



GEI INDUSTRIAL SYSTEMS LTD

Registered Office: 26/A, Industrial Area, Govindpura, Bhopal - 462 023 (M.P.)

Notice

NOTICE is hereby given that the 22nd Annual General Meeting of the members of GEI Industrial Systems Ltd will be held at the Registered Office of the Company at 26/A, Industrial Area, Govindpura, Bhopal - 462 023 (M.P.) on Monday, the 28th day of September 2015, at 4:00 P.M. to transact the following business:

ORDINARY BUSINESS

1 To consider and adopt:

- The audited financial Statements of the company for the financial year ended March 31, 2015, the report of the Board of Directors and Auditors thereon; and
- The audited consolidated financial statement of the company for the financial year ended March 31, 2015.

2 To appoint a Director in place of Mr. Robinson Fernandez, who retires by rotation and being eligible, offers himself for re-appointment and in this regard, to consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of section 152, 164, 165 and all other applicable provisions if any, of the Companies Act, 2013, Mr. Robinson Fernandez (**DIN – 02444695**) who retires by rotation and, being eligible for re-appointment, offers himself for re-appointment, be and is hereby re-appointed as a director of the Company and that his period of office be liable to determination by retirement of Directors by rotation.

RESOLVED FURTHER THAT in the event of any statutory amendment, modification or relaxation by the Central government in Companies Act, 2013, the Board be and is hereby authorized to vary the remuneration and perquisites within such time limit or ceiling as may be prescribed under such amendment, modification or relaxation and the agreement between the company and Mr. Robinson Fernandez be suitably amended to give effect to such modification, relaxation or variation without any further reference to the members of the company in General Meeting.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to take such steps and do all such acts, deeds, matters and things as may be considered necessary proper and expedient to give effect to this resolution.”

3 To ratify the appointment of Auditors and fix their remuneration and in this regard, to consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to provisions of Sub-section (1) of Section 139 of the Companies Act, 2013, Shareholders ratified the appointment of **M/S A. K. Khabya & Co., Chartered Accountants Bhopal (Registration No. 001994C)**, as Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the Conclusion of the next Annual General Meeting of the Company to audit the financial accounts of the company for the financial year ended 2016 at such remuneration as shall be fixed by the Board of Directors of the Company and reimbursement of actual expenses that may be incurred by the auditors in the performance of their duty as auditors of the company”.

SPECIAL BUSINESS

4 To appoint Mr. Shibu Thomas (DIN - 07130731) as an Independent Director and in this regard

To consider and if though fit, to pass with or without modification the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013(“the Act”) and the Articles of Association of the Company and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and clause 49 of the Listing Agreement, Mr. Shibu Thomas (DIN: 07130731), who qualifies for being appointed as an Independent Director as per Section 160 of the Act, be and is hereby appointed as an Independent Director of the Company with effect from 30th March, 2015 on such sitting fees and perquisites as set out in the terms and conditions of his appointment and to hold office for 3 (three) consecutive years.

RESOLVED FURTHER THAT in the event of any statutory amendment, modification or relaxation by the Central government to Schedule IV to the Companies Act, 2013, the Board be and is hereby authorized to vary the remuneration and perquisites within such time limit or ceiling as may be prescribed under such amendment, modification or relaxation and the agreement between the company and Mr. Mundhra be suitably amended to give effect to such modification, relaxation or variation without any further reference to the members of the company in General Meeting.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to take such steps and do all such acts, deeds, matters and things as may be considered necessary proper and expedient to give effect to this resolution.”

5 To appoint Mr. Panna Lal Mundhra (DIN - 00706048) as a Whole time Director and in this regard, to consider and if thought fit, to pass the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Section 149, 196, 197 and 203 read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013(“the Act”) and the Articles of Association of the Company and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), approval of the Company be and is hereby accorded for the continuation of employment of Mr. Panna Lal Mundhra (DIN: 00706048) who has attained the age of Eighty two years on August, 21, 2015, as a Whole-time Director of the Company on such remuneration and perquisites as set out in the terms and conditions of his appointment up to September 28, 2018, i.e. up to expiry of his present term of office as approved by the members at the 22nd Annual General Meeting of the Company held on September 28, 2015.

RESOLVED FURTHER THAT in the event of any statutory amendment, modification or relaxation by the Central government to Schedule V to the Companies Act, 2013, the Board be and is hereby authorized to vary the remuneration and perquisites within such time limit or ceiling as may be prescribed under such amendment, modification or relaxation and the agreement between the company and Mr. Mundhra be suitably amended to give effect to such modification, relaxation or variation without any further reference to the members of the company in General Meeting.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to take such steps and do all such acts, deeds, matters and things as may be considered necessary proper and expedient to give effect to this resolution.”

By the Order of the Board

Place: Bhopal
Date: 21/08/2015

C E FERNANDES
Chairman & Managing Director

Note:

A Statement pursuant to Section 102(1) of the Companies Act, 2013, relating to the Special Business to be transacted at the meeting is annexed hereto.

STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 ("the Act")

The following Statement sets out all material facts relating to the Special Business mentioned in the accompanying Notice:

1) Item No. 4

In accordance with the provisions of Section 149 read Schedule IV to the Act, appointment of an Independent Director requires approval of members.

Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors has proposed that Mr. Shibu Thomas be appointed as an Independent Director of the Company. The appointment of Mr. Shibu Thomas shall be effective upon approval by the members in the meeting.

Mr. Shibu Thomas is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director.

The Company has received a declaration from Mr. Shibu Thomas that he meets the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under clause 49 of the Listing Agreement. In the opinion of the Board, Mr. Shibu Thomas fulfills the conditions for his appointment as Independent Director as specified in the Act and the Listing Agreement. Mr. Shibu Thomas is independent of the management and possess appropriate skills, experience and knowledge.

2) Item No. 5

In accordance with the provisions of Section 196(3) of the Act no company shall continue the employment of a person who has attained the age of Seventy years, as managing director, Whole-time Director or manager unless it is approved by the members by passing a special resolution. Part I of Schedule V to the act contains a similar relaxation.

Mr. Panna Lal Mundhra who was appointed as a Whole-time Director by the members to hold office up to September 28, 2015 and hence continuation of his employment as Whole-time Director requires the approval of members by a Special resolution.

Keeping in view that Mr. Panna Lal Mundhra has rich and varied experience in the industry and has been involved in the operations of the Company; it would be in the interest of the Company to continue the employment of Mr. Panna Lal Mundhra as a Whole-time Director of the Company.

Accordingly, approval of the members is sought for passing the Special Resolution as set out at Item No. 5 of the Notice.

Mr. Panna Lal Mundhra aged 82 years is a Director of the Company. He is a Post Graduate in Business Administration. Mr. Mundra is having a vast experience of over three decades in engineering industry and has attended several conferences and training programmes. His presence in the Company itself is a driving force for the management team to excel in performance.

Mr. Panna Lal Mundhra is interested in the resolution set out at item no. 5 of the notice. The relatives of Mr. Panna Lal Mundhra may be deemed to be interested in the resolution set out at item no. 5 of the notice, to the extent of their shareholding interest, if any, in the Company.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the said resolution.

The Board commends the Special Resolution set out at Item No. 5 of the notice for approval by the members.

NOTES:

1. A member entitled to attend and vote at the annual general meeting (the "meeting") is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member of the company. The instrument appointing proxy should, however be deposited at the registered office of the company not less than 48 hours before the commencement of the meeting.

A person can act as a proxy on behalf of members not exceeding fifty and holding in aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten 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.

2. Corporate members intending to send their authorised representatives to attend the meeting are requested to send to the Company a certified true copy of the Board resolution authorizing their representative to attend and vote on their behalf at the meeting.
3. Members are requested to bring their attendance slip and should fill in the Attendance slip and hand it over at the entrance of the venue for the meeting.
4. In case of Joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
5. Relevant documents referred to in the accompanying Notice and the statement is open for inspection by the members at the Registered Office of the company on all working days, except Saturdays, during business hours up to the date of the meeting.
6. In case members wish to ask any information about the accounts and operations of the Company or the proposed resolutions, they are requested to send their queries in writing so as to reach the Company at least 7 days before the date of Annual General Meeting so that the information can be made available at the meeting.
7. Members who hold shares in dematerialized form are requested to bring their Client ID and DP ID number for easy identification for recording attendance at the meeting.
8. The Company has notified closure of Register of Members Register of Members and Share Transfer Books from Tuesday 22.09.2015 to Monday, and 28.09.2015 (both days inclusive).
9. The ISIN (The International Securities Identification Number) of the Equity Shares of the Company is "INE599B01011".
10. Members are requested to address all their communication to our Registrar and Share Transfer Agents (RTA) – Link Intime India Pvt. Ltd., C-13, Pannalal Silk Mills Compound, LBS Marg, Bhandup (West), Mumbai 400 078.
11. Members are requested to notify immediately any change in their addresses, to the Company and those who are holding their shares in electronic mode are requested to notify to their respective Depository Participants (DPs).
12. Non-Residents Indian Members are requested to inform RTA, Immediately of:
 - Change in their residential status on return to India for permanent settlement.
 - Particulars of their bank account maintained in India with complete name, account type, account number and address of the bank with pin code number, if not furnished earlier.
13. Individual members are entitled to make a nomination in respect of the shares held by them. Members, who are desirous of making a nomination, are requested to send their nomination in Form 2B duly completed to the RTA. The said form will be made available on request.
14. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their depository participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the RTA.

15. Information and other instructions relating to e-voting are as under:

- i.** Pursuant to the provisions of Section 108 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Management and Administration) Rules, 2014, as amended and clause 35B of the listing Agreement, the company is pleased to provide to its members facility to exercise their right to vote on resolutions proposed to be passed in the meeting by electronic means. The members may cast their votes using an electronic voting system from a place other than the venue of the meeting ("remote e-voting").
- ii.** The members who have cast their votes by remote e-voting may also attend the meeting but shall not be entitled to cast their vote again.
- iii.** The company has engaged the services of Link Intime India Pvt. Ltd. As the agency to provide e-voting facility.
- iv.** The Board of Directors of the company has appointed M/S. Neeraj Nagar and Associates, Practicing Company Secretary, as Scrutinizer to scrutinize the e-voting process in a fair and transparent manner and he has communicated his willingness to be appointed and will be available for same purpose.
- v.** A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date, i.e. September 20, 2015 only, shall be entitled to avail the facility of remote e-voting.
- vi.** The remote e-voting facility will be available during the following period:
Commencement of remote e-voting: from 9:00 A.M. (IST) on September 25, 2015.
End of remote e-voting: Up to 5:00 P.M. (IST) on September 27, 2015.
The remote e-voting will not be allowed beyond the aforesaid date and time and the e-voting module shall be displayed by RTA upon expiry of aforesaid period.

The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on 25th September, 2015 at 09:00 P.M. and ends on 27th September, 2015 at 05:00 P.M. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 21st September, 2015 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iii) Click on Shareholders.
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant Company Name, (GEI Industrial Systems Ltd.) on which you choose to vote.

- (xii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (xvii) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Note for Non – Individual Shareholders and Custodians
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xix) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

IMPORTANT COMMUNICATION TO MEMBERS

The Ministry of Corporate Affairs has taken a “Green Initiative in Corporate Governance” by allowing paperless compliances by the companies and has permitted service of documents including Annual Report to its members through electronic mode. Accordingly, the Company has given an option to the shareholders to receive the Annual Report through e-mail and is sending the Annual Report through e-mail to those members whose registered e-mail Ids are available with us. To support this initiative, Members whose e-mail Ids have not been registered so far, are requested to register their e-mail Ids with their respective Depository Participant, in respect of holdings in Demat form and, with the Company's RTA, M/s Link Intime India Pvt. Ltd., in respect of shares held in physical form.

Annexure to the Notice

A. General Information

1) Nature of Industry

The company is Engineering and Capital Goods Industry. The Company is engaged in the Design / Engineering and Manufacturing of Air Cooled Heat Exchangers, Air Cooled Steam Condensers and associated systems for Oil & Gas, Petroleum Refining and Power Sectors including Balance of plant etc.

2) Financial Performance

The Financial Performance of the Company for past three years is as follows:

(Rs. in Lacs)

Particulars	2014-15	2013-14	2012-13
Gross Sales & Other Income	3057.31	6937.61	16689.16
EBIDTA	-922.18	-1461.74	-1191.13
Profit After Tax	-3243.69	-5024.41	-4842.73

3) Export performance and net foreign exchange earnings

During the year ended 31st March 2015, the net foreign exchange earning was NIL (Previous year - Rs. 1003.61 Lacs).

4) Foreign collaborators

The Company is exploring for foreign collaboration so that the company make better use of its intellectual properties like technologies by entering into foreign collaboration that will generate revenue for the company.

B. Other Information

1) Reasons for loss or inadequacy of profits

The Company has shown a loss from its operation in the current year primarily due to macroeconomic and political situation in the country. As growth returns to the country's manufacturing sector in general and new power plants in particular, the Company's operations are expected to get a boost both in turnover and profitability.

2) Steps taken to improve the performance of the Company

The Company has enlarged its Product Profile both in the Oil & Gas and Power Sectors by expanding into Balance of Plant, Engineering Procurement Construction etc., as well as by venturing into new geographies. Increased export earnings are a result of the steps taken.

3) Expected increase in productivity and profits in measurable terms

The Company has initiated various measures to expand the order book as well as to get into more profitable segments. Second half of 2015-16 and year 2016-17 are expected to be the turnaround period when the Company will reverse the negatives and be back on positive growth path.

By the Order of the Board

Place: Bhopal
Date: 21/08/2015

C E FERNANDES
Chairman & Managing Director



GEI INDUSTRIAL SYSTEMS LTD

Registered Office: 26/A, Industrial Area, Govindpura, Bhopal - 462 023 (M.P.)

ATTENDANCE SLIP

NAME AND ADDRESS OF THE SHAREHOLDER:

Folio No. / DP ID Client ID No.

I certify that I am a registered Shareholder/Proxy of the Company and hold _____ Equity shares. (Please indicate whether Shareholder/Proxy)

I hereby record my presence at the 22nd Annual General Meeting of the Company held on Monday the 28th September, 2015 at 04.00 PM, at the Registered Office of the Company at 26/A, Industrial Area, Govindpura, Bhopal - 462 023 (M.P.)

SIGNATURE OF THE SHAREHOLDER OR PROXY	NO. OF SHARES HELD

Note:
bring the Attendance
over at the venue duly

Shareholder/Proxy holder must
Slip to the meeting and hand
signed.

Cut here



PROXY FORM

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

GEI INDUSTRIAL SYSTEMS LTD

CIN NO – L28112MP1993PLC008029

Registered Office: 26/A, Industrial Area, Govindpura, Bhopal - 462 023 (M.P.)

1) Name of Member(s):	1) e-mail id:
2) Registered Address:	2) Folio No/*Client Id:
	3) *DP Id

I/We being the member(s) of shares of GEI Industrial Systems Ltd hereby appoint:

- 1) _____ having e-mail id _____ or failing him
- 2) _____ having e-mail id _____ or failing him
- 3) _____ having e-mail id _____

and whose signature(s) are appended below as my/our proxy to attend and vote (on a poll) for me/our behalf at the **22nd Annual General Meeting** of the company, to be held on Monday, September, 28, 2015 at 04:00 P.M. at the registered office of the company 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:

Resolutions	For	Against
1) Consider and adopt:		
a) Audited financial statement, Reports of Board of Directors and Auditors		
b) Audited Consolidated Financial Statement		
2) Re-appointment of the following Directors, retiring by rotation:		
a) Mr. Robinson Fernandez		
b) Mr. Panna Lal Mundha		
3) Appointment of Auditors and fixing their remuneration		
4) Appointment of Mr. Shibu Thomas as Independent Director		

*Applicable for Investors holding shares in electronic form.

Signed this _____ day of _____ 2015

Affix
Revenue
Stamp

Signature of Proxy

Signature of Shareholder

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 aggregate not more than 10% of the total share capital of the company carrying voting right. A member holding more than 10% of the total share capital of the company carrying voting right may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
4. Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.

Corporate Information

BOARD OF DIRECTORS

Mr. C E Fernandes
Mr. Bernard John
Mr. Pannalal Mundhra
Mr. Robinson Fernandez
Mr. Anil Chawla
Ms. Yogita Pant
Mr. Pradeep Jain
Mr. Shibu Thomas

Chairman & Managing Director
Joint Managing Director
Whole Time Director
Executive Director
Independent Director
Independent Director
Independent Director
Additional Director

KEY EXECUTIVES

Mr. Shankar Malani
Mr. R.C Chowdhary
Mr. J C Sanghvi
Mr. G S Tiwari
Mr. T R Guliani
Mr. S K Agarwal
Mr. A K Sanyal
Mr. Jackson Fernandes

Sr. Vice President (Project Management)
Sr. Vice President (HRD)
Vice President (Marketing)
Vice President (Production)
Vice President (Project Services)
General Manager (GM) (Quality and Control)
Additional General Manager (AGM) (Application)
Additional General Manager (AGM) (Engineering)

AUDITORS

A. K. Khabya & Co.
Chartered Accountants
2nd Floor, Shrimohan Parisar,
232, Zone-I, M.P. Nagar
Bhopal – 462 011 (M.P.)

REGISTRAR & SHARE TRANSFER AGENT

Link Intime India Pvt. Ltd.
C-13, Pannalal Silk Mills Compound
LBS Marg, Bhandup (W), Mumbai – 400 078

BANKERS

Axis Bank Ltd.
ICICI Bank Ltd.
IDBI Bank Ltd.
Kotak Mahindra Bank Ltd
Standard Chartered Bank
State Bank of India
Yes Bank Ltd
Citi Bank

REGISTERED OFFICE

26/A, Industrial Area,
Govindpura, Bhopal – 462 023 (M.P.)
Landline no - +91-0755-2586691 / 92
Website – www.geiind.com, www.geiindustrial.com
E-mail Id – cs@geiind.com

Brief about the Company

- **GEI was established in the year 1970 in the city of Bhopal (MP) in the name of General Engineering Industries. In 1993-94 partnership firm converted into limited company named GEI Engineering Limited. The factory area is spread over 6.5 acres having infrastructure for design, engineering, manufacturing and testing of medium and large Air Cooled Heat Exchangers and Air Cooled Steam Condensers. GEI is accredited with ISO 9001-2000 certification for quality systems and hold ASME "U" and "R" stamp certificates for fabrication of pressure vessels and heat exchangers both in the factory and at the field or site. GEI Thermal Designs are based on HTRI Software of USA**
- **GEI employs about more than 250 qualified professionals and experienced workmen. GEI is one of the leading companies dealing with heat transfer products such as Air Cooled Heat Exchangers and Air Cooled Steam Condensers for the energy sector which include petroleum, natural gas, power and utility industries. GEI has supplied heat transfer products to Africa, Australia, Europe, Middle East, South East and Far East Asian countries and also to North and South America. The products manufactured by GEI find application in Oil/Gas Production, Gas Processing, Oil/Gas Transport, Petroleum Refining, Petrochemical and Power Generation.**

Milestones

1980	Commenced manufacturing of various types of Finned Tubes
1983	Commenced the manufacturing of Motors, Generator and Transformer Coolers
1985	Started the manufacturing of OFAF Coolers for Transformers
1988	Commenced the manufacturing of Water Cooling Modules and Air Blast Coolers for Gas Turbines
1990	Commenced the manufacturing of Air Cooled Heat Exchangers for Hydro Carbon sector
1995	Company successfully completed the orders of High Pressure Gas Engine Driven Compressor Coolers of ONGC through Dresser Rand and Bharat Pumps & Compressor.
1998	Commenced the production of High Pressure Air Cool Heat Exchangers for Hydro-Carbon Sector.
2001	Company successfully completed the export order of H-Type Compressor Coolers to AGIP Tunisia through Nuovo Pgnone.
2002	The Company successfully started the export of Gas Turbine Air Blast Oil Coolers to Port Velho, Brazil & Houston and General Electric, USA
2003	The Company completed the orders of Air Cooled Steam Condenser for Jaypee Cement and Air Heater Systems for Peteronet LNG Phase-1 Project at Dahej. It also supplied High Pressure Air Cooled Turbine Compressor Cooling System to ONGC-MNW Off-Shore Platform.
2004	The Company successfully for first time manufactured and supplied the Duplex Steel High Pressure Air Cooled Heat Exchangers for Bharat Petroleum Corporaton Limited.
2006	GEI completed another order of Duplex Steel High Pressure Air Cooled Heat Exchangers for ONGC-BCPB2 and VEDP off shore Platform.
2007	Air Heater Systems for Petronet LNG Phase-2 Project at Dahej a repeat Order.
2008	Successfully bagged orders for 80 MW Air Cooled Vacuum Steam Condenser.
2009	Bagged Orders for 150 MW Air Cooled Vacuum Steam Condenser.
2010	Successfully commissioned 80 MW Air Cooled Vacuum Steam Condenser.
2011	Bagged Orders for 2 Units of 150 MW and 2 Units of 80 MW Air Cooled Vacuum Steam Condenser.
2012	Successfully commissioned 150 MW Air Cooled Vacuum Steam Condenser.
2013	Manufactured and supply Duplex Air Cooled Heat Exchanger IOCL Paradeep.
2014	Bagged Order for EPC Project of Nuclear Power waste treatment plant from Nuclear Power corporation. Also got the export order from OMAN for PDO for supply of Air Cooled Steam Condenser.

Boards' Report

Dear Shareholders,

The Directors have pleasure in submitting the 22nd Annual Report together with the Audited Accounts for the financial year ended 31st March, 2015.

Particulars	(Rs. in Lacs)	
	Year ended 31.03.2015	Year ended 31.03.2014
Gross Turnover	3057.31	6937.61
EBIDTA	-922.18	-1461.74
Profit After Tax (PAT)	-3243.69	-5024.41

Financial Analysis / Review FY 2014-15

FY 14-15 and FY 13-14 continue to be difficult years for capital goods industry in India due to adverse factors which has shown no signs of improvement in the past two years. Some of the key factors which are responsible for this negative growth in the Industry are:

- Non implementation of policy initiatives by the Government leading to delay in upcoming projects in the infrastructure specially oil and gas and power sector.
- The power sector did not show any sign of comeback from the slowdown. Although Government has re-allocated the coal blocks but the mining, production and availability of the coal is yet to pick up.
- Increase in the prices of key raw materials and other inputs.
- Inadequate Bank Finance for implementation of projects.

With the Make-in-India initiative by the Government of India the Company expects opportunities for growth in the manufacturing sector. With the coal block re-allocation, mining and production, activities in the power sector is likely to pick up in the near future. Stalled projects held due to environment and financial reasons of tariff rates and funding from lenders are likely to be revived. This would give a boost to Company's turnover and profitability. The Company has initiated various measures to increase the order book as well as to get into more profitable segments:

Measures to Increase the Order Book:

- Focus on the Oil and Gas sector in the export markets, especially Middle East where good opportunities exists for the Company.
- Company has established itself as EPC Company and executing orders for Nuclear Power Project. Company will explore opportunities in similar projects keeping focus on the Nuclear Power.
- Company is working to set up strategic alliance with potential partners for widening the product range falling in core competence.
- To offer engineering & technical services in its core area to clients within and outside the Country where there is good potential for business in the new projects, revamp and performance enhancement of Air Cooled Heat Exchanger and Air Cooled Vacuum Steam Condensers of various existing projects executed by the Company and others.
- Continued marketing efforts for ACSC packages for higher megawatt (300/660 MW) projects.

Measures to boost profitability:

- Increased focus on exports. During 2014-15, company bagged an export order worth 2.5m USD from Oman.
- Increased focus on product lines like EPC, Balance of Plant & Process skids to increase profitability.
- Standardize design to reduce inventory / procurement lead-time.
- Reduction / Rationalization of work force across locations.
- Reduction in Administration & selling expenses.

Accomplishments

Engineering, Procurement and Construction (EPC)

- Company has bagged order from Al Hassan Engineering Company, Oman for supply of Air Cooled Steam Condensers for Petroleum Development of Oman (PDO) for pilot project for enhanced oil recovery from Oil wells. This is the first of its kind and then will be taken up for all such wells in Oman. This will open good opportunities for the Company.
- Successfully executed contract for Air Cooled Heat Exchangers with Winterization Scheme for the first time for cooling of low pour point fluids in the refinery. This is designed as per API 661 with Aluminium Louvers developed in house by GEI.

Export House Status

The Company continues its "Export House" status as recognised by the Ministry of Commerce & Industry, Government of India.

Fixed Deposits

The Company has not accepted deposits from the public during the year under review. There were no overdue deposits for repayment on the date of this report.

Directors

Mr. Ajitha kumar Kandampully Appu and Mrs. Perizad Ghosh has resigned from the Board of Directors w.e.f. 14 November 2014 and 16 April 2015. The Directors place on record their appreciation of the valuable services rendered by Mr. Ajitha kumar Kandampully Appu during their tenure.

Mr. Pannalal Mundhra and Mr. Robinson Fernandez retire by rotation and being eligible offer themselves for reappointment at the ensuing Annual General Meeting.

GEI Power Limited (Wholly Owned Subsidiary Company)

GEI Power is also adversely affected by the difficult situation in the new power plant segment. The Company is hopeful that a revival of the power sector in the country will help it get significant orders and increase capacity utilization in a big way.

As on date, the total manufacturing capacity of GEI and GEI Power is approx. 2000-2500 MW of Air Cooled Vacuum Steam Condensers or equivalent equipments. This does not include capacity available for Air Cooled Heat Exchanger for Oil and Gas Sector.

In view of the general exemption granted by the Ministry of Corporate Affairs, Government of India, under Section 129 of the Companies Act, 2013, the Audited Statements of Accounts, Directors' Report etc. of the wholly owned subsidiary company - GEI Power Limited, are not annexed to this report. However the same will be made available to members of the Company on request and can also be inspected at the Registered Office of the Company as well as the subsidiary. Pursuant to the condition of the general exemption, a statement of the summarised financials of the subsidiary is attached along with the Consolidated Financial Statements. Pursuant to Accounting Standard AS-21 issued by the Institute of Chartered Accountants of India, Consolidated Financial Statements presented by the Company include the financial information of its subsidiary.

Dividend

Due to inadequacy of profit, your Directors regret their inability to recommend any dividend on Equity Shares for the financial year 2014-15.

Directors' Responsibility Statement

Pursuant to the requirement under Section 134 sub-section (3) clause (c) of the Companies Act, 2013 with respect to the Directors' responsibility statement, it is hereby confirmed that:

- (i) In the preparation of the accounts for the financial year ended 31st March, 2015, the applicable accounting standards have been followed along with proper explanation;

(ii) The Directors have selected such accounting policies and applied them consistently and made judgment and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the loss of the Company for the year;

(iii) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(iv) The Directors have prepared the accounts for the financial year ended on 31st March, 2015 on a going concern basis.

(v) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

Information in accordance with the provisions of Section 134 (1) (m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 regarding conservation of energy, technology absorption and foreign exchange earnings and outgo is given in Annexure-A, forming part of this report.

Particulars of Employees

Disclosure requirement in accordance with Section 134 of the Companies Act, 2013 regarding salary particulars of employees is not applicable as they are within the threshold limits.

Corporate Governance

As required under the Companies Act, 2013 and the Listing Agreement with the Stock Exchanges, the Company adheres to the principles of Corporate Governance and continues to focus on adopting the best Corporate Governance practices. A detailed report duly certified by the Practising Company Secretary forms part of this report.

Secretarial Audit Report

As a measure of good Corporate Governance, Secretarial Audit of the Company was conducted by CS Dhanraj Singh Thakur, Practising Company Secretary, and their report is attached. The Secretarial Auditor has given their comments on the various statutory points about compliance with the requirements of Companies Act, 2013, Listing Agreement with the Stock Exchanges and other applicable laws.

The management reply on the qualifications given by the Secretarial Auditor in his report is as follows:

- Company did not receive the data relating to Statement of Unclaimed and Unpaid amounts of Dividend from the bank after so many reminders therefore the Company has not filed Form INV-5.
- Due to unavailability of proper and efficient proposal for the post of Company Secretary the company was unable to appoint the Company Secretary in its previous Board meetings. However, the board decided to review the proposals received along with some fresh applications so as to fill the vacancy at its earliest and appoint the candidate as the Company secretary of the company as per Section 203 of the Companies Act, 2013, subject to the approval of all or majority of the Directors in the forthcoming Board Meeting.
- After appointing Company Secretary in the forthcoming Board Meeting, the Company Secretary will be appointed as the Compliance Officer of the Company as per Clause 47(1) of the Listing Agreement.
- The Company in its Board Meeting held on 21st August, 2015 appointed the Internal Auditor as per Section 38 of the Companies Act, 2013 and Cost Auditor as per Section 148 of the Companies Act, 2013.
- The Company had complied with the provisions of Clause 31 of the Listing Agreement and the Annual report for the year 2013-14 was filed with a fine of Rs. 21,618/- to both of the Stock Exchanges, (NSE and BSE).
- The Company has paid the Annual Listing fees to Bombay Stock Exchange (BSE) and National Stock Exchange of India Limited (NSE) for the year 2014-15 on a later date.
- As the office of Compliance Officer remained vacant for the year the Company was unable to comply with the provisions of SEBI (PIT) Regulations, 1992 due to inadvertence. Now that the Company Secretary will be appointed in the forth coming Board Meeting, we will ensure future compliances.

Auditors

The members are requested to ratify the appointment of Auditors for the period from the conclusion of the ensuing Annual General Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

A.K. Khabya & Co., Chartered Accountants, the Statutory Auditors of your Company, holds office until conclusion of the ensuing Annual General Meeting and is eligible for reappointment.

The management reply on the qualifications given by the Statutory Auditor in his report is as follows:

- Clause No (ii) (a) of Annexure to Audit Report – Relating to Physical verification of inventory:-

Management Response: Verification of inventories has been carried out by the management as well as the Financial Institutions.

- Clause No (vii) (a) of Annexure to Audit Report – Relating to payment to Statutory Dues:-

Management Response: The Company is facing cash flow pressure due to losses during the past three years. The company proposes to clear all statutory dues as soon as the cash flow position improves after the bankers restructuring.

Health, Safety & Environment

The Company continues to maintain the highest standards of health, safety and environment. It emphasises preventive philosophy in respect of these matters and recognises significance of creating awareness through training & development on a continuous basis. Eliminating potential risks in all the areas of operations is carried out with the aim of total safety.

As a responsible corporate citizen, your Company believes in being environment friendly that manifests in all the areas of its working and operations. Not only its technology helps environment protection but adopts the culture of sustainability in every sphere of its activities.

Industrial Relations

During the year under review, industrial relations continued to remain harmonious.

Acknowledgement

Your Directors take this opportunity to thank the Financial Institutions, Banks, Central and State Government Authorities, Regulatory Authorities, Stock Exchanges and Stakeholders for their continued co-operation and support to the Company. Your Directors also wish to record their appreciation for the committed services rendered by the Executives, Staff and Workmen of the Company.

Place: Bhopal
Date: 21.08.2015

For and on behalf of the Board
C E Fernandes
Chairman & Managing Director

ANNEXURE A

Annexure to Directors' Report for the year ended 31st March, 2015

Information as required under Section 134(3) (m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014.

A. CONSERVATION OF ENERGY:

a. Measures Taken:

Company has undertaken following steps for conservation of energy:

- i) Strict vigil on Power, Light and Air conditioning load.
- ii) Optimizing power factor by maintaining adequate power capacitors.
- iii) Reduction in daily running time of ACs along with switching off lights and ACs during lunch break.

b. Additional Investments and proposals, if any for reduction in consumption of energy – Automatic power factor control panel and Servo Voltage Stabilizer are proposed.

c. Impact of a & b - Saving in Light & Power Load

d. Total energy consumption - As per Form – A below

FORM- A

POWER & FUEL CONSUMPTION

	Year Ended 31.03.2015	Year Ended 31.03.2014
(a) Purchased		
Unit-Kwh	4,61,80	6,93,360
Total Amount (Rs)	55,28,362	77,45,207
Rate/Unit (Rs)	11.98	11.17
(b) Own Generation		
Through Diesel Unit-Kwh	2016	2856
Cost/Unit (variable) Rs.	30.79	29.42

FORM- B
RESEARCH AND DEVELOPMENT

1. Expenditure on R&D *

(a) Capital	Nil	Nil
(b) Recurring	Nil	Nil
(c) Total	Nil	Nil
(d) Total R&D Expenditure as a percentage of total turnover	Nil	Nil

* Project specific R&D expenses were accounted in the respective projects/intangible assets under development.

2. Foreign Exchange Earnings & Outgo

Details of foreign exchange earnings and outgo for the year are given under Notes 24.3 and 24.4.

Management discussion and analysis report

A. Overview

Management's perspective on the financial condition and the operational performance of the Financial Year 2014-15 is explained below. The following discussion of the Company's financial condition and result of operations should be read in conjunction with the Company's financial statements, schedules and notes thereto and the other information included elsewhere in the Annual Report. The Company's financial statements have been prepared in compliance with the requirements of the Companies Act, 2013, guidelines issued by the Securities and Exchange Board of India (SEBI) and the Generally Accepted Accounting Principles (GAAP) in India.

B. Macroeconomic Environment

Indian economy is going through times. The Power sector has witnessed the worst ever slow down in the recent past. Other sectors which also showed slowdown are steel, dis-com and highways.

Persistent uncertainty in the global outlook, caused by the crisis in the Euro area and general slowdown in the global economy, compounded by domestic structural constraints and inflationary pressures, resulted in a protracted slowdown. The country is witnessing the worst ever slowdown in the recent past in the infrastructure and Capital goods sector.

With the Government's initiative of Make-In- India the investment climate is likely to improve and the overall macroeconomic environment will show signs of growth more so due to expected infrastructure projects and unleashing of stalled projects. Industry is expected to revive and growth can accelerate gradually over the next two years.

C. Industry Scenario

The US-based industrial classification of IIP estimates identifies the capital goods segment as the weak performer in the manufacturing sector. The capital goods segment has been hit by the steady deceleration in fixed investment in the past three years. The slow pace of mega projects implementation and a decline in the number of new projects has adversely impacted the capital goods segment.

The power sector was growing phenomenally from 2010 onwards with many private power producers getting license to set up small and medium size power plants. The demand of Air Cooled steam Condensers for thermal power plants increased and it was found to be revolutionary in terms of water saving as compared to conventional water cooled steam condensers. Looking into the increased demands of Air Cooled Steam Condensers we invested in the plant, machinery, manpower and allied resources. GEI received orders of these Condensers for plant capacities up to 150 MW and executed orders for four such units.

It was during the same time that the slow down started in the power sector due to shortage of coal as a result of the coal scam, dis-com pricing, environmental clearances and gas pricing issues. The trouble deepened with RBI issuing advisory to the banks to go slow on the Companies exposed to the power sector. As a result of this, fund inflow into the projects got delayed and the projects in the private sector got stalled due to the accounts becoming NPA.

We were also hit badly in this process as huge amount of receivables got held up with majority of the clients in the power sector. The cash flow got severely affected and the Company went into financial strain.

With the new initiative of Make-in-India by the Government of India the market is showing few good signs and projects are getting cleared. With the re-allocation of the Coal Blocks based on the Supreme Court directives we are hoping that availability of Coal should not pose problem for the power producers. We have started receiving fresh request for quotations for new and upcoming projects and finding it difficult without a valid certificate for ISO 9001:2008.

Strategy

Your company has worked out a multi-pronged strategy to overcome the crisis that has engulfed the whole sector. The strategy can be summed up as follows:

- I. **Focus on exports** – Even when Indian market stagnated, global market has been growing robustly. A diversified market-base in geographic terms can safeguard the company against future shocks.
- II. **Oil & Gas Sector** – The crisis of past two years has been primarily a crisis of new thermal power plants. Your company is focusing on oil and gas companies to offset the shocks from the thermal power sector.
- III. **Nuclear Power** – Nuclear power sector in India is growing fast after the bottlenecks faced by the sector have been removed in the wake of India's nuclear treaties with various countries. Your company has undertaken technological challenges to develop new products for this sector. Nuclear Power Corporation of India Ltd. has already recognized your company's significant work in the field.
- IV. **Technological Innovations** – Your company is firmly of the belief that the best way to face tough challenges is by new innovative products. The company has been working with its clients to develop import substitution products which are expected to add substantially to the company's bottom-line in the years to come. Some of these products will be introduced for the first time in India and thus will also contribute to the technological progress of the country. Discussions are on with few leading technology providers which will pave way for the Company to enter into new areas with a perspective for growth in future using companies' core competence.

D. Outlook

Your company is hopeful that the strategy adopted by it combined with support from the banks and financial institutions (who have always stood with the company) will help the company to revive itself and come out of the crisis which had been caused by the negative developments in economy in general and new thermal plants in particular. State Bank of India, IDBI Bank and Axis bank has already restructured the banking facilities, the bilateral documentation has already been executed and facilities implemented. The turnaround process is expected to show first visible signs in the second half of year 2015-16 with significant results in the financial year.

Your company is operating in three sectors such as Petroleum Refining, Oil & Gas and Power. With scarcity of water and policy makers push for water conservation demand of Air Cooled Vacuum Steam Condensers for sub-critical and super critical thermal power plants are going to increase in a big way. Your Company is also actively considering entering into Super Critical Water Oxidation system (SCWO) drawing company's experience in the Waste Management and up gradation Plant of Nuclear Power Project. SCWO is an environmentally safe method for disposal of organic waste and has got wide application in Petroleum, Petrochemical and Fertilizer sector. This product will be manufactured using the existing state of the art facilities in the company. Discussions on technological tie up are in the advanced stage. With the new strategy of serving different sectors in India as well as globally, your company is confident of not merely coming out of the present crisis but also in its ability to withstand any future shocks.

E. Risks, Opportunities and Threats

Your Company is aware of the risks and concerns likely to affect its operations such as political and economic disturbances in the form of structural changes, policies and procedures or unexpected economic down turn etc. In particular, the Company has realized that it should broaden its markets both geographically as well as in terms of industry segments. The Company's strategy mentioned above takes into the need for risk mitigation.

In order to be in a state of constant preparedness to face risks, the Company has identified key risks and the remedial actions to be initiated on their emergence through a well documented procedure. The risk management system is critically evaluated on a continuous basis and changes are made considering the dynamics of the industry, markets and the prevailing economic situation.

Your Company is optimistic about the growth of Indian economy during the next five years. Economic growth cannot happen without large investments in the sectors in which your Company is operating. The investments are likely to throw up significant opportunities, which your Company is well prepared to benefit from.

F. Internal Control Systems

Your Company has a separate internal audit department headed by a qualified professional that is responsible for internal control systems and their adequacy. The Company has well researched and documented system to ensure adherence to standard policies and procedures of the Company in all its operations and functional areas.

G. Human Resources

The most important aspect of the Company's business is its emphasis on human resources as the core of its operations. The emphasis on employees' pivotal position in the organisation manifests itself in various forms such as employee engagement, evaluation, training & development, rewards, welfare schemes etc. This harmonious integration of management thinking and employee response has ensured that the industrial relations remained cordial throughout the Company's existence, an achievement the management is quite proud of.

H. Cautionary Statement

Statements in the 'Management Discussion and Analysis' describing Company's projections, estimates, expectations or predictions may be viewed as 'forward looking statements' within the meaning of applicable security laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that may make a difference to the Company's operations include demand & supply conditions, raw material prices, changes in Government regulations, tax regimes, economic developments within the country and abroad, and similar other factors.

C E Fernandes
Chairman & Managing Director

Report on Corporate Governance for the Year Ended 31st March, 2015

(In compliance with clause 49 of the Listing Agreement with the Stock Exchanges)

1. Company's Philosophy on Corporate Governance

GEI Industrial Systems Ltd (GEI or the Company) is committed to the espousal of best governance practices and its adherence in true spirit across the Company. Corporate Governance is the ideology of transparency and openness in the effective working of the Management and the Board. The essence of Corporate Governance is not merely in drafting a code of conduct but following the code in practice. GEI believes in conducting its affairs in a manner, which is transparent, open and evident to those having dealings with or having a stake in the Company viz., shareholders, lenders, creditors and employees.

2. Board of Directors (Board)

2.1 Composition of Board

As on 31st March, 2015 the Board consists of 8 Directors, of whom 4 are Independent. The Chairman of the Board is an Executive Director.

The present composition and category of Directors are as under:

Name	Category	No. of Board Meetings held	No. of Board Meetings Attended	No. of Directorships in other Public Ltd. Companies	No. of Chairmanship of Committees	No. of Committee Memberships	Whether attended the last AGM
Mr. C E Fernandes	Promoter & Executive	8	8	1	2	1	Yes
Mr. Bernard John	Promoter & Executive	8	8	-	-	1	Yes
Mr. Pannalal Mundhra	Promoter & Executive	8	1	1	-	-	No
Mr. Robinson Fernandez	Executive	8	8	1	-	2	Yes
Mr. Anil Chawla	NEID	8	6	4	1	3	Yes
Mr. Pradeep Jain	NEID	8	4	-	1	-	Yes
Mr. Shibu Thomas	NEID	8	-	-	-	-	-
Ms. Yogita Pant	NEID	8	6	1	1	2	Yes
Mr. Ajitha Kumar Kandampully Appu*	Nominee (IDBI Bank)	8	-	-	-	-	No
Mrs. Perizad Ghosh**	Nominee (IDBI Bank)	8	-	-	-	-	-

*Resigned w.e.f 14.11.2014

** Resigned w.e.f 16.04.2015

NEID: Non-Executive Independent Director

None of the Directors on the Board is a Member on more than 10 Committees and Chairman of more than 5 Committees, across all the Companies in which he/she is a Director.

The necessary disclosures regarding Committee positions have been made by the Directors.

2.2 Code of Conduct

The Board has laid down a Code of Conduct for all the Board members and senior management of the Company. All the Board Members and senior management have affirmed compliance with the code.

2.3 Board Meetings / Board Procedure

The Board met 8 times during the year on 20th May 2014, 29th May 2014, 31st July, 2014, 14th August 2014, 14th November, 2014, 04th February, 2015, 14th February, 2015, 30th March, 2015 and the gap between two Board meetings did not exceed four months. The meetings are usually held at Mumbai or Bhopal. The agenda for the Board meetings is generally circulated 7-10 days before the meeting containing relevant information so as to enable the Directors to be well prepared and contribute effectively in taking considered decisions. The Board periodically reviews compliance reports of all laws applicable to the Company as well as steps taken by the Company to rectify instances of non compliances, if any. The following information is made available to the Board:

1. Annual operating plans and budgets and any updates.
2. Capital budgets and any updates.
3. Quarterly results for the Company and its operating divisions or business segments.
4. Minutes of meetings of Audit Committee and other committees of the Board.
5. The information on recruitment and remuneration of senior officers just below the Board level, including appointment or removal of Chief Financial Officer and the Company Secretary.
6. Show cause, demand, prosecution notices and penalty notices which are materially important.
7. Fatal or serious accidents, dangerous occurrences, any material effluent or pollution problems.
8. Any material default in financial obligations to and by the Company, or substantial non payment for goods sold by the Company.
9. Any issue, which involves possible public or product liability, claims of substantial nature, including any judgment or order which may have passed strictures on the conduct of the Company or taken an adverse view regarding another enterprise that can have negative implications on the Company.
10. Details of any joint venture or collaboration agreements.
11. Transactions that involve substantial payment towards goodwill, brand equity or intellectual property.
12. Significant labour problems and their proposed solutions. Any significant development in human resources/ industrial relations front like signing of wage agreement, implementation of voluntary retirement scheme etc.
13. Sale of material nature of investments, subsidiaries, assets which is not in normal course of business.
14. Quarterly details of foreign exchange exposures and the steps taken by the management to limit the risk of adverse exchange rate movement, if any.
15. Non compliance of any regulatory, statutory or listing requirement and shareholders service such as non-payment of dividend, delay in share transfer etc.

3. Audit Committee

3.1. Composition of Audit Committee

The Audit Committee comprises of 3 Directors out of which 2 are Non-Executive Independent Directors. The Chairman of the Committee is an Independent Director and was present at the last Annual General Meeting.

All the members of this Committee have knowledge in finance and accounts. The Company Secretary acts as Secretary to the Committee. The Audit Committee also invites such other Executives of the Company as it considers appropriate to be present at its meetings. During the year, the Audit Committee met four times on 10th April 2014, 14th August 2014, 13th November 2014 and 14th February 2015. The particulars of members and their attendance at the meetings are given below:

Name of Director	Category	No. of Meetings held	No. of Meetings Attended
Mr. Anil Chawla, Chairman	Non Executive Independent Director	4	4
Ms. Yogita Pant	Non Executive Independent Director	4	4
Mr. C E Fernandes, Member	Chairman & Managing Director (CMD)	4	4

3.2 Powers of Audit Committee

The Audit Committee shall have powers including the following:

- investigate any activity within its terms of reference.
- seek any information from any employee.
- obtain outside legal or other professional advice.
- secure attendance of outsiders with relevant expertise, if it is considered necessary.

3.3 Role of Audit Committee

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

3.4 Review of information by Audit Committee

The Audit Committee reviews the following information:

- a) Management discussion and analysis of financial condition and results of operations;
- b) Statement of significant related party transactions, submitted by the Management;
- c) Management letters / letters of internal control weaknesses issued by the statutory auditors;
- d) Internal Audit Reports relating to internal control weaknesses; and
- e) The appointment, removal and terms of remuneration of the Internal Auditor.

4. Shareholders'/ Investors' Grievance Committee

4.1 Composition, Meetings and Attendance

The Shareholders/Investors Grievance Committee comprises of 3 Directors out of which 2 are Non-Executive Independent Directors. The Chairman of the Committee is an Independent Director and was present at the last Annual General Meeting.

The Committee met three times on 11th August 2014, 13th November 2014 and 13th February 2015 during the year. The particulars of members and their attendance at the meeting are given below:

Name of Member	Category	No. of Meetings held	No. of Meetings Attended
Ms. Yogita Pant, Chairman	Non Executive Independent Director	3	3
Mr. Anil Chawla, Member	Non Executive Independent Director	3	3
Mr. Bernard John, Member	Joint Managing Director (JMD)	3	3

The Company Secretary acts as the Compliance officer and regularly interacts with the Registrar and Share Transfer Agents (RTA) to ensure that the complaints / grievances of the shareholders / investors are attended to without delay and where deemed expedient, the complaints are referred to the Chairman of the Committee or discussed at its meetings for resolution.

4.2 Broad Terms of Reference

The Committee examines and redresses the complaints and grievances of the shareholders / investors of the Company such as transfer of shares, transmission, dematerialization of shares, loss or issuance of duplicate share certificates, non receipt of annual report, dividend warrant etc.

The Committee looks into matters which can facilitate / smoothen the investor services and relations. It also examines and recommends to the Board about the appointment / removal of RTA and fees payable to them.

4.3 Details of Shareholder Complaints

The Complaints received during the year are summarized as follows:

Nature of Complaint	Received	Resolved	Pending as on 31.03.2015
Non receipt of share certificate duly transferred / Dividend Warrants	3	3	Nil
Miscellaneous	0	0	Nil
Letters from SEBI/Stock Exchanges/Ministry of Corporate Affairs	2	2	Nil

4.4 Compliance Officer

Name of the Compliance Officer	Mr. C E Fernandes Chairman and Managing Director
Address	26/A, Industrial Area, Govindpura, Bhopal – 462 023 (M.P.)
Telephone	0755-2586691
E-mail	cefernandes@geiind.com
Fax	0755-2587678
Designated E-mail Id for investor grievances	cs@geiind.com

5. Remuneration Committee

5.1 Composition, Meetings and Attendance

The Remuneration Committee comprises of 3 Directors of whom 2 are Non Executive Independent Directors. The Chairman of the Committee is an Independent Director and was present at the last Annual General Meeting.

The Committee met three times on 10th August 2014, 12th November 2014 and 12th February 2015 during the year. The particulars of members and their attendance at the meeting are given below:

Name of Member	Category	No. of Meetings held	No. of Meetings Attended
Mr. Pradeep Jain Chairman	Non Executive Independent Director	3	3
Mr. Anil Chawla, Member	Non Executive Independent Director	3	3
Mr. Robinson Fernandez, Member	Director	3	3

5.2 Remuneration Policy

The Committee has the powers to determine and recommend to the Board the amount of remuneration, including performance linked bonus, commission and perquisites, payable to the Executive Directors of the Company. The recommendations of the Committee are based on the evaluation of the performance of Executive Directors on certain parameters laid down by Board of Directors as part of the Company policy. The Company ensures that the remuneration payable to the Executive Directors by way of salary including other allowances and monetary value of perquisites should be within the overall limit as specified under the Companies Act, 1956 / Central Government Approval and approved by the Shareholders.

5.3 Terms of Reference

- To review, assess and recommend the appointment of Whole Time Directors.
- To periodically review the remuneration package of Whole Time Directors and recommend suitable revision(s) to the Board.

6. Remuneration to Directors

6.1 Remuneration paid to Executive Directors

The details of remuneration paid to the Executive Directors for the financial year 2014-15 are as follows

(Rs. In lakhs)

Name of the Directors	Salary	Perquisites	Leave Encashment	Total
Mr. C E Fernandes	32.00	18.60	-	50.60
Mr. P. L. Mundhra	12.00	3.40	-	15.40
Mr. Bernard John	24.00	6.00	-	30.00
Mr. Robinson Fernandez	30.00	6.97	0.00	36.97
Total	98	34.97	0.00	132.97

6.2 Remuneration paid to Non-Executive Independent Directors

The Non-Executive Independent Directors are paid sitting fees for attending each meeting of Board of Directors and Committee(s) thereof. The details of sitting fees paid for the financial year ended 31st March 2015 are as follows:

(Rs. In lakhs)

Name of the Non Executive Independent Director	Sitting Fees
Mr. Anil Chawla	0.60
Mr. Pradeep Jain	0.40
Ms. Yogita Pant	0.60
Mr. Shibu Thomas	0.00
Total	1.60

7. General Body Meetings

The details of Annual General Meetings and Extra Ordinary General Meetings held during the last three years are given below:

Year	Date	Venue	Time	Meeting
2011-12	29th September 2012	26/A, Industrial Area, Govindpura, Bhopal – 462 023 (M.P.)	04.00 P.M.	AGM
2012-13	30th September 2013		04.00 P.M.	AGM
2013-14	29th September 2014		04.00 P.M.	AGM

Special Resolutions passed in the previous 3 years (AGMs / EGMs / Postal Ballots)

Meeting	Resolution
Annual General Meeting on 29.09.2012	<ul style="list-style-type: none">• Reappointment of Mr. Robinson Fernandez, director of the company and fixing his remuneration.
Annual General Meeting On 29.09.2014	<ul style="list-style-type: none">• Appointment of Mr. Anil Chawla as Independent Director.• Appointment of Mr. Pradeep Jain as Independent Director.• Appointment of Ms. Yogita Pant as Independent Director.

8. Disclosures

8.1 Disclosure on materially significant related party transactions

There were no materially significant related party transactions i.e. transactions of the Company of material nature with its Promoters, Directors or the Management or relatives, their Subsidiaries, Associates etc. that conflict with the interests of the Company. Transactions with related parties are disclosed under Note 27 -Related Party Transactions.

8.2 Disclosure of non-compliance by the Company

Stock Exchange had imposed penalty for late submission of Annual Report.

8.3 Whistle Blower Policy

The Company has adopted a Whistle Blower Policy and has established necessary mechanism for employees to report concerns about unethical behaviour. No person was denied access to the Audit Committee.

8.4 Details of Compliance with mandatory requirements and Adoption of non-mandatory requirements

A. Mandatory Requirements

The Company has complied with all the applicable provisions of Clause 49 of the Listing Agreement with the Stock Exchanges.

B. Non Mandatory Requirements

The status of compliance with non mandatory requirements is as follows:

a) Non Executive Chairman's Office

The Company has Executive Chairman and hence the above requirement is not applicable to the Company.

b) Remuneration Committee

The Company has constituted a Remuneration Committee and the necessary details have been mentioned in para 5 of this report.

c) Shareholder's rights

At present half yearly declaration of financial performance is not being sent to the shareholders; however the same will be published in newspapers in English and Hindi, circulated from Mumbai/Bhopal and will also be uploaded on the Company's website.

d) Audit Qualifications

The Company has adopted measures to move towards regime of unqualified financial statements.

e) Training of Board Members

The Board of Directors of the Company comprises of eminent professionals having wide experience in the industry, economy, banking, finance, engineering etc. During the Board meetings, they are briefed about the business model of the Company, their responsibilities as Directors etc.

f) Mechanism for evaluating Non Executive Board Members

Considering the rich experience of the Board members and their in depth knowledge on various issues, the Company has not found it necessary to implement any mechanism for evaluating Non Executive Board members.

9. Means of Communication

The quarterly, half-yearly and yearly financial results of the Company are sent to the Stock Exchanges immediately after they are approved by the Board. These are also published in the prescribed pro-forma as per the listing agreement in leading news papers viz. The Economic Times, Nav Bharat Times, Business Bhaskar, Free Press Journal, The Hindu Business Line, Mumbai Lakshdeep etc. The Company displays the financial results and material information on its website – www.geiindustrial.com. The Company also has an exclusive e-mail - cs@geiind.com, for investors to contact the Company for any information/ grievances.

10. General Shareholder Information

Annual General Meeting

Date & Time	:	28th September, 2015 at 4.00 P.M.
Venue	:	Registered office of the Company at 26/A, Industrial Area, Govindpura, Bhopal - 462 023 (M.P.)
Book Closure	:	22nd Sept. 2015 to 28th Sept. 2015 (Both days inclusive)
Financial Calendar (Tentative)	:	1st April, 2014 to 31st March, 2015
First Quarter Result	:	Second week of August, 2014
Second Quarter Result	:	Second week of November, 2014
Third Quarter Result	:	Second week of February, 2015
Fourth Quarter Result	:	Second week of June, 2015

Listing on Stock Exchanges

- i. Bombay Stock Exchange Limited, Mumbai
- ii. National Stock Exchange of India Ltd, Mumbai

Equity

Stock Code / Symbol	:	BSE - 530743 NSE - GEINDSYS
ISIN No.	:	INE599B01011

The Company has not paid the listing fees for the year 2014-15 to the Stock Exchanges.

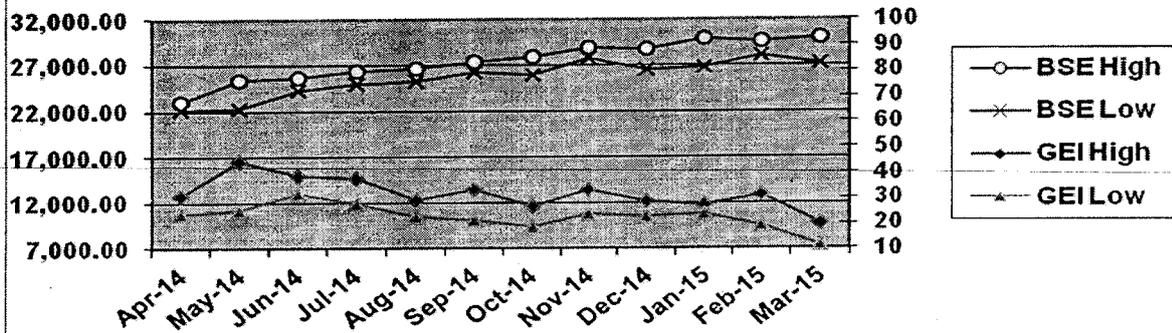
Market Price Data

The monthly high and low market price of the shares with volume at the Stock Exchanges during the financial year 2014-15 is as under:

(A) BOMBAY STOCK EXCHANGE LTD

Period (2014-2015)	High	Low	Volume of Shares Traded
Apr-14	30.50	23.85	38,810
May-14	44.40	25.00	1,01,434
Jun-14	38.90	31.70	50,146
Jul-14	37.65	27.80	36,736
Aug-14	29.00	22.40	59,402
Sep-14	33.45	21.00	3,42,748
Oct-14	26.70	18.50	47,654
Nov-14	33.45	23.45	1,52,026
Dec-14	28.60	22.70	61,290
Jan-15	27.20	23.55	47,232
Feb-15	31.00	18.85	8,47,727
Mar-15	20.00	11.55	3,06,853

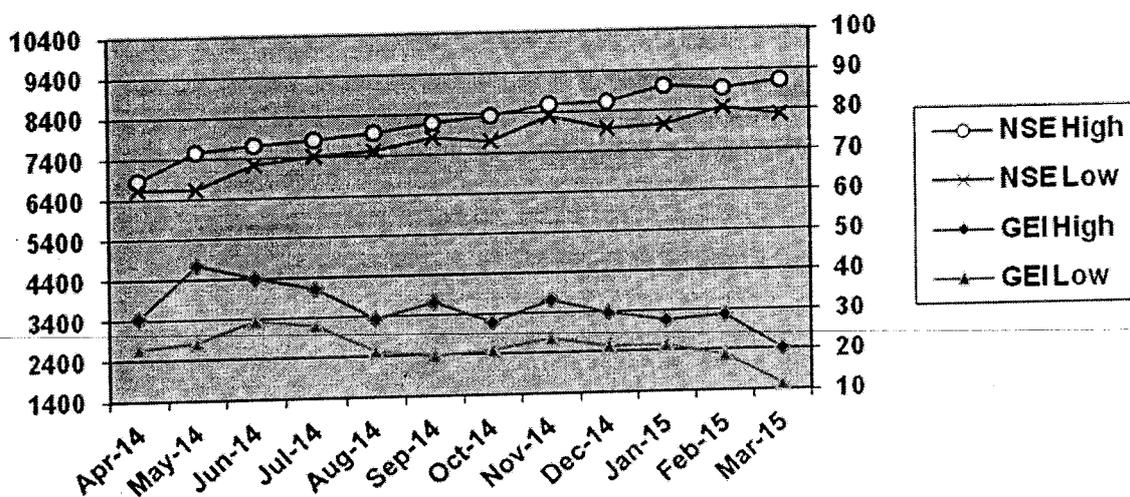
COMPARATIVE PRICE CHART - GEI V/S BSE SENSEX



(B) NATIONAL STOCK EXCHANGE OF INDIA LTD

Period (2014-2015)	High	Low	Volume of Shares Traded
Apr-14	30.85	23.10	48,746
May-14	43.60	24.50	2,82,532
Jun-14	40.35	29.65	2,50,268
Jul-14	37.50	27.95	3,03,278
Aug-14	29.50	21.65	2,12,035
Sep-14	33.25	20.00	1,75,611
Oct-14	27.95	21.00	80,335
Nov-14	33.30	23.70	76,016
Dec-14	29.95	21.35	3,81,703
Jan-15	27.90	21.45	38,386
Feb-15	28.75	18.80	27,434
Mar-15	20.40	11.40	75,269

COMPARATIVE PRICE CHART - GEI V/S NSE NIFTY



Registrar and Share Transfer Agents

Link Intime India Pvt. Ltd.,
(Unit: - GEI Industrial Systems Ltd)
C-13, Pannalal Silk Mills Compound,
LBS Marg, Bhandup (West),
Mumbai 400 078
Tel. No. 022-2596 3838
Fax No. 022-2594 6969
Email ID: rnt.helpdesk@linkintime.co.in

Share Transfer System

Share Transfers are registered and returned in the normal course within a period of 15 days from the date of receipt, if the documents are in order in all respects.

Any query relating to share transfers, transmission and nomination facilities, duplicate share certificates, change of address, non-receipt of dividend/Annual Report, dematerialization of shares etc. are handled by the Registrar and Share Transfer Agents.

Shareholding Pattern as on 31.03.2015

Category	No. of Shares	Percentage
Indian Promoters	6231725	31.67
Mutual Funds/UTI/Banks/FIs	143111	0.73
Bodies Corporate	4079476	20.73
Indian Public	4880792	24.80
Non-Resident Indians, OCBs and Others	195224	0.99
Foreign Bodies Corporate	2333783	11.86
Foreign Institutional Investors	1697060	8.62
Clearing Members	118077	0.60
Total	19679248	100.00

Distribution of Shareholding as on 31.03.2015

Shareholding of Nominal Value of Rs.		No. of Shareholders	% of Total	No. of Shares held	% of Total
From	To				
1	5000	5962	81.5930	986286	5.0118
5001	10000	612	8.3755	511041	2.5969
10001	20000	329	4.5025	506578	2.5742
20001	30000	124	1.6970	320606	1.6292
30001	40000	55	0.7527	199381	1.0132
40001	50000	59	0.8074	281329	1.4296
50001	100000	75	1.0264	542639	2.7574
100001	Above	91	1.2454	16331388	82.9879
	Total	7307	100.00	19679248	100.00

Dematerialization of shares as on 31.03.2015 and liquidity

96.31% of the Company's total paid up share capital representing 18953115 shares is held in dematerialized form. The Company's shares are traded on the Bombay Stock Exchange Limited, Mumbai and National Stock Exchange of India Ltd, Mumbai.

The trading in Equity shares of the Company is permitted only in dematerialized form. The shareholders holding shares in physical form are advised to get their shares dematerialized taking into account the number of advantages of dematerialization. In case any assistance is required in this regard the shareholders are requested to approach the Registrar and Transfer Agent or the Company Secretary.

Outstanding GDRs / ADRs

The Company has not issued any GDRs/ADRs.

Plant Locations

Company's plant is located at Govindpura, Bhopal, (M.P.). The plant of its wholly owned subsidiary – GEI Power Limited is located at Mandideep, District - Raisen, near Bhopal.

Address for Correspondence

The Registered Office / Correspondence Address of the Company is given below:

GEI Industrial Systems Ltd
26/A, Industrial Area, Govindpura,
Bhopal – 462 023 (M.P.)
Tel No. : 0755-2586691
Fax No.: 0755-2587678
Email : cs@geiind.com
Contact person : Mr. Bernard John, Compliance Officer

The Management Discussion and Analysis Report forms part of the Annual Report. There were no material financial & commercial transactions where senior management had personal interest.

In respect of Directors being appointed or reappointed necessary information relating to them is being provided separately.

Details of Directors proposed to be reappointed / appointed

Name of Director	Date of Birth	No. of Shares held as on 31.03.2015	Date of First Appointment	Qualification	Experience & Expertise	Other Directorships
Mr. Robinson Fernandez	12.11.1960	6867	10.11.2011	P.G. in Thermal Engineering and Business Administration	Over 29 years of experience in corporate sector	Vemaa Equipments Ltd.
Mr. Panna Lal Mundhra	21.08.1933	635225	28.12.1993	P.G. in Business Administration	Approx 50 years of experience in Corporate Sector	Mallcom (India) Ltd

CEO Certification

I, C E Fernandes - Chairman & Managing Director of GEI Industrial Systems Ltd certify:

(a) That I have reviewed the financial statements and the cash flow statement for the year ended 31st March, 2015 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 statements that might be misleading.
- (ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

(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) That I accept responsibility for establishing and maintaining internal controls for financial reporting and that I have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and I have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which I am 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 over financial reporting during the year;
- (ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
- (iii) Instances of significant fraud of which I has 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.

Place: Bhopal
Date: 21.08.2015

C E Fernandes
Chairman & Managing Director

Declaration

To,
The Members,

GEI Industrial Systems Ltd

Sub: Declaration under Clause 49 of the Listing Agreement

I hereby declare that all the Directors and the Senior Management personnel have affirmed the compliance with the Code of Conduct for the year ended 31st March, 2015.

For GEI Industrial Systems Ltd

Place: Bhopal
Date: 21.08.2015

C E Fernandes
Chairman & Managing Director

FORM MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2015

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

To,
The Members,
GEI Industrial Systems Limited
26-A, Industrial Area, Govindpura,
Bhopal,
Madhya Pradesh- 462023

We were appointed by the Board of Directors of GEI Industrial Systems Limited (hereinafter called the Company) to conduct Secretarial Audit on a voluntary basis for the financial year of the Company ended 31st March, 2015.

We have conducted the Secretarial Audit in respect of compliance with applicable statutory provisions and adherence to good corporate practices by the Company Secretarial Audit was conducted in a manner that provided us with a reasonable basis for evaluating the corporate conduct /statutory compliance and expressing our opinion thereon.

Opinion

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2015 according to the provisions of:

1. The Companies Act, 2013 and the applicable provisions of the Companies Act, 1956 ("the Acts") and the rules made there under, as applicable;
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
4. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act):-
 - a) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;

- c) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 – (Not applicable as the Company did not issue any security during the financial year under review);
- d) Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 / Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (effective 28th October 2014) – (Not applicable as the Company has not granted any Options to its employees during the financial year under review);
- e) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 – (Not applicable as the Company has not issued any debt securities during the financial year under review);
- f) Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client – (Not Applicable as the Company is not registered as Registrar to an Issue and Share Transfer Agent during the financial year under review);
- g) Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 – (Not applicable as the Company has not delisted its equity shares from any stock exchange during the financial year under review); and
- h) Securities and Exchange Board of India (Buy back of Securities) Regulations, 1998 -- (Not applicable as the Company has not bought back any of its securities during the financial year under review.)

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

- a) Secretarial Standards issued by The Institute of Company Secretaries of India (Not notified hence not applicable to the Company during the audit period).
- b) The Listing Agreement entered into by the Company with BSE Limited and National Stock Exchange of India Limited;

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

- (1) Form INV-5, Statement of unclaimed and unpaid amounts with ROC, pursuant to rule 3 of the Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012*
- (2) The Company has not appointed Company Secretary as required u/s 203 of the Companies Act, 2013 and the position remained vacated for the year ending 31st March, 2015.*
- (3) The Company has not appointed Company Secretary as its Compliance Officer as required under Clause 47(1) of the Listing Agreement.*
- (4) The Company has not appointed the Internal Auditor under section 138 and cost auditor u/s 148 and the office of the same remained vacated for the year ending 31st March, 2015 as required under section.*
- (5) The Company has not timely complied with the requirement of the Clause 31 of the Listing agreement and the annual report for the year 2013-14 was filed with the fine of Rs. 21,618.00 to BSE and NSE.*

- (6) *The Company has not paid annual listing fee to BSE and NSE for the year 2014-15 which was due on or before 30th April, 2014 and has also not paid custodian charges to the CDSL and NSDL.*
- (7) *The Company has not given notice for the Window Closing Period as required under the SEBI (PIT) Regulations 1992.*

Adequate notice is given to all directors to schedule the Board Meetings and agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of directors or Committee of the Board, as the case may be.

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

We further report that the compliance by the Company for the applicable Financial Laws like Direct Taxes, Indirect Taxes and the compliance of the Accounting Standards, quarterly financial results under Clause 41 of the Listing Agreement and the annual financial statements, Cost Records has not been reviewed in this audit report, since the same have been subject to the statutory financial audit/cost audit by other designated professionals. This report is to be read with our letter of even date which is annexed as *Annexure A* and forms an integral part of this report.

We further report that during the audit period of the Company, there were no specific events/action having a major bearing on the Company's affairs in pursuant of the above referred laws, rules, regulations, guidelines, standards etc. referred to above.

Date: 21.08.2015

Place: Bhopal

For D. S. Thakur & Associates



Dhanraj Singh Thakur
Proprietor

M. No. 6672 C. P. No. 7351

ANNEXURE TO SECRETARIAL AUDIT REPORT

To,
The Members,
GEI Industrial Systems Limited
26-A, Industrial Area, Govindpura,
Bhopal,
Madhya Pradesh- 462023

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficiency or effectiveness with which the management has conducted the affairs of the company.

Date: 21.01.2015

Place: Bhopal

For **D. S. Thakur & Associates**



Dhanraj Singh Thakur
Proprietor

M. No. 6672 C. P. No. 7351

Certificate of Corporate Governance

Certificate from Practicing Company Secretary on compliance with the conditions of Corporate Governance under clause 49 of the Listing Agreement(s)

I have examined the compliance of conditions of Corporate Governance by GEI Industrial Systems Ltd for the year ended 31st March 2015 as stipulated in Clause 49 of the Listing Agreement of the Company with the Stock Exchanges.

The compliance of the conditions of Corporate Governance is the responsibility of the management. My examination was limited to the procedure 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 the opinion on the financial statements of the Company.

In my opinion and to the best of my information and according to the explanation given to me, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement. I state that generally no investor grievances are pending for a period exceeding one month against the Company as per the records maintained by the Shareholders' / Investors' Grievance Committee.

I further state 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 D. S. Thakur & Associates



Dhanraj Singh Thakur
Proprietor
M. No. 6672 C. P. No. 7351

Place: Bhopal
Dated: 21.08.2015



INDEPENDENT AUDITOR'S REPORT

To The Members of,
GEI Industrial Systems Limited

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to 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 accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2015.

This responsibility includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial control that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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, as specified under Section 143(10) of the Act. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of





A. K. KHABYA & CO.
Chartered Accountants

the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion

We report that:

1. Balances of Trade Receivables, Trade Payables, Advance to Suppliers and Bank accounts have been un-reconciled and unconfirmed.
2. Liability on account of interest on borrowings from financial institutions/ ICDs where suits were filed by the lenders or the account is classified as NPA by them, has not been provided in the accounts. It has been estimated by the management and disclosed as contingent liability of Rs.11,06,96,963/- in Note No.26 of the financial statements.
3. Reconciliation of Intra-head and intra-group accounts and resultant adjustments are pending which may have impact on intra-head balances and financial position disclosed in the financial statements.

Subject to our remarks 1 to 3 above and subject to other qualifications in the report mentioned in Para (1) under "Report on Other Legal and Regulatory Requirements" below, 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, of the state of affairs of the Company as at March 31, 2015, its loss and its cash flows for the year ended on that date.

Emphasis of Matters

We draw attention to Note No. 8.1 to the financial statements regarding the financial effect of any diminution in value of non-moving inventories. In the opinion of the company, the realization will be materialized with the revival of the projects, hence no provision for any loss thereof is made in the accounts.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-



Page : 2

2nd Floor, Shrimohan Parisar, 232, Zone-I, M.P. Nagar, Bhopal (M.P.) - 462 011

Phone : 0755-4274191, 3022806 Mobile : 9826024073, 9826385310

Email : khabyaco@rediffmail.com, khabyaco90@gmail.com



A. K. KHABYA & CO.
Chartered Accountants

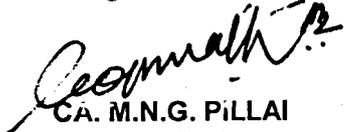
section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by section 143 (3) of the Act, we report that:
- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - (e) On the basis of written representations received from the directors as on March 31, 2015, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015, from being appointed as a director in terms of section 164 (2) of the Act;
 - (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2015, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has not disclosed the additional financial impact, if any, of pending litigations in its financial statements—Refer Notes 4.2 and 4.4 to the financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. As per the information and explanations given to us there were Rs. 4,15,294/- which were required to be transferred to the Investor Education and Protection Fund by the Company.



Place : Bhopal
Date : 14th June, 2015

For A.K. Khabya & Co.
Chartered Accountants
Firm Reg. No. 001994C


CA. M.N.G. PILLAI
Partner
M.No.74051

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Annexure as referred to in paragraph 1 under the heading "Report on other Regulatory requirements" of our report of even date of GEI Industrial Systems Limited on the Accounts for the year ended on 31st March, 2015

- (i) (a) The company has not maintained up to date records showing full particulars including quantitative details and situation of fixed assets.
(b) We have not been provided with evidence of physical verification of assets by the management as per a program of verification in a periodical manner, hence unable to comment whether any discrepancies were noticed on such verification.
(c) In our opinion, the company has not disposed off substantial part of fixed assets during the year and the going concern status of the company is not affected.
- (ii) (a) We have not been provided with evidence of physical verification of inventories by the management, hence unable to comment whether any discrepancies were noticed on such verification.
(b) In view of our remark in sub-para (a) above, we are unable to comment whether the procedures of physical verification of inventories, if any, followed by the management during the year, are reasonable and adequate in relation to the size of the company and the nature of its business.
(c) The company has maintained records of inventories on computerized environment. Inventory of work in progress, obsolete material and project have been determined, certified by the management and incorporated in the accounts accordingly and not verified by us for want of proper records.
- (iii) 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. Hence provisions of Clause (iii) of Paragraph 3 are not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, there is no 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 and services. During the course of our audit, we have come across major weakness in internal controls.
- (v) In our opinion and according to the information and explanations given to us, the company has not accepted any deposits within the purview of sections 73 to 76 of the Companies Act, 2013 and the rules framed there under.
- (vi) We have not been provided with the cost records as specified by the Central Government under sub-section 148 of the Companies Act, hence we are unable to comment whether such records are maintained.



A. K. KHABYA & CO.
Chartered Accountants

- (vii) (a) According to the records of the company, undisputed statutory dues including provident fund, employee's state insurance, income tax, sales tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues except those mentioned below have been generally deposited with the appropriate authority. According to the information and explanations given to us, undisputed amounts payable in respect of aforesaid dues were in arrears, as at 31st March, 2015 for a period of more than six months from the date they became payable as under:-

Nature of Liability	Amount (₹.)
ESI	5510997/-
Provident Fund	31217597/-
TDS (Deducted) on various heads)	43354713/-
Professional Tax (Employees)	1243002/-
Export Tax	2034991/-
VAT*	13075151/-
SERVICE TAX*	17288058/-
EXCISE DUTY*	46021291/-
CST	10028104/-

*subject to adjustment for input credit

- (b) According to the information and explanations given to us, the following are the particulars of statutory dues as at 31st March, 2015 not deposited on account of a dispute pending:

Name of the Statute	Nature of Dues	Amount (Rs.)	Period to which amount relates F.Y.	Forum where the dispute is pending
Sales Tax Law	Central Sales Tax	₹.1747280	2006-2007	Board of Revenue, Bhopal
Sales Tax Law	Central Sales Tax	₹.839541	2007-2008	Board of Revenue, Bhopal
Sales Tax Law	Central Sales Tax	₹.4135024	2008-09	Board of Revenue, Bhopal
Sales Tax Law	Central Sales Tax	₹.166859	2009-10	Board of Revenue, Bhopal
Income Tax Act	Income Tax Demand	₹.3576166	2006-07	Commissioner of Income Tax





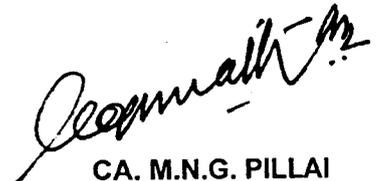
A. K. KHABYA & CO.
Chartered Accountants

- (c) According to the information and the explanations given to us an amount of Rs.4,15,294/- is required to be transferred to Investor Education and Protection Fund, for which necessary instruction was given to the banker. However, no confirmation of such transfer is available with the company.
- (viii) The accumulated losses at the end of the financial year are less than fifty percent of its net worth and the company has incurred cash losses during the financial year and in the immediately preceding financial year.
- (ix) In our opinion and according to the information and explanations given to us, the company has defaulted in repayment of dues to financial institution or bank as under:-

S/N o	Name of the FI/ Bank	Period of Default	Amount Default ₹
1.	The HSBC LTD	>365 days	₹.37165626/-
2.	Citi Bank LTD	>365 days	₹.276460387/-
3.	MadhyaPradesh Corp.LTD	Finance >365 days	₹.2546389/-

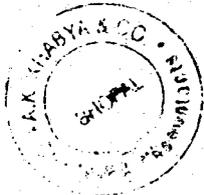
- (x) In terms of the information and explanations given to us, the company has given corporate guarantee for loans taken by subsidiary company from banks or financial institutions. In our opinion, the terms and conditions on which the company has given such guarantees are not prejudicial to the interest of the company.
- (xi) The Company has not raised any fresh term-loans during the year.
- (xii) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given to us by the management, we report that no fraud on or by the company has been noticed or reported during the course of our audit.

For A.K. Khabya & Co.
Chartered Accountants
Firm Reg. No. 001994C



CA. M.N.G. PILLAI
Partner
M.No.74051

Place : Bhopal
Date : 14th June, 2015



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GEI INDUSTRIAL SYSTEMS LTD
AUDITED BALANCE SHEET AS AT 31ST MARCH 2015

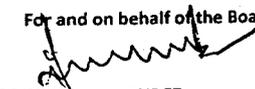
	NOTES	AS AT	
		31ST MARCH 2015	31ST MARCH 2014
Shareholders' Funds		(Amount in Rs.)	
Share Capital	1	196,792,480	196,792,480
Reserves And Surplus	2	423,177,579	750,856,738
Warrant Application Money Pending Allotment		619,970,059	947,649,218
Share Application Money Pending Allotment			
Non-Current Liabilities			
Long Term Borrowings	3	757,125,993	27,485,792
Deferred Tax Liabilities (net)		-	-
Current Liabilities			
Short Term Borrowings	4	1,676,487,680	2,222,925,617
Trade Payables	5	146,489,190	388,223,973
Other Current Liabilities	6	494,649,472	682,012,044
Short Term Provision		-	-
TOTAL		3,694,722,394	4,268,296,643
ASSETS			
Non-Current Assets			
Fixed Assets	7		
Tangible Assets		555,736,801	610,987,893
Intangible Assets		23,373,017	36,495,176
Capital Work in Progress		229,999	229,999
		579,339,817	647,713,067
OTHER NON-CURRENT ASSET	8	925,158,314	925,158,314
Non-Current Investments	9	266,297,508	266,297,508
Long Term Loans And Advances		-	266,297,508
Current Assets			
Current Investments	10	497,316	497,316
Inventories	11	353,208,034	1,711,944,423
Trade Receivables	12	1,200,645,655	1,272,130,038
Cash And Bank Balances	13	75,763,990	87,015,856
Short Term Loans / Advances	14	220,727,896	226,593,421
Other Currents Assets	15	73,083,865	56,105,014
		1,923,926,756	3,354,286,068
Miscellaneous Expenditure (to the extent not written off or adjusted)		-	-
TOTAL		3,694,722,394	4,268,296,643

Significant Accounting Policies
Notes On Financial Statements

A to P
1 to 26


C E Fernandes
Chairman & Managing Director

For and on behalf of the Board of Directors


ROBINSON FERNANDEZ
Director

As per our report of even date
For A K KHABYA & CO.
Chartered Accountants
FRNo. 001994C



PLACE : BHOPAL
DATE : 14-06-2015


M.N.G PILLAI
Partner
M. No. 074051

GEI INDUSTRIAL SYSTEMS LTD
STATEMENT OF AUDITED PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH , 2015

	NOTES	2014-15 (Amount in Rs.)	2013-14 (Amount in Rs.)
INCOME			
Revenue From Operations	16	298,234,645	664,876,001
Other Income	17	7,496,017	28,885,001
Total Revenue		305,730,662	693,761,002
EXPENDITURE:			
Cost Of Materials Consumed	18.a	115,473,592	576,807,046
Changes In Inventories of Finished Goods			
Work-in-Progress and Stock In-Trade	18.b	100,990,000	(92152000)
Employee Benefits / Expenses	19	124,000,589	175,651,808
Finance Costs	20	166,355,694	316,345,894
Depreciation And Amortisations Expenses	21	65,795,391	39,920,977
Other Expenses	22	57,484,465	179,628,273
Total Expenses		630,099,732	1,196,201,999
Profit Before Tax		(324,369,070)	(502,440,997)
Profit Before Tax		(324,369,070)	
Provision for Tax Expenses			
Tax expense for current year		-	-
Deferred Income Tax		-	-
Tax expense relating to prior years		-	-
Profit For The Year		(324,369,070)	(502,440,997)
Earnings Per Equity Shares of Face Value of Rs.10 each			
Basic	24	(18.31)	(25.53)
Diluted		(18.31)	(25.53)
Significant Accounting Policies	A to P		
Notes on Financial statements	1 to 26		



C E Fernandes
Chairman & Managing Director



ROBINSON FERNANDEZ
Director

For A K KHABYA & CO.
Chartered Accountants
FRNo. 001994C



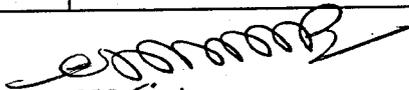
M.N G PILLAI
Partner
M. No. 074051

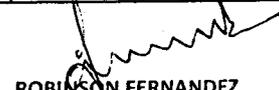
PLACE : BHOPAL
DATE : 14.06.2015



CASH FLOW STATEMENT FOR THE YEAR 2014-15

	PARTICULARS	2014-15	2013-14
1	Net Profit after tax & extra-ordinary items	(324,369,070)	(502,440,997)
	Adjustment for :		
2	Depreciation	65,795,391	39,920,977
3	Finance Cost	166,355,694	316,345,894
4	Interest earned	(5,959,964)	(9,751,036)
5	Profit on sale of Investments	-	-
6	Profit/Loss on sale of Fixed Assets	(108,823)	(19,038,765)
	Operating Profit before Working Capital Charges	(98,286,771)	(174,963,927)
	Adjustment for :		
7	Trade and other receivables	60,371,058	355,659,165
8	Inventories	1,358,736,389	(116,984,870)
9	Trade Payables	(241,734,783)	9,131,491
10	Cash generated from operations	1,079,085,893	72,841,860
11	Direct Taxes Paid	-	-
13	Prior Period Adjustments	-	-
	NET CASH FROM OPERATING ACTIVITIES [A]	1,079,085,893	72,841,860
	Cash flow from Investment Activities		
12	Purchased of Fixed Assets	(1,138,409)	(3,159,422)
13	Non Current Assets	(925,158,314)	-
14	Sale of Fixed Assets	515,000	80,000,000
15	Purchase of Investments	(0)	250,000
16	NET CASH USED IN INVESTMENT ACTIVITIES [B]	(925,781,722)	77,090,578
	Cash flow from Financing Activities		
17	Proceeds from issue of Share Capital including share Premium	-	-
18	Dividends Paid	-	-
19	Borrowals - short Term	(546,437,936)	37,427,323
20	Repayment of Borrowals	542,277,629	78,552,186
21	Deferred Liabilities	-	-
22	Interest Paid	(166,355,694)	(316,345,894)
23	Interest Received	5,959,964	9,751,036
	NET CASH USED IN FINANCE ACTIVITIES [C]	(164,556,038)	(190,615,349)
	Net Increase in cash and cash equivalents (A + B + C)	(11,251,867)	(40,682,911)
	Cash and cash equivalents (Opening)	87,015,856	127,698,768
	Cash and cash equivalents (Closing)	75,763,990	87,015,856
		(11,251,867)	(40,682,911)


C E Fernandes
 Chairman & Managing Director


ROBINSON FERNANDEZ
 Director

As per our report of even date
 For A K KHABYA & CO.
 Chartered Accountants
 FRNo. 001994C

PLACE : BHOPAL
 DATE : 14/06/2015


M.N G PILLAI
 Partner
 M. No. 074051



SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Preparation of Financial Statements

The financial statements have been prepared as of a going concern on historical cost convention and on accrual method of accounting in accordance with the generally accepted accounting principles and the provisions of the Companies Act, 2013 as adopted consistently by the company.

B. Use of Estimates

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates, if any, are recognized in the period in which the results are known /materialized.

C. Fixed Assets

Fixed Assets are stated at cost net of recoverable taxes and includes amounts added on revaluation, less accumulated depreciation and impairment loss, if any. All costs, including financing costs till commencement of commercial production/ upto the date the asset is put to use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the fixed assets are capitalised. The gross block of fixed assets includes Rs.132,549,291 on account of revaluation of fixed assets consequent to the said revaluation there is an additional charge of depreciation of Rs.3,310,092 and an equivalent amount has been withdrawn from revaluation reserve and credited to the Profit & Loss Account.

D. Intangible Assets

Intangible assets are stated at cost of acquisition net of recoverable taxes less accumulated amortisation/depletion. All costs, including costs till commencement of commercial production net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the intangible assets are capitalized.

E. Depreciation and Amortisation

Depreciation on fixed assets is provided to the extent of depreciable amount on written Straight Line Method (SLM) at the rates and in the manner prescribed in Schedule II to the Companies Act, 2013.



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F. Impairment of Assets

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

G. Foreign Currency Transactions

(a) Transactions denominated in foreign currencies are recorded at the exchange rate prevailing on the date of the transaction or that approximates the actual rate at the date of the transaction.

(b) Monetary items denominated in foreign currencies at the year end are restated at the year end rates. In case of items which are covered by forward exchange contracts, the difference between the year end rate and rate on the date of the contract is recognised as exchange difference and the premium paid on forward contracts is recognised over the life of the contract.

(c) Non monetary foreign currency items are carried at cost.

(d) Any income or expenses on account of exchange difference either on settlement or on translation is recognised in the Profit and Loss account except in case of long term liabilities, where they relate to acquisition of fixed assets, in which case they are adjusted to the carrying cost of such assets.

H. Investment

Current investment are carried at cost . Long Term investments are stated at cost. Provision for diminution in the value of investments is made only if such a decline is other than temporary.

I. Inventories

Items of inventories are measured at lower of cost and net realisable value after providing for obsolescence, if any. Cost of inventories comprises of cost of purchase, cost of conversion and costs including manufacturing overheads incurred in bringing them to their respective present location and condition. Scrap material is valued at net realisable value.

J. Work in Progress

Project and construction related work-in-progress at percentage of job completed and at realizable value thereafter.

K. Revenue Recognition



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Revenue is recognized only when it can be reliably measured and it is reasonable to expect ultimate collection. Revenue from operation includes sale of goods, services, sales tax, service tax and excise duty adjusted for discount (net) and Value Added Tax (VAT). Dividend income is recognised when right to receive is established. Interest income is recognized on time proportion basis taking into account the amount outstanding and rate applicable or as certified by financial institution.

Project related activity and contracts are recognised by applying percentage completion to the contract value determined as a proportion of the cost incurred to- date to the total estimated cost

L. Employee Benefits

- (i) Short-term employee benefits are recognised as an expenses at the undiscounted amount in the profit and loss account in the year in which the related service is rendered and as per the policy consistently followed by the Company.
- (ii) The gratuity liability in respect of employees of the company has been covered through LIC policy, the annual premium paid/ payable for such policy is accounted for as a revenue expenditure.

M. Claims by/against the Company

- (i) Claims for liquidated damages against the Company are recognised in accounts based on management's assessment of the probable outcomes with reference to the available information supplemented by experience of similar transactions.
- (ii) Claims for export incentives/duty drawbacks/duty refunds and insurance claims etc., if any, are taken into account on accrual basis.
- (iii) Amounts due in respect of price escalation claims and/or variation in contract work are recognised as revenue only when there are conditions in the contracts for such claims or variations and/or evidence of the acceptability of the same from customers. However, escalation is restricted to intrinsic value.

N. Borrowing Costs

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



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O. Provision for Current and Deferred Tax

Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income tax Act, 1961. Deferred tax resulting from "timing difference" between taxable and accounting income is accounted for using the tax rates and laws that are enacted or substantively enacted as on the balance sheet date.

Deferred tax asset is recognised and carried forward only to the extent that is a virtual certainty that the asset will be realised in future.

P. Provisions, Contingent Liabilities and Contingent Asset

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that will be

- i) An outflow of resources. Contingent Liabilities are not recognised but are disclosed in the ' notes. Contingent Assets are neither recognized nor disclosed in the financial statements.
- ii) Liability on account interest on various borrowings from financial institutions and ICDS, which has not been provided for in the accounts on account of litigation or classification as NPA is disclosed under contingent liabilities on estimate basis.

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NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2015

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

1 SHARE CAPITAL	AS AT 31ST MARCH, 2015 (Amount in Rs.)		AS AT 31st MARCH, 2014 (Amount in Rs.)	
	Authorised Share Capital:			
2,31,25,000 Equity Shares of Rs. 10 each	231,250,000		231,250,000	
30,00,000 (9%) Cumulative Redemable Preference Shares of Rs 10 each.	30,000,000		30,000,000	
25,55,000 (5%) Cumulative Convertible Preference Shares of Rs 250 each.	638,750,000		638,750,000	
		900,000,000		900,000,000
Issued, Subscribed and Paid up:				
1,96,79,248 Equity Shares of Rs. 10/- each	196,792,480		196,792,480	
		196,792,480		196,792,480

1.1 The details of shareholders holding more than 5% shares:

Name of Shareholder	No. of shares	% held	No. of shares	% held
Equity Shares				
Mr. Carnet Elias Fernandes	4,270,650	21.70	5,230,350	26.58
Aditya Birla Private Equity Fund I	2,500,000	12.70	2,500,000	12.70
Banyantree Growth Capital LLC	1,716,030	8.72	1,716,030	8.72

As per records of the Company, including its register of shareholders/ members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

1.2 The reconciliation of the number of shares outstanding is set out below:

Particulars	AS AT 31ST MARCH, 2015 No. of shares		AS AT 31st MARCH, 2014 No. of shares	
	31.03.2015		31.03.2014	
	No.	Rs.	No.	Rs.
Equity Shares of Rs. 10 each				
At the beginning of the period	19,679,248	196,792,480	19,679,248	196,792,480
Issued during the period				
Outstanding at the end of the period	19,679,248	196,792,480	19,679,248	196,792,480

Terms / rights attached to Equity Shares

The Company has only one class of equity shares having a par value of Rs.10 per share and are ranking pari-passu amongst them. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend if any, proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

During the year ended 31st March 2015, the company has not declared any dividend on equity shares (31st March 2014 : NIL).

2 RESERVES AND SURPLUS

General Reserve	AS AT 31ST MARCH, 2015 (Amount in Rs.)		AS AT 31st MARCH, 2014 (Amount in Rs.)	
15,675,000.00		15,675,000		
Less :- Transfer to Capital Redemption Reserve	-			
Add: Transferred from Profit & Loss Account	-	15,675,000		15,675,000
Securities Premium Account	1,113,247,230		1,113,247,230	
Add: Addition during the year	-	1,113,247,230		1,113,247,230



MB. *[Signature]*

4 SHORT TERM BORROWINGS

	AS AT 31ST MARCH, 2015 (Amount in Rs.)	AS AT 31st MARCH, 2014 (Amount in Rs.)
Secured		
From ICICI Bank Ltd.	27,68,44,335	24,25,49,098
From IDBI Bank Ltd.	11,10,93,180	31,40,65,133
From State Bank of India	8,63,27,654	23,57,31,472
From Axis Bank Ltd	8,26,15,264	29,47,94,174
From Yes Bank Ltd.	9,10,99,341	7,57,17,513
From Kotak Mahindra Bank Ltd.	6,19,70,280	6,19,70,280
From Standard Chartered Bank Ltd.	11,71,61,320	11,71,61,320
	82,71,11,373	1,34,19,88,990
	82,71,11,373	1,34,19,88,990
BILL DISCOUNTING		
SBI GLOBAL	15,91,36,197	16,41,36,197
IFCI	15,90,79,579	16,11,43,579
IDBI	-61,654	1,15,00,417
	31,81,54,121	33,67,80,193
Unsecured		
Other Loans And Advances :		
Related parties:		
Inter Corporate Deposits	8,06,09,908	8,39,66,288
Others	13,69,86,265	13,22,01,320
From Banks		
Citi Bank Ltd	27,64,60,387	27,64,60,387
The HSBC LTD	3,71,65,626	3,71,65,626
AXIS BANK LTD	-	1,43,62,814
	53,12,22,185	54,41,56,434
TOTAL	1,67,64,87,680	2,22,29,25,617

4.1 Notes :

ICICI Bank Ltd., IDBI Bank Ltd., State Bank of India, Axis Bank Ltd, Yes Bank Ltd., Kotak Mahindra Bank Ltd. and Standard Chartered Bank Ltd. are hereinafter collectively referred to as "the ICICI Consortium". Working Capital Facilities of Rs. 400 Crores sanctioned by the ICICI Consortium are secured by First pari-passu charge on the Current Assets of the Company comprising Raw Materials, Components, Stock in Process, Finished Goods, Consumable Stores and Spares, Packing material, at their factory premises, or at such other places as may be permitted by the ICICI Consortium in their discretion from time to time including Goods in Transit / Shipment, Book Debts, Outstanding Monies, Receivables, Claims and Bills etc, both present and future, wherever situated and Second pari-passu charge on all Fixed Assets of the Company, Immovable Properties situated on Plot No. 1&2, 24, 24A, 24B, 25, 26, 27 & 28, Sector - A, Industrial Area, Govindpura Bhopal.

Mr. C E Fernandes, Mr. Bernard John, Directors of the Company and Mrs. Evelyn C Fernandes have personally guaranteed the repayment of above borrowings / facilities.

Further the facilities from ICICI Bank Ltd are secured by pledge of 1 Lac Equity Shares of the Company held by the Promoters.

- 4.2 Intercorporate Deposits of Rs.136986265/- include ICDs amounting to Rs.77622428/- from 22 parties where the parties have filed suit against the company for recovery.
- 4.3 The loans from Kotak Mahindra Bank . The Standard Chartered bank Ltd., Citi bank Ltd., The HSBC Ltd, YES Bank and ICICI Bank have been classified by respective bank as NPA.
- 4.4 Kotak mahindra Bank Ltd has filed suit against the company for recovery of loan; and in case of bill discounting SBI Global Factors Ltd, IFCI factors Ltd., and HSBC Ltd. have filed suit against the company where the financial impact thereof is not ascertained.

5 TRADE PAYABLES

AS AT 31ST MARCH, 2015	AS AT 31st MARCH, 2014
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	(Amount in Rs.)	(Amount in Rs.)
Micro Small And Medium Enterprises	6,000,605	5,339,408
Others	140,488,585	382,884,565
TOTAL	<u>146,489,190</u>	<u>388,223,973</u>

5.1 The Details of amounts outstanding to Micro, Small and Medium Enterprises based on available information with the Company is as under

Particulars	AS AT	
	31ST MARCH, 2015	31st MARCH, 2014
	(Amount in Rs.)	
Principal amount due and remaining unpaid	6,000,605	5,339,408
Interest due on above and the unpaid interest	-	-
Interest paid	-	-
Payment made beyond the appointed day during the year	-	-
Interest due and payable for the period of delay	-	-
Interest accrued and remaining unpaid	-	-

5.2 The details of amounts outstanding to Micro, Small and Medium Enterprises determined to the extent such parties have been identified based on the available information collected by the management. This has been relied upon by the Auditors.

6 OTHER CURRENT LIABILITIES

	AS AT 31ST MARCH, 2015 (Amount in Rs.)	AS AT 31st MARCH, 2014 (Amount in Rs.)
Creditors for Expenses	89,673,894	90,330,828
Advance From Parties		327,711,000
Other Payables *	404,975,578	263,970,216
TOTAL	<u>494,649,472</u>	<u>682,012,044</u>

* Including Statutory Dues and subject to inter-group adjustments.



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(Amount in R.)

Description	Gross block				Depreciation / Amortisation			Net Block		
	As at 01.04.2014	Addition	Deduction Adjustment/Transfer	As at 31.03.2015	As at 01.04.2014	For the year	Deduction Adjustment	Upto 31.03.2015	As at 31.03.2015	As at 31.03.2014
A. TANGIBLE ASSETS:										
OWN ASSETS:										
LAND	69,096,000	-	-	69,096,000	-	-	-	-	69,096,000	69,096,000
BUILDING	152,675,422	-	-	152,675,422	65,222,973	5,089,180	-	70,312,154	82,363,268	87,452,449
MACHINERY	508,616,022	-	-	508,616,022	126,423,313	33,597,215	-	160,020,528	348,595,493	382,192,708
AUXILIARY EQUIPMENTS	88,187,985	-	-	88,187,985	46,395,567	6,168,334	-	52,563,901	35,624,084	41,792,418
ELECTRICAL INSTALLATIONS	7,509,490	-	-	7,509,490	5,436,889	563,643	-	6,000,531	1,508,959	2,072,602
PATTERN	401,897	-	-	401,897	306,111	8,931	-	315,042	86,855	95,786
FURNITURE	12,145,267	-	-	12,145,267	7,142,136	779,605	-	7,921,742	4,223,525	5,003,131
OFFICE EQUIPMENTS	12,499,944	-	-	12,499,944	6,757,135	2,253,521	-	9,010,655	3,489,289	5,742,809
COMPUTERS	29,356,083	-	-	29,356,083	26,352,661	2,333,728	-	28,686,390	669,693	3,003,422
VEHICLES	29,438,915	-	2,631,885	26,807,030	14,902,346	1,825,050	2,225,708	16,727,396	10,079,634	14,536,569
Total Tangible Assets - A	909,927,024	-	2,631,885	907,295,139	298,939,131	52,619,208	2,225,708	351,558,339	555,736,801	€10,987,893
B. INTANGIBLE ASSETS:										
INTANGIBLE ASSETS	44,464,344	-	-	44,464,344	14,190,128	112,195,02	-	25,409,629	19,054,714	30,274,216
SOFTWARE	12,679,815	1,138,409	-	13,818,224	6,458,855	304,1066	-	9,499,921	4,318,302	6,220,960
Total Intangible Assets - B	57,144,158	1,138,409	-	58,282,567	20,648,983	14,260,568	-	34,909,551	23,373,017	36,495,176
Grand Total (A + B)	967,071,183	1,138,409	2,631,885	965,577,707	319,588,114	66,879,776	2,225,708	386,467,890	579,109,818	647,483,069
Less : Revaluation	-	-	-	-	-	-	-	-	-	-
Net	967,071,183	1,138,409	2,631,885	965,577,707	319,588,114	66,879,776	2,225,708	386,467,890	579,109,818	647,483,069
Previous Year	1,024,134,455	10,054,156	67,117,424	967,071,187	282,513,234	39,920,977	6,143,762	319,588,114	647,483,073	-
CAPITAL WORK IN PROGRESS*	229,999	-	-	229,999	-	-	-	-	229,999	-
Total	967,301,182	1,138,409	2,631,885	965,807,706	319,588,114	66,879,776	2,225,708	386,467,890	579,339,817	647,483,069



	AS AT 31ST MARCH, 2015 (Amount in Rs.)	AS AT 31st MARCH, 2014 (Amount in Rs.)
8 OTHER NON-CURRENT ASSET	220,899,110	
DOUBTFULL DEBTS	704,259,204	
NON MOVING STOCK WIP	925,158,314	
Total Other Non Current Asset	925,158,314	

Non moving Inventories (Project WIP) as identified and valued at cost by the management to the extent of Rs.704259204/- has been classified under non-current asset during the year. Necessary effect in diminution of its value, if any, shall be done in coming years on revival of the projects.

	AS AT 31ST MARCH, 2015 (Amount in Rs.)	AS AT 31st MARCH, 2014 (Amount in Rs.)
9 NON-CURRENT INVESTMENT		
Other Investments		
GEI Power Limited (Wholly Owned Subsidiary)	266,297,508	266,297,508
36,62,290 Equity Shares of face value of Rs.10 each (22,43,850)		
Share Application Money		
Total other Investment	266,297,508	266,297,508

	AS AT 31ST MARCH, 2015 (Amount in Rs.)	AS AT 31st MARCH, 2014 (Amount in Rs.)
10 CURRENT INVESTMENT		
A) Trade Investments		263,436
B) Other Investments	263,436	200,000
Shares (Market value as on 31st March 2015 : Rs.116423)	200,000	33,880
Mutual Fund	33,880	
Gold		
Total other Investment (B)	497,316	497,316
Total Current Investment (A+B)	497,316	497,316

	AS AT 31ST MARCH, 2015 (Amount in Rs.)	AS AT 31st MARCH, 2014 (Amount in Rs.)
11 INVENTORIES		
(As taken, Valued, & certified by Management)		
Raw Materials	19,725,688	58,503,750
Consumable Stores	175,000	250,000
Work In Progress	1,162,000	102,152,000
Project WIP	260,756,000	1,269,172,000
Unused Inventory		51,101,000
Inventory with Suncontractors		52,060,400
Project WIP - GEPL		35,926,581
Project WIP - Erection	71,389,346	142,778,692
Stock Finished Good		
TOTAL	353,208,034	1,711,944,423

	AS AT 31ST MARCH, 2015 (Amount in Rs.)	AS AT 31st MARCH, 2014 (Amount in Rs.)
12 TRADE RECEIVABLES (Unsecured and Considered Good)		
Due Over Six Months	230,651,735	405,096,793
Retention (Due for more than Six months)	614,014,813	561,267,336
Others	355,979,108	305,765,909
TOTAL	1,200,645,656	1,272,130,038

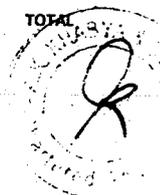
	AS AT 31ST MARCH, 2015 (Amount in Rs.)	AS AT 31st MARCH, 2014 (Amount in Rs.)
13 CASH AND BANK BALANCES		
Cash in Hand	243,823	6,504
Balance with scheduled Banks	24,380,523	14,558,886
(i) In Current Accounts		72,450,467
(ii) In Deposit Accounts	51,139,644	
- Balances held as Margin Money or Security against Borrowings, Guarantees, and Other Commitments #		
TOTAL	75,763,990	87,015,856



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	AS AT 31ST MARCH, 2015 (Amount in Rs.)	AS AT 31st MARCH, 2014 (Amount in Rs.)
14 SHORT TERM LOANS AND ADVANCES (Unsecured and considered good)		
Balance with Customs, Central Excise & Income Tax Authorities	62,722,703	59,785,103
VAT Refund	58,382,364	48,581,688
Prepaid Expenses	-	-
Security Deposits	36,807,593	36,752,593
Others	62,815,237	81,474,037
TOTAL	220,727,896	226,593,421
15 Other Current Assets		
Advance to Suppliers	54,911,991	47,706,312
Advance to Workers	5,429,265	1,020,046
Interest Accrued on Deposits	12,742,609	7,378,657
TOTAL	73,083,865	56,105,014
16 REVENUE FROM OPERATIONS		
Sale of Products	288,364,233	65,892,547
Project Revenue	288,364,233	624,534,757
Income from Services	5,250,000	20,957,807
Other operating revenues	50,641,703	5,613,190
TOTAL	344,255,936	716,998,301
Less : Excise Duty	46,021,291	52,122,300
NET	298,234,645	664,876,001
16.1 PARTICULARS OF SALE OF PRODUCTS		
Air Cooled Heat Exchangers /ACSC & Others	288,364,233	65,892,547
16.2 PARTICULARS OF INCOME FROM SERVICES		
E & C Revenue	5,250,000	20,957,807
E & C Project Revenue	-	-
16.3 PARTICULARS OF OTHER OPERATING REVENUES		
Sale of scrap & Others	43,455,729	5,613,190
Freight Income	6,709,590	-
SUPERVISION	476,384	-
TOTAL	50,641,703	5,613,190
17 OTHER INCOME		
Interest	-	-
Interest on Bank Deposit	5,959,964	9,751,036
TOTAL	5,959,964	9,751,036
Other non operating income	1,536,053	19,133,965
Total	7,496,017	28,885,001
* Net of expenses directly attributable to such income		
17.1 PARTICULARS OF OTHER NON OPERATING INCOME		
Other Income	1,536,053	95,200
GAIN ACCOUNT FOR RETIREMENT	-	19,038,765
TOTAL	1,536,053	19,133,965
18 (a) COST OF MATERIALS CONSUMED		
Opening Stock		
Raw Materials	58,503,750	160,067,972
Consumable Stores	250,000	200,000
TOTAL	58,753,750	160,267,972
Add: Purchases		
Raw Material	74,715,582	455,949,783
Consumable Stores	1,904,948	19,343,041
TOTAL	76,620,530	475,292,824
TOTAL	135,374,280	635,560,796



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Less: Closing stock				
Raw Materials	19,725,688		58,503,750	
Consumable Stores	175,000		250,000	
		19,900,688		58,753,750
TOTAL		115,473,592		576,807,046
Total : Materials Consumed		115,473,592		576,807,046
(b) CHANGES IN INVENTORIES OF FINISHED GOODS,				
		AS AT		AS AT
		31ST MARCH, 2015		31st MARCH, 2014
		(Amount in Rs.)		(Amount in Rs.)
WORK-IN-PROGRESS AND STOCK-IN-TRADE				
Inventories at the end of the year				
Finished goods				
Work-in-progress	1,162,000	1,162,000	102,152,000	102,152,000
Inventories at the beginning of the year				
Finished goods				
Work-in-progress	102,152,000	102,152,000	10,000,000	10,000,000
Net (increase) / decrease		100990000		(92152000)
19 EMPLOYEE BENEFITS / EXPENSES				
		AS AT		AS AT
		31ST MARCH, 2015		31st MARCH, 2014
		(Amount in Rs.)		(Amount in Rs.)
Salary & Wages		116,131,220		149,632,034
PF Employer's Contribution		6,783,423		9,845,927
Welfare Expenses		1,085,946		16,173,847
TOTAL		124,000,589		175,651,808
20 FINANCE COSTS				
		AS AT		AS AT
		31ST MARCH, 2015		31st MARCH, 2014
		(Amount in Rs.)		(Amount in Rs.)
Bank Interest		151,076,661		291,843,822
Bank Commission & Other Charges		15,279,033		24,502,073
TOTAL		166,355,694		316,345,894
21 DEPRICIATION AND AMORTISATION EXPENSES				
		AS AT		AS AT
		31ST MARCH, 2015		31st MARCH, 2014
		(Amount in Rs.)		(Amount in Rs.)
Depreciation and Amortisation	69,105,483		43,231,069	
Less : Depreciation on Revaluation transferred to Revaluation Reserve	3,310,092	65,795,391	3,310,092	39,920,977
Deferred Expenses Written Off				
TOTAL		65,795,391		39,920,977
22 OTHER EXPENSES				
		AS AT		AS AT
		31ST MARCH, 2015		31st MARCH, 2014
		(Amount in Rs.)		(Amount in Rs.)
a) Manufacturing Expenses		34,112,519.16		119,779,006
b) Selling & Distribution Expenses		8,895,697.00		21,875,387.00
c) Establishment Expenses		14,476,248.93		37,973,880
TOTAL		57,484,465.09		179,628,273
a) Manufacturing Expenses				
CARRIAGE INWARD		3,473,235.73		17,924,560
ENTRY TAX		909,733.00		3,070,772.00
ERECTION CHARGES		11,695,089.00		52,616,256
FABRICATION CHARGES		8,060,930.00		30,360,311.00
CONSUMPTION - FUEL		211,541.00		540,060.00
INSPECTION CHARGES		221,722.00		2,321,181.00
MATERIAL HANDLING CHARGES		33,000.00		-
PACKING & FORWARDING		113,961.27		747,346.00
PLATING CHARGE		-		33,718.00
POWER & LIGHT		5,547,224.00		7,743,057.00
CONSUMPTION - GAS		566,589.27		1,432,967.00
CONSUMPTION - OILS		12,446.50		242,070.00
REPAIRS & MAINT MACHINARY		317,001.00		811,842.00
TESTING CHARGES		1,062,581.39		1,934,867
PTBG EXPENSES		1,887,465.00		-
TOTAL		34,112,519.16		119,779,006
b) Selling & Distribution Expenses				
ADVERTISEMENT		200,731.00		375,288.00
CARRIAGE OUTWARD		8,576,916.00		6,738,574.00



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EXPORT TAX	-	112,731.00
LICENCE AC	90,000.00	172,610.00
REGISTRATION & RENEWALS	-	594,118.00
SALES TAX AFTER ASSESSMENT	-	95,652.00
SALES TAX / VAT	-	13,770,247.00
SEMINAR & TECHNICAL CONF	-	3,642.00
Tendor Fees	27,000.00	12,525.00
Business Promotion	1,050.00	-
TOTAL	8,895,697.00	21,875,387.00

c) Establishment Expenses

AUDIT FEES	228,000	463,260
CONSULTANCY CHARGES	7,834,254	10,097,056
CONVEYANCE	61,317	393,457
FACTORY EXPENSES	-	16,794
INSURANCE	701,614	2,759,736
LEAVE TRAVEL EXPENSES	-	2,258,712
LEGAL EXPENSES	52,152	159,156
MISC EXPENSES	26,693	200
NEWSPAPERS & PERIODICALS	2,800	2,830
OFFICE EXPENSES	60,615	681,143
RENT	238,690	4,652,889
POSTAGE & TELEGRAMS	59,737	238,592
PRINTING & STATIONARY	104,308	319,695
PROPERTY TAX	505,366	605,998
REPAIRS & MAINT-VEHICLES	55,821	675,044
REPAIRS & MAINT-BUILDING	-	34,079
REPAIRS & MAINT-COMPUTER	95,367	27,899
TELEPHONE CHARGES	702,356	1,694,618
TRAVELLING EXPENSES	2,336,218	12,892,722
Administration Expenses	207,600	-
Packing Charges	1,231,262	-
Transportation Expenses	26,500	-
Profit/ Loss on Fixed Asset	-108,823	-
Boarding & Lodging	55,000	-
Account written off	-598	-
TOTAL	14,476,248.93	37,973,880

*** PAYMENT TO AUDITORS**

	(Amount in Rs.)	(Amount in Rs.)
	AS AT	AS AT
	31ST MARCH, 2015	31st MARCH, 2014
	(Amount in Rs.)	(Amount in Rs.)
Audit Fee	175,000	400,000
Tax Audit Fee	25,000	20,000
Other Services	28,000	43,260
TOTAL	228,000	463,260

23 ADDITIONAL INFORMATION TO THE FINANCIAL STATEMENTS

23.1 VALUE OF IMPORTS CALCULATED ON CIF BASIS

Raw Materials	4,521,247	73,845,135
Capital Goods		

23.2 DETAILS OF CONSUMPTION OF IMPORTED & INDIGENOUS ITEMS

	Rs.	%	Rs.	%
Raw Material, Stores & Spares Consumed				
Imported	4,521,247	3.92	73,845,135	12.80
Indigenous	110,952,345	96.08	502,961,911	87.20
	115,473,592	100.00	576,807,046	100.00

24 EARNING PER SHARE (EPS)

i) Net Profit after tax as per Statement of profit and loss attributable to equity shareholder	(324,369,070)	(502,440,997)
ii) Weighted Average number of equity shares used as denomination for calculating Basic EPS	196,792,480	19,679,248
iii) Weighted Average number of equity shares used as denomination for calculating Diluted EPS	196,792,480	19,679,248
iv) Basic and diluted earning per share	(18.31)	(25.53)
v) Diluted earning per share	(18.31)	(25.53)
vi) Face value per equity share	10	10



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25 Related Party Disclosures

As per Accounting Standard 18, the disclosures of transactins with the related parties are given below:

(i) List of related parties where control exists and related parties with whom transactions have taken place and relationships:

Sr. No.	Name of the Related Party	Relationship
1	GEI Power Limited	Subsidiary Company
2	Vemaa Industries Limited	Enterprises Related to Key Management Personnel
3	JBL Engineering Pvt. Ltd.	Enterprises Related to Key Management Personnel
4	Mr. C E Fernandes	Key Management Personnel
5	Mr. Bernard John	Key Management Personnel
6	Mr. P L Mundhra	Key Management Personnel
7	Mr. Robinson Fernandez	Key Management Personnel
8	Ms. EVERLYN C FERNADES	Relatives of KMP

(ii) Details of related party transactions during the year ended 31 March, 2015 and balances outstanding as at 31 March, 2015:

(Amount in Rs.)

Sr. No.	Nature of Transaction	Subsidiaries	Director are related	Key Management Personnel	Entities in which KMP / relatives of KMP have significant influence	Relatives of KMP	Total
a	Purchase of Material / Services/ Other Expenses	24,93,776	-	-	5,83,553	-	30,77,329
b	Sale of Material / Services/ Other Expenses	-	-	-	-	-	-
c	Finance (including loans and equity contributions in cash or in kind)	-	-	1,51,31,420	-	-	1,51,31,420
d	loans and advances	-	-	2,68,428	-	-	2,68,428
e	Employee benefit expenses	-	-	1,32,97,000	-	-	1,32,97,000
f	Rent	-	-	-	-	-	-
g	Purchase / Subscription of Investments	-	-	-	-	-	-
	Balances outstanding at the end of the year						
	Borrowings			7,99,78,251	5,91,998	1,00,00,000	9,05,70,249
	Loans and advances	2,72,76,221		8,88,827			2,81,65,048

26 CONTINGENT LIABILITIES AND COMMITMENTS

As at
31st March, 2015

As at
31st March, 2014

(i) Contingent Liabilities

(A) Claims against the company not acknowledged as debts

Income Tax	35,76,166	35,76,166
Sales Tax	67,83,704	67,83,704

Interest cost not considered from the date of litigation against the litigation filed by the lenders & Bank

11,06,96,963	11,06,96,963
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(B) Guarantees

(i) guarantees to banks and financial institutions against credit facilities extended to third parties (Corporate guarantee given to bank / financial institutions against loans to subsidiary company GEI Power Limited)

1157575000	1157575000
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(ii) Performance Guarantees

NIL	NIL
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(a) In respect of joint ventures

(b) In respect of others

656149687	1003185160
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(iii) Outstanding guarantees furnished to Banks and financial institutions including in respect of letters of credits

(a) In respect of joint ventures

(b) In respect of others

NIL	NIL
NIL	NIL

(C) Others Money for which the company is contingently liable

(i) Liability in respect of bills discounted with banks (Including third party bills discounting)

(a) In respect of joint ventures

(b) In respect of others

NIL	NIL
-----	-----

Interest Cost not considered from the date of asset is classified as NPA by Bank calculated applicable rate of interest

165272230	45679294
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(II) Commitments

(A) Estimated amount of contacts remaining to be executed on capital account and not provided for:

Tangible assets	NIL	NIL
Intangible assets	NIL	NIL

(B) Uncalled Liability on shares and other investments partly paid

Dividend & Dividend Tax on Preference shares	NIL	NIL
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(C) Others commitments

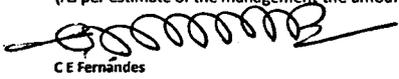
(a) Sales tax deferred liability assigned	NIL	NIL
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(b) Guarantee against future cash calls*	NIL	NIL
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(III) Tax Liabilities

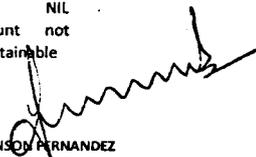
Amount not ascertainable

(As per estimate of the management the amount in aggregate is not material)



C E Fernandes

Chairman & Managing Director



ROBINSON FERNANDEZ

Director

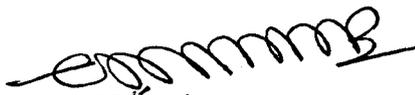


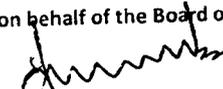
GEI INDUSTRIAL SYSTEMS LTD
Consolidated BALANCE SHEET AS AT 31ST MARCH 2015

	NOTES	AS AT 31ST MARCH 2015		AS AT 31ST MARCH 2014	
		(Amount in Rs.)		(Amount in Rs.)	
Shareholders' Funds					
Share Capital	1	44,67,92,480		44,67,92,480	
Reserves And Surplus	2	<u>15,22,18,690</u>	59,90,11,170	<u>60,55,96,568</u>	1,05,23,89,048
Warrant Application Money Pending Allotment					
Share Application Money Pending Allotment					
Non-Current Liabilities					
Long Term Borrowings	3	1,14,44,44,522		42,45,34,262	
Deferred Tax Liabilities (net)		<u>-</u>	<u>1,14,44,44,522</u>	<u>-</u>	42,45,34,262
Current Liabilities					
Short Term Borrowings	4	2,11,20,62,007		2,67,97,01,509	
Trade Payables	5	16,92,16,531		32,71,21,025	
Other Current Liabilities	6	65,25,15,478		83,06,81,320	
Short Term Provision		<u>-</u>	<u>2,93,37,94,016</u>	<u>-</u>	3,83,75,03,854
TOTAL			<u><u>4,67,72,49,707</u></u>		<u><u>5,31,44,27,164</u></u>
ASSETS					
Non-Current Assets					
Fixed Assets					
Tangible Assets	7	1,22,29,76,946		1,32,06,61,603	
Intangible Assets		2,33,73,017		3,64,95,176	
Capital Work in Progress		2,83,09,492		2,83,09,492	
		<u>-</u>	<u>1,27,46,59,455</u>	<u>-</u>	1,38,54,66,270
Goodwill on consolidation		11,74,67,420		11,74,67,420	11,74,67,420
Other Non-Current Assets	8	92,51,58,314		12,71,77,737	12,71,77,737
Long Term Loans And Advances	8A	<u>10,51,21,737</u>	<u>1,14,77,47,471</u>	<u>12,71,77,737</u>	<u>12,71,77,737</u>
Current Assets					
Current Investments	9	4,97,316		4,97,316	
Inventories	10	63,99,27,867		2,00,09,99,525	
Trade Receivables	11	1,21,32,62,812		1,28,46,31,499	
Cash And Bank Balances	12	7,72,38,201		8,86,14,900	
Short Term Loans / Advances	13	23,54,54,639		24,11,04,561	
Other Currents Assets	14	<u>8,84,61,946</u>	<u>2,25,48,42,781</u>	<u>6,84,67,935</u>	3,68,43,15,736
Miscellaneous Expenditure (to the extent not written off or adjusted)		<u>-</u>	<u>4,67,72,49,707</u>	<u>-</u>	<u>5,31,44,27,164</u>
TOTAL			<u><u>4,67,72,49,707</u></u>		<u><u>5,31,44,27,164</u></u>

Significant Accounting Policies
Notes On Financial Statements

A to P
1 to 26


C E Fernandes
 Chairman & Managing Director

For and on behalf of the Board of Directors

Robinson Fernandez
 Director

As per our report of even date
 For A K KHABYA & CO.
 Chartered Accountants
 FRNq. 001994C

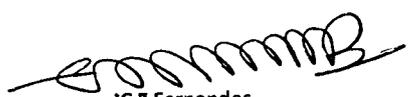
PLACE : BHOPAL
DATE : 14-06-2015




M. N. G. PILLAI
 Partner
 M. No. 074051

GEI INDUSTRIAL SYSTEMS LTD
STATEMENT OF CONSOLIDATED PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH , 2015

	NOTES	2014-15 (Amount in Rs.)	2013-14 (Amount in Rs.)
INCOME			
Revenue From Operations	15	30,21,99,251	67,72,02,959
Other Income	17	77,01,630	2,96,64,448
Total Revenue		30,99,00,881	70,68,67,407
EXPENDITURE:			
Cost Of Materials Consumed	18.a	11,68,64,768	59,54,78,166
Changes In Inventories of Finished Goods			(167870421)
Work-In-Progress and Stock In-Trade	18.b	10,20,09,025	22,83,36,323
Employee Benefits / Expenses	19	16,02,24,292	40,99,14,586
Finance Costs	20	20,81,83,219	7,20,38,822
Depreciation And Amortisations Expenses	21	10,77,59,268	17,37,82,070
Other Expenses	22	6,49,28,095	
Total Expenses		75,99,68,667	1,31,16,79,547
Profit Before Tax		-45,00,67,786	-60,48,12,140
Exceptional Items Written Off		0	
Profit Before Tax		-45,00,67,786	
Provision for Tax Expenses			
Tax expense for current year			
Defered Income Tax			
Tax expense relating to prior years			
Profit For The Year		-45,00,67,786	-60,48,12,140
Earnings Per Equity Shares of Face Value of Rs.10 each			
Basic	24	(19.28)	(34.04)
Diluted		(19.28)	(34.04)
Significant Accounting Policies	A to P		
Notes on Financial statements	1 to 26		


C E Fernandes
 Chairman & Managing Director


Robinson Fernandez
 Director

For A K KHABYA & CO.
 Chartered Accountants
 FRNo. 001994C


M.N G PILLAI
 Partner
 M. No. 074051

PLACE : BHOPAL
 DATE : 14-06-2015



NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2015

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

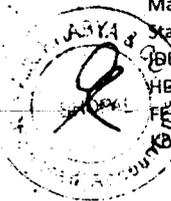
1 SHARE CAPITAL	AS AT 31ST MARCH, 2015 (Amount in Rs.)		AS AT 31ST MARCH, 2014 (Amount in Rs.)	
	Authorised Share Capital:			
2,31,25,000 Equity Shares of Rs. 10 each	23,12,50,000		231250000	
30,00,000 (9%) Cumulative Redemable Preference Shares of Rs 10 each.	3,00,00,000		30000000	
25,55,000 (5%) Cumulative Convertible Preference Shares of Rs 250 each.	63,87,50,000		638750000	
	<u>90,00,00,000</u>		<u>300000000</u>	
Issued, Subscribed and Paid up:				
1,96,79,248 Equity Shares of Rs. 10/- each	19,67,92,480		196792480	
25,00,000 (8%) Convertible Preference Shares of Rs100 each	25,00,00,000		250000000	
	<u>44,67,92,480</u>		<u>44,67,92,480</u>	
2 RESERVES AND SURPLUS	AS AT 31ST MARCH, 2015 (Amount in Rs.)		AS AT 31ST MARCH, 2014 (Amount in Rs.)	
General Reserve	2,56,75,000.00		25675000	
Less :- Transfer to Capital Redemption Reserve		2,56,75,000		2,56,75,000
Add: Transferred from Profit & Loss Account				1113247230
Securities Premium Account	1,11,32,47,230			
Add: Addition during the year		1,11,32,47,230		
Capital Reserve		15,00,000		15,00,000
As per last balance sheet	15,00,000			
Revaluation Reserve				109378647
As per last balance sheet	10,93,78,647			
Less : Transferred to Profit & loss Account	33,10,092	10,60,68,555		
		<u>1,24,64,90,785</u>		<u>1,24,98,00,877</u>
Capital Redemption Reserve Account			20000000	
Transfer from General Reserve	3,00,00,000	3,00,00,000	10000000	3,00,00,000
Profit and Loss Account				(69392170)
As per last Balance Sheet	-67,42,04,309			
Less : Transferred to General Reserve				
Less : Transferred to Capital Redemption Reserve Account				
Total	<u>-67,42,04,309</u>			<u>(69392170)</u>
Dividend on Preference Shares				
Tax on Dividend				
Add: Profit for the year	-45,00,67,786	-1,12,42,72,095	-60,48,12,140	
		<u>-1,12,42,72,095</u>		<u>-67,42,04,310</u>
TOTAL		<u>15,22,18,690</u>		<u>60,55,96,567</u>

3 LONG TERM BORROWINGS

Secured

Larsen & Tourbo Finance Ltd.
Madhya Pradesh Financial Corporation
State Bank of India - SLC
SBI Bank Ltd. - Term Loan
HDFC Bank Ltd. - Vehicle Loan
FEDERAL BANK(STAFF BUS LOAN)
Katak Mahindra Prime Ltd. - Car Loan

(Amount in Rs.)		(Amount in Rs.)	
Current	Non - Current	Current	Non - Current
		1,14,44,44,521	424534262
30,98,610	61,95,990	7514710	16,82,801
6,35,46,389	5,61,25,977	58564004	61000000
1,63,31,000	2,12,768	9668969	1,63,31,000
10,37,785	21,79,002	3464366	7,22,165
		35138	
2,25,778		376800	37445



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LIC of INDIA (Short term loan)
 ICICI Bank Ltd. - Car Loan
 Axis Bank (FITL)
 Axis Bank (WCTL)
 IDBI FITL
 IDBI WCTL A/C
 SBI WCTL
 UNION BANK OF INDIA
 THE SARASWAT CO OPERATIVE BANK LTD
 Reliance Capital Ltd.

	1,40,22,876		14022876
11,87,196	3,77,242	1187196	1477302
	3,56,74,175		
	24,56,77,696		
	1,69,04,937		
	28,31,97,610		
	15,00,00,000		
10,83,06,008	6,45,00,001	64500001	108306008
4,50,00,000	3,06,43,481	30643481	45000000
-	-	-	-
23,87,32,766	90,57,11,755	175954665	248579597
23,87,32,766	90,57,11,755	17,59,54,665	24,85,79,597
	1,14,44,44,521		42,45,34,262

Total

Unsecured

Total

Notes :

Term Loans (along with the interest accrued thereon) from IDBI Bank Ltd are secured by equitable mortgage of Immovable Properties situated on Plot No. 1&2, 24, 24A, 24B, 25, 26, 27 & 28, Sector - A, Industrial Area, Govindpura Bhopal and hypothecation of all the Fixed Assets of the Company. The charge operates as First Charge ranking pari-passu with Madhya Pradesh Finance Corporation for their Working Capital Term Loan. Mr. C E Fernandes, Mr. P.L. Mundhra, Mr. Bernard John, Directors of the Company and Mrs. Everlyn C Fernandes have personally guaranteed the repayment of the said loan(s). Further it is also secured by pledge of 13 Lacs Equity Shares of the Company held by the Promoters.

Working Capital Term Loan of Rs. 346 Lacs from Madhya Pradesh Financial Corporation is secured by equitable mortgage of Immovable Properties situated on Plot No. 1&2, 24, 24A, 24B, 25, 26, 27 & 28, Sector - A, Industrial Area, Govindpura Bhopal and hypothecation of all the Fixed Assets of the Company situated thereon. The charge operates as First Charge ranking pari - passu with IDBI Bank Ltd for its Term Loan. Mr. C E Fernandes, Mr. P.L. Mundhra, Mr. Bernard John, Directors of the Company and Mrs. Everlyn C Fernandes have personally guaranteed the repayment of the said loan(s).

Charge against FITL and WCTL from AXIS Bank has not yet been created/modified pending documentation.

Loans from L&T Finance Ltd, HDFC Bank Ltd, ICICI Bank Ltd & Kotak Mahindra Prime Ltd. are secured by the assets financed.

Loan from LIC of India is secured by assignment of LIC Policies (Keyman) of Mr C E Fernandfes , Mr Bernard John both directors of the company and Mrs Everlyn C Fernandes promoter of th company .There is no stipulation as to repayment of Principal amount hence classified under long term liabilities.

Term Loan of Rs. 1000 Lacs from Madhya Pradesh Financial Corporation (MPFC) is secured by way of First Charge on Leasehold Land admeasuring One Lac Square Meters together with Buildings thereon situated at plot no. 10, Industrial Area, Phase - II (Satlapur), Mandideep, Dist : Raisen (M.P.) ranking pari-passu basis with IDBI Bank Ltd, Union Bank of India and The Saraswat Co-Operative Bank Ltd for their Term Loan.

Working Capital Term Loan of Rs 500 Lacs from Madhya Pradesh Financial Corporation (MPFC) is secured by way of first charge on all the current assets created under the work orders financed.

Term Loan of Rs. 560 Lacs from IDBI Bank Ltd is secured by way of First Charge on Company's entire moveable properties and leasehold land admeasuring One Lac Square Meters situated at Plot No. 10, Industrial Area, Phase - II (Satlapur), Mandideep, Dist : Raisen (M.P.) and Second Charge on entire Current Assets, ranking pari-passu basis with MPFC, Union Bank of India and The Saraswat Co-Operative Bank Ltd for their Term Loan.

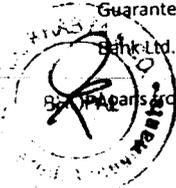
Term Loan of Rs. 2400 Lacs from Union Bank of India is secured by way of First Charge on Company's entire moveable properties and leasehold land admeasuring One Lac Square Meters situated at Plot No. 10, Industrial Area, Phase - II (Satlapur), Mandideep, Dist : Raisen (M.P) and Second Charge on entire Current Assets, ranking pari-passu with IDBI Bank Ltd and The Saraswat Co-Operative Bank Ltd for their Term Loan

Term Loan of Rs. 1125 Lacs from The Saraswat Co-Operative Bank Ltd is secured by way of First Charge on Company's entire moveable properties and leasehold land admeasuring One Lac Square Meters situated at Plot No. 10, Industrial Area, Phase - II (Satlapur), Mandideep, Dist : Raisen (M.P.) and Second Charge on entire Current Assets, ranking pari-passu with IDBI Bank Ltd, Union Bank of India and The Saraswat Co-Operative Bank Ltd for their Term Loan.

Mr. C E Fernandes and Mrs. Everlyn C Fernandes have personally guaranteed the repayment of above Working Capital Loan and Term Loans from IDBI Bank Ltd, Union Bank of India, The Saraswat Co-Operative Bank Ltd and MPFC. GEI Industrial Systems Ltd (Holding Company) has given a Corporate Guarantee for repayment of the Working Capital Loan and Term Loan availed from IDBI Bank Ltd, Union Bank of India and The Saraswat Co-Operative

Bank Ltd.

Bank Ltd. Term Loans from L&T Finance Ltd are secured by the assets financed.



MB, J

4 SHORT TERM BORROWINGS

	AS AT 31ST MARCH , 2015 (Amount in Rs.)		AS AT 31ST MARCH , 2014
Secured			
From ICICI Bank Ltd.	27,68,44,335		24,25,49,098
From IDBI Bank Ltd.	28,95,93,180		49,55,75,773
From State Bank of India	8,63,27,654		23,57,31,472
From Axis Bank Ltd	8,26,15,264		29,47,94,174
From Yes Bank Ltd.	9,10,99,341		7,57,17,513
From Kotak Mahindra Bank Ltd.	6,19,70,280		6,19,70,280
From Standard Chartered Bank Ltd.	11,71,61,320		11,71,61,320
From UNION BANK OF INDIA	5,22,36,315		6,03,39,713
From THE SARASWAT CO OPERATIVE BANK LTD	6,70,10,107		6,70,10,107
	1,12,48,57,795		1,65,08,49,450
	1,12,48,57,795		1,65,08,49,450
BILL DISCOUNTING			
SBI GLOBAL	15,91,36,197		16,41,36,197
IFCI	15,90,79,579		16,11,43,579
IDBI	-61,654	31,81,54,121	1,15,00,417
Unsecured			
Other Loans And Advances :			
Related parties:		8,30,29,918	9,00,56,643
Inter Corporate Deposits		13,69,86,265	13,86,18,502
Others			
From Banks			
Citi Bank Ltd		41,18,68,282	41,18,68,282
The HSBC LTD		3,71,65,626	3,71,65,626
AXIS BANK LTD		-	1,43,62,814
Others			
Aditya Birla Finance Limited			
		66,90,50,090	69,20,71,866
TOTAL		2,11,20,62,007	2,67,97,01,509

Notes :

ICICI Bank Ltd., IDBI Bank Ltd., State Bank of India, Axis Bank Ltd, Yes Bank Ltd., Kotak Mahindra Bank Ltd. and Standard Chartered Bank Ltd. are hereinafter collectively referred to as "the ICICI Consortium". Working Capital Facilities of Rs. 400 Crores sanctioned by the ICICI Consortium are secured by First pari-passu charge on the Current Assets of the Company comprising Raw Materials, Components, Stock in Process, Finished Goods, Consumable Stores and Spares, Packing material, at their factory premises, or at such other places as may be permitted by the ICICI Consortium in their discretion from time to time including Goods in Transit / Shipment, Book Debts, Outstanding Monies, Receivables, Claims and Bills etc, both present and future, wherever situated and Second pari-passu charge on all Fixed Assets of the Company, Immovable Properties situated on Plot No. 1&2, 24, 24A, 24B, 25, 26, 27 & 28, Sector - A, Industrial Area, Govindpura Bhopal.

Mr. C E Fernandes, Mr. Bernard John, Directors of the Company and Mrs. Everlyn C Fernandes have personally guaranteed the repayment of above borrowings / facilities.

Further the facilities from ICICI Bank Ltd are secured by pledge of 1 Lac Equity Shares of the Company held by the Promoters.

Intercorporate Deposits of Rs.136986265/- include ICDs amounting to Rs.77622428/- from 22 parties where the parties have filed suit against the company for recovery.

The loans from Kotak Mahindra Bank . The Standard Chartered bank Ltd., Citi bank Ltd., The HSBC Ltd, YES Bank and ICICI Bank have been classified by respective bank as NPA.

Kotak mahindra Bank Ltd has filed suit against the company for recovery of loan; and in case of bill discounting SBI Global Factors Ltd, IFCI factors Ltd., and HSBC Ltd. have filed suit against the company where the financial impact thereof is not ascertained.



MB

Working Capital Loan of Rs. 4400 Lacs from IDBI Bank Ltd is secured by way of First Charge on Company's entire Current Assets and Second Charge on Company's entire moveable property, immoveable property and leasehold land admeasuring One Lac Square Meters situated at Plot No. 10, Industrial Area, Phase - II (Satlapur), Mandideep, Dist : Raisen (M.P.), ranking Pari-Passu with Union Bank of India and The Saraswat Co-Operative Bank Ltd for their Working Capital Loan.

Working Capital Loan of Rs. 600 Lacs from Union Bank of India is secured by way of First Charge on Company's entire Current Assets and Second Charge on Company's entire moveable property, immoveable property and leasehold land admeasuring One Lac Square Meters situated at Plot No. 10, Industrial Area, Phase - II (Satlapur), Mandideep, Dist : Raisen (M.P.), ranking Pari-Passu with IDBI Bank Ltd and The Saraswat Co-Operative Bank Ltd for their Working Capital Loan.

Working Capital Loan of Rs. 800 Lacs from The Saraswat Co-Operative Bank Ltd is secured by way of First Charge on Company's entire Current Assets and Second Charge on Company's entire moveable property, immoveable property and leasehold land admeasuring One Lac Square Meters situated at Plot No. 10, Industrial Area, Phase - II (Satlapur), Mandideep, Dist : Raisen (M.P.), ranking Pari-Passu with IDBI Bank Ltd and Union Bank of India for their Working Capital Loan.

5 TRADE PAYABLES	AS AT	AS AT
	31ST MARCH , 2015	31ST MARCH , 2014
	(Amount in Rs.)	(Amount in Rs.)
Micro Small And Medium Enterprises	60,00,605	37,31,664
Others	16,32,15,926	32,33,89,361
TOTAL	16,92,16,531	32,71,21,025

5.1 The Details of amounts outstanding to Micro, Small and Medium Enterprises based on available information with the Company is as under

Particulars	AS AT	AS AT
	31ST MARCH , 2015	31ST MARCH , 2014
	(Amount in Rs.)	(Amount in Rs.)
Principal amount due and remaining unpaid	60,00,605	37,31,664
Interest due on above and the unpaid interest	-	-
Interest paid	-	-
Payment made beyond the appointed day during the year	-	-
Interest due and payable for the period of delay	-	-
Interest accrued and remaining unpaid	-	-

5.2 The details of amounts outstanding to Micro, Small and Medium Enterprises determined to the extent such parties have been identified based on the available information collected by the management. This has been relied upon by the Auditors.

6 OTHER CURRENT LIABILITIES	AS AT	AS AT
	31ST MARCH , 2015	31ST MARCH , 2014
	(Amount in Rs.)	(Amount in Rs.)
Creditors for Expenses	10,83,79,532	10,59,48,502
Advance From Parties		32,77,11,000
Other Payables * st	54,08,82,630	39,37,68,503
Security Deposits from Parties	32,53,315	32,53,315
TOTAL	65,25,15,478	83,06,81,320

* Including Statutory Dues and subject to inter-group adjustments



M.B.

(Amount in Rs.)

Description	Gross block				Depreciation / Amortisation			Net Block		
	As at 01.04.2014	Addition	Deduction Adjustment/Transfer	As at 31.03.2015	As at 01.04.2014	For the year	Deduction Adjustment	Upto 31.03.2015	As at 31.03.2015	As at 31.03.2014
A. TANGIBLE ASSETS:										
OWN ASSETS:										
LAND	9,60,26,988	-	-	9,60,26,988	10,25,11,243	1,68,75,193	-	-	9,60,26,988	9,60,26,988
BUILDING	50,62,55,810	-	-	50,62,55,810	17,51,83,533	5,97,01,677	-	-	38,68,69,374	40,37,44,567
MACHINERY	90,01,82,952	-	-	90,01,82,952	4,63,95,567	61,68,334	-	-	66,52,97,742	72,49,99,419
AUXILIARY EQUIPMENTS	8,81,87,985	-	-	8,81,87,985	90,55,361	33,26,303	-	-	3,56,24,084	4,17,93,418
ELECTRICAL INSTALLATIONS	2,96,10,768	-	-	2,96,10,768	4,01,897	8,931	-	-	1,72,29,104	2,05,55,407
PATTERN	4,01,897	-	-	4,01,897	3,06,111	8,931	-	-	86,855	95,786
FURNITURE	1,27,76,741	-	-	1,27,76,741	72,61,929	8,42,752	-	-	46,72,060	55,14,812
OFFICE EQUIPMENTS	1,45,65,294	-	-	1,45,65,294	72,66,162	26,66,591	-	-	46,32,541	72,99,131
COMPUTERS	3,12,53,155	-	-	3,12,53,155	2,70,32,375	29,66,085	-	-	12,54,695	42,20,781
VEHICLES	3,22,52,599	-	11,98,177	3,10,54,421	1,58,40,305	42,52,926	3,22,312	1,97,70,919	1,12,83,503	1,64,12,294
Total Tangible Assets - A	1,71,15,14,190	-	11,98,177	1,71,03,16,012	39,08,52,586	9,68,08,792	3,22,312	48,73,39,067	1,22,29,76,946	1,32,06,61,603
B. INTANGIBLE ASSETS:										
INTANGIBLE ASSETS	4,44,64,344	-	-	4,44,64,344	1,41,90,128	112,19,502	-	-	1,90,54,714	3,02,74,216
SOFTWARE	1,26,79,815	11,38,409	-	1,38,18,224	64,58,855	304,10,66	-	-	43,18,302	62,20,960
Total Intangible Assets - B	5,71,44,158	11,38,409	-	5,82,82,567	2,06,48,983	1,42,60,568	-	3,49,09,551	2,33,73,017	3,64,95,176
Grand Total (A + B)	1,76,86,58,348	11,38,409	11,98,177	1,76,85,98,580	41,15,01,569	11,10,69,360	3,22,312	52,22,48,617	1,24,63,49,963	1,35,71,56,779
Less : Revaluation										
Net	1,76,86,58,348	11,38,409	11,98,177	1,76,85,98,580	41,15,01,569	11,10,69,360	3,22,312	52,22,48,617	1,24,63,49,963	1,35,71,56,779
Previous Year	1,83,58,86,923	1,35,82,865	2,02,19,462	83,97,20,815	6,99,63,251	4,21,72,001	1,01,67,640	10,19,67,612	74,78,07,359	-
CAPITAL WORK IN PROGRESS*	2,83,09,492	-	-	2,83,09,492	-	-	-	-	2,83,09,492	-
TOTAL	1,79,69,67,840	11,38,409	11,98,177	1,79,69,08,072	41,15,01,569	11,10,69,360	3,22,312	52,22,48,617	1,27,46,59,455	1,35,71,56,779

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	AS AT 31ST MARCH, 2015 (Amount in Rs.)	AS AT 31st MARCH, 2014 (Amount in Rs.)
8 OTHER NON-CURRENT ASSETS		
DOUBTFULL DEBTS	22,08,99,110	
NON MOVING STOCK WIP	70,42,59,204	
Total Non Current Assets	<u>92,51,58,314</u>	<u></u>
9 LONG TERM LOANS & ADVANCES		
Sales Tax subsidy Receivable	10,51,21,737	12,71,77,737
TOTAL	<u>10,51,21,737</u>	<u>12,71,77,737</u>
10 CURRENT INVESTMENT		
A) Trade Investments		
B) Other Investments (At Cost)		
Shares (Market value as on 31st March 2015 : Unknown)	2,63,436	2,63,436
Mutual Fund	2,00,000	2,00,000
Gold	33,880	33,880
Total other Investment (B)	<u>4,97,316</u>	<u>4,97,316</u>
Total Current Investment (A+B)	<u>4,97,316</u>	<u>4,97,316</u>
11 INVENTORIES		
(As taken, Valued, & certified by Management)		
Raw Materials	2,83,15,609	6,84,09,915
Consumable Stores	47,01,516	47,76,516
Work In Progress	27,47,65,396	37,67,74,421
Project WIP	26,07,56,000	1,26,91,72,000
Unused Inventory		5,11,01,000
Inventory with Suncontractors		5,20,60,400
Project WIP - GEPL		3,59,26,581
Project WIP - Erection	7,13,89,346	14,27,78,692
Stock Finished Good		
TOTAL	<u>63,99,27,867</u>	<u>2,00,09,99,525</u>
12 TRADE RECEIVABLES (Unsecured and Considered Good)		
Due Over Six Months	23,06,51,735	64,37,45,715
Retention		51,43,13,013
Due Over Six Months(Retention)	61,40,14,813	4,69,54,323
Others	36,85,96,269	7,96,18,449
TOTAL	<u>1,21,32,62,817</u>	<u>1,28,46,31,499</u>
13 CASH AND BANK BALANCES		
Cash in Hand	2,44,524	1,60,262
Balance with scheduled Banks		1,47,02,384
(i) In Current Accounts	2,44,62,539	
(ii) In Deposit Accounts	13,91,494	
- Balances held as Margin Money or Security against Borrowings, Guarantees, and Other Commitments #	5,11,39,644	7,37,52,255
TOTAL	<u>7,72,38,201</u>	<u>8,86,14,900</u>
14 SHORT TERM LOANS AND ADVANCES (Unsecured and considered good)		
Balance with Customs, Central Excise & Income Tax Authorities	6,38,82,826	6,10,64,498
VAT Refund	5,83,82,364	4,85,81,688
Prepaid Expenses	8,12,462	5,79,934
Security Deposits	3,92,88,587	3,92,33,587
Others	7,30,88,401	9,16,44,854
TOTAL	<u>23,54,54,639</u>	<u>24,11,04,561</u>
Other Current Assets		



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AS AT
31ST MARCH, 2015

AS AT
31st MARCH, 2014

	(Amount in Rs.)	(Amount in Rs.)
Advance to Suppliers	6,92,83,173	5,91,72,345
Advance to Workers	64,33,991	19,14,761
Interest Accrued on Deposits	1,27,44,782	73,80,830
TOTAL	<u>8,84,61,946</u>	<u>6,84,67,936</u>

16 REVENUE FROM OPERATIONS

	AS AT 31ST MARCH, 2015 (Amount in Rs.)	AS AT 31st MARCH, 2014 (Amount in Rs.)
Sale of Products	29,15,06,913	7,36,77,366
Project Revenue	29,15,06,913	62,45,34,757
Income from Services	52,50,000	2,09,57,807
Other operating revenues	5,19,03,403	1,15,56,254
TOTAL	<u>34,86,60,316</u>	<u>73,07,26,184</u>
Less : Excise Duty	4,64,61,065	5,35,23,225
NET	<u>30,21,99,251</u>	<u>67,72,02,959</u>

16.1 PARTICULARS OF SALE OF PRODUCTS

	AS AT 31ST MARCH, 2015 (Amount in Rs.)	AS AT 31st MARCH, 2014 (Amount in Rs.)
Air Cooled Heat Exchangers /ACSC & Others	29,15,06,913	75,17,35,348

16.2 PARTICULARS OF INCOME FROM SERVICES

E & C Revenue	52,50,000	2,09,57,807
E & C Project Revenue		

16.3 PARTICULARS OF OTHER OPERATING REVENUES

Sale of scrap & Others	4,22,23,653	1,12,24,754
Freight Income	67,09,590	
SUPERVISION	4,76,384	
Fabrication Income from Job Work	24,93,776	3,31,500

17 OTHER INCOME

Interest	61,65,577	1,02,14,925
Interest on Bank Deposit		
	<u>61,65,577</u>	<u>1,02,14,925</u>
Other non operating income	15,36,053	1,94,49,523
Total	<u>15,36,053</u>	<u>1,94,49,523</u>

* Net of expenses directly attributable to such income

17.1 PARTICULARS OF OTHER NON OPERATING INCOME

Other Income	15,36,053	4,10,758
GAIN ACCOUNT FOR RETIREMENT		1,90,38,765
TOTAL	<u>15,36,053</u>	<u>1,94,49,523</u>

18 (a) COST OF MATERIALS CONSUMED

	AS AT 31ST MARCH, 2015 (Amount in Rs.)	AS AT 31st MARCH, 2014 (Amount in Rs.)
Opening Stock		
Raw Materials	6,84,09,915	18,71,74,819
Consumable Stores	47,76,516	52,72,456
	<u>7,31,86,431</u>	<u>19,24,47,275</u>
Add: Purchases		
Raw Material	7,47,15,582	45,59,73,636
Consumable Stores	19,79,880	2,02,43,687
	<u>7,66,95,462</u>	<u>47,62,17,323</u>
TOTAL	<u>14,98,81,893</u>	<u>66,86,64,598</u>
Less: Closing stock		
Raw Materials	2,83,15,609	6,84,09,915
Consumable Stores	47,01,516	47,76,516
	<u>3,30,17,125</u>	<u>7,31,86,431</u>
TOTAL	<u>11,68,64,768</u>	<u>59,54,78,166</u>
Total : Materials Consumed	<u>11,68,64,768</u>	<u>59,54,78,166</u>

(b) CHANGES IN INVENTORIES OF FINISHED GOODS,

WORK-IN-PROGRESS AND STOCK-IN-TRADE

Inventories at the end of the year

	AS AT 31ST MARCH, 2015 (Amount in Rs.)	AS AT 31st MARCH, 2014 (Amount in Rs.)
Finished goods	27,47,65,396	37,67,74,421
Work-in-progress	27,47,65,396	37,67,74,421

Inventories at the beginning of the year



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Finished goods			20,89,04,000	
Work-in-progress	37,67,74,421	37,67,74,421		20,89,04,000
		<u>102009025</u>		<u>(167870421)</u>
Net (increase) / decrease				
19 EMPLOYEE BENEFITS / EXPENSES		AS AT	AS AT	
		31st MARCH, 2015	31st MARCH, 2014	
		(Amount in Rs.)	(Amount in Rs.)	
Salary & Wages		15,08,62,412	19,60,14,456	
PF Employer's Contribution		82,44,276	1,56,06,456	
Welfare Expenses		11,17,604	1,67,15,411	
TOTAL		<u>16,02,24,292</u>	<u>22,83,36,323</u>	
20 FINANCE COSTS		AS AT	AS AT	
		31st MARCH, 2015	31st MARCH, 2014	
		(Amount in Rs.)	(Amount in Rs.)	
Bank Interest		19,26,44,811	38,39,06,838	
Discounting Charges		1,00,000		
Bank Commission & Other Charges		1,54,38,408	2,60,07,749	
TOTAL		<u>20,81,83,219</u>	<u>40,99,14,586</u>	
21 DEPRICIATION AND AMORTISATION EXPENSES		AS AT	AS AT	
		31st MARCH, 2015	31st MARCH, 2014	
		(Amount in Rs.)	(Amount in Rs.)	
Depreciation and Amortisation	11,10,69,360		7,53,48,914	
Less : Depreciation on Revaluation transferred to Revaluation Reserve	33,10,092	10,77,59,268	33,10,092	7,20,38,822
Deferred Expenses Written Off				
TOTAL		<u>10,77,59,268</u>	<u>7,20,38,822</u>	
22 OTHER EXPENSES		AS AT	AS AT	
		31st MARCH, 2015	31st MARCH, 2014	
		(Amount in Rs.)	(Amount in Rs.)	
a) Manufacturing Expenses		3,67,85,560	10,47,87,170	
b) Selling & Distribution Expenses		93,02,033	2,30,65,742	
c) Establishment Expenses		1,88,40,502	4,59,29,158	
TOTAL		<u>6,49,28,095</u>	<u>17,37,82,070</u>	
a) Manufacturing Expenses		34,73,236	1,79,44,434	
CARRIAGE INWARD		-	-	
DESIGN EXPENSES		-	-	
ENTRY TAX		9,09,733	30,70,772	
ERECTION CHARGES		92,01,313	5,26,16,256	
FABRICATION CHARGES		87,05,746	86,32,620	
CONSUMPTION - FUEL		2,11,541	5,40,060	
INSPECTION CHARGES		2,21,722	23,21,181	
MATERIAL HANDLING CHARGES		33,040	12,275	
PACKING & FORWARDING		1,13,961	7,47,346	
PLATING CHARGE		-	33,718	
POWER & LIGHT		94,62,924	1,30,84,275	
CONSUMPTION - GAS		5,66,589	14,32,967	
CONSUMPTION - OILS		12,447	2,42,070	
REPAIRS & MAINT MACHINARY		3,17,001	8,11,842	
TESTING CHARGES		10,66,825	20,43,173	
SURVEY EXPENSES		-	-	
PTBG EXPENSES		18,87,465	-	
Other Manufacturing Exp		6,02,016	12,54,182.00	
TOTAL		<u>3,67,85,560</u>	<u>10,47,87,170.00</u>	
b) Selling & Distribution Expenses		2,00,731	3,75,288	
ADVERTISEMENT		85,76,916	67,38,574	
CARRIAGE OUTWARD		-	-	
SALES COMMISSION		-	1,12,731	
EXPORT TAX		-	1,72,610	
LICENCE AC		90,000	6,49,391	
REGISTRATION & RENEWALS		-	98,075	
SALES TAX AFTER ASSESSMENT		-	1,44,31,362	
VAT & Sales Tax		4,06,336	4,71,544.00	
SEMINAR & TECHNICAL CONF		-	3,642.00	
SERVICE TAX PAID ACCOUNT		-	4,71,544.00	
Tendor Fees		27,000	12,525.00	
Business Promotion		1,050	-	
TOTAL		<u>93,02,033</u>	<u>2,30,65,742.00</u>	
c) Establishment Expenses		3,42,000	6,03,710.00	
AUDIT FEES		-	-	
CORPORATE SOCIAL RESPONSIBILITY		-	-	
PROFESSIONAL TAX		-	-	



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CONSULTANCY CHARGES	1,09,19,347	1,42,29,527.00
CONVEYANCE	6,39,293	18,41,897.00
DONATION	-	-
FACTORY EXPENSES	90,000	58,800.00
INSURANCE	9,34,142	30,66,545.00
LIC KEYMAN INSURANCE PREMIUM	-	2,37,355.00
PF ADMINISTRATIVE CHARGES	-	22,58,712.00
LEAVE TRAVEL EXPENSES	-	12,82,572.00
LOSS ON SALE/REVALUATION/WOFF OF FIXED ASSETS	-	1,63,206.00
LEGAL EXPENSES	53,252	23,086.00
MISC EXPENSES	30,221	2,830.00
NEWSPAPERS & PERIODICALS	2,800	6,95,970.00
OFFICE EXPENSES	63,585	46,52,889.00
RENT	2,38,690	2,38,682.00
POSTAGE & TELEGRAMS	59,737	3,57,355.00
PRINTING & STATIONARY	1,06,407	6,05,998.00
PROPERTY TAX	5,05,366	8,75,285.00
REPAIRS & MAINT-VEHICLES	57,091	39,079.00
REPAIRS & MAINT-BUILDING	3,000	34,979.00
REPAIRS & MAINT-COMPUTER	95,367	13,246.00
ELECTRICITY EXPENSES	-	-
SECURITY SERVICES	-	17,21,475.00
TELEPHONE CHARGES	7,08,010	1,29,25,960.00
TRAVELLING EXPENSES	23,36,218	-
Administration Expenses	2,99,947	-
MP POLLUTION	-	-
Packing Charges	12,31,262	-
Transportation Expenses	26,500	-
Packaging & Forwarding	-	-
Profit/ Loss on Fixed Asset	35,865	-
Boarding & Lodging	55,000	-
Registration & Renewals	8,000	-
Account written off	-598	-
TOTAL	1,88,40,502	4,59,29,158

(Amount in Rs.)

(Amount in Rs.)

*** PAYMENT TO AUDITORS**

	AS AT 31ST MARCH, 2015 (Amount in Rs.)	AS AT 31st MARCH, 2014 (Amount in Rs.)
Audit Fee	2,50,000	5,00,000
Tax Audit Fee	50,000	45,000
Other Services	42,000	58,710
TOTAL	3,42,000	6,03,710

23 ADDITIONAL INFORMATION TO THE FINANCIAL STATEMENTS

23.1 VALUE OF IMPORTS CALCULATED ON CIF BASIS				
Raw Materials		45,21,247		3,37,95,067
Capital Goods		-		-
23.2 DETAILS OF CONSUMPTION OF IMPORTED & INDIGENOUS ITEMS				
	Rs.	%	Rs.	%
Raw Material, Stores & Spares Consumed				
Imported	45,21,247	3.87	3,37,95,067	5.68
Indigenous	11,23,43,522	96.13	56,16,83,099	94.32
	<u>11,68,64,768</u>	<u>100.00</u>	<u>59,54,78,166</u>	<u>100.00</u>

EXPENDITURE IN FOREIGN CURRENCY:

CAPITAL

OTHERS

EARNING IN FOREIGN EXCHANGE

10,03,60,979

FOB VALUE OF EXPORT

24 EARNING PER SHARE (EPS)		(45,00,67,786)	(60,48,12,140)
i) Net Profit after tax as per Statement of profit and loss attributable to equity shareholder			1,77,70,080
ii) Weighted Average number of equity shares used as denomination for calculating Basic EPS		2,33,41,538	1,77,70,080
iii) Weighted Average number of equity shares used as denomination for calculating Diluted EPS		2,33,41,538	
iv) Basic and diluted earning per share		(19.28)	(34.04)
v) Diluted earning per share		(19.28)	(34.04)
vi) Diluted earning per share		10	10
vii) Face value per equity share			



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25 Related Party Disclosures

As per Accounting Standard 18, the disclosures of transactions with the related parties are given below:

(i) List of related parties where control exists and related parties with whom transactions have taken place and relationships:

Sr. No.	Name of the Related Party	Relationship
1	Vemaa Industries Limited	Enterprises Related to Key Management Personnel
2	JBL Engineering Pvt. Ltd.	Enterprises Related to Key Management Personnel
3	Mr. C E Fernandes	Key Management Personnel
4	Mr. Bernard John	Key Management Personnel
5	Mr. P L Mundhra	Key Management Personnel
6	Mr. Robinson Fernandez	Key Management Personnel
7	Mrs Everlyn C Fernnades	Key Management Personnel

(ii) Details of related party transactions during the year ended 31 March, 2015 and balances outstanding as at 31 March, 2015: (Amount in Rs.)

Sr. No.	Nature of Transaction	Director are related	Key Management Personnel	Entities In which KMP / relatives of KMP have significant influence	Relatives of KMP	Total
a	Purchase of Material / Services/ Other Expenses	-	-	5,83,553	-	5,83,553
b	Sale of Material / Services/ Other Expenses	-	-	-	-	-
c	Finance (including loans and equity contributions in cash or in kind)	-	1,51,31,420	-	-	1,51,31,420
d	loans and advances	-	2,68,428	-	-	2,68,428
e	Employee benefit expenses	-	1,74,97,000	-	-	1,74,97,000
f	Rent	-	-	4,69,542	-	4,69,542
g	interest	-	-	-	-	-
<u>Balances outstanding at the end of the year</u>						
	Borrowings		7,99,78,251	5,91,998	1,00,00,000	9,05,70,249
	Loans and advances		8,88,827	19,50,468	-	28,39,295

26 CONTINGENT LIABILITIES AND COMMITMENTS

As at
31st March, 2015

As at
31st March, 2014

(i) Contingent Liabilities

(A) Claims against the company not acknowledged as debts

Income Tax
Sales Tax

NIL
35,76,166
67,83,704

NIL
35,76,166
67,83,704

Interest cost not considered from the date of Litigation against the litigation filed by the lenders & Bank

24,64,56,095

11,06,96,963

(B) Guarantees

(i) guarantees to banks and financial institutions against credit facilities extended to third parties (Corporate guarantee given to bank / financial institutions against loans to subsidiary company GEI Power Limited)

1157575000
NIL

1157575000
NIL

(ii) Performance Guarantees

(a) In respect of joint ventures
(b) In respect of others

660198674

1003185160

(iii) Outstanding guarantees furnished to Banks and financial institutions including in respect of letters of credits

(a) In respect of joint ventures
(b) In respect of others

NIL
NIL

NIL
NIL

(C) Others Money for which the company is contingently liable

(i) Liability in respect of bills discounted with banks (Including third party bills discounting)

(a) In respect of joint ventures
(b) In respect of others

NIL

NIL

Interest Cost not considered from the date of asset is classified as NPA by Bank calculated applicable rate of

165272230

45679294



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(ii) Commitments

(A) Estimated amount of contacts remaining to be executed on capital account and not provided for:
Tangible assets
Intangible assets

NIL
NIL

NIL
NIL

(B) Uncalled Liability on shares and other investments partly paid
Dividend & Dividend Tax on Preference shares

NIL

NIL

(C) Others commitments

(a) Sales tax deferred liability assigned
(b) Guarantee against future cash calls*

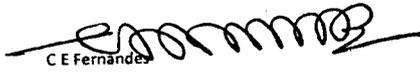
NIL
NIL

NIL
NIL

(iii) Tax Liabilities

Amount not ascertainable

(As per estimate of the management the amount in aggregate is not material)


C E Fernandez


ROBINSON FERNANDEZ

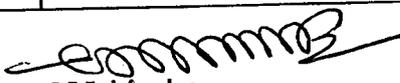
Chairman & Managing Director

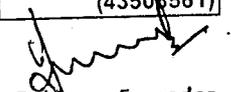
Director



CASH FLOW STATEMENT FOR THE YEAR 2014-15

	PARTICULARS	2014-15	2013-14
1	Net Profit after tax & extra-ordinary Items	(450067786)	(604812140)
	Adjustment for :		
2	Depreciation & Amortisation	107759268	72038822
3	Finance Cost	208183219	409914586
4	Interest earned	(6165577)	(10214925)
5	Profit on sale of Investment	(108823)	(19038765)
6	Loss on sale of Fixed Assets	144688	1282572
	Operating Profit before Working Capital Changes	(140255011)	(150829849)
	Adjustment for :		
7	Trade and other receivables	57024598	359273399
8	Inventories	1361071658	(174956669)
9	Trade Payables	(157904494)	70321292
10	Cash generated from operations	1119936751	103808173
11	Direct Taxes Paid	0	0
	NET CASH FROM OPERATING ACTIVITIES [A]	1119936751	103808173
12	Cash flow from Investment Activities	(1138409)	(6688134)
13	Purchased of Fixed Assets	(925158314)	88769250
14	Sale of Fixed Assets	839999	0
15	Purchase of Investments	(925456724)	82081116
	NET CASH USED IN INVESTMENT ACTIVITIES [B]	(925456724)	82081116
	Cash flow from Financing Activities		0
16	Proceeds from issue of Share Capital including share Premium	0	0
17	Dividends Paid	0	0
18	Borrowals - short Term	(567639502)	59549928
19	Repayment of Borrowals	563800418	110751885
20	Deferred Liabilities	0	0
21	Interest Paid	(208183219)	(409914586)
22	Interest Received	6165577	10214925
	NET CASH USED IN FINANCE ACTIVITIES [C]	(205856726)	(229397849)
	Net Increase in cash and cash equivalents (A + B + C)	(11376699)	(43508560)
	Cash and cash equivalents (Opening)	88614900	132123461
	Cash and cash equivalents (Closing)	77238201	88614900
		(11376699)	(43508561)


C E Fernandes
 Chairman & Managing Director


Robmson Fernandez
 Director

As per our report of even date
 For A K KHABYA & CO.
 Chartered Accountants
 FRNo. 001994C


M.N G PILLAI
 Partner
 M. No. 074051

PLACE : BHOPAL
 DATE : 14-06-2015

