted fully paid-up shares in Falna Udyog Mandal Ltd, [Aggregate Value of unquoted investments above Rs. 16500, (previous year Rs. 16500)]	16,500	16,500
	<b>16,500</b>	<b>16,500</b>

## 11 LONG TERM LOANS AND ADVANCES

*(in rupees)*

Particulars	As at	
	31st March,2014	31st March,2013
i Advance against Capital Expenditure	85,955	-
ii Security Deposits (Unsecured considered good)		-
(a) With Public Bodies	1,425,820	1,235,838
(b) With Others	55,800	42,200
iii Balances with Government Authorities	-	-
iv Other Loans & Advances	-	-
	<b>1,567,575</b>	<b>1,278,038</b>

# SHIVAGRICO IMPLEMENTS LIMITED

## 12 INVENTORIES

*(in rupees)*

Particulars	As at	
	31st March,2014	31st March,2013
Stores and spares	6,782,248	5,000,623
Finished Goods	19,397,268	12,048,811
Work in Progress	15,243,329	13,412,211
Raw materials	5,060,460	6,647,200
Other consumables	3,292,928	2,782,067
	<b>49,776,233</b>	<b>39,890,912</b>

## 13 TRADE RECEIVABLES

*(in rupees)*

Particulars	As at	
	31st March,2014	31st March,2013
<u>Debts outstanding for a period exceeding six months</u>		
Unsecured (considered good)	314,456	78,239
	314,456	78,239
<u>Other debts</u>		
Unsecured (considered good)	7,879,549	14,594,496
	7,879,549	14,594,496
	<b>8,194,005</b>	<b>14,672,735</b>

## 14 CASH AND CASH EQUIVALENTS

*(in rupees)*

Particulars	As at	
	31st March,2014	31st March,2013
i. Cash on hand	140,030	54,731
ii. <u>Balances with banks</u>		
a) <u>In fixed deposits (Maturity period for more than 12 months)</u>		
With SBBJ (Tisco) Guarantee 86964	352,401	352,401
b) In deposit accounts with original maturity of less than three months	-	-
c) In deposit accounts with original maturity of more than three months but less than twelve months	-	-
d) In current accounts	457,947	709,621
<b>Total cash and cash equivalents as per Balance Sheet</b>	<b>950,378</b>	<b>1,116,753</b>

## 15 SHORT-TERM LOANS AND ADVANCES

*(in rupees)*

Particulars	As at	
	31st March,2014	31st March,2013
<u>Loans &amp; Advances to Related Parties</u>		
<u>(Unsecured, considered good)</u>		
Relative of Key Management Personnel	-	-
Others	-	-
Loans & Advances to Employees	187,906	210,115
(Unsecured, considered good)		
Prepaid Expenses (Unsecured considered good)	485,375	407,211
<u>Unsecured, considered good</u>		
<u>Deposits (Unsecured considered good)</u>		
a) With public bodies	58,000	58,000
b) With Others	-	-
	<b>58,000</b>	<b>58,000</b>



# SHIVAGRICO IMPLEMENTS LIMITED

Others		980,975	573,728
a Advance payment against taxes including T.D.S.		1,852,928	1,865,575
b Advance payment to Suppliers			

Advances, (Unsecured, considered good)

<u>Advances recoverable in cash or in kind or for value to be received</u>			
Others		10,283,311	8,342,392
		<b>13,848,496</b>	<b>11,457,021</b>

## 16 INCOME FROM OPERATIONS

*(in rupees)*

Particulars	As at	
	31st March,2014	31st March,2013
i Sale Of Product	235,361,195	268,539,092
ii Income From Services, Conversion And Job Work	40,508,609	50,482,209
Less: Excise duty paid on sale	(14,222,604)	(16,979,817)
	<b>261,647,201</b>	<b>302,041,484</b>

## 17 OTHER INCOME

*(in rupees)*

Particulars	As at	
	31st March,2014	31st March,2013
Foreign exchange difference	971	185,798
<u>Other non-operating income</u>		
Interest Income	137,976	111,676
Rent	180,000	168,000
Profit on Sale of fixed Assets	8,985	-
Other Income	56,245	21,474
	<b>384,177</b>	<b>486,948</b>

## 18 COST OF RAW MATERIALS CONSUMED

*(in rupees)*

Particulars	As at	
	31st March,2014	31st March,2013
Opening stock	6,647,200	12,089,363
Add : Purchases during the year	166,650,696	175,941,704
	173,297,896	188,031,067
Less : Closing stock	5,060,460	6,647,200
	<b>168,237,436</b>	<b>181,383,867</b>

## 19 EMPLOYEE BENEFIT EXPENSES

*(in rupees)*

Particulars	As at	
	31st March,2014	31st March,2013
<u>Employee benefit expenses</u>		
Salaries and bonus	4,202,386	5,402,345
Director's Remuneration	-	140,000
Contribution to provident and other funds	521,325	537,952
Staff welfare	282,580	362,784
Retirement Benefits	142,514	121,709
-	-	-
	<b>5,148,805</b>	<b>6,564,790</b>

# SHIVAGRICO IMPLEMENTS LIMITED

## 20 CHANGE IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK IN TRADE

((in rupees))

Particulars	As at	
	31st March,2014	31st March,2013
<u>Change in inventories of finished goods, work-in-progress and stock in trade</u>		
i. <u>Opening Stock</u>		
Stock-in-trade	-	-
Finished goods	12,048,811	18,203,924
Work-in-progress	13,412,211	10,086,262
Less : Excise Duty on Opening Stock	825,358	1,316,042
	<u>24,635,664</u>	<u>26,974,144</u>
ii. <u>Closing stock</u>		
Stock-in-trade	-	-
Finished goods	19,397,268	12,048,811
Work-in-progress	15,243,329	13,412,211
Less : Excise Duty on Closing Stock	1,159,564	825,358
	<u>33,481,033</u>	<u>24,635,664</u>
Change in inventories (i - ii)	<u>(8,845,369)</u>	<u>2,338,480</u>

## 21 FINANCE COSTS

((in rupees))

Particulars	As at	
	31st March,2014	31st March,2013
i. Interest expense	6,222,025	6,467,178
ii. <u>Other borrowing cost</u>		
Loan processing charges	-	-
	<u>6,222,025</u>	<u>6,467,178</u>

## 22 OTHER EXPENSES

((in rupees))

Particulars	As at	
	31st March,2014	31st March,2013
<u>Other expenses</u>		
i. Consumption of stores and spare parts	4,182,105	6,889,095
ii. Excise Duty Expenses	5,176,494	4,484,874
iii. Contract Labour charges	23,728,140	22,853,953
iv. Job work charges	4,097,430	9,760,836
v. Power	10,635,857	10,831,836
vi. Steam Coal Consumed	16,161,898	16,600,893
vii. Rent	-	-
viii. Repairs to buildings	130,014	203,517
ix. Repairs to machinery	695,966	895,693
x. Repairs others	368,050	215,017
xi. Insurance	240,847	242,319
xii. Water	75,817	80,203
xiii. Communication	455,267	478,551
xiv. Travelling & Conveyance	638,051	703,826
xv. Printing & Stationery	280,356	221,736
xvi. Sales Discount	28,937	81,963
xvii. Legal & Professional	623,844	500,076
xviii. Rates and taxes	359,969	268,557
xix. <u>Payment to auditors</u>		
Statutory audit fees	348,376	348,376
Tax audit fees	129,154	112,300
<u>Other services</u>		
Professional fees	16,854	96,517
xx. Brokerage and commission	35,019	243,277
xxi. Packing materials consumed	1,072,144	1,964,400
xxii. Transport and handling charges	5,647,104	8,721,749
xxiii. Quality Difference	132,451	485,440
xxiv. Loss on Sale Assets	6,842	-
xv. Miscellaneous expenses	3,329,156	3,735,399
	<u>78,596,141</u>	<u>91,020,403</u>

# SHIVAGRICO IMPLEMENTS LIMITED

## 23 BORROWING COST CAPITALISED

*(in rupees)*

Particulars	As at	
	31st March,2014	31st March,2013
	Interest	1,447,010
	1,447,010	1,102,683

## 24 CONTINGENT LIABILITIES AND COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR)

*(in rupees)*

Particulars	As at	
	31st March,2014	31st March,2013
	Claims of Excise Duty not acknowledged by the company (matters under Appeal with Rajasthan High Court Jodhpur against Tribunal Order)	6,050,582
	-	-
Claims of Excise Duty not acknowledged by the company (matters with Joint Commissioner of Central Excise, Jaipur -II)	1,161,633	1,161,633
	-	-
Claims of Excise Duty not acknowledged by the company (matters with CESTAT, New Delhi)	292,024	292,024
	-	-
Claims of Service Tax not acknowledged by the company (matters with CESTAT, New Delhi)	81,576	81,576
	-	-
	7,585,815	7,585,815

## 25 IMPORTS (VALUED ON THE COST, INSURANCE AND FREIGHT BASIS)

*(in rupees)*

Particulars	As at	
	31st March,2014	31st March,2013
	i. Raw material	-
	-	-
	-	1,948,955

## 26 EXPENDITURE/EARNINGS IN FOREIGN CURRENCY

*(in rupees)*

Particulars	As at	
	31st March,2014	31st March,2013
	<b>Expenditure</b>	
Overseas travel expenses	-	14,620
<b>Earnings</b>		
Exports (FOB)	490,400	-

# SHIVAGRICO IMPLEMENTS LIMITED

## 27 EARNING PER SHARE

*(in rupees)*

Particulars	As at	
	31st March,2014	31st March,2013
Profit available to shareholders	894,101	2,828,193
<u>Number of shares considered as weighted average</u>		
Number of shares at the beginning of the year	5,013,600	5,013,600
Weighted average number of equity shares	5,013,600	5,013,600
Basic / diluted earning per share	<u>0.18</u>	<u>0.56</u>

## 28 AMOUNT DUE TO SSI UNITS

There are no dues payable to small scale industrial undertaking and included under sundry creditors.

## 29 AMOUNT UNPAID TO MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006

There are no dues to Micro and Small Enterprises as at 31st March, 2014. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.

## 30. RELATED PARTY TRANSACTIONS

### List of related parties/ relatives

Sr.	Name of related party	Relationship
1	Shri Hemant V Ranawat	Key Management Personnel
2	Shri Vimalchand M Jain	Key Management Personnel
3	Shri Vinit Ranawat	Relative of Key Management Personnel
4	Smt Bharti Kothari	Relative of Key Management Personnel
5	Mokalsar Stones Pvt Ltd	Others
6	Sanghvi Dhanrupji Devaji & Co Money Changers P Ltd	Others

### Transactions with related parties/ relatives

#### i. Income

*(in rupees)*

Name of person	Nature of transactions	As at	
		31st March,2014	31st March,2013
Mokalsar Stone P. Ltd.	Sales	5,817	11,165

#### ii. Expenditure

*(in rupees)*

Name of person	Nature of transactions	As at	
		31st March,2014	31st March,2013
Shri Hemant V Ranawat	Directors Remuneration	-	140,000
Shri Vimalchand M jain (Prop. of mokal Granites)	Weighing Charges	101,050	74,843
Smt Bharti Kothari	Salaries	240,000	240,000
Smt Bharti Kothari	Ex Gratia	20,000	-
Sanghvi Dhanrupji Devaji Money Changers Pvt Ltd	Foreign Exchange Purchase	-	14,620

# SHIVAGRICO IMPLEMENTS LIMITED

## iii. Loans & Advances :

(in rupees)

Name of person	Opening Cr/ (Dr)	Debit	Credit	Closing Cr/ (Dr)
Shri Vimalchand M. Jain		11,100,000	15,900,000	4,800,000

## 31. **SEGMENT REPORTING**

The Company deals in Rolling and Forging of agricultural implements. All products made by the company essentially emanate from Rolling & Forging division and therefore it is reported as an independent business segment. The Company operates its business in domestic market only. As per General Clarification -11 on segment reporting issued by The Institute of Chartered Accountants of India, there is no reportable segment as defined in Accounting Standard -17.

## 32)

- a) Advances recoverable in cash or in kind or for value to be received Rs. 1,02,83,311/- (Previous Year Rs. 83,42,392/-) include CENVAT receivable and personal ledger accounts Balances with excise department Rs.42,90,659/- (Previous year Rs. 35,48,744 /-), and receivable from Sales Tax Department Rs. 29,79,320/- (Previous Year Rs. 22,09,141/-) adjustable against duty payable.
- b) Stores consumed (including obsolete spares written off) exclude cost of wages and salaries and other expenses for the stores items manufactured departmentally and the same are charged to wages and salaries and other revenue accounts. Stock of Stores does not include any departmentally manufactured items; hence no impact on the profit of the year.
- c) Repairs to Building and Repairs to Machinery carried on departmentally exclude the cost of wages & salaries and other expenses which are charged to wages and salaries and other revenue accounts.
- d) i) Sundry Creditors include Rs. NIL due to small Scale Industrial undertaking (Previous Year Rs. NIL)  
ii) There are no Small Scale Undertakings to whom the company owes amounts exceeding Rs. 1 Lacs outstanding for more than 30 days.
- e) **Actual Production.**

PARTICULARS Class of Products	Unit	During the year ended on 31.03.2014	During the year ended on 31.03.2013
<b>(1) Re-Rolling Goods</b>	MTs	5,037,000 (2267.800)	5,163.000 (2239.060)
<b>(2) Re-rolling Goods (Hammers)</b>	Nos	598	45
<b>(3) AGRICULTURE IMPLEMENTS AND OTHER FORGING ITEMS</b>			
(i) Agricultural Implements	Nos	210,562	185,668
(ii) Other Forging Items	MTs	1,708,438	1,715.965
<b>(4) Scrap</b>	MTs	1,239.224	1,490.693

## **NOTE:**

- 1) Figures within brackets represent captive consumption during the year.
- 2) Includes production by conversion and job work done by third parties into finished goods for sale.
- 3) Excludes production on conversion done for third parties :- Rolling Products 7146.00 MT (Previous Year 8371.005 MT) and forging products 484235 Nos (Previous Year 828107 Nos)

# SHIVAGRICO IMPLEMENTS LIMITED

## f) Purchase of Finished Goods

Sr.No	Class of Goods	Unit	For the year ended 31-03-2014		For the year ended 31-03-2013	
			Qty.	Value (Rs)	Qty.	Value (Rs)
1	Ingots / Billets	MTs	6.630	223,773	33.680	1,083,843
2	Scrap	MTs	-	-	-	-
3	Agricultural Implements	Nos	20,940	1,171,080	54,628	3,004,414
4	Steam Coal	MTs	-	-	14.480	81,642
				<b>1,394,853</b>		<b>4,169,899</b>

## g) TURNOVER

Sr. No.	Class of Goods	Unit	For the year ended 31-03-2014		For the year ended 31-03-2013	
			Qty.	Value (Rs)	Qty.	Value (Rs)
1	Re-Rolling Products	Mts	2750.753	112,219,820	3073.983	128,254,500
2	Re-Rolling Products (Hammers)	Nos	598	95,505	45	13,535
3	Agricultural Implements	Nos	191,118	17,367,207	249.324	22,860,787
4	Other Forging Items	Mts	1677.058	87,067,528	1744.272	91,762,808
5	Ingots	Mts	6.630	251,802	33.680	1,332,473
6	Steam Coal	Mts			14.480	144,800
7	Machinery Parts	Pcs	-	-	-	-
8	Scrap	Mts	1,134.894	18,359,334	1,460.263	24,170,189
9	Sale of Services			40,508,609		50,482,209
	Less :Excise duty on sales			(14,222,604)		(16,979,817)
				<b>261,647,201</b>		<b>302,041,484</b>

## h) STOCK PARTICULAR OF FINISHED GOODS

Sr.No.	Class of Goods	Unit	For the year ended 31-03-2014		For the year ended 31-03-2013	
			Qty.	Value (Rs)	Qty.	Value (Rs)
1	Re-Rolling Goods	Mts	181.397 (162.950)	7,142,487 (6784916)	162.950 (312.340)	6,784,916 (12332271)
2	Agricultural Implements	Nos	56783 (16399)	4,588,307 (1749915)	16399 (25427)	1,749,915 (2097998)
3	Other Forging Items	Mts	71.643 (40.263)	3,163,658 (1856527)	40.263 (68,570)	1,856,527 (2926225)
4	Scrap	Mts	163.571 (59.241)	4,502,816 (1657453)	59.241 (31.631)	1,657,453 (847430)
				<b>19,397,268</b>		<b>12,048,811</b>
				<b>(12,048,811)</b>		<b>(18,203,924)</b>

**Note :-** Figures in brackets represents previous year figures

## SHIVAGRICO IMPLEMENTS LIMITED

### 33) The value of consumption of directly imported and indigenous raw materials and percentage

	Current Year		Previous year	
	Value Rupees	Percentage	Value Rupees	Percentage
(a) Directly Imported	0	0.00%	0	0.00%
(b) Indigenously obtained	168237436	100.00%	181383868	100.00%
	168237436	100.00%	181383868	100.00%

### 34) Deferred Tax Assets / Liability

As per the requirement of the accounting Standard 22 on "Accounting for Taxes on Income" issued by the Institute of Chartered Accountants of India the deferred tax asset recognised during the year is Rs. 58897/- (Previous Year Rs.2147471/-). The year end position of Deferred Tax Liability is given below :

	As at 31.03.2014 [Rs.]	As at 31.03.2013 [Rs.]
<b><u>Deferred Tax Liability / (Asset)</u></b>		
<b><u>On Depreciation</u></b>		
As per last Balance Sheet	2,147,471	2,568,344
Deferred Tax Liability / (Asset) on account of Depreciation	(58,897)	(420,873)
	<b>2,088,574</b>	<b>2,147,471</b>
<b><u>Deferred Tax Asset on :</u></b>		
Employee Benefits (current year)	-	-
Deferred Tax Asset on account of Depreciation	-	-
	<b>2,088,574</b>	<b>2,147,471</b>
Deferred Tax Liability on reversal of expenses disallowed in earlier year u/s. 40(a)(ia)	-	-
Deferred Tax Liability on reversal of expenses disallowed in earlier year u/s. 43B	-	-
	<b>2,088,574</b>	<b>2,147,471</b>
<b><u>Deferred Tax Liability / (Assets) on account of</u></b>		
Expenses disallowed U/s. 40(a)(ia)	-	-
Expenses disallowed u/s. 43B	-	-
Others	-	-
Net Deferred Tax Liability / (Asset)	<b>2,088,574</b>	<b>2,147,471</b>

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## 35) Disclosure pursuant to Accounting Standard (AS) 15 (Revised) "Employee Benefits"

- (a) The Company has adopted Accounting Standard (AS) 15 (revised 2005) on Employee Benefits on 1st April, 2005.
- (b) The Company operates the following unfunded defined benefit plans :
- (i) Post retirement gratuity (Refer Note No. 1(f) of Notes to Accounts for accounting policies adopted)
- (c) The actuarial valuation of the present value of the defined benefit obligation has been carried out as at 31st March, 2014. The following tables set out the amounts recognised in the financial statements as at 31st March, 2014 for the above mentioned defined benefit plans [Previous year figures have not been given as the Company has adopted revised Accounting Standard AS 15 for the first time during the financial year ended as on 31st March, 2014]:

Description	As at 31/03/2014 (Rs.)	As at 31/03/2013 (Rs.)
<b>1 Change in present value of obligation</b>		
a. Present Value of Obligation as at the beginning of the year	3,095,345.00	3,246,039.00
b. Current Service Cost	166,796.00	176,231.00
c. Interest Cost	247,628.00	259,683.00
d. Actuarial (Gain) / Loss	(49,080.00)	(51,939.00)
e. Benefits paid	(529,503.00)	(534,669.00)
f. Present Value of Obligation as at the end of the year	<b>2,931,186.00</b>	<b>3,095,345.00</b>
<b>2 Changes in the fair value of plan assets</b>		
a. Fair Value of Plan Assets at the beginning of the year	3,186,897.00	3,447,485.00
b. Expected Return on Plan Assets	258,204.00	274,081.00
c. Contributions	412,636.00	-
d. Benefits Paid	(529,503)	(534,669)
e. Actuarial Gain / (Loss) on Plan Assets	-	-
f. Fair Value of Plan Assets at the end of the year	<b>3,328,234.00</b>	<b>3,186,897.00</b>
<b>3 Fair Value of Plan Assets</b>		
a. Fair Value of Plan Assets at the beginning of the year	3,186,897.00	3,447,485.00
b. Actual return on plan assets	258,204.00	274,081.00
c. Contributions	412,636.00	-
d. Benefits Paid	(529,503)	(534,669)
e. Fair Value of Plan Assets as at the end of the year	3,328,234.00	3,186,897.00
f. Funded Status	397,048.00	91,552.00
g. Excess of actual over estimated return on plan assets	-	-



# SHIVAGRICO IMPLEMENTS LIMITED

## 4 Actuarial Gain / Loss recognized

a. Actuarial (gain) / loss for the year - Obligation	(49,080.00)	(51,939.00)
b. Actuarial (gain) / loss for the year - Plan Assets	-	-
c. Total (gain) / loss for the year	(49,080.00)	(51,939.00)
d. Actuarial (gain) / loss recognized in the year	(49,080.00)	(51,939.00)
e. Unrecognized actuarial (gains) / losses at the end of year	-	-

## 5 The amount recognized in balance sheet

a. Present Value of Obligation as at the end of the year	2,931,186.00	3,095,345.00
b. Fair Value of Plan Assets as at the end of the year	3,328,234.00	3,186,897.00
c. Funded Status	397,048.00	91,552.00
d. Unrecognized Actuarial (gains) / losses	-	-
e. Net Asset / (Liability) recognized in Balance Sheet	<b>397,048.00</b>	<b>91,552.00</b>

## 6 Expense recognized in statement of Profit & Loss Account

a. Current Service Cost	166,796.00	176,231.00
b. Interest Cost	247,628.00	259,683.00
c. Expected Return on Plan Assets	(258,204.00)	(274,081.00)
d. Actuarial (Gain) / Loss	(49,080.00)	(51,939.00)
e. Expense recognized during the year	<b>107,140.00</b>	<b>109,894.00</b>

## 7 Actuarial Assumptions used for valuation of the present value of the Defined

### Benefit Obligations of various benefits are as under :

Retirement Age	60 Years
Future Salary Rise	7.00 % per annum
Rate of Discounting	8.00 % per annum
Mortality Table	LIC (1994-96) Ultimate

\* Discounting rate is based on the Prevailing market yields of Indian Government Securities as at the Balance Sheet date for the estimated term of the obligation.

\* The estimates of future salary increases, considered in actuarial valuation, take account of the inflation, seniority, promotion and other relevant factors.

36) The previous period figures have been regrouped/reclassified, wherever necessary to conform to the current period presentation.

As per our report attached.

**For SANGHVI SANGHVI & SANGHVI**

Chartered Accountants

Firm Registration No. : 109138W

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

**(M. B. Sanghvi)**

Partner

Membership No. 040835

**(Hemant Ranawat)**

Executive Director

**(Bhavesh Shah)**

Director

**(Vinit Ranawat)**

Director

**MUMBAI**

**Dated : 30<sup>th</sup> May, 2014.**

**SHIVAGRICO IMPLEMENTS LIMITED**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2014.**

Particulars	2013-14 Rupees	2012-13 Rupees
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit/(Loss) before tax and Extraordinary items	1,271,204	3,038,320
<b>Adjustments for</b>		
Depreciation	10,006,283	7,627,137
(Interest Income)	137976	1,11,676
Interest on Borrowings	6,222,025	6,467,178
Rounding Off Difference on forfeiture of shares	0	0
(Profit) / Loss on sale of fixed assets	6842	
(Profit) / Loss on sale of fixed assets	<u>(8985)</u>	<u>0</u>
	16364141	14205991
Operating Profit/(Loss) before working capital changes	17635345	17244311
<b>Adjustments for</b>		
Inventories (Increase)/Decrease	(9885321)	7651041
Trade Receivable (Increase)/Decrease	6,478,729	4,352,155
Others Recoverable (Increase)/Decrease	(2,681,011)	3,222,252
Sundry Creditors Increase/(Decrease)	714,664	(2,053,636)
Other Liabilities Increase/(Decrease)	<u>(556,601)</u>	<u>(8558615)</u>
	(5,929,540)	4,613,197
Cash Generated from operations	11,705,805	21,857,508
Taxes	377103	210127
Prior Period Adjustments	0	0
<b>NET CASH FROM OPERATING ACTIVITIES - A -</b>	<b><u>11,328,702</u></b>	<b><u>21,647,381</u></b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES:</b>		
Purchase of Fixed Assets	(12002864)	(17390023)
Interest Received	<u>(137976)</u>	<u>(111676)</u>
Sale of Fixed Assets	82,000	-
<b>NET CASH IN INVESTING ACTIVITIES - B -</b>	<b>(12058840)</b>	<b>(17501699)</b>

# SHIVAGRICO IMPLEMENTS LIMITED

Particulars	2013-14 Rupees	2012-13 Rupees
<b>C. CASH FLOW FROM FINANCING ACTIVITIES:</b>		
Borrowings (Net)	6785787	(942024)
Calls in Arrears Received	0	0
Securities Premium Amount Received	0	0
Interest paid	(6222025)	(6467178)
<b>NET CASH FROM FINANCING ACTIVITIES - C -</b>	<b>563762</b>	<b>(7409202)</b>
<b>NET INCREASE /(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)</b>	<b>(166,376)</b>	<b>(3,263,520)</b>
Cash and cash equivalents as at 1st April 2013	1116753	4380273
Cash and cash equivalents as at 31st March 2014	<b>950378</b>	<b>1116753</b>

- Note :**
1. Figures in brackets represent out flows.
  2. Previous Year figures have been regrouped wherever necessary.

**For SANGHVI SANGHVI & SANGHVI**  
Chartered Accountants  
Firm Registration No. : 109138W

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

**(M. B. Sanghvi)**  
Partner  
Membership No. 040835

**(Hemant Ranawat)**  
*Executive Director*

**(Bhavesh Shah)**  
*Director*

**(Vinit Ranawat)**  
*Director*

**MUMBAI**  
**Dated : 30<sup>th</sup> May, 2014.**

# SHIVAGRICO IMPLEMENTS LIMITED

To,  
The Board of Directors,  
Shivagrigo Implements Ltd,  
MUMBAI - 400 007.

We have examined the attached Cash Flow Statement of SHIVAGRICO IMPLEMENTS LIMITED for the year ended 31st March, 2014. The statement has been prepared by the company in accordance with the requirement of clause 32 of listing agreement with the Stock Exchange and is based on and in agreement with the corresponding Profit and Loss Account and Balance Sheet of the Company covered by our report dated 30th May, 2014 to the members of the Company.

**For SANGHVI SANGHVI & SANGHVI  
Chartered Accountants**

Firm Registration No. : 109138W

**PLACE : MUMBAI  
DATED : 30<sup>th</sup> May, 2014**

**M. B. Sanghvi**  
*Partner*  
Membership No. : 040835

# SHIVAGRICO IMPLEMENTS LIMITED

**CIN: L28910MH1979PLC021212**

Registered Office: A-1 Ground Floor, Adinath Apartment, 281, Tardeo Road, Mumbai- 400007

## **Attendance Slip**

PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL

Joint shareholders may obtain additional slip at the venue of the meeting

DP Id*
Client Id*

Folio No.
No. of Shares

### **NAME AND ADDRESS OF THE SHAREHOLDER :**

I hereby record my presence at the 35<sup>th</sup> Annual General Meeting of the Company held on Thursday, the 11<sup>th</sup> September, 2014 at 11.00 a.m. at P-4, Party Hall, 4<sup>th</sup> Floor, The Majestic, Anna Saheb Patil Marg, Khed Gully X Lane, Prabhadevi, Mumbai- 400025.

1. Only Member/Proxyholder can attend the Meeting.
2. Member/Proxyholder should bring his/her copy of the Annual Report for reference at the Meeting.

\_\_\_\_\_  
Signature of Shareholder/Proxy

**SHIVAGRICO IMPLEMENTS LIMITED**

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# SHIVAGRICO IMPLEMENTS LIMITED

CIN: L28910MH1979PLC021212

Registered Office: A-1 Ground Floor, Adinath Apartment, 281, Tardeo Road, Mumbai- 400007

## Proxy Form

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

Name of the Member(s): Registered address		e-mail id: Folio No./*Client Id: *DP Id:	
--	--	--	--

I/We, being the member(s) holding \_\_\_\_\_ shares of Shivagrigo Implements Limited, hereby appoint:

- 1) \_\_\_\_\_ of \_\_\_\_\_ having e-mail id \_\_\_\_\_ or failing him
- 2) \_\_\_\_\_ of \_\_\_\_\_ having e-mail id \_\_\_\_\_ or failing him
- 3) \_\_\_\_\_ of \_\_\_\_\_ having e-mail id \_\_\_\_\_

and whose signature(s) are appended below as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 35<sup>th</sup> Annual General Meeting of the Company, to be held on Thursday, the 11<sup>th</sup> September, 2014 at 11. 00 a.m. at P-4, Party Hall, 4<sup>th</sup> Floor, The Majestic, Anna Saheb Patil Marg, Khed Gully X Lane, Mumbai- 400025 and at any adjournment thereof in respect of such resolutions as are indicated below:

\*\*I wish my above proxy to vote in the manner as indicated in the box below :

Item No.	Resolutions	Type of Resolution	For	Against
1.	Consider and adopt a) Audited Financial Statement of the Company as at 31 <sup>st</sup> March, 2014, and the Reports of the Board of Directors and Auditors thereon	Ordinary		
2.	Re-appointment of Mr. Vimalchand Jain who retires by rotation	Ordinary		
3.	Re-appointment of Mr. Vinit Ranawat who retires by rotation	Ordinary		
4.	Appointment of Auditor, M/s Sanghvi Sanghvi & Sanghvi, Chartered Accountants and fixing their remuneration	Ordinary		
5.	Ratification of Remuneration payable to M/S Chittora & Co. Cost Auditors of the Company for the financial year 2014-15	Ordinary		
6.	Appointment of Mr. Narpatmal Sanghvi as an Independent Director	Ordinary		
7.	Appointment of Mr. Bhavesh Shah as an Independent Director	Ordinary		
8.	Appointment of Mr. Karan Singh Chauhan as an Independent Director	Ordinary		
9.	Authorise to Board of Directors/Committee to Borrow under Section 180(1)(c) of the Companies Act, 2013	Special		
10.	Authorise to create mortgage and/or charge by way of first and second charge on all the immovable and/or movable properties of the Company under Section 180(1)(a) of the Companies Act, 2013	Special		

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2014

\_\_\_\_\_  
Signature of Shareholder

Affix  
Revenue  
Stamp

\_\_\_\_\_  
Signature of first Proxy  
holder

\_\_\_\_\_  
Signature of Second Proxy  
Holder

\_\_\_\_\_  
Signature of third Proxy  
Holder

### Notes:

- (1) This form of proxy in order to be effective should be duly completed and deposited at the Registered office of the Company not less than 48 hours before the commencement of the Meeting.
- (2) A proxy need not be a member of the Company.
- (3) A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting results. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
- \*\* (4) This is only optional. Please put a 'X' in the appropriate column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your proxy will be entitled to vote in the manner as he/she thinks appropriate.
- (5) Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.
- (6) In the case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.

**BOOK-POST**

To,

*If undelivered please return to:*

**SHIVAGRICO IMPLEMENTS LIMITED**


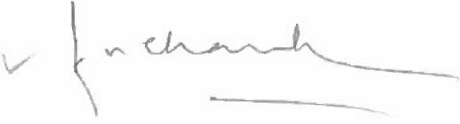

A-1, Adinath Apartments,

281, Tardeo Road,

Mumbai-400 007.



Table - A

1.	Name of the company	Shivagrigo Implements Limited
2.	Annual financial statements for the year Ended	31 <sup>st</sup> March, 2014
3.	Type of Audit observation	Un-qualified
4.	Frequency of observation	Not Applicable
5.	To be signed by- 1. Hemant Ranawat Executive director  2. Audit Committee Chairman Karan Singh Chauhan  3. Auditor of the company	    <b>For SANGHVI SANGHVI &amp; SANGHVI</b>  <b>Partner</b>