

September 03, 2014

The Department of Corporate Services-Listing
Bombay Stock Exchange Limited,
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai – 400 001
Email: corp.relations@bseindia.com

Dear Sir/Madam,

Re: Clause 31(a) of Listing Agreement

Scrip Code: BSE – 532711

NSE – SUNILHITEC

Pursuant to Clause 31(a) of the Listing Agreement please find below Audit report in Form A alongwith 6 copies of Annual Report as per Clause 31 of the Listing Agreement.

FORM A

(Pursuant to clause 31(a) of the Listing Agreement)

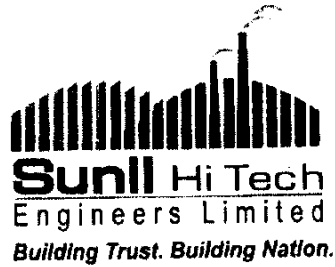
1.	Name of the Company:		SUNIL HITECH ENGINEERS LIMITED
2.	Annual financial statements for the year ended		31 st March, 2014
3.	Type of Audit observation		Un-qualified / Matter of Emphasis - Non availability of audited accounts of associate company.
	Auditors Query:-	Management Reply:-	
	i. In case of Gangakhed Sugar & Energy Limited an associate company of Sunil Hitech Engineers Limited, the audited financial statements are not available. The same has not been incorporated in the consolidated financial statements.	"Sunil Hitech Engineers Limited holds 28% of the shares of Gangakhed Sugar & Energy Limited. The accounts of the said associate company are under preparation and therefore, have not been incorporated in the consolidated financial statements."	

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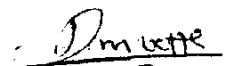
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4.	Frequency of observation	Appeared first time in case of an associate company.
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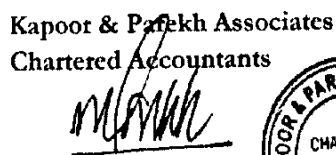
For Sunil Hitech Engineers Limited


Ratnakar M. Gutte
Managing Director


Vijay R. Gutte
Chief Financial Officer


Parag A. Sakalikar
Chairman Audit Committee

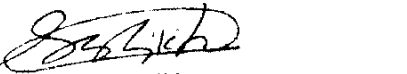
Kapoor & Parekh Associates
Chartered Accountants

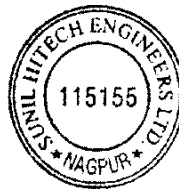

Nilesh Parekh
Partner
M No. 33528



Kindly acknowledge receipt.

Thanking You,
Yours faithfully,
For Sunil Hitech Engineers Limited


Shrikant C. Rikhe
Company Secretary
ACS-29766
Off Add.: 97, East High Court Road,
Ramdaspath, Nagpur-440010



cc.: The Manager
National Stock Exchange of India,
Exchange Plaza, 5th Floor, Plot no. C/1, G Block,
Bandra Kurla Complex, Bandra (East),
Mumbai - 400 051

Encl: As above



turning stepping stones into
milestones

FORWARD-LOOKING STATEMENT

In this annual report we have disclosed forward-looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements – written and oral – that we periodically make contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipates', 'estimates', 'expects', 'projects', 'intends', 'plans', 'believes' and words of similar substance in connection with any discussion of future performance.

We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected.

We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

Contents

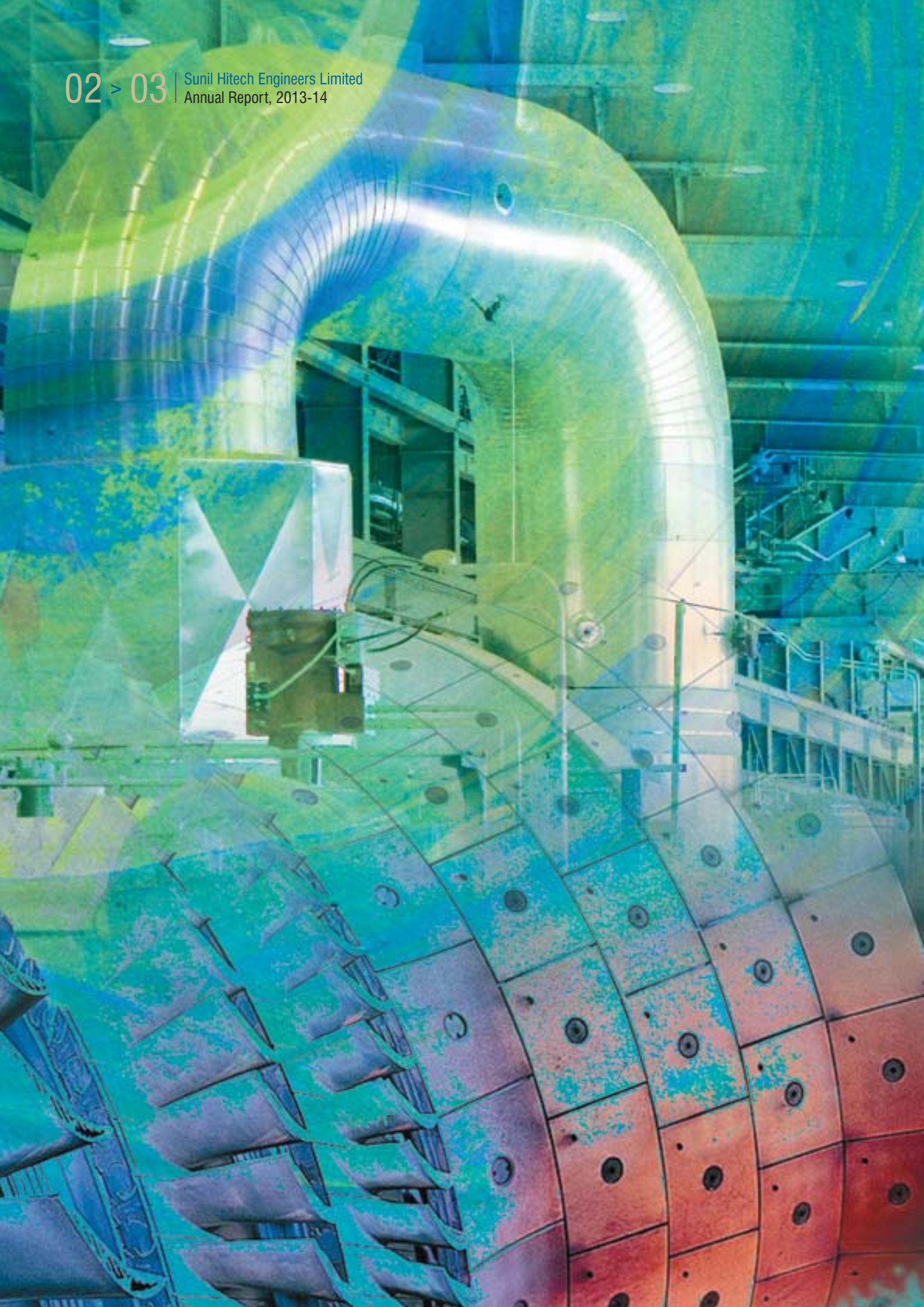
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A company is known by the company it keeps.

At Sunil Hitech, we have been engaged in several prestigious projects for prominent clients across a number of states in India.

Overcoming variables, challenges and impediments, we have been able to convert stepping stones into milestone projects of national importance.

Across the next few pages, we present case studies of some of these projects that do not just demonstrate our engineering capabilities but also indicate our contribution to national development.





Empowering people. Powering change.

In the textbook approach, people did as they were told. At Sunil Hitech, we have successfully demonstrated the power of an attractive alternative instead – empowerment.

Empowerment helps defeat challenges of the mindset, shatters walls of resistance and builds bridges across relationships. Leading to stronger coordination, swifter project completion and client delight.

This was amply reflected in our involvement with the 2x600 MW DB Power project (Champa, Chhattisgarh) comprising general civil, structural and architectural engagements covering BTG/BOP/road and pipe rack deliverables.

The team faced several challenges, some of which comprised the structural fabrication of 24,500 MT and erection of two units, construction of two STG decks of 17.5 m height without tie-beams, RCC of 130,000 cubic metres, floor slabs of 45,000 sq. m., and the construction of the biggest control room combined for two units with aluminium composite panels.

We embraced the spirit of teamwork and leveraged unconventional thinking to achieve the following:

- Achieved fabrication 1,900 MT and 1,450 MT erection at peak
- Engaged over eight cranes of 250 MT, 125 MT, 100 MT and 75 MT onsite
- Engaged over 300 workers for fabrication, 275 workers for erection and 1,250 workers for civil construction at peak
- Installed two 30 cum capacity batching plants
- Acquired the Feeder Lloyd cup lock systems for staging the turbine deck
- Achieved two STG decks of 600 MW over a faster-than-usual 16-month timeframe
- Synchronised the units between October 2013 and February 2014

Our efforts generated customer appreciation and an appreciation letter.

Thinking lateral.

Think conventional and you will get conventional results. Think lateral and you remove blockers. At Sunil Hitech, we institutionalised the lateral approach, resulting in quicker problem solving.

This was amply reflected in our 3x660 MW Koradi TPS expansion project, with our involvement extending to the main plant BTG package and civil, structural and architectural works.

Some of the key obstacles we faced included the structural fabrication of 36,000 MT and the erection of three units, three STG decks of 20.7 m height without tie beams, 3,000 MT of coal bunker fabrication with SS liners, critical erection of coal conveyor gallery at an 84 m height and span of 47 m with single panel weight of 98 MT, critical erection of boiler pipe racks at 72-82 m height and RCC of 185,000 cum and floor slabs of 60,000 sq. m.

At Sunil Hitech, we overcame these challenges through the fabrication of 1,494 MT and 1,300 MT erection at peak, engaged 350 MT, 150 MT, 100 MT, 75 MT and 45 MT cranes, fabricated the bunker fabrication at 250 MT per month, involved around 450 workers in fabrication, 400 workers in erection and 1,500 workers in civil construction at peak, achieved three STG decks of 660 MW in a record 13 months and accomplished 6,300 sq m of floor slabs at peak.

The result is that we generated customer satisfaction for fabrication and erection and for STG deck and coal conveyor gallery civil works.



Eagle vision



Dear Shareholders,

The times are momentous. The new Indian government, constituted post-elections in May 2014, focused on restoring inclusive and participatory economic growth. The government has clearly stated its intent of focusing on the core sector and infrastructure with a view to enhance GDP growth to 7-9% by the end of the Twelfth Plan period.

The result is a renewed focus on the country's construction and infrastructure sectors with investments of USD 1 trillion planned for the Plan period. The Indian power sector is expected to attract the longest share of this spending. Though the country possesses the world's fifth-largest electricity generation capacity, it has one of the lowest per capita consumption figures, pointing to a massive population section to which electricity has not reached. However, there is a sense of urgency. The Ministry of Power has set a target for adding 100,000 MW capacity in the 12th Five Year Plan (2012-17), up from 53,000 MW added during the preceding Plan, which demonstrates the vast opportunity available in the sector.

Leveraging decades of civil and mechanical engineering experience, we are foraying into the infrastructure and construction businesses, including the sunrise solar power industry. This extension is validated for the following

reasons. The cumulative infrastructure expenditure during the Twelfth Plan is estimated at USD 1 tn, significantly higher than USD 514 bn allocated in Eleventh Plan. There exists a huge infrastructure deficit across almost facets of the industry, be it healthcare delivery, real estate, roads, railways, ports or airports. Besides, the Indian solar energy sector has been growing consistently and is now projected to grow faster due to tax exemptions and subsidies. Besides, the sharp decline in the cost of solar power generation has made it more competitive than diesel, more so because the prices of the liquid fuel are being raised by almost ₹0.50 per litre every month. The Indian solar energy industry provides a huge potential to become one of the top global producers of solar energy especially with a stronger government emphasis now visible.

Guided by its vision and rooted in its values, Sunil Hitech is emerging as a major participant in nation building. The Company is continuing with its broad-based objectives of capacity development, enriching and widening its service offerings, securing resource availability and implementing high standards of corporate governance. In line with these objectives, there is significant action on the ground with the Company deeply engaged across 40 project sites across 12 states. Besides, we have regular capex plans, since we have a lot of machinery already installed

with the objective of strengthening our resource base and comprehensively tapping emerging opportunities.

Infrastructure creation and economic development go hand-in-hand and this reality will continue to strengthen our relevance across market cycles. Sunil Hitech is in the right sectors at the right time with the right mix of talent and technology to emerge as a diversified future-facing enterprise. Our commitment to the highest standards of governance is reflected in transparent stakeholder communication and the underlying element of trust that we have been able to create among local residents in the multi-cultural locations of our presence through corporate and community engagement.

As we move ahead to the next frontier of growth, I seek the support and encouragement of all our stakeholders. I am optimistic that we will sustain a topline growth of 15-20% in 2014-15, strengthening our value creation.

With my very best regards,

Ratnakar Gutte

Chairman and Managing Director,
Sunil Hitech Engineers Limited

Capacities commissioned year-on-year (MW)

2007-08

250

2008-09

3,435

2009-10

4,090

2010-11

1,675

2011-12

3,784

2012-13

8,060

2013-14

5,720

Sunil Hitech is a leading core sector engineering enterprise...

...Engaged in the BOP (balance-of-plant) and EPC (engineering-procurement-construction) services for power plants with one of India's largest commissioned power plant portfolios of 37,409 MW (as on 31 March 2014).

Leveraging its strong engineering base, the Company has diversified...

...Into other integrated infrastructure verticals comprising the construction of roads and bridges and involvement in solid waste management projects, solar power projects, and in the construction of correctional homes (*sudhaar ghar*).

We promote sustainable development...

...Through the highest safety standards for our employees and through a steadfast focus on the prosperity of communities around which we operate and across which our plants are located.

We are in business of value creation...

...And this focus has helped us create long-term shareholder value, reflected in cumulative dividend disbursements of ₹5.65 cr over the past five years.





Vision

- To contribute to the development of power, steel and process industries as well as related infrastructure.
- To meet quality, price and schedule benchmarks and consistently satisfy customers.
- To provide opportunities for employees to contribute their best towards the development of the organisation as a whole
- To serve the society by developing infrastructure facilities for the poor sections of the society

Mission

- To develop, implement and innovate construction and onsite implementation methods to meet the best industrial standards
- To continuously improve on cycle-time reduction, enhancement of construction methods applicable for the power, process and infrastructure industries and augment safety standards

Legacy

Sunil Hitech Engineers Limited was incorporated in the year 1998. Initially established as Sunil Engineering Works in 1984, the current name was assigned to the company after a few corporate structural strategic demands. Led by Mr. Ratnakar Gutte, the Company has emerged among the most trusted brands in the Indian power sector industry.

Presence

Sunil Hitech's involvement in the power sector comprises the delivery of such services as fabrication and erection and testing and commissioning of bunkers, boilers and ESPs and TG sets. The Company has also extended this core to venture into infrastructure development and has initiated a presence into nascent sectors like solar power generation and solid waste management.

The Company is based out of Nagpur, Maharashtra, with its registered office located in Parli, Vijjnath (Maharashtra) and a corporate office in Mumbai (Maharashtra). The Company's 40 operational projects (as on 31 March 2014) are located pan-India.

Certification

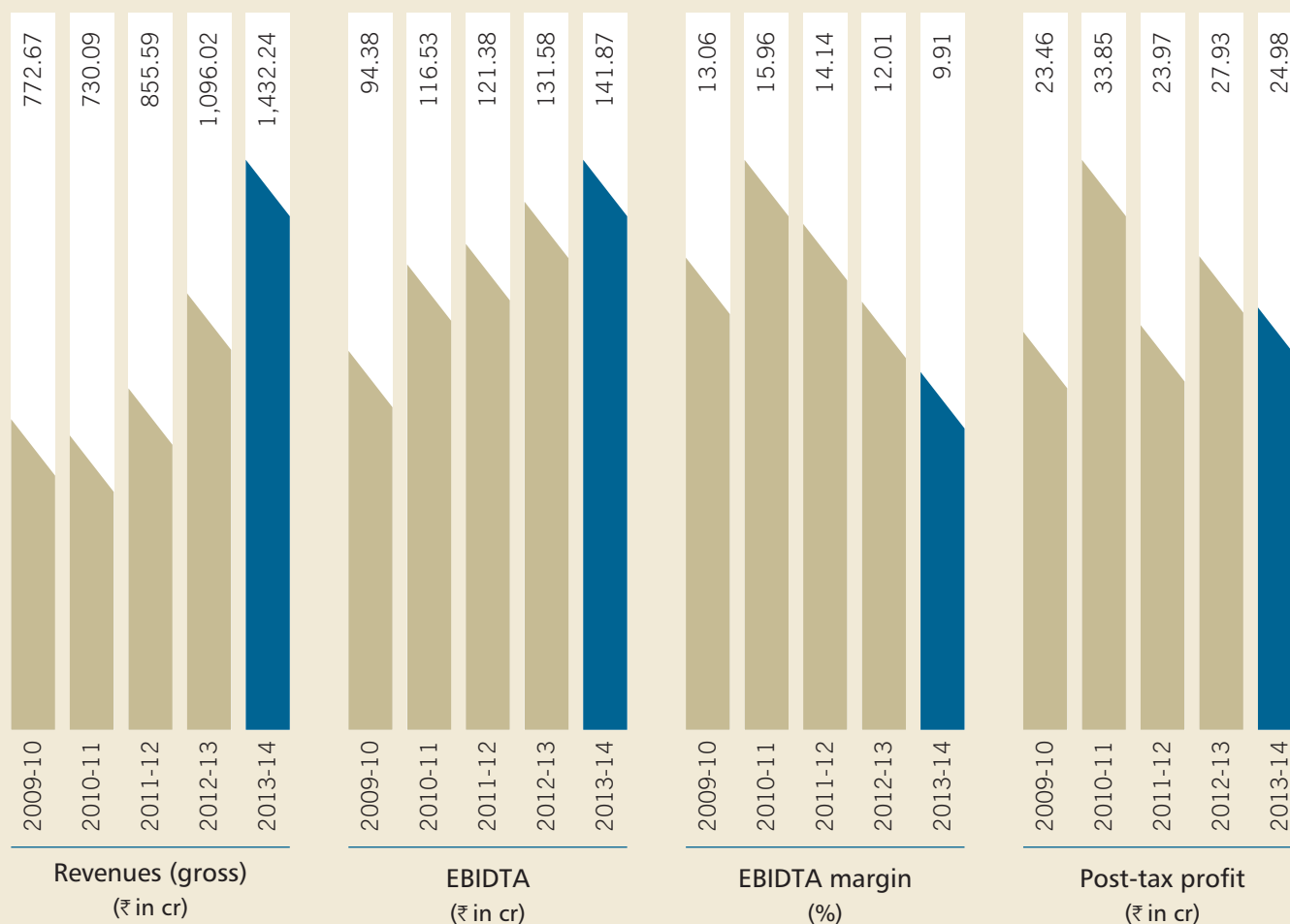
The Company is ISO 9001:2008 and OHSAS 18001:2007-certified and conforms with international quality standards.

Clientele

Sunil Hitech possesses a vast clientele spread across multiple industries, with BHEL being one of its oldest clients. Some of our other prestigious customers include:

- National Thermal Power Corporation Limited
- Chhattisgarh State Power Generation Company Limited
- Rajasthan Rajya Vidyut Utpadan Nigam Limited
- TANGEDCO (TNEB Limited)
- Bharat Aluminium Company Limited
- Madhya Pradesh Power Generating Company Limited
- Maharashtra State Transmission Company Limited
- Shandong Electric Power Construction Corporation, China
- ALSTOM India
- Gujarat State Electricity Corporation Limited
- Reliance Infrastructure Limited
- Jindal Steel & Power Limited
- Hindustan Steelwork Construction Limited
- Damodar Valley Corporation Limited
- Rashtriya Ispat Nigam Limited
- Maharashtra State Power Generation Co. Limited
- JSW Steel Limited
- Jaypee Group
- Larsen & Toubro Limited
- Maharashtra State Electricity Distribution Company Limited
- Punj Lloyd Limited
- Tata Projects Limited
- JSW Energy Limited
- National Buildings Construction Corporation Limited
- Haryana Vidyut Prasaran Nigam Limited
- Adani Power Limited
- GAIL
- FLSmidth Group
- KVK Energy & Infrastructure Private Limited
- NCC Limited
- Doosan Power System (I) Limited

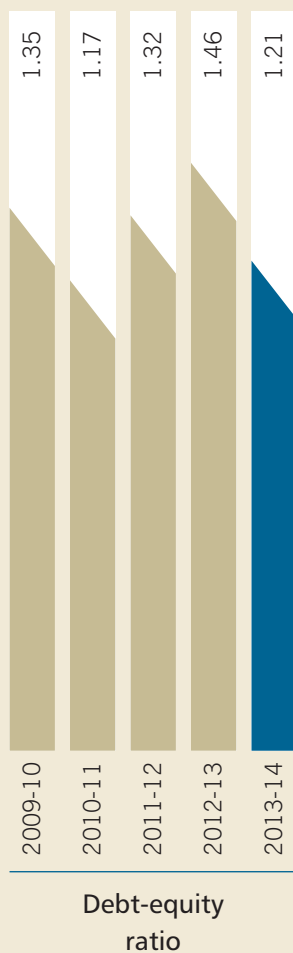
Our five-year financial journey



2013-14 vs 2012-13

Revenue	
2012-13	2013-14
₹ 1,096.02 cr	₹ 1,432.24 cr

EBIDTA	
2012-13	2013-14
₹ 131.58 cr	₹ 141.87 cr



Profit after tax	
2012-13	2013-14
₹ 27.93 cr	₹ 24.98 cr

Cash profit	
2012-13	2013-14
₹ 57.52 cr	₹ 49.36 cr

Discussion with the
Joint Managing Director

“We are leveraging our core and diversifying our presence into other synergic and attractively placed businesses.”

Sunil Gutte, Joint Managing Director,
Sunil Hitech Engineers Limited



How did the business pan out in 2013-14?

Sunil Hitech performed with greater resolve supported by strong execution skills and a culture of quick decision-making and empowerment. Consequently, even in a challenging operating environment, we grew our topline by 30.67% to ₹1,432.24 cr and our operating profit by 7.70% to ₹131.94 cr during the year under report. Moreover, we grew our order book by 41% to ₹3,243 cr, which provides revenue visibility for over the next two years.

What was the highlight of the year's working?

It was clearly our focus on venturing into other construction and infrastructure verticals, leveraging our rich engineering capabilities and robust manpower base. We broadened our presence in these sectors to play a more meaningful role in nation building, strengthen our grassroots presence, diversify our income sources, enhance the utilisation of our resources and increase shareholder value. Though diversification has been on our agenda for the past few years, the year 2013-14 was actually the one during which we were able to gain momentum in this area.

Can you elaborate?

During the year under review, we bagged the following projects, which reinforces my view that the successful execution of these assignments will strengthen our prequalification and ability to bag larger projects.

- The Company was awarded a prestigious job to implement a 5 MW solar power project under the Jawaharlal Nehru National Solar Mission (JNNSM), Phase II, Batch I, in Maharashtra
- The Company was awarded the contract to construct a central *sudhaar ghar* at Bhatinda and Goindwal on an EPC (engineering, procurement, construction) basis
- The Company bagged a solid waste management project comprising the generation of energy from waste management, awarded by the Kolhapur Municipal Corporation

Interestingly, we bagged the JNNSM project on an international bidding basis from Solar Energy Corporation of India (SECI) for 375 MW Solar PV projects in the open category. The Company is now in the final stages of financial closure with the project expected to be completed by April 2015. This 5 MW project has been awarded with a highest variable grant funding of ₹1.35 crore/MW and fixed tariff of ₹5.45/KWH, fixed across 25 years with effect from the scheduled date of commissioning. The total VGF for 5MW will be ₹6.75 crore. The VGF and power purchase agreements were signed with SECI in March 2014 and the project is under execution in Maharashtra.

Moreover, the Company was waitlisted for an additional 15 MW to be awarded under the same scheme, which strengthens our position in this attractive sunrise sector.

On the financial front, what were some of key progress areas?

We reported an attractive 11.85% growth in our network to ₹318.57 cr in 2013-14. This was possible on account of focused and consistent re-investments in our business and in line with our philosophy of ensuring future-readiness by ensuring prequalification (through the net worth criteria) to be able to bid for larger complex projects.

I am happy to share that we are enhancing our resource capacity through consistent additions to the gross block, which we increased by 11.30% to ₹276.94 cr at the close of the year under report. Together, these two factors will enhance our capacity to bid for, bag and execute a larger basket of projects.

In addition, the growing strength of our Balance Sheet is reflected in the fact that we moderated our debt-equity ratio from 1.46 in 2012-13 to 1.21 in 2013-14, optimizing the debt on our books to ₹381.20 cr as and protecting business viability from the relatively high interest rates. Concurrently, we also enhanced our order book status by a substantial 41% to ₹3,243 cr, growing our appetite for fresh work and that too at relatively lower debt levels.

What is the outlook for 2014-15?

We are focused on bidding for bagging larger projects across the power, process and construction sectors. Over the course of the year, we strategically refrained from bagging orders at any cost, thereby not blocking our execution capacity with unprofitable orders. This is expected to significantly play up during the current fiscal as we intend to engage in a swifter completion of existing orders, freeing our capacity for the intake of fresh orders even as the market begins to look up. With the new Indian government settling in, we expect traction to pick up in the second half of the year, and, overall, we expect to sustain our topline growth by 15-20% in 2014-15.

The next important milestone would be expansion of bottom line (net profit): with our continuous efforts and endeavours towards improvement in the bottomline, we are nearing our goals. With cost-cutting measures, proper procurement planning and judicious utilisation of funds, the bottomline in the forthcoming financial year will definitely stand improved.

How does the Company expect to strengthen shareholder value creation?

In 2013-14, we proposed a dividend of ₹1.20 per equity share. We expect to report a number of corporate achievements which will add to long-range shareholder value. Principal among these initiatives comprise a prudent approach to project bidding, ensuring minimum spread, enhanced operational control and optimised costs leading to higher margins.

Besides, our focus on balancing dividend disbursement with the need to reinvest cash projects into our business will only strengthen our net worth and reinforce our ability to bid for a larger number of projects.

At Sunil Hitech, we see these initiatives as the start of a virtuous cycle of our growth and prosperity.

Business levers

Brand-enhancing clientele

The Company's customer portfolio comprises reputed names like the NTPC, Chhattisgarh State Power Generation, BHEL, BALCO, Reliance Energy, Jaypee Group, JSW Steel, Punj Lloyd, Tata Projects, Adani Power, L&T, RINL, Mahadiscom, Hindalco, Dodson-Lindblom, Maharashtra State Transmission, Tamil Nadu Electricity Board, Skoda Exports, Punjab PWD, Gujarat State Electricity Corporation and several municipalities.

Order book

Sunil Hitech is comprehensively engaged in EPC and BOP assignments for thermal power plants, reflected in a robust order book growth of 10.88% over the past five years to ₹3,243 cr by the close of 2013-14.

Diversification

Leveraging its core engineering skills and capabilities, the Company is progressively diversifying into infrastructure development and into the sunrise solar sector.



Strong terrain experience

The Company possesses a rich experience of operating in difficult terrains. These conditions present challenges of trained personnel, timely material supply, efficient machinery operations and security concerns. Our practical approach takes cognizance of all variables towards ensuring that challenges are met consistently to the satisfaction of customers. The Company enjoys the experience of working in almost all the states of India.

Integration

We manufacture key products and components in-house, thereby tightening control on quality and costs. Moreover, our ability to acquire key raw materials in a logistics-efficient manner optimises transportation costs.

Gross block

The Company owns a fleet of modern equipment comprising crushers, excavators, cranes, batching plants and pavers, among others. Our gross block stood at ₹276.94 cr at the close of 2013-14, up from ₹248.81 cr in the previous year. This direct ownership enables swifter mobilization, minimises idling and quicker project completion.

Management experience

The Company has more than 2,400 employees including engineers, MBAs, CAs, diploma holders and others. We provide regular training and refresher courses to update skills and multi-skilling. We are committed to the development of employed know-how of our employees through technical seminars and training sessions. Our promoters possess a rich experience in the infrastructure sector and are actively involved in day-to-day operations. The experience gathered over the years by our management team facilitates quick decision-making ensuring that projects are executed within contracted timelines. This also enables us to meet the required standards of quality and efficiency.

Our business model

At Sunil Hitech, our operating model has been designed to enhance business viability and corporate sustainability. Our core drivers help enhance value, ensuring continuous reinforcement of our drivers, setting off a virtuous cycle of growth.

Our operating drivers...

- Entrenched presence in the Indian power sector
- Widespread project sites (spanning 12 states across India)
- Strategic diversification into synergistic and other sunrise sectors (for instance solar power, construction of correctional homes, solid waste management etc)
- A healthy Balance Sheet (debt-equity ratio of 1.21 in 2013-14), indicating fiscal conservatism and sufficient room for fresh mobilization (if and when required)
- Culture of empowerment and enterprise
- Community welfare programmes and responsible environment management practices

...help drive value

- Respectable revenue CAGR of 15.32% over the past five years
- Strong EBIDTA CAGR of 7.30% over the past five years
- Net profit CAGR of 2.51% over the past five years
- Consistent dividend payout; cumulative dividend distribution of ₹5.65 crore over the past five years



Services basket

EPC/turnkey projects

- Balance of plant package for up to 660 MW
- Sugar plant with co-generation of 30 MW
- Storage sheds
- CHP bunker belt extension
- Raw water/LP piping system
- Fuel oil system with tanks
- Sub-station up to 220 kV/ 400 kV
- Restructured Accelerated Power Development and Reforms Programme projects

Civil

- Civil and architectural works up to 660 MW
- Civil works of hydropower plant
- Staff quarters, school building, rest house building
- Storage sheds

Structural

- Fabrication and erection of heavy structures up to 660 MW
- Fabrication and erection of building and technological structures of various utilities for steel plants
- Structural works of sugar and metal industry
- Structural works of process and heavy industry

Mechanical

- Erection of boilers and auxiliaries

- up to 800 MW
- Erection of HRSG
- Erection of TG and auxiliaries up to 500 MW
- Complete installation of sinter plant
- Hydro-mechanical works of hydropower plants
- Fabrication and erection of raw water piping system
- Fabrication and erection of chimney flues up to 500 MW
- Erection of HP/LP piping system of up to 660 MW

Transmission

- EHV transmission lines up to 132 kV, 220 kV and 400 kV
- EHV sub-station of up to 132 kV, 220 kV and 400 kV
- Erection, testing, commissioning of power transformers up to 200 MVA
- C&R panels
- SCADA system
- PLCC equipment
- HT capacitors
- Construction of control rooms for EHV
- Construction of heavy consignment roads for carrying out transformers and other equipment of up to 250 MT
- Earthing system for the entire sub-station

Distribution

- Sub-transmission lines for 11 kV, 22 kV and 33 kV
- Sub-stations for

- 33/11 kV and 22/11 kV up to 10 MVA rating
- Erection, testing and commissioning of pole mounted and plinth mounted distribution transformers up to 630 kVA rating
- Distribution network including UG cable from 1.1 kV up to 33 kV

O&M

- Renovation of boilers, TG and auxiliaries
- Repair, modification and rehabilitation for utility boilers up to 500 MW
- Pressure plants, milling system, rotating parts and ducting
- HP/LP piping works
- Operations and maintenance of CHP and AHP

Manufacturing

Design and supply of:

- Super heater and re-heater coils
- Economizer and LTSH coils
- Water wall panels
- High pressure parts bend
- Structure of TG, bunkers and boilers
- Technological structures for power and process industry
- Tanks and vessels
- Piping
- Boiler pressure parts tubes up to 500 MW
- Collection and emitting electrodes of ESP
- Air register assemblies

Managing risks at Sunil Hitech

At Sunil Hitech, our process of top-down resource allocation, focus on customer service, operational efficiency, developing employees and strengthening vendor relationships remain central to our risk management and mitigation strategy. Importantly, we have a clear view at Board and Executive level of the principal risks facing the Group, combined with information from the business units on the most significant risks affecting each the business.

Our risk management framework comprises four levels of defense:

Level 1: Front line business operations managing risk on a daily basis.

Level 2: Corporate oversight functions monitoring performance and risk.

Level 3: Independent assurance and testing that controls are working as planned, e.g. internal or external audit.

Level 4: Oversight and direction from the Board and its Committees.

Business environment risks

The Group's results depend on the levels of activity in the power, construction and general industrial sectors. Factors influencing this risk include:

- The rate of GDP growth
- Consumer confidence
- Availability of credit to finance customer investments
- Level of government initiatives to stimulate economic activity
- Inflation

These factors are largely out of the Company's control and are difficult to forecast.

At Sunil Hitech, we have put in place robust measures to respond to emerging market conditions with speed and surety. Our mitigation strategy is to reinforce existing measures in place. These include:

- Core sector focus including construction and infrastructure
- Balanced resource allocation to projects

- Comprehensive planning, budgeting and forecasting
- Financial planning and debt control
- Cost optimisation and EBIDTA margin management, including a focus on customer service
- Improvements in information management and MIS

Labour and key personnel risks

Sunil Hitech's ability to provide industry-leading products and solutions to customers depends on retaining sufficiently qualified and experienced personnel.

We are focused on continual skills development and enhancement towards ensuring higher productivity and quality as well as creating a pipeline of talent.

Robust performance management emphasises our strategy to attract and retain personnel. Individual performance is periodically reviewed and monitored and suggestions are given on improvements and course corrections. Moreover, we are also focused on manpower alignment with the intent of creating a leaner and more frugal enterprise.

Cross-functional training has been increased, providing more staff with the opportunity to work in different areas of the Group, ensuring multi-skilling.

With a view to provide knowledge refreshment for the senior level, the Group invests in development programmes for senior leadership, managers and all other staff.

Margin risks

Adverse and challenging market conditions continued to increase competitive pressures during 2013-14, which could lead to downward pressures on income profiles and margins.

Margin augmentation initiatives continue to remain a key priority area for all businesses. We believe that strong customer service, prudent project planning and a staunch focus on niche segments help sustain our competitive growth drivers. The Group has continued with its programme of customer service, including:

- Analysis of quarterly margin performance at consolidated and business unit levels
- Dedicated gross margin improvement initiatives like growing ticket size per project through

engaging in more complex projects (requiring superior engineering capabilities) and expense optimisation measures

- Integrated in-house procurement of key fabricated components, helping control quality and costs
- Improved bargaining power among suppliers and forging partnerships with respected players for technology associations

The result was that the Company's EBIDTA margins stood at a respectable 9.91% in 2013-14.

Financial risks

Prudent financial planning is key to business viability and sustainability. This becomes all the more critical for cash-intensive businesses.

At Sunil Hitech, we possess a conservative philosophy on financial management.

As a result, our debt-equity ratio

stands at a healthy 1.21, with adequate working capital lines. We also possess robust cash and bank balances of ₹83.20 cr (end 2013-14).

Environment and safety risks

The Company might attract censure and lose its license to operate because of a breach of environmental norms or on account of safety risks.

At Sunil Hitech, we are committed to operate in an environment that reconciles business and ecological interests.

- We operate modern equipment and technology as recommended by the pollution control board, minimising sound and air pollution
- We adequately train manpower on environment standards and norms

- We have implemented effective accident prevention measures across our operating sites

- We have made the use of personal protection equipment mandatory for all onsite workers

As a result, we have not lost a single day of operation on account of environmental non-compliance and have also not reported any major accidents during the year.

Profile of our Board of Directors

Mr. Ratnakar Manikrao Gutte

Chairman and Managing Director

Mr. Ratnakar Manikrao Gutte, Promoter, has enriched Sunil Hitech Engineers Limited with 32 years of experience in project execution, fabrication, erection, testing and commissioning of power plants and has helped transform the Company into one of the few largest EPC and BOP players in India. Mr. Ratnakar Gutte has turned the Company into a brand to reckon with in the field of civil and power project execution within a very short time span. Being a first generation entrepreneur, he possesses excellent on-the-job knowledge of engineering, the intricacies of civil construction, machinery installation, general management and commercial matters.

Under his supervision and control, two other companies – Gangakhed Sugar and Energy Limited, an integrated cane processing unit, and SEAM Industries Limited are doing well. Gangakhed Sugar has become one of the leading sugar manufacturers in Maharashtra and SEAM is also gradually augmenting its customer base and is on the path of sustainable growth. He is also in the process of exploring opportunities in the

solar energy sector and road/ highways/ bridge construction businesses to add new ventures to the Group portfolio and under his guidance and mentorship, Sunil Hitech has been awarded several prestigious contracts for road construction and the Group is in the process to establish a solar energy plant in Maharashtra. He has been awarded with various prestigious awards like the 'Life Time Udyog Achievement Award 2004' and the 'Great Achiever in Industrial Excellence Award 2004', the 'NCCL Entrepreneur of the Year 2007-08' and the 'Bharat Vibhusan Samman Puraskar – 2009' to name a few.

During April 2011, he was honoured with the 'Marathwada Gaurav Award' by Shri Prithviraj Chavan, Hon'ble Chief Minister of Maharashtra, in the presence of Hon'ble State and Central Ministers, for his significant contributions to industry as well as for social service. He regularly participates in social events, meets with the poor and under-privileged sections of the society to address their problems and has also established schools and hospitals are also running for the welfare of the society at large.

Mr. Sunil Ratnakar Gutte

Joint Managing Director

Mr. Sunil Ratnakar Gutte, Joint Managing Director, has been serving the Company since the last eight years. He is a mechanical engineer from Pune and had underwent rigorous training at BHEL's Welding Research Institute at Tiruchirapalli and also at a training programme in project management from IIM, Ahmedabad. He possesses

sound technical, managerial and interpersonal skill. He has imparted within the employees, a sense of belongingness and contributes to their career development.

He played a key role in broadening the Company's business potential and pioneered changes in the management

structure, reporting standards, decision making, HR policies and Corporate Governance practices. He played a key role in transforming the Company into a handful of EPC and BOP players and one of the country's leading power project executors. In addition to this, he is also managing the affairs of our subsidiary and group companies, which have registered phenomenal growth under his supervision and control. In view of several prevalent opportunities

in the building construction, roads/highways/ bridge construction and other such sectors, he has added new ventures to the portfolio with the result that the Company was awarded prestigious projects across these spaces as well as a housing development project.

With his strategic leadership and guidance, analytical skills and team-building capabilities, he has solidified his presence in India's corporate sector.

Mrs. Sudhamati Ratnakar Gutte
Whole Time Director

Mrs. Sudhamati Ratnakar Gutte, working in the capacity of Executive Director, has more than 26 years of hands-on experience in handling the Company's overall management and administration. She has been serving the Company from its inception when it did not have the status of a limited company. With her foresight, strong team-building capabilities and sound managerial skills, she developed the culture of timeliness and loyalty across the organisation.

She regularly participates in social activities to fulfill the Company's corporate social responsibility, contributing to large-scale societal development. She also interacts with the underprivileged and embraces various initiatives for their welfare including providing them with educational, medical and agricultural facilities. She supervises day-to-day operations of schools and hospitals to serve the society at large.

Mr. Mattathil Narayanan Mohanan
Whole Time Director (Operations)

Mr. M. N. Mohanan is into focused execution for the Company. He has served the Company for the last 20 years and possesses three decades of core experience in fabrication and erection of heavy steel structures, boilers and auxiliaries, electrostatic precipitators, equipment, power cycle piping and LP piping, among others. Mr. Mohanan possesses rich experience in project execution in the power sector. He is in-charge of execution and

other operational activities including the appointment of senior technical/ managerial personnel and managing the day-to-day site operations.

Under his supervision, the Company has executed various prestigious projects on schedule and registered significant growth in turnover within a short span of time. He has also developed a culture of responsibility due to which even in challenging times, the Company has maintained its growth momentum.

Mr. Vijay Ratnakar Gutte
Whole Time Director (Finance)

Mr. Vijay Ratnakar Gutte is an MBA specialising in marketing and finance. He has served the Company since the last six years, looking after its complete finance function. He has strengthened the financial capabilities of the Company and monitors the utilisation of funds to maintain sound liquidity. He also continuously monitors end-to-end processes and transaction quality to analyse defects and identify remedies. He invested in web-enabled capabilities to connect with vendors, customers, employees and managers.

Mr Vijay Gutte has created a sense of belongingness among employees and believes in maintaining promptness in meeting commitments. His strengths comprise leadership, dedication and maintaining a healthy professional environment in the Company. In addition to Sunil Hitech, he is administrating the business activities of other Group companies and has played a key role in diversifying the business activities of the Group.

Mr. C. Venkataramana
Executive Director

Mr. C. Venkataramana has joined the Company as an Executive Director in May 2013. He has renowned experience in infrastructure business as well as marketing for over 34 years of which

18 years in the field of infrastructure development with close to 14 years in various senior positions as Managing Director, CEO and Senior Vice President (Infra).

Mr. Sajid Ali
Independent Director

Mr. Sajid Ali is a Graduate in Engineering with 41 years of experience in erecting and commissioning equipment in coke oven plants, piping, boiler erection, turnkey projects. He possesses vast knowledge in planning and execution and has handled large-volume projects. His forte is able administration. He

was in-charge of the total construction management of the power sector for the BHEL Western region in 1994.

He possesses rich experience in the fields of boiler erection, piping and turnkey projects. As a part of governance body, he has been rendering valuable advice to the Company.

Mr. Dilip Y. Ghanekar
Independent Director

Mr. Dilip Y. Ghanekar completed his graduation in 1967 from V.R.C.E., Nagpur. He retired as a Technical Director at MSEB. He possesses 36 years of work experience in the Maharashtra State Electricity Board for the operation, maintenance, construction, procurement and planning of power stations up to 500 MW.

He underwent customer training at the works of boiler manufacturer Combustion

Engineering, USA, and in Australia, conducted by the United Nations for Coal Technology Environment. He possesses rich experience in the field of operations, maintenance, construction and planning for large power stations. He is associated with the management of Sunil Hitech since the last seven years and is rendering valuable suggestions to the Board related with technical, financial and secretarial aspects of the Company.

Mr. Parag A. Sakalika
Independent Director

Mr. Parag Sakalika is a young entrepreneur. He holds a B.E. degree in Mechanical Engineering from Nagpur in 1998. After graduation, he joined as a trainee in the auditor training programme in ISO 9001-2000 from TUV Asia Pvt. Ltd and advance training in Maruti from Maruti Udyog Ltd.

He established his own authorized automobile service station, an ISO 9001:2000-certified company from TUV, for the entire range of Maruti

vehicles. His company was awarded for good performance in Maharashtra from 2003-07, including the entire western region (Maharashtra, Goa, Gujarat and Chhattisgarh) by Maruti Suzuki. He also set up an additional Maruti-authorized service station at Butibori MIDC with 'A' grade category. He possesses good financing, marketing and administration knowledge. He is also the Chairman of the Audit Committee and the Remuneration Committee of the Board.

Mr. Sonyabapu Shankar Waghmare
Independent Director

Mr. S. S. Waghmare has joined the Company as a Director in August 2011. He has done his M.Sc. (Agriculture) from Mahatma Phule Agricultural University, Rahuri District, Ahmednagar in 1971, LLB from Pune University in 1976 and DBM from Pune University in 1980.

He worked as Assistant Professor of Agriculture Entomology in the College of Agriculture, Pune. Then he joined as a senior officer in UCO Bank. He has got 33 years of rich experience in banking sector. He retired as DGM from

UCO Bank in the year 2006. He has also undergone training programme at University of Bradford, England, U.K on project planning and management. He was also a Chairman of Thar Anchalik Gramin Bank, Jodhpur, Rajasthan (A Government of India undertaking) sponsored by UCO Bank.

Mr. S. S. Waghmare has in-depth knowledge of banking and finance. His presence in the management of the Company has advantaged the organization a lot in the long run.

Mr. Siddharth Ratilal Mehta
Independent Director

Mr. S.R. Mehta has joined the Company as a Director in August 2012. He holds a BE degree in Electrical from the prestigious Indian Institute of Science, Bangalore. He joined as a Junior Assistant Engineer – monitoring team for several World Bank-funded projects in 1981. In 1983, he joined Tata Power as an Assistant General Manager – Business Development and played a key role.

Currently designated as CEO, Essar Power Distribution Company and Head – Business Development, Essar Power Ltd, he possesses 33 years of rich experience in the areas of strategy and business development, project coordination, management and execution, corporate governance and business expansion and growth.

MANAGEMENT DISCUSSION AND ANALYSIS

Indian economy

Indian economy more or less typified the 'fragile' EME basket for first half of FY14. However, timely policy responses to contain twin deficits helped to restore a semblance of stability during the second half of FY14.

The Indian economy grew at sub-5% rate for the second year in a row (4.7% in 2013-14), led mainly by deceleration in the pace of industrial growth and sluggish investment demand. Elevated interest rates, sticky retail inflation, policy uncertainty and falling productivity of capital constrained industrial output. Faced with compulsions to rein in the fiscal deficit, slackening pace of government spending had its detrimental impact on rural consumption growth. As such, both investment and consumption growth fell to 11-year lows.

In its endeavour to fight inflation and contain inflationary expectations, the year 2013-14 saw the central bank, the Reserve Bank of India (RBI), make a gradual transition from multiple indicator-based approach of monetary policy to a rule-based approach with nominal anchor defined as headline consumer price index (CPI). Faced with sticky retail inflation, RBI was compelled to hike policy repo rate by 75 bps amidst moderating growth, while gradually normalising exceptional policy measures effected post sharp depreciation in the Rupee during the May-August 2013 period.

The outlook for the Indian economy in FY 2014-15 appears cautiously optimistic. On the global front, recovery in the advanced economies and evolving dynamics of global liquidity are likely to shape the growth trajectory. On the domestic front, infrastructure project approvals by the Cabinet Committee on Investments (CCI) and moderating trajectory of inflation on

account of negative output gap would be supportive. As per the CSO, the Indian economy is expected to grow at a 5.5% rate in 2014-15. The RBI is also expected to maintain a prolonged pause in policy repo rate, encouraged by the expected moderation in inflation. However occurrence of the El Nino weather disruption pattern and its consequent sub-normal monsoon remains an event risk.

Indian power sector review

Power or electricity is one of the most critical components of infrastructure affecting economic growth and well-being of nations. The existence and development of adequate infrastructure is essential for sustained growth of the Indian economy. The power sector provides one of the most important inputs for the development of a country and availability of reliable and inexpensive power is critical for its sustainable economic development. To sustain GDP growth rate of around 8% as envisaged by the close of the 12th Plan period, it is imperative that the power sector also grows at the same rate.

The Government of India has taken several initiatives over the last few years to promote participation from private players in the power sector. With a total of 56 projects valued at USD 11.2 bn, the energy sector accounts for 18% of the overall value of PPP contracts awarded in various sectors

Non-renewable energy scenario

Power is one area of infrastructure where India lags far behind even in comparison to other developing countries. The per capita annual consumption of electricity in India is one of the lowest in the world at around 734 kWh with the Ministry of Power expecting to scale this up to 1,000 kWh over the medium range.

With a generation of 1,006 terawatt-hours (two), India is the fifth largest producer and consumer of electricity in the world after the US, China, Japan and Russia. Demand is expected to surge in the coming years owing to growth in rising economic and industrial activity. Over FY 2007-13, electricity production expanded at a compound annual growth rate (CAGR) of 5.5%. According to the Planning Commission's 12th Plan paper, the total domestic energy production is expected to touch 669.6 mn tonnes of oil equivalent (MTOE) by 2016-17 and 844 MTOE by 2021-22.

As on 2013 end, the cumulative thermal installed capacity stood at 151.7 gigawatt (GW), while hydro and renewable energy installed capacity totaled 39.6 GW and 27.5 GW, respectively. Nuclear energy capacity remained broadly constant from that in the previous year, at 4.8 GW.

The Central Electricity Authority (CEA) has estimated that the country is likely to witness an overall power supply shortfall of 6.2% during peak hours despite a capacity addition of 18,432 MW during 2013-14, with grid constraints in North India contributing to bulk of the shortfall. This is in contrast to 2012-13 where the peak supply shortfall was around 9% with demand touching 135,453 MW and supply of 123,294 MW. The CEA has also calculated that power demand during peak evenings for 2013-14 was to the extent of 144,225 MW and supplies were projected at 140,964 MW, leading to a deficit of 2.3%.

According to the CEA, the capacity addition in 2014-15 is

pegged at 18,432 MW with majority contribution coming from coal-based (thermal) power.

Renewable energy scenario

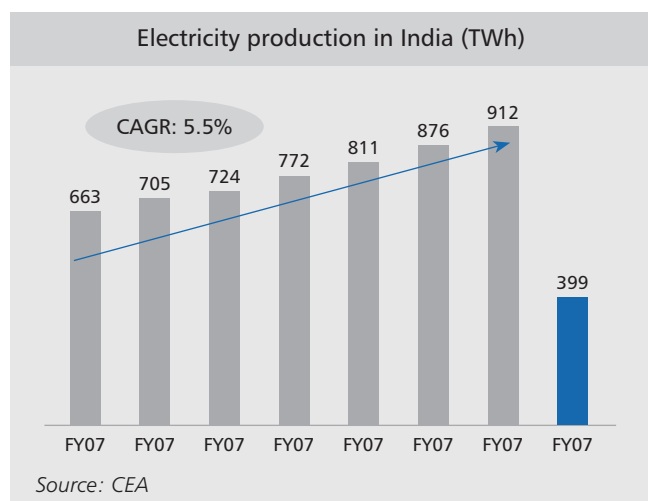
The role of new and renewable energy has been assuming increasing significance in recent times with the growing concern for the country's energy security. Energy self-sufficiency was identified as the major driver for new and renewable energy in the country in the wake of the two oil shocks of the 1970s.

Today, renewable energy is fast emerging as a major source of power in the country. Over the past 10 years, the installation of renewable energy for electricity has grown at an annual rate of 25%. It has reached 30,000 MW as of January 2014. Wind energy is the largest source of renewable energy in India, accounting for an estimated 87% of the total installed capacity in renewable energy. The country aims to increase the importance of wind power further; there are plans to double the wind power generation capacity to 20 GW by 2022. During this period, solar energy has also grown from almost zero to 2,500 MW. Currently, renewable energy accounts for about 12% of the total electricity generation capacity and contributes about 6% of the electricity produced in the country.

The climatic condition in India provides abundant potential of solar power due to large scale radiation available during a wider part of the year due to tropical condition in the country. The solar power can be developed for long term use through the application of solar photo-voltaic (SPV) Technology which provides a potential of 20MW per sq. km. The other method for utilization of solar energy is through the adoption of solar thermal technology. The programmes are under way to utilize SPV by connecting to grid power systems.

Solar energy accounts for about 1% of the total renewable energy installed capacity in India. The country's true potential for solar power stands at an estimated 5,000 tWh per annum. Hence there exists significant scope for growth in this exciting sunrise segment. India is endowed with vast potential of solar energy and is quickly developing itself as a major manufacturing hub for solar power plants. The country offers unlimited growth potential for solar photovoltaic (PV) industry as well.

Towards promoting solar energy in the country, the Government of India has announced the ambitious Jawaharlal Nehru



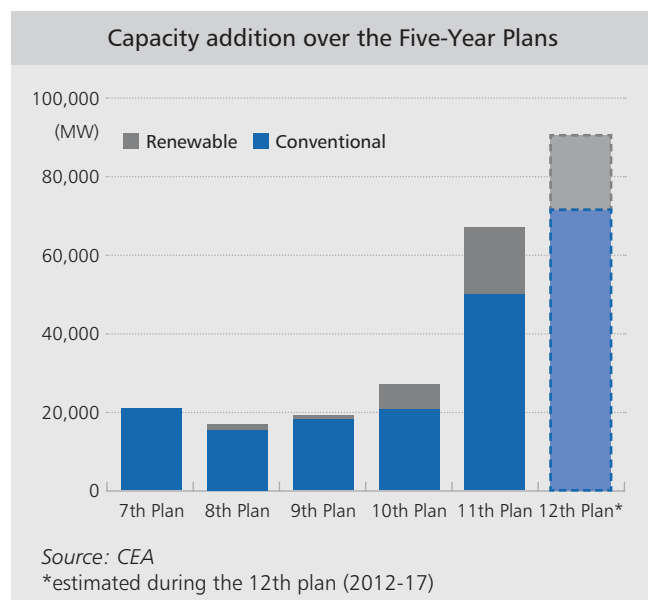
National Solar Mission. As per the Ministry of Non-renewable Energy (MNRE), the Mission plans to:

- Create an enabling policy framework for the deployment of 20,000 MW of solar power by 2022
- To ramp-up capacity of grid-connected solar power generation to add additional 3,000 MW by 2017
- To create favourable conditions for solar manufacturing capability
- To promote programmes for off-grid applications, reaching 1,000 MW by 2017 and 2,000 MW by 2022
- To achieve 15 mn sq. m solar thermal collector area by 2017 and 20 mn by 2022
- To deploy solar lighting systems in rural areas by 2022

Biomass is the second largest source of renewable energy, accounting for 12% of total installed capacity in renewable energy segment. There is strong upside potential in biomass in the coming years.

12th Five Year Plan review

The annual average growth rate of the total energy requirement is expected to accelerate from 5.1% per year in the 11th Plan to 5.7% per year in the 12th Plan and 5.4% per year in the 13th Plan period. For the 12th Plan, a total of 88.5 GW of power capacity addition is targeted, of which 72.3 GW constitutes thermal power, 10.8 GW of hydro power and 5.3GW of nuclear power. The capacity addition target for 2013-14 is 1,198 MW



of hydro power, 15,234 MW of thermal power and 2,000 MW of nuclear power. Total capacity target is 18,432 MW.

The share of the private sector in the additional capacity will be 52% compared to the target of 19% in the 11th Plan. It is important to build a policy framework within which more private sector investments will be forthcoming in the 12th Plan period.

The share of renewable power is low and it will be increased to promote the country's low-carbon growth strategy. Besides, the projected capacity addition in non-fossil fuel plants includes hydro capacity addition of 11,897 MW and nuclear capacity addition of 5,300 MW.

Infrastructure sector

The level of a country's development is reflected by its infrastructure comprising roads, flyovers, airports, dams, bridges, schools and educational institutions and sudhaar grihas, among several others.

The infrastructure industry is the second largest industry of the country after agriculture accounting for 11% of India's GDP. Indian construction industry employs 32 mn people and its total market size is estimated at ₹248,000 cr (USD 35,640 mn). Total infrastructure expenditure during the Twelfth Five Year Plan (2012 -2017) nearly doubled to USD 1,025 bn from USD 514 bn in Eleventh Five Year Plan (2007- 2012); this augers well for the overall infrastructure industry.

In order to give a boost to the economic development of the country, the Government embarked upon a massive National Highways Development Project (NHDP) in the country. Under the first two phases of the project, about 14,279 km lengths of National Highways are proposed to be upgraded to 4 or 6 lanes.

There is a huge shortfall of healthcare facilities in India. With 70% of hospitals in urban areas, the rural population does not have access to primary health centres. According to a study published by the Ministry of Health, a villager has to travel an average 20 km for hospital care. To reach the goals of 12th Plan, India has to increase bed capacity by adding at least 650,000 beds by 2017. Demand for services and requirement for increasing beds has created huge opportunities for investment in this sector.

The total realty market in India is expected to touch USD 180 bn by 2020 (IBEF estimates). Real estate in India is being recognised

as an infrastructure service that is driving the economic growth engine of the country. Realty demand is expected to grow at a CAGR of 19% during the 2010-2014 period, with Tier-I and II metropolitan cities expected to account for about 40% of this growth, indicating a substantial pool of opportunities.

Education is the key to the task of nation-building. It is also well-accepted that providing the right knowledge and skills to the youth can ensure overall national progress and economic growth. India, being one of the largest networks of higher education system in the world, comprises about 700 universities and over 35,000 colleges. The country has an annual enrolment of over 25 mn students (including enrolment under open and distance learning system). With a median age of 25 years, India has over 550 mn people below the age of 25 years. According to Census figures, over 32% of the population is between the age group 0-14 years. This means that the number of people in India needing primary and secondary education alone exceeds the entire population of the US. Since these students will be seeking higher education in India over the next decade, it illustrates the sheer size of the Indian education market.

The private education sector is estimated to reach USD 115 bn by 2018, according to consulting firm Technopak. Technopak sees enrollments in the (K-12) growing to 351 mn, requiring an additional 34 mn seats by 2018. According to a report 'Education in India: Securing the demographic dividend', published by Grant Thornton, the primary and secondary education, or K-12 segment alone is expected to reach USD 50 bn in 2015 from USD 24.5 bn in 2008, growing at an estimated compound annual growth rate (CAGR) of 14%.

Roads and highways

India has the world's second largest road network, spanning a total of 4.7 mn km. This network transports over 60% of all goods in the country and 85% of total passenger traffic. The country's national highways, with a length of approximately 79,000 km, constitute a mere 2% of the road network but carry about 40% of the total road traffic. On the other hand, state roads and major district roads are the secondary system of road that carry another 60% of traffic and account for 98% of road length. With greater connectivity between cities, towns and villages in India, road traffic has increased over the years. This growth in automobiles and freight movement necessitates a better road network in the country.

After awarding 6,491 km of roads in FY2012, the road sector witnessed a slump in awarding projects with only 1,156 km of

road projects being bid out by NHAI in FY2013, which is about 17% of the target of 7,000 km set for the financial year.

The 13th Finance Commission has decided to provide a central grant of ₹199.30 bn over the period 2011-15 for development of state roads across the country. This amount is in addition to the normal expenditure of about ₹110 bn per year under the Non-Plan revenue head of the states, which the states are expected to incur on maintenance of existing roads and bridges. It is estimated that during the 12th Five Year Plan period of 2012-17, around ₹1,083 bn could be the possible element of private finance required for the development of state roads.

Notwithstanding the sharp decline in project awards, the performance on the project execution front improved. Backed by strong pipeline of projects under execution, the completion rate for NHAI projects increased to 7.9 km/day in FY2013 from average of 6.2 km/day in FY2012. However, progress on the projects awarded in FY2012 remained muted mostly in the absence of requisite right of way, clearances, and inability to achieve financial closure.

Under the Jawaharlal Nehru National Urban Renewal Mission (JNNURM), Ministry of Urban Development has sanctioned buses to 13 different cities across India. These cities will see project work relating to ancillary infrastructure such as depots and ITS for urban transport. The total cost of the projects is expected to be around ₹464 cr (USD 74.94 mn). The objective behind sanctioning these buses is to improve the transport system in the cities, and attract people into using the public mode of transport.

About two-thirds of NHDP road projects (ex-phase IV) are yet to be awarded, thereby offering a huge opportunity for private players over the next five years. For the 12th Five Year Plan, the government targets to develop National Highways at the rate of 20 km per day. India's construction sector is expected to grow at about 35% over FY2009-13

Solid waste management

The approach paper to the 12th Plan provides a policy framework that seeks to facilitate the treatment of municipal solid waste and urban sewage. Recycling of treated water has been appended as an integral part of urban development planning. Municipal solid waste (MSW) utilization, either for production of manure, generation of energy, or as landfill, has to be carried out in a way that is effective in terms of MSW removal and environmentally acceptable.

Every day, urban India generates between 160,000-188,500 tonnes of MSW – representing 68.8 mn tonnes per year – and waste generation increases by 50% every decade. Some of this waste is recovered by an army of informal recyclers, pegged at about 20% in large cities according to the Chintan Environmental Research and Action Group and less in smaller cities. However, more than 80% reaches open dumpsites where it damages public health, deteriorates the environment and causes climate change.

Landfill space is hard to find in and around India's urban centres. Dumpsites in almost all cities are already handling more waste than they can hold. Finding new landfills near cities is almost impossible due to the sheer lack of space for 'Locally Unwanted Land Uses' (LULUs) like waste management because of population density and the scale of increasing urban sprawl and the track record of dumpsite operations and maintenance in India. Therefore, reducing the amount of waste that goes to dumpsites at a scale that can make a difference is of a high priority.

As per the European Business and Technology Centre (EBTC), estimates of the municipal and hazardous waste market were above €1.5 bn and around €171 mn, respectively. In light of India's economic dynamism in the interregnum, the combined market must now be over €3.7 bn (apart from nuclear waste management that is not in the purview of SWM). Hence, there is an increasing presence of the private sector in the SWM particularly for door-to door collection of solid waste, street sweeping in a limited way, secondary storage and transportation and for treatment and disposal of waste. Cities which have pioneered in public private partnerships (PPPs) in SWM include Bengaluru, Chennai, Hyderabad, Ahmadabad, Surat, Guwahati, Mumbai, Jaipur and more.

The Government of India, at the central level, has funded various initiatives to address SWM by providing assistance to the tune of €372.3 mn under 12th Finance Commission (€329.4 mn under the 11th Finance Commission).

Waste in urbanizing India

- Over 160,000 tonnes of municipal solid waste is generated daily in the country. Per capita waste generation in cities varies from 0.2 kg to 0.6 kg per day depending upon the size of population. This is estimated to increase at 1.33% annually.
- The total waste quantity generated by the year 2047 is estimated to be about 260 mn tonnes per year. It is estimated that if the waste is not disposed off in a more systematic manner, more than 1,400 km² of land, which is equivalent to the size of city of Delhi, would be required

in the country by the year 2047 for its disposal.

- The Indian industrial sector generates an estimated 100 mn tonnes/year of non-hazardous solid wastes, with coal ash from thermal power stations accounting for more than 70 mn tonnes/year.
- Over 8 mn tonnes/year of hazardous waste is generated in India. About 60% of these wastes, i.e., 4.8 mn tonnes/year is estimated to be recyclable and the remaining 3.2 mn tonnes/year is non-recyclable

Source: www.ebtc.eu

Segment-wise performance

The Company is operating under three business segments: project, overhauling and maintenance and project supply.

Project segment: This segment is engaged in the business of fabrication, erection of boilers (power plants), erection testing, commission of ESP, transmission and distribution and EPC contract, civil and structural works, construction and development contracts

Overhauling & maintenance: This segment is engaged in the

repair and maintenance, overhauling and renovation of boilers and auxiliaries and ash handling systems among others

Project supply segment: This segment is engaged in supply of electrodes, boiler spare parts, supply of ESP components and electrical items like transformer cables and coal, steel and other materials at various power plants.

During the period of economic uncertainty and financial crisis, the performance of each segment of the Company was satisfactory for the financial year ended on 31.03.2014. The

project segment remained steady during this financial year, showing a marginal decrease of 0.66% over the last year. The overhauling & maintenance segment has shown growth of 73.72% and the supply or trading division witnessed a remarkable performance once again, registering a significant growth (more than twice) over its last year's performance. In the current year 2014-15, we expect better performance of infrastructure sector and hence better result for the Company.

Internal Control Systems and their Adequacy

The Company has an effective system to manage its various operations like financial, accounting, sale, purchase, execution, receipts and payments. The Company has different departments administered by department heads under supervision of senior managerial person. Safe guarding the interest of stake holders, employees, bankers, creditors and vendors is the key; hence, the Company is maintaining proper accounting & statutory records under the supervision and control of expert persons. Operations and day to day functions are checked by an internal audit system. The Company has separate department to look after the management of assets and also exercises control over the purchases, use and protection of its assets and properties.

To protect the interest of the organization and all its operations, the governance and control system have been designed to secure timeliness in all the facets of its operations

The internal control system has been designed to ensure:

- Cost-effective purchase of assets, properties and materials.
- Ample protection of all assets and properties against illegal use, damage or destruction.
- Resources comprising man, material, machine & money are effectively managed and efficiently utilized.
- Maintenance of statutory records such as accounting, financial, operational and provide true and fair view of state of affairs of the Company.
- On-time submissions of all financials, accounting and other statutory information to statutory authorities.

- All applicable laws, rules or regulations and internal policies to be strictly followed in true spirit.

Discussion on financial performance

The financial year 2013-14 continued to remain sluggish, weighed down by global economic uncertainties, weak consumption and an overall depressed sentiment. Despite this, your Company has registered a net turnover of ₹1,428.65 cr for the financial year ended on 31st March 2014, representing an increase of 30.68% over the previous year.

The operating profit of your Company for the financial year 2013-14 is ₹131.94 cr, whereas it was ₹122.50 cr during the previous financial year, showing an increase of 7.70% over the last year's performance. Despite several headwinds, your Company was able to maintain its profitability to some extent. For the fiscal year ended on 31st March 2014, your Board has recommended a dividend @ ₹1.20 per share for the equity shareholders of the Company.

Your Board is regularly taking initiative to improve its performance as a whole. As on 31st March 2014, the Company has an order book position of ₹3,243 cr. Your Board is regularly taking initiatives to curb / control operational cost, improve performance by supervising and guiding the employee work force to perform better and better, to put their best towards the development of the organization.

Material developments in human resources/ industrial relations

The Company has a very effective and efficient team comprising experienced professionals and knowledgeable staffs. The Company believes that success lies in the quality of its intellectual capital and the way of utilisation of those resources. The Senior Management regularly supervises the performance of the employees, grant rewards at regular interval. It also provides feedback to enhance performance and productivity.

The Company also provides prospects for personal development & growth and has also maintained cordial relationships throughout the year.

DIRECTORS' REPORT

To,
The Members

Your Directors are pleased to present the Sixteenth Annual Report of the Company together with the Board's Report pursuant to Section 217 of the Companies Act, 1956 and audited financial results for the year ended on 31st March, 2014.

Financial results

The financial performance of the Company for the financial year ended on 31st March, 2014 is summarized below:

(₹ in lac)

Particulars	2013-14	2012-13
Net sales/Income from operations	1,43,224.05	1,09,601.55
Other income	993.64	898.49
Total income	1,44,217.68	1,10,500.04
Operating profit	14187.37	13158.08
Interest and financial charges	7,697.56	5,832.34
Depreciation	2,437.77	2,959.09
Profit before tax	4,052.04	4,366.65
Taxation – Current	1,471.30	1,698.40
- Deferred tax	56.74	(358.65)
- Income tax for prior period	25.83	233.69
Profit after taxation	2,498.16	2,793.21
Balance brought forward	13,271.40	10,860.02
Amount available for appropriations	15,769.56	13,653.23
Appropriations		
Proposed dividend on Equity Shares	163.50	147.30
Tax on proposed dividend	27.79	25.03
Amount transferred to general reserve	187.36	209.50
Amount transferred to Balance Sheet	15,390.91	13,271.40

Operational review

Your Company has registered a net turnover of ₹143,224.05 lacs for the financial year 2013-14 as against ₹109,601.55 lacs in the previous year, thereby registering a growth of 30.68% over the last year's turnover. The operating profit of your Company for the financial year ended 31st March 2014 stood at ₹13,193.73 lacs, compared to ₹12,250.29 lacs during the last financial year. Despite the 2013-14 fiscal being uncertain and challenging, your Company maintained its momentum and registered a growth of 30.68% in net turnover and 7.70% in EBITDA over the last year's performance. However the net margins came under pressure due to slow growth in the sector your Company operates in.

Currently your Company is operating under three segments; namely project execution, overhauling and maintenance and supply or trading. The project execution segment is engaged in the business of fabrication, erection of boilers (power plants), erection testing, commissioning of ESP, transmission and distribution and EPC contract work. This is the Company's primary source of income and contributes a major portion of its total revenues. The following are some of the projects running presently under this segment:

1. Construction of Central Sudhaar Ghar at Goindwal Sahib, District Tarn Taran and Bhatinda in the state of Punjab.
2. CW system and make up water system civil works package for NTPC Lara Super Thermal Power Project, Stage-I 2x800 MW at Lara District Raigarh, Chhattisgarh.
3. Construction of approaches to rail-cum-road bridge across the Ganga at Munger Ghat near Munger from 0.00 km (74.7 kms along the NH-80) to 9.934 km, (Start point of rail-cum-road viaduct) and 0.075 km (end point of rail-cum-road viaduct) to km 5.198 (km 262.8 of NH-31) in the state of Bihar.
4. Complete material handling, erection, testing and commissioning of boiler and their auxiliaries for 2X660 MW Bhavanapadu Thermal Power Project at East Coast Energy Pvt. Ltd. (ECEPL), Bhavanapadu, near Kakrapalli village of Srikakulam district in the state of Andhra Pradesh (62,937 metric tonnes).
5. General civil, structural and architectural works for BTG area/BOP area/BOP part 1 and 2 (road and pipe rack) (all inclusive) of 2X600 MW DB power project at Baradarha-Champa District Jajgir -Champa in the state of Chhattisgarh.
6. Civil, structural and architectural works for main plant area of 3X660 MW BTG package of MAHAGENCO for a coal-based power project at MSPGCL, Koradi project.
7. Design, engineering, manufacture, assembly, testing at works, supply of the equipments, mandatory spares, cement, reinforcement steel, structural steel for civil works as well as structural works, architectural works, transportation and delivery to the site of all the equipments and mandatory spares including special tools and tackles, if any, for the balance of plant package for Parli TPS Project Unit-8(1X250 MW).
8. Civil, structural, architectural among others of civil superstructure work of 2X600 MW, Package-B, Unit#2 for Singareni Thermal Power Project, District Adilabad, in the state of Andhra Pradesh.
9. Erection, testing and commissioning of boiler unit-2, 2X800 MW for NTPC, Lara Super Thermal Power Project, at Lara District Raigarh, Chhattisgarh.
10. Erection, testing, commissioning and handing over of boiler and its auxiliaries among others at vertical package, Unit#3 at NTPC, Mouda STPP (2X660 MW).
11. Supply, test, transport, construction, erection, testing and commissioning of distribution lines, distribution transformers of various capacities and 33/22/11 KV sub stations, other allied works, including five years guarantee period for power transformers, distribution transformer with allied equipment and two years guarantee period for other works in Kolhapur zone for RAPDRP Part-B scheme.
12. Supply, test, transport, construction, erection, testing and commissioning of distribution lines, distribution transformers of various capacities and 33/11 KV sub stations, other allied works, including five years guarantee period for power transformers, distribution transformer with allied equipment and two years guarantee period for other works Nagpur (rural) and Nagpur (urban) zone for RAPDRP Part-B scheme.

Moreover, your Company is executing various prestigious projects related to design supply, test, transport, construction, erection, testing and commissioning of distribution lines, power sub-stations among others and also overhauling and maintenance of various systems for power stations like Koradi, Khaperkheda, Chandrapur, Bhusawal, Sarni, Korba, Parli, among others.

Furthermore your Company is engaged in the prestigious civil construction projects like supply, design, engineering, marketing and civil construction work of residential complex at Plot No. 104, East High Court Road, Ramdaspath Nagpur, Construction of classroom complex including internal electrification for VNIT, Nagpur, supply, design, engineering, marketing and civil construction work of residential complex at Green Project, Goa.

Your Company is now prequalified for projects belonging to the National Highways Authority of India having a TPC upto ₹922.36 crores. Thus, your Company is eligible for applying for projects keeping in mind the specific RFQs.

Moreover, your Company is planning to expand its business activities in Solar Energy Projects which are expected to gear up in near future.

Your Company has not gone through any operational discontinuation during the reporting period.

Allotment of Equity Shares

The Allotment Committee of the Company at their meeting held on 20.03.2014 has allotted 6,75,000 Equity Shares each to VRG Digital Corporation Private Limited and Gutte Infra Private Limited upon conversion of equal number of warrants; consequently the paid-up share capital of your Company has increased by ₹13,500,000. Now the paid-up share capital of your Company is ₹136,251,600.

Preferential issue of warrants convertible into Equity Shares

The Board of Directors at the meeting held on 24.03.2014 had recommended to issue on preferential basis 55,00,000 (Fifty five lacs only) warrants convertible into Equity Shares to companies under Promoters Group, person acting in concert and 20,00,000 (Twenty lacs only) to Non-Promoters. The Board in accordance with SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 and all applicable rules, regulations guidelines issued hereunder, fixed 19.03.2014 as the relevant date and as certified by the independent valuer

₹55.40/- (Fifty five rupees and forty paise only) as the issue price for issue of warrants convertible into Equity Shares of face value ₹10/- only. The shareholders at the extra ordinary general meeting held on 18.04.2014 have approved by way of special resolution passed the issue of warrants to Companies under Promoters Group, person acting in concert 55,00,000 (Fifty five lacs only) and 20,00,000 (Twenty lacs only) to Non-Promoters.

Dividend

Your Directors are pleased to recommend dividend @12%, i.e. @ ₹1.20 per Equity Share of ₹10/- each (previous year ₹1.20 per Equity Share of ₹10/- each) for the financial year ended 31st March, 2014.

Future Prospects

Power sector

With the world population nearly doubling in the past three decades, the present surge in electricity demand, and the projected increase of the global population, the importance of available sources of energy cannot be underestimated.

In India, coal generates substantial amount of electricity and nuclear energy hydro and other sources accounts for the balance. Globally, India is presently positioned as the fifth largest manufacturer of energy, representing roughly 2.4% of the overall energy output per annum.

Usually energy, especially electricity, plays a key role in the speeding up of the economic development of the country. The existing production of per capita electricity in India is pegged at around 600 KWh per annum. Ever since 1990s, India's gross domestic product (GDP) has been increasing rapidly and it is estimated that it will maintain its pace over the next couple of decades. The rise in GDP should be followed by an increase in the expenditure of key energy other than electricity

Power or electricity is one of the most critical components of infrastructure, affecting the overall economic growth and well-being of nation. The existence and development of an adequate power infrastructure is essential for sustaining the growth of the Indian economy. With a production of 1,006 terawatt hours (TWh), India is the fifth largest producer and consumer of electricity in the world after the US, China, Japan and Russia.

The Indian power sector is one of the most diversified in the world. Sources for power generation range from commercial sources such as coal, lignite, natural gas, oil, hydro and nuclear power to other viable non-conventional sources such as wind,

solar, and agricultural and domestic waste. The demand for electricity in the country has been growing rapidly and is expected to grow further in the years to come. In order to meet the increasing requirement of electricity, massive additions to the installed generating capacity in the country is required.

Indian solar installations are forecast to be approximately 1,000 megawatt (MW) in 2014, according to Mercom Capital Group, a global clean energy communications and consulting firm. The growth in energy demand in India would be the highest among all countries by 2030–35, beating even China, according to the 2014 energy outlook report by British oil giant BP.

The investment climate is very positive in the power sector. Due to policy liberalization, the sector has witnessed higher investment flows than envisaged. The Power Ministry has set a target for adding 76,000 MW of electricity generation capacity in the 12th Five Year Plan (2012–17) and 93,000 MW in the 13th Five Year Plan (2017–2022).

The Power Sector Development Programme in India has now gained serious momentum. Policy-makers have realised that the country's economic development will be jeopardized if due attention is not given to the power sector to ensure that sufficient and quality electrical energy is made available to consumers at affordable prices.

With energy demand expected to grow a sizeable capacity addition has been envisaged, entailing major investments in power generation, transmission and distribution. The state-owned company has ambitious plans to establish 63 GW generation capacity by 2032, as a safe, environmentally and economically viable source of electrical energy to meet the increasing electricity needs of India. A growing Indian economy coupled with Indian Government's goal of 'Power for all', opens up tremendous opportunities for electrical companies, both domestic and international, in India.

Some of the Company's key projects currently under execution include NTPC's 1,320 MW mega thermal power plant, 1,600 MW Lara power plant and two 660 MW each plants of Athena Energy Ventures.

Road sector

India's population rise necessitates a steady growth in infrastructure. The government's efforts regarding policies have ensured that the private sector is emerging as a key player in the development of road infrastructure in India.

Perhaps seeing the necessity of growth in infrastructure, the Government of India has reserved US\$ 1 trillion for infrastructure for the 12th Five Year Plan (2012–17). The Five Year Plans have so far been highly beneficial for the sector in the country – the length of the national highways which was 21,378 km during the late 1940s touched 71,772 km by the end of the 11th Five Year Plan (2007–2012). Furthermore, the Planning Commission of India aims to spend nearly 20 per cent of the total investment of US\$ 1 trillion during the 12th Five Year Plan to develop roads. The value of total roads and bridges infrastructure in the country is projected to grow at a compound annual growth rate (CAGR) of 17.4 per cent over FY 2012-17. India's roads and bridges infrastructure was valued at US\$ 6.9 billion in 2009 and is expected to reach US\$ 19.2 billion by 2017.

The Government is looking to develop a total of 66,117 kilometres of roads under several programmes such as National Highways Development Project (NHDP), Special Accelerated Road Development Programme in North East (SARDP-NE). A good portion of that work – 20,945 km – has already been completed, while the rest of the projects are expected to be complete by the end of the 12th Five Year Plan.

With road projects worth more than ₹200,000 cr stuck at various stages being revived and new projects being announced by the new government, the road sector would be at the core of government agenda.

Your Company is qualified for the NHAI annual qualification for the value of ₹922 cr limit projects. Also, we bagged the NHAI item rate contract road job of ₹230 cr at Munger in the state of Bihar and in the state of Hyderabad, which is under construction and planning to bid for annuity/ EPC projects of ₹1,000 cr this fiscal and 150 cr qualified in one of the road projects in Karnataka.

Solar sector

Your Company is committed towards sustainable development for a greener tomorrow. In our quest to become one of India's largest renewable energy companies, your Company is planning to expand and diversify its business activities in extending their valuable services in the solar sector also.

India is densely populated and has high solar isolation, an ideal combination for using solar power in India. In the solar energy sector, some large projects have been proposed, and a 35,000 km² (14,000 square miles) area of the Thar Desert has been set aside for solar power projects, sufficient to generate 700

to 2,100 GW. Also India's Ministry of New and Renewable Energy has released the JNNSM Phase Draft Policy by which the Government aims to install 10 GW of Solar Power and of this 10 GW target, 4 GW would fall under the central scheme and the remaining 6 GW under various state-specific schemes.

In developing countries like India, Greenpeace has proposed a feed-in-tariff system which would provide the financing to enable massive renewable energy uptake. The scheme proposes a mechanism where the additional costs of renewable energies are financed by a combination of new sectoral emissions trading mechanisms and direct finance from technology funds to be developed in the Copenhagen Climate Deal.

The government is likely to harness solar power and give a fillip to development of offshore wind energy so as to provide electricity to every household in the near future.

Your Company has won an EPC contract for setting up a 5 MW solar power plant under the JNNURM scheme and L1 for the 15 MW solar power project, which is being awaited for award. In MSW, we bagged an order of ₹400 cr in the state of Bihar, Maharashtra and Karnataka where 20 MW renewable power will be generated.

Urban/building construction

The building construction sector provides huge scope to participate in the rapidly developing urban infrastructure space in India, like institutional buildings like IITs, IIMs, AIIMS, Hospitals, Colleges, Hostels, Administration Building. A Big thrust in this Urban building infrastructure is on housing which provides abundant scope to grow in this sector.

Presently, we bagged the EPC project of ₹350 cr from PWD Punjab for the construction of Central Sudhaar Ghar at Bhatinda and Govindwal in the state of Punjab, which is under construction. Also, we will be qualified for ₹300 cr and more for single project by the year end 2015.

Public deposits

During the year ended 31st March, 2014, your Company has not accepted any deposits from the public.

Directors

As per Article 150 read with Article 149 of Articles of Association of the Company, Mr. Sunil R. Gutte, Executive Director of the Company is liable to retire by rotation at the forthcoming

Annual General Meeting and being eligible, offers himself for his reappointment. The Board of Directors recommends his reappointment subject to the approval of shareholders at the ensuing annual general meeting.

Mr. C. Venkatramana was appointed as an Additional Director (Executive category) of the Company with effect from 01.06.2013. On recommendation of the Board of Directors Members of the Company at their Annual General Meeting held on 26.09.2013 have confirmed the Appointment of Mr. C. Venkatramana as an Executive Director of the Company.

The office of Mr. Devesh Garg, Independent Director is vacated w.e.f 24.03.2014 as he absents himself from three consecutive meetings of the Board of Directors in terms of Section 283 of the Companies Act, 1956.

Director's Responsibility Statement

Pursuant to Section 217(2AA) of the Companies Act, 1956, your Directors hereby confirm that:

- a) In the preparation of Annual Accounts of the Company, the applicable Accounting Standards have been followed along with proper explanation to material departure from the same, if there any.
- b) They have selected such Accounting Policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year ended on 31st March, 2014 and of the Profit of the Company for the year ended on that date.
- c) They have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- d) They have prepared the annual accounts of the Company on a going concern basis.

Auditors' query and management's reply

Auditors' query

In case of Gangakhed Sugar & Energy Limited an associate company of Sunil Hitech Engineers Limited, the audited financial statements are not available. The same has not been incorporated in the consolidated financial statements.

Management's reply

"Sunil Hitech Engineers Limited holds 28% of the shares of Gangakhed Sugar & Energy Limited. The accounts of the said associate company are under preparation and therefore, have not been incorporated in the consolidated financial statements."

Management discussion and analysis report

A detailed review of operational performance and future outlook of the Company is given under the Management discussion and analysis report which forms part of this Report.

Corporate Governance report

As required by the Clause 49 of the Listing Agreement with Stock Exchanges, Corporate Governance Report and a certificate confirming compliance with requirements of Corporate Governance forms part of this Report.

Notes on Subsidiaries

For the financial year ended on 31st March, 2014; your Company has four subsidiaries namely 1) SEAM Industries Limited 2) SHEL Investments Consultancy Pvt. Ltd. 3) Sunil Hitech India Infra Private Limited 4) Sunil Hitech Solar (Dhule) Private Limited.

Your Board is not attaching the Balance Sheet, Profit & Loss Account and other documents of subsidiary companies with the Balance Sheet of the Company as required under the provisions of the section 212 of the Companies Act, 1956. In addition to the above; Statement under Section 212 of the Companies Act, 1956 has been attached with the Annual Report.

In continuance with the above and in accordance with the general circular no. 2/2011 dated 8th February 2011, issued by the Ministry of Corporate Affairs, Government of India,

Your Board of Directors consent that annual accounts of the subsidiary companies and the related detailed information shall be made available to shareholders of the holding and subsidiary companies seeking such information at any point of time. The annual accounts of the subsidiary companies shall also be kept for inspection by any shareholders at the head office of the holding Company and of the subsidiary companies concerned and also the complete annual accounts of the subsidiaries shall be posted on the website of the Company www.sunilhitech.com. Details of the financial statement of subsidiary companies form part of this Annual Report.

Transfer of unpaid / unclaimed share application money and dividend to Investor Education and Protection Fund

During the Financial Year 2013-14, the Company has transferred the balance amount lying in unpaid/unclaimed dividend account for financial year 2005-06 to the Investor Education and protection Fund.

The unpaid/unclaimed dividend account for the financial year 2006-07 is due to be transferred to the Investor Education and Protection Fund during the next financial year 2014-15.

Consolidated accounts

As required under Clause 32 of Listing Agreements with Stock Exchanges, the consolidated financial statements of the Company and its subsidiaries as aforesaid have been attached with the annual accounts of the Company.

Insurance

All the assets of the Company are adequately insured against risk and uncertainty.

Particulars of employees

As required by the provisions of Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975; Statement of particulars of employees forming part of the Directors Report of the year ended on 31st March, 2014 are as follows;

Sr. no.	Name	Designation	Date of commencement of employment	Qualification	Age (years)	Experience (years)	Gross remuneration	Previous employment
1	Mr. Ratnakar M. Gutte	Chairman & Managing Director	08-06-1998	Under Graduate	56	32	92,40,000	N. A.
2	Mr. M. N. Mohanan	Executive Director	01-06-2003	Diploma - Mech. Eng.	56	32	78,16,959-	N. A.
3	Mr. Venkataramana Condoor	Executive Director	01-06-2013	Bachelor of Engineers (Mechanical)	53	34	77,10,452	N. A.

Note:

1. Nature of employment – Contractual.
2. Mr. Ratnakar Manikrao Gutte is related with Mr. Sunil Ratnakar Gutte – Joint Managing Director, Mrs Sudhamati Ratnakar Gutte – Executive Director and Mr. Vijay Ratnakar Gutte - Executive Director and Mr. M. N. Mohanan and Mr. Venkataramana Condoor are not related with any Directors of the Company.
3. Shareholding of these Directors mentioned in the Report on Corporate Governance.

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

Information in accordance with the provisions of Section 217(1) (e) of the Companies Act, 1956 read with the Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988 are set out below;

(A) Conservation of Energy

Your Company is continuously taking initiatives to ensure the optimum utilisation of energy available in day to day operations not only in offices but also at different sites of execution of various projects. Your Company uses energy-efficient lighting devices, light fittings to save energy, capacitor bank/devices to maintain power factor and plant and equipment which are environment and power efficient.

(B) Technology absorption

Your Company is doing its business by ensuring optimum utilisation of its available resources. Your Company has not taken any R&D activity so far. It has been executing its projects by using modern techniques, modern machineries and by ensuring the optimum utilisation of its technical, professional and skilled manpower.

(C) Foreign exchange earnings and outgo

Your Company has incurred the following expenses in foreign currency as per 'Notes on Accounts' during the financial year 2013-14, the rupee equivalent of that amount has been given hereunder;

Particulars	₹ in lacs
Total expenditure	87.77
Total earning	NIL

Acknowledgement

Your Directors take this opportunity to express their gratitude for the valuable support extended by the customers, banks, financial institutions, investors, business associates, Central and State government authorities. Your Directors also appreciate the employees at all levels for their continued support. Your Directors believe that with the wholehearted support of employees, stakeholders, bankers and our valuable customers, we will continue walking on the path towards success and growth.

By the order of the Board
For Sunil Hitech Engineers Limited

Date: 14th August, 2014
Place: Mumbai

Ratnakar Manikrao Gutte
Managing Director

Sunil Ratnakar Gutte
Joint Managing Director

CODE OF CONDUCT

The Concept of Code of Conduct has been introduced vide Clause 49 of the Listing Agreement. This Code of Conduct is very vital for the day to day working of the Company. Every Listed Company must have its own Code of Conduct and Every Member of the Board and Senior Management Officials follow the same in their day to day working of the Organization, to maintain cordial relationships within it.

The Board of Directors, Senior Management Personnel and all other employees of the Company are committed to establish and maintain the highest standard of ethical conduct & business ethics. This code of conduct (hereinafter referred to as "Code") reflects the business principles that support the Senior Managerial Personnel to develop amongst employees a sense of belongingness, the way to discharge their obligations and to create within the Organization a corporate culture, a cordial working environment. The Board of Directors are responsible for setting the code and for updating it from time to time, if require to reflect legal and regulatory developments. Every Director and Senior Management Personnel of the Company must read and understand this code and its application to the performance of their duties.

In addition to the above, the Company as a whole is committed to establish mutually beneficial relations with our Suppliers, Customers, Bankers and all other persons associated with the Company. In our business dealings we expect our partners to adhere to business principles consistent with our own.

Community involvement:

The Company as a whole strives to be a trusted corporate citizen and as an integral part of society, to fulfill our responsibilities to the societies and communities in which we operate. Public Activities:

The Company as a whole is encouraged to promote and defend their legitimate business interests. Sunil Hitech will cooperate with governments and other organizations, both directly and through bodies such as trade associations, in the development of proposed legislation and other regulations which may affect legitimate business interests. Sunil Hitech neither supports political parties nor contributes to the funds of groups whose activities are calculated to promote party's interests.

Innovation:

In our scientific innovation to meet consumer needs, we will respect the concerns of our consumers and of society. We will work on the basis of sound science, applying rigorous standards of product safety and also take very much care of Environment.

Competition:

The Company believes in vigorous yet fair competition and supports the development of appropriate Competition laws. The Company will conduct its operations in accordance with the principles of fair competition and all applicable regulations.

Business Integrity, Fairness & Transparency:

The Directors and Senior Management Personnel discharge their duties and obligations in accordance with sound business policies and prudent commercial practices and in the interests of the Company and its stakeholders. They apply their best efforts and organize the resources towards the achievement of Company's mission, aspiration, & values.

They are expected to act diligently, openly, honestly and in good faith. They must guide their subordinates to act diligently and collectively. The Board of Directors and senior management personnel of the Company must maintain the confidentiality of all material non-public information entrusted to them by

Company. They shall not disclose any material fact to any outsider except authorised by the Board and required under any applicable Laws to do so.

Sunil Hitech as a whole does not give or receive, whether directly or indirectly, bribes or other improper advantages for business or financial gain. No employee may offer, give or receive any gift or payment which is, or may be construed as being, a bribe. Any demand for, or offer of, a bribe must be rejected immediately and reported to management. Sunil Hitech accounting records and supporting documents must accurately describe and reflect the nature of the underlying transactions. No undisclosed or unrecorded account, fund or asset will be established or maintained.

Conflicts of Interests:

All employees are expected to avoid personal activities and financial interests which could conflict with their responsibilities to the Company. They must not seek gain for themselves or others through misuse of their positions.

Compliances, Monitoring & Reporting:

Compliance with these principles is an essential element in our business success. The Board & Senior Management Personnel are responsible for ensuring these principles are communicated to, and understood and observed by, all employees. Day to-day responsibility is delegated to the senior management of the company. They are responsible for implementing these principles, if necessary through more detailed guidance tailored to local needs. Assurance of compliance is given and monitored

each year. Compliance with the code is subject to review by the Board supported by the audit committee of the board. Any breaches of the code must be reported in accordance with the procedures specified by the Secretary. The Board will not criticize management for any loss of business resulting from adherence to these principles and other mandatory policies and instructions.

The Board of Directors and senior management personnel to whom such code is applicable shall comply with this code and develop a mechanism for the prompt and fair adjudication of alleged violations of this Code.

In addition to the above, the senior managerial personnel must abide by all laws, rules and regulations of the country applicable to the Company and Company's insider trading norms. The Board of Directors has designated the Company Secretary to secure compliance with the Laws, Rules and Regulations, applicable to the Company.

Compliance Officer

The Board has designated the Company Secretary to act as Compliance Officer to administer the code. Directors, employees may make any report or complaint to the Compliance Officer for submission to the Board of Directors.

Amendment and Modification

This Code may be amended or modified by the Board when required, subject to the applicable laws, rules and regulations of the country.

REPORT ON CORPORATE GOVERNANCE

I. Company's Philosophy on Corporate Governance

The term Corporate Governance refers to the set of systems, principles, practices, or set of laws, regulations required to manage an organisation efficiently and ethically to meet the expectations of shareholders, creditors, bankers, employees and all other persons dealing with or associated with the organisation. Your Company firmly believes that the maintenance of good Corporate Governance practices is very much essential to sustain in the corporate Sector and to maintain its growth and the confidence reposed in the organisation by the stakeholders, bankers, employees and all other persons dealing with the Company.

Your Company has established and maintained good governance systems and procedures by ensuring timely disclosure of all material facts, events and information to the management, strengthening interpersonal relationships among the employees and the management, strengthening communication between the Board and its committees, securing compliance with all applicable laws to secure the interest of the stakeholders,

bankers, creditors, employees and other persons dealing with the Company.

Your Company continuously follows good Corporate Governance practices to maximize returns for shareholders, to optimize the utilization of resources towards the corporate goal, to increase value of the organization, to strengthen its relationships with employees, shareholders, creditors and to practice the highest degree of professionalism and integrity within the organization.

II. Board Composition

Size and composition of the Board

The Board has a combination of Executive and Independent Non-Executive Directors as provided in the Listing Agreement to ensure independency and transparency in managerial decision making in Board and Committee Meetings to secure the interests of the Company, its employees, stakeholders and creditors. As on 31st March, 2014, the Board comprised eleven Directors. The details of the composition of the Board of Directors and details of other directorships held by them, during the year are as mentioned below:

Composition of the Board, Directorships held, attendance of Directors at the Board Meetings and the last Annual General Meeting:

Name of the Director	Category of Directorship	No. of Board Meetings Attended	Whether Last AGM Attended	No. of other Directorships [#]	No. of Shares held [@]	Committee position held in other public companies	
						Chairman	Member
Mr. Ratnakar M. Gutte	P&ED	4	Yes	2	22,02,500	0	0
Mrs. Sudhamati R. Gutte	P&ED	3	No	1	19,68,750	0	1
Mr. Sunil R. Gutte	P&ED	5	Yes	3	16,78,740	0	2
Mr. Vijay R. Gutte	P&ED	4	No	1	6,75,000	0	1
Mr. Venkataramana Condoor*	ED	3	No	0	Nil	0	0
Mr. M. N. Mohanan	ED	3	No	0	1,005	0	0
Mr. Dilip Y. Ghanekar	I&NED	3	No	0	Nil	0	0
Mr. S. S. Waghmare	I&NED	5	No	0	Nil	0	0
Mr. Sajid Ali	I&NED	5	Yes	0	Nil	0	0
Mr. Parag Sakalikar	I&NED	5	Yes	1	110	1	0
Mr. Devesh Garg**	I&NED	0	No	0	Nil	0	0
Mr. Siddharth R. Mehta	I&NED	3	No	1	Nil	0	0

Notes:

- # Excludes private limited companies, companies registered not for earning profit (Section 25 companies) and foreign companies.
- P – Promoter, ED – Executive Director, I – Independent Director, NED – Non Executive Director.
- @ Details of shares held as on 31st March, 2014.
- *Mr. Venkataramana Condoor has been appointed as an Executive Director of the company with effect from 1st June, 2013.
- ** The office of Mr. Devesh Garg, Independent Director, is vacated with effect from 24th March, 2014.

Board Meetings held and the dates on which held

During the financial year 2013-14, five Board Meetings were held. The Board meets at least once every quarter inter alia to discuss and review the performance of the Company; its future plans, financial and other issues, and other important aspects.

Sr. no.	Date	No. of Directors present
1	30th May, 2013	7
2	14th August, 2013	9
3	14th November, 2013	8
4	14th February, 2014	9
5	24th March, 2014	10

As per Article 150 read with Article 149 of Articles of Association of the Company, Mr. Sunil R. Gutte, Director of the Company is liable to retire by rotation at the forthcoming Annual General Meeting and being eligible, offered himself for reappointment. The Board of Directors recommends his reappointment subject to the approval of shareholders at the ensuing Annual General Meeting.

The Board of Directors at their Meeting held on 30th May, 2013, has appointed Mr. C. Venkataramana as an Additional Director in the executive category of the Company with effect from 1st June, 2013 and members of the company at their Annual General Meeting held on 26th September, 2013 have confirmed his appointment.

Profile of the retiring Director at the Annual General Meeting has been given hereunder;

Name of the Director	Mr. Sunil Ratnakar Gutte
Date of birth	7th November, 1982
Date of appointment on the Board	1st June, 2005
Qualification	Bachelor of Engineer
Expertise in specific areas	Project Execution, Management and Administration
List of other Companies in which Directorship held as on 31st March, 2014 (excluding directorship in private, foreign companies and companies incorporated under Section 25 of the Companies Act, 1956.)	Gangakhed Sugar & Energy Limited SEAM Industries Limited MSMC Adkoli Natural Resources Limited

III. Audit Committee

The Board has constituted the Audit Committee to meet the requirements of Section 292A of the Companies Act, 1956 read with Clause 49 of the Listing Agreement. The Audit Committee consists of five members and all members of the Audit Committee are financially literate. Two-thirds of the members of the Committee comprise of Independent Directors.

The Audit Committee is entrusted with the powers as well as the duties and responsibilities as mentioned in Section 292A of the Companies Act, 1956 read with Clause 49 of the Listing Agreement. The main function of the Audit Committee includes oversight of the Company's reporting process as required under applicable laws, to ensure timely disclosure of all material facts, to review the quarterly as well as annual financial statements before submission to the Board for approval, to monitor the internal audit system and recommend changes as deemed required, to review the Company's management policies from time to time.

The Chief Financial Officer and auditors were invitees of the Committee. The Company Secretary acts as Secretary of the Committee.

Details of the Audit Committee Meetings held:-

During the financial year 2013-14, five meetings of Audit Committee were held on 30th May, 2013, 14th August, 2013, 14th November, 2013, 14th February, 2014 and 24th March, 2014.

The details of no. of meetings attended by the members are as follows:

Name of members	Category	Meetings attended
Mr. Parag Sakalikar	Chairman	5
Mr. Dilip Y. Ghanekar	Member	3
Mr. Vijay R. Gutte	Member	4
Mr. Ratnakar M. Gutte	Member	4
Mr. Sajid Ali	Member	5

IV. Remuneration Committee

The Board of Directors has constituted the Remuneration Committee to recommend to the Board in respect of revisions and fixation of remuneration of the Directors of the Board and matters related therewith or incidental thereto.

The Remuneration Committee while recommending revision in the remuneration, takes into account all applicable Statutory Acts, laws, rules, regulations, provisions, notifications, circulars and amendments thereof, the profitability of the Company, experience, past performance and other matters related therewith or incidental thereto.

The Remuneration Committee consists of three Independent Directors, Mr. Parag Sakalikar, Mr. Sajid Ali and Mr. Dilip Y. Ghanekar. During the financial year 2013-14, there was one meeting of the Remuneration Committee held on 30th May, 2013.

Details of remuneration of the Directors:

The aggregate value of salary and perquisites paid to the Chairman and Managing Director and other Executive Directors in accordance with the provisions of the Companies Act, 1956, for the financial year ended 31st March, 2014 were as follows:

Name	Salary (in ₹)	Perquisites and allowances (in ₹)	Total (in ₹)
Mr. Ratnakar M. Gutte	84,00,000	8,40,000	92,40,000
Mrs. Sudhamati R. Gutte	48,00,000	-	48,00,000
Mr. Sunil R. Gutte	48,00,000	2,88,000	50,88,000
Mr. Vijay R. Gutte	48,00,000	2,88,000	50,88,000
Mr. M. N. Mohanan	51,00,000	27,16,959	78,16,959
Mr. Venkataramana Condoor	73,13,516	3,96,936	77,10,452

Apart from the above Company has not paid any fixed component and performance linked incentives, along with the performance criteria. The Company has not issued any stock option to its Directors.

The sitting fees paid to Non-Executive Directors for the financial year ended on 31st March, 2014, are as follows:

Name of Non-Executive Directors	Sitting fees (in ₹)
Mr. Sajid Ali	50,000
Mr. Parag A. Sakalikar	50,000
Mr. S. S. Waghmare	50,000
Mr. Dilip Y. Ghanekar	30,000
Mr. Siddharth R. Mehta	30,000

V. Shareholders / Investors' Grievance Committee

The Shareholders / Investors' Grievance Committee comprised of three Directors including two Independent Directors. The Committee has been constituted to resolve the complaints and grievances of the investors. During the financial year 2013-14 four meetings of the Committee were held on 30th May, 2013; 14th August, 2013; 14th November, 2013 and 14th February, 2014. The name of the members of the Investors' Grievance Committee and the number of meetings attended by them are as follows:

Name of members	Category	Meetings attended
Mr. Sajid Ali	Chairman	4
Mr. Dilip Y. Ghanekar	Member	3
Mr. Sunil R. Gutte	Member	4

The Company Secretary acts as the Compliance Officer.

The Company received 13 complaints during the year and 12 of them were redressed /answered to the satisfaction of the shareholders. One investor grievance remained unresolved during the last quarter which has been subsequently resolved.

No investor grievance remained unattended /pending for more than 30 days.

The classification of complaints based on their nature was as follows:

Sr. no.	Descriptions	No. of complaints
1	Non-receipt of Annual Report	2
2	Non-receipt of dividend warrant	5
3	Non-receipt of demat credit	1
4	SEBI/BSE	5
	Total	13

VI. Other Committees

a. Banking Committee

The Board has constituted the Banking Committee to look after the day to day banking activities of the company. The committee comprises of Two Executive Directors namely Mr. Sunil R. Gutte and Mr. M. N. Mohanan. During the financial year 2013-14 meetings of the Committee were held on 15th April, 2013; 25th July, 2013; 27th September, 2013; 6th December, 2013 and 2nd January, 2014.

b. Technical Committee

The Board has constituted the Technical Committee to look

after the technical, project related activities of the Company. The Committee comprises of Three Executive Directors namely Mr. Sunil R. Gutte, Mr. Vijay R. Gutte and Mr. M. N. Mohanan. During the financial year 2013-14 meetings of the Committee were held on 27th September, 2013; 25th October, 2013; 18th November, 2013; 6th December, 2013; 10th February, 2014 and 27th March, 2014.

c. Allotment Committee

The Board has constituted the Allotment Committee to look after the allotment of warrants, equity shares and other securities. The Allotment Committee comprises of Two Independent Non- Executive Directors namely, Mr. Parag Sakaliar and Mr. S.S. Waghmare and One Executive Director, Mr. Sunil R. Gutte. During the financial year 2013-14 only one meeting of the committee was held on 20th March, 2014.

VII. General Body Meetings

Annual General Meeting during last 3 financial years were held on 29th September, 2011 (For F.Y.2010-11), 27th September, 2012 (For F.Y.2011-12), 26th September, 2013 (For F.Y.2012-13) at the same location i.e. at the registered office of the Company – ‘Ratnadeep’, Jaynagar, Parli – Vajinath, District – Beed 431520. The special resolution(s) were passed at all three previous Annual General Meetings with requisite majority.

Postal ballot

During the financial year 2013-14, there was no resolution passed through postal ballot process. Also there is no proposed resolution(s) to be passed through postal ballot.

Proposed preferential issue of warrants convertible into Equity Shares

The Board of Directors at the meeting held on 24th March, 2014 had recommended to issue and allot 55,00,000 (fifty five lacs only) warrants convertible into Equity Shares on preferential basis to Promoters’ group companies and persons acting in concert with promoters and 20,00,000 (twenty lacs only) warrants convertible into Equity Shares on preferential basis to Non-promoters and authorised to call an Extra Ordinary General Meeting on 18th April, 2014 for necessary approval of shareholders for preferential issue of warrants by way of special resolutions. The shareholders of the company approved the said issue at their Extra Ordinary General Meeting held on 18th April, 2014. However In-principle approval is awaited from Stock Exchanges where the Company’s shares are listed i.e. the BSE and the NSE.

VIII. Disclosures

- i) Disclosures on materially significant related party transactions i.e. transactions of the Company of material nature, with its promoters, the Directors or the management, their subsidiaries or relatives among others, that may be in potential conflict with the interest of the Company at large:

None of the transactions with any of the related parties was in conflict with the interests of the Company. The transactions with the related-parties are disclosed in the Notes to the Financial Statements.
- ii) During the last three financial years, there were no instances of non-compliance by the Company on any matters related to the capital markets or penalties/strictures imposed on the Company by the Stock Exchanges or SEBI or any Statutory Authority.
- iii) The Company is in the process of establishing a ‘Whistleblower policy/Vigil mechanism’. No person has been denied access to the Audit Committee.
- iv) The Company has complied with the mandatory requirements of Clause 49 of the Listing Agreement and submits quarterly compliance report on a quarterly basis to the concerned Stock Exchanges.
- v) All Directors and senior management personnel have affirmed compliance with the Code of Conduct and a declaration to that effect is attached with this Report.

IX. Means Of Communication

Your Company publishes its quarterly / half-yearly / annual financial results within 48 hours in one English daily newspaper and one Marathi daily newspaper. These financial results are also posted on our official website www.sunilhitech.com. Our means of communication is transparent and timely. In addition to the financial results, we publish the other information too, as required to be published under the Companies Act, 1956 (as amended by Companies Act, 2013) or the Listing Agreement or any other laws applicable or as may be required in the public interest.

Apart from disclosing information in Newspapers, we provide and update from time to time various information about our Company at our official website www.sunilhitech.com related with investors, customers, among others and all other person dealing with your Company. Moreover, we also send ‘Investors Presentation’ on quarterly basis to research analysts and financial institutions.

X. General Shareholder Information

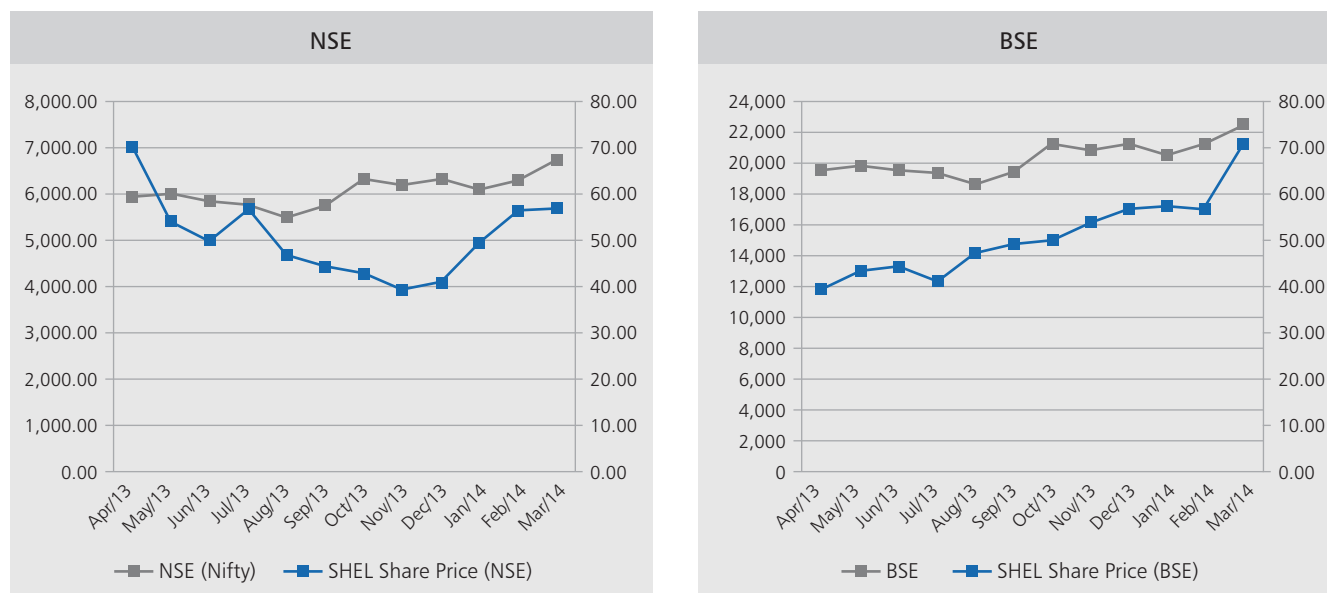
i. Annual General Meeting Date, time and venue	29th September, 2014 at 02.00 pm at the Registered Office of the company - 'Ratnadeep' Jaynagar Parli, Vajjnath, Dist. Beed, Pin- 431520, Maharashtra
ii. Financial calendar (tentative)	
Results for the quarter ending:	
30th June, 2014	Up to 14th August, 2014
30th September, 2014	Up to 14th November, 2014
31st December, 2014	Up to 14th February, 2015
31st March, 2015	Within the time and mode as permissible under the Listing Agreement
iii. Dates of book closure	23rd September, 2014 to 29th September, 2014
iv. Dividend payment date	4th October, 2014
v. Listing on Stock Exchanges	BSE Ltd. Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001 (Code: 532711) National Stock Exchange of India Ltd. "Exchange Plaza" Plot No. C/1, G – Block, Bandra Kurla Complex, Bandra (E), Mumbai – 400 051 (Code: SUNILHITEC)
vi. ISIN Number for NSDL and CSDL	INE305H01010
vii. Corporate Identification Number	L28920MH1998PLC115155

viii. Stock market data:

Monthly high & low quotes of Shares traded in NSE and BSE

Period	NSE			BSE		
	High	Low	Volume	High	Low	Volume
Apr-13	64.40	54.00	1,24,969	63.65	54.75	62,784
May-13	62.40	55.00	2,81,909	61.80	53.50	2,21,136
Jun-13	58.25	47.70	2,41,541	63.10	47.60	3,70,407
Jul-13	58.70	38.80	3,58,705	59.00	39.00	2,99,140
Aug-13	49.70	35.05	2,18,488	44.80	35.20	1,70,377
Sep-13	49.50	38.10	2,64,836	48.50	39.10	1,78,144
Oct-13	48.00	41.65	3,11,975	48.00	42.00	2,11,102
Nov-13	61.95	44.15	7,87,305	61.80	44.80	3,55,613
Dec-13	60.40	47.00	6,92,903	60.00	47.10	3,16,489
Jan-14	62.45	47.60	3,02,010	62.35	48.05	1,20,757
Feb-14	57.90	49.00	1,86,862	57.80	49.00	64,391
Mar-14	76.20	52.85	19,18,686	76.15	52.10	6,65,286

Performance



ix. Registrar and transfer agents	Bigshare Services Private Limited, E-2/3, Ansa Industrial Estate, Sakivihar Road, Saki Naka, Andheri (E), Mumbai - 400 072 Tel: 022-40430200 Email: info@bigshareonline.com
x. Share transfer system	Share transfers in physical form can be lodged with Bigshare Services Private Limited at the above mentioned address. The transfers are generally processed within 10 days from the date of receipt, if the documents are complete in all respects and thereafter informed to the concerned person.

xi. Shareholding pattern and distribution of equity shareholding as on 31st March, 2014.

a) Shareholding pattern :

Sr. no.	Category	No. of shares	Shareholding (%)
1.	Promoter holding		
	Indian promoter	7880990	57.841
	Foreign promoter	Nil	Nil
2.	Financial institutions and banks	165	0.001
3.	Corporate bodies	518929	3.809
4.	NRI, foreign national, OBCs and FIIs	1240534	9.105
5.	Individual shareholders holding nominal capital up to ₹1 lac	3148746	23.110
	Individual shareholders holding nominal capital in excess of ₹1 lac	735440	5.398
6.	Clearing member	100303	0.736
7.	Trust	53	0.000
	TOTAL	13625160	100

b) Distribution of shareholding:

No. of shares held	Shareholders		Shares	
	No.	%	No.	%
Upto 5000	13563	90.74	1483549	10.89
5001-10000	717	4.80	576329	4.22
10001-20000	341	2.28	509446	3.73
20001-30000	121	0.81	305183	2.23
30001-40000	52	0.35	189139	1.38
40001-50000	47	0.31	224057	1.64
50001-100000	71	0.48	484499	3.60
100001 & above	35	0.23	9852958	72.31
Total	14947	100.00	13625160	100.00

xii. Dematerialisation of shares and liquidity

The shares are compulsorily traded in dematerialised form and available for trading system at both National Security Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

We submit the secretarial audit report duly certified by the Practicing Company Secretary in time to keep the Stock Exchanges updated about the latest position of our shares.

As on 31st March, 2014 shares held in CDSL, NSDL & in Physical form are as follows:-

Particulars	No. of shares	% of total capital issued
CDSL	1361763	9.99
NSDL	10910543	80.08
PHYSICAL	1352854	9.93
TOTAL	13625160	100.00

xiii. Outstanding GDRs/ADRs/Warrants or any convertible instruments, conversion date and likely impact on equity:

As on 31st March, 2014 there are 16,50,000 outstanding warrants convertible into equity shares. Each warrant entitles the holder thereof for one equity share of Face Value of ₹10 only. The last date for exercising the option of conversion of the aforesaid warrants is 14th August, 2014.

The address of the registrar and share transfer agents for communication is - Bigshare Services Private Limited, (Unit: Sunil Hitech Engineers Limited (INE305H01010)), E 2/3, Ansa Industrial Estate, Sakivihar Road, Sakinaka, Andheri (East), Mumbai – 400072.

xiv. Investor correspondence address:

The address of our registrar and share transfer agent for communication is - Bigshare Services Private Limited, (Unit: Sunil Hitech Engineers Limited - (INE305H01010)), E 2/3, Ansa Industrial Estate, Sakivihar Road, Sakinaka, Andheri (East), Mumbai – 400072.

Details of Company Secretary & Compliance Officer:

Mr. Shrikant C. Rikhe
Sunil Hitech Engineers Limited
97, East High Court Road, Ramdaspath, Nagpur – 440 010
Email: cs@sunilhitech.com / investor@sunilhitech.com

For Transfer / De-materialisation of shares, payment of dividend on shares and any other query relating to the shares of the Company:

Bigshare Services Private Limited
E-2/3, Ansa Industrial Estate,
Sakivihar Road, Saki Naka, Andheri (E),
Mumbai - 400 072
Tel.: 022-40430200
Email: info@bigshareonline.com

By the order of the Board

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To The Members of Sunil Hitech Engineers Limited

1. We have examined the compliance of conditions of Corporate Governance by SUNIL HITECH ENGINEERS LIMITED ("the Company"), for the year ended on 31 March 2014 as stipulated in Clause 49 of the Listing Agreement of the said Company with stock exchanges.
2. The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination has been limited to a review of the procedures and implementations thereof adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance as stipulated in the said Clause. It is neither an audit nor an expression of the opinion on the financial statements of the Company.
3. Due to the vacation of office of one of the independent directors w.e.f. 24 March 2014, requirement of having minimum independent directors in Board of Directors remains unfulfilled till the year end.
4. Subject to paragraph 3 above, in our opinion and to the best of our information and according to the explanations given to us, and based on the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the clause 49 of the above mentioned Listing Agreement.
5. We 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 Kapoor & Parekh Associates

Chartered Accountants

ICAI FRN 104803W

Nilesh Parekh

Partner

Membership No.33528

Chennai, 14 August 2014

DECLARATION PURSUANT TO CLAUSE 49(I) (D) (II) OF THE LISTING AGREEMENT

"I hereby confirm that the Company has obtained from all the members of the Board and Senior Management, affirmation that they have complied with the Code of Conduct for Directors and Senior Management in respect of the financial year 2013-14."

Ratnakar M. Gutte

Managing Director

CEO/CFO CERTIFICATION FOR 2013-14

SHEL/LA/2014-15/27.05.2014

To,
The Board of Directors,
Sunil Hitech Engineers Ltd.,
'Ratnadeep', Jaynagar, Parli Vajjnath
Dist – Beed, Pin – 431520

CEO / CFO certification for Preparation of Financial Statements on Standalone & Consolidated Basis

We, Ratnakar M. Gutte –Managing Director and Vijay R. Gutte – Director (Finance) hereby certify to the Board that:

- (a) We have reviewed financial statements and the cash flow statement prepared on standalone & consolidated basis for the financial year ended on 31st March' 2014 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) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the Auditors and the Audit committee
 - (i) Minor changes in internal control over financial reporting during the year;
 - (ii) There is no change in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - (iii) There are no instances of significant fraud in the company's internal control system over financial reporting.

Date: 27.05.2014

Place: Mumbai

Ratnakar M. Gutte

Managing Director

Vijay R. Gutte

Director (Finance)

Independent Auditors' Report

To

The Members of

SUNIL HITECH ENGINEERS LIMITED

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material 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 the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. 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.

Opinion

In our opinion and to the best of our information and according

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") as amended, issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
 - (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the 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 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 Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;
 - (e) On the basis of written representations received from the directors as on 31 March 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

For Kapoor & Parekh Associates
Chartered Accountants
ICAI FRN 104803W

Nilesh Parekh
Partner

Mumbai, 29 May 2014

Membership No. 33528

Annexure to the Independent Auditors' Report

(The Annexure referred to in para 1 under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date to the Members of **SUNIL HITECH ENGINEERS LIMITED** on the financial statements for the year ended 31 March 2014.)

1. In respect of its fixed assets:
 - a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets except location wise details of some of the movable assets shifted / transferred amongst various sites.
 - b) As explained to us, the fixed assets have been physically verified by the management during the year as per the phased programme which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. We are informed that there were no material discrepancies noticed on such verification.
 - c) In our opinion, the Company has not disposed of substantial part of fixed assets during the year and going concern status of the Company is not affected.
 2. In respect of inventories:
 - a) As explained to us, the inventories were physically verified by the management at reasonable intervals during the year.
 - b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
 - c) In our opinion and according to the information and explanations given to us, the Company has maintained proper records of its inventories and the discrepancies noticed on such physical verification between physical stock and book records were not material and have been adequately dealt with in the books of account.
 3.
 - a) The Company has granted unsecured loans in the current and earlier years to three companies covered in the register maintained under Section 301 of the Companies Act, 1956. The maximum amount outstanding during the year is ₹ 753.85 Lacs and amount outstanding at the year end is ₹ 618.85 Lacs.
 - b) In our opinion the rate of interest charged, wherever charged, and the other terms and conditions thereof are prima facie, not prejudicial to the interest of the Company.
 - c) The loans granted are re-payable on demand. The parties have repaid the principal amounts as stipulated and have also been regular in the payment of interest to the Company, wherever stipulated.
 - d) There is no overdue amount in excess of ₹ 1 Lac in respect of loans granted to companies covered under the register maintained under section 301 of the companies Act, 1956.
- The Company has not granted any loan, secured or unsecured, to the firms or parties covered in the register maintained under section 301 of the Companies Act, 1956.
- The Company has not taken any loan from companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956, hence the provision of clause 4(iii)(e), 4(iii)(f) and 4(iii)(g) of the Order are not applicable to the Company.
4. In our opinion and according to the information and explanations given to us, there exist an adequate internal control system commensurate with the size of the Company and nature of its business with regard to purchases of inventory, fixed assets and for the sale of goods and services. However internal control as regards to documentation of receipts and issues of raw materials and stores at project sites needs to be strengthened. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal controls.
 5. In our opinion and according to the information and explanations given to us, the particulars of contracts or arrangements referred to in section 301 of the Companies Act, 1956 have been entered in the register required to be maintained under that section and such transactions exceeding ₹ 5.00 Lacs in respect of each party have been made at prices which are prima facie, reasonable having regard to the prevailing market prices at the relevant time where such prices are available.
 6. The Company has not accepted any deposit from public. No order has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal.
 7. In our opinion and according to the information and explanations given to us, the Company has an internal audit system commensurate with the size and nature of its business.
 8. We have broadly reviewed the cost records of the Company in respect of relevant activities pursuant to the Companies (Cost Accounting Records) Rules, 2011 prescribed by the Central Government under section 209(1)(d) of the Companies Act, 1956 and are of the opinion that prima facie the prescribed cost records have been maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate and complete.
 9. According to the information and explanations given to us in respect of statutory and other dues:
 - a) The Company has generally been regular in depositing undisputed statutory dues, including Investor Education and Protection Fund, Income Tax, Sales Tax, Wealth Tax, Custom Duty, Excise Duty, Cess

and other material statutory dues with the appropriate authorities during the year except in case of Provident Fund, Employees State Insurance, TDS and service tax where there are delays in depositing.

- b) According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31 March 2014 for a period of more than six months from the date they became payable.

- c) On the basis of our examination of the documents and records of the Company and the information and explanations given to us, there are no dues of Income Tax, Sales tax, Service Tax, Customs Duty, Wealth Tax, Excise Duty and Cess which have not been deposited on account of a dispute, except as enumerated herein below which are pending before respective authorities as mentioned there against:

Name of the statute	Nature of the Dues	Amount* (₹ in Lacs)	Period to which amount relates (Financial Year)	Forum where dispute is pending
Service Tax under Finance Act, 1994 & The Central Excise Act, 1944	Service Tax (Basic & Penalty)	1,580.12 **	2005-06 To 2010-11	Custom, Excise, Service Tax Appellate Tribunal
The Chhattisgarh Value Added Tax Act, 2005	VAT Tax (Basic)	35.85	2006-07 2007-08	Addl. Commissioner of Commercial Tax, Raipur
The Customs Act, 1962	Custom Duty	97.49	2007-08 2008-09	Commissioner of Customs (Import), Mumbai

* Net of amounts paid under protest or otherwise. Amount as per demand orders including interest and penalty wherever quantified.

** Amount stayed

10. The Company does not have any accumulated losses as at the end of the financial year. The Company has not incurred cash losses during the current and the immediately preceding financial year.
11. Based on our audit procedures, information and explanations given to us, in our opinion the Company has not defaulted in repayment of dues to financial institutions and banks. The Company does not have any outstanding debentures during the year.
12. According to the information and explanations given to us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. In our opinion and according to the information and explanations given to us, the Company is not a chit fund / nidhi / mutual benefit fund / society.
14. According to the information and explanations given to us, the Company is not dealing or trading in shares, securities, debentures and other investments.
15. According to the information and explanations given to us, the terms and conditions on which the Company has given guarantees for loans taken by others from banks or financial institutions are prima facie not prejudicial to the interest of the Company.
16. In our opinion and according to the information and explanations given to us, the term loans have been applied for the purpose for which they were raised.
17. According to the cash flow statement and other records examined by us and on the basis of the information and

explanations given to us, on an overall basis, funds raised on short term basis have, prima facie, not been used during the year for long term investment.

18. According to the information and explanations given to us, the Company had made preferential allotment of 13,50,000 equity shares to the companies covered in the register maintained under 301 of the Companies Act, 1956 at a price determined in accordance with SEBI (Issue of Capital & Disclosure Requirements) Regulations, 2009 and hence not prejudicial to the interest of the Company.
19. According to the information and explanations given to us, the Company has neither outstanding debentures at the beginning of the year nor has issued any debentures during the year.
20. The Company has not raised any money by public issue during the year.
21. To the best of our knowledge and according to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the course of our audit.

For Kapoor & Parekh Associates
Chartered Accountants
ICAI FRN 104803W

Nilesh Parekh
Partner

Mumbai, 29 May 2014

Membership No. 33528

Balance Sheet as at 31 March 2014 (Standalone)

(₹ In Lacs)

Particulars	Note	As at 31 March 2014	As at 31 March 2013
Equity and Liabilities			
Shareholders' Funds			
Share Capital	3	1,362.52	1,227.52
Reserves and Surplus	4	29,919.84	26,763.34
Money Received Against Share Warrants	5	301.13	547.50
		31,583.49	28,538.36
Non-current Liabilities			
Long Term Borrowings	6	3,036.68	2,097.12
Other Long Term Liabilities	7	9,569.54	7,599.97
Long Term Provisions	8	212.94	213.89
		12,819.16	9,910.98
Current Liabilities			
Short Term Borrowings	9	35,083.64	35,963.33
Trade Payables	10	49,559.34	25,254.61
Other Current Liabilities	7	9,787.04	9,211.86
Short Term Provisions	11	226.12	217.46
		94,656.14	70,647.26
Total		139,058.79	109,096.60
Assets			
Non-current Assets			
Fixed Assets	12		
Tangible Assets		10,929.90	10,879.89
Intangible Assets		330.01	417.28
Capital Work-in-Progress		733.40	539.45
Non Current Investments	13	3,568.44	3,226.94
Deferred Tax Assets	14	751.92	808.66
Long Term Loans and Advances	15	2,842.72	2,033.16
Other Non Current Assets	16	4,284.69	3,897.45
		23,441.08	21,802.83
Current Assets			
Current Investments	17	25.00	-
Inventories	18	13,950.93	9,511.42
Trade Receivables	19	47,342.53	37,529.20
Cash and Bank Balances	20	8,320.24	7,794.04
Short Term Loans and Advances	16	15,185.49	8,455.57
Other Current Assets	17	30,793.52	24,003.54
		115,617.71	87,293.77
Total		139,058.79	109,096.60
Significant Accounting Policies	2		

The accompanying notes are an integral part of the Financial Statements.

As per our report of even date attached
For Kapoor & Parekh Associates
Chartered Accountants

For and on behalf of Board of Directors

Nilesh Parekh
Partner

Shrikant Rikhe
Company Secretary

Ratnakar M. Gutte
Chairman and
Managing Director

Sunil R. Gutte
Joint Managing Director

Mumbai, 29 May 2014

Statement of Profit and Loss for the Year Ended 31 March 2014 (Standalone)

(₹ In Lacs)

Particulars	Note	Year Ended 31 March 2014	Year Ended 31 March 2013
Revenue			
Revenue from Operations	21	143,224.05	109,601.55
Other Income	22	993.64	898.49
Total Revenue		144,217.69	110,500.04
Expenses			
Project Material Consumed and Cost of Goods Sold	23	86,188.62	60,129.11
Contract and Site Expenses	24	32,445.74	26,430.88
Employee Benefits Expense	25	6,592.25	6,431.73
Finance Costs	26	7,697.56	5,832.34
Depreciation and Amortisation Expense	27	2,437.77	2,959.09
Other Expenses	28	4,803.71	4,350.23
Total Expenses		140,165.65	106,133.38
Profit Before Tax		4,052.04	4,366.65
Tax Expenses			
-Current Tax			
Expenses for Current Year		1,471.30	1,698.40
Expenses Relates to Prior Years		25.84	233.69
-Deferred Tax		56.74	(358.65)
Profit for the year from Continuing Operations		2,498.16	2,793.21
There are no Exceptional, Extraordinary Items and Discontinuing operations.			
Earnings per share (Face Value ₹ 10/-)	29		
Basic (₹)		20.28	22.76
Diluted (₹)		20.28	22.76
Significant Accounting Policies	2		

The accompanying notes are an integral part of the Financial Statements.

As per our report of even date attached
For Kapoor & Parekh Associates
Chartered Accountants

Nilesh Parekh
Partner

Shrikant Rikhe
Company Secretary

For and on behalf of Board of Directors

Ratnakar M. Gutte
Chairman and
Managing Director

Sunil R. Gutte
Joint Managing Director

Mumbai, 29 May 2014

Statement of Cash Flow for the Year ended 31 March 2014 (Standalone)

(₹ In Lacs)

Particulars	31 March 2014	31 March 2013
A CASH FLOW FROM OPERATING ACTIVITIES		
Profit Before Tax	4,052.04	4,366.65
Adjustment for :		
Depreciation and Amortisation Expense	2,437.77	2,959.09
Exchange Differences	638.42	52.52
Bad Debts/ Advances Written off	-	9.31
Provision for Doubtful Debts/ Advances	18.19	125.66
Loss on Sale of Non Current Investments	-	0.06
Wealth Tax (Included in Other Expenses)	2.70	2.27
Loss of Inventory by Fire	-	53.04
Loss from Partnership Business	0.99	0.69
Amount Written Back	(7.14)	(104.22)
Loss (Profit) on Sale of Fixed Assets	28.77	(32.68)
Interest Expenses (Considered in Financing Activities)	7,697.56	5,832.34
Interest Incomes (Considered in Investing Activities)	(802.72)	(650.29)
Interest Income from Partnership Firm (Considered in Investing Activities)	(27.72)	(27.72)
Operating Profit before Working Capital Changes :	14,038.86	12,586.72
Decrease (Increase) in Inventories	(4,439.51)	1,539.16
Decrease (Increase) in Trade Receivables	(10,160.55)	(1,983.62)
Decrease (Increase) in Other Current Assets	(6,787.02)	(13,612.23)
Decrease (Increase) in Long Term Loans and Advances	(140.69)	663.95
Decrease (Increase) in Short Term Loans and Advances	(6,693.81)	(2,205.27)
Increase (Decrease) in Long Term Provisions	(0.95)	9.09
Increase (Decrease) in Short Term Provisions	(9.89)	(4.66)
Increase (Decrease) in Trade Payables	24,309.43	10,608.35
Increase (Decrease) in Other Non Current Liabilities	1,969.57	1,121.70
Increase (Decrease) in Other Current Liabilities	2,419.58	(4,254.31)
Cash Generated from Operations	14,505.02	4,468.88
Net Income Tax Paid	(1,614.97)	(1,427.82)
Net Cash Flow from (used in) Operating Activities (A)	12,890.05	3,041.06
B CASH FLOW FROM INVESTING ACTIVITIES		
Capital Expenditure on Fixed assets including Capital Advances	(2,709.65)	(1,040.77)
Proceeds from sale of Fixed Assets	102.15	309.26
Investments in Subsidiaries	(239.77)	-
Investments in Mutual Funds	(100.00)	-
Share Application Money Given	(683.73)	-
Bank Balances not considered as Cash and Cash Equivalents (net)	(756.41)	(3,871.57)
Interest Received	845.33	506.90
Net Cash Flow from (Used in) Investing Activities (B)	(3,542.08)	(4,096.18)

Statement of Cash Flow for the Year ended 31 March 2014 (Standalone)

(₹ In Lacs)

Particulars	31 March 2014	31 March 2013
C CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Long Term Borrowings	152.98	3,352.67
Repayment of Long Term Borrowings	(973.93)	(3,038.44)
Proceeds (Repayment) of Short Term Borrowings	(1,518.12)	7,049.44
Money received against Share Warrants	739.13	547.50
Dividend Paid	(147.22)	(146.28)
Dividend Distribution Tax Paid	(25.03)	(23.90)
Interest Paid	(7,702.91)	(5,820.27)
Net Cash Flow from (Used in) Financing Activities (C)	(9,475.10)	1,920.72
Net Increase (Decrease) in Cash and Cash Equivalents (A+B+C)	(127.13)	865.60
Cash and Cash Equivalents as at the Beginning of the Year	1,104.62	239.02
Cash and Cash Equivalents as at the End of the Year	977.49	1,104.62
	-	-
Components of Cash and Cash Equivalents		
Balances with Banks - in Current Accounts	875.30	1,046.40
Cash on Hand	102.19	58.22
Total Cash and Cash Equivalents	977.49	1,104.62

Figures in brackets indicates outflow.

Significant Accounting Policies (Refer note 2)

The accompanying notes are an integral part of the Financial Statements.

As per our report of even date attached
For Kapoor & Parekh Associates
Chartered Accountants

For and on behalf of Board of Directors

Nilesh Parekh
Partner

Shrikant Rikhe
Company Secretary

Ratnakar M. Gutte
Chairman and
Managing Director

Sunil R. Gutte
Joint Managing Director

Mumbai, 29 May 2014

Notes to Financial Statements for the Year Ended 31 March 2014

1 GENERAL INFORMATION

Sunil Hitech Engineers Limited ("the Company") is a public company domiciled in India and incorporated under the provisions of the Companies Act, 1956 (as amended by the Companies Act, 2013). Its shares are listed on two stock exchanges in India. The Company is engaged in the business of Engineering, Procurement, Construction-(EPC), Fabrication, Erection, Overhauling, Maintenance, Trading and other related activities.

2 SIGNIFICANT ACCOUNTING POLICIES:

2.1 Basis of Accounting :

The financial statements of the Company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material aspects with the Accounting Standards (AS) notified by the Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 1956 (to the extent applicable) and the Companies Act, 2013 (to the extent notified). The financial statements have been prepared on an accrual basis and under the historical cost convention unless otherwise specified. The accounting policies adopted in the preparation of financial statements are consistent with those of previous year unless otherwise specified.

2.2 Use of Estimates:

Preparation of financial statements in conformity with Generally Accepted Accounting Principles (Indian GAAP), requires estimates and assumptions to be made that affect reported amounts of assets and liabilities on the date of financial statements and reported amount of revenues and expenses during the year. Actual results could differ from these estimates and differences between the actual results and estimates are recognised in the year in which results are known / materialised.

2.3 Inventories:

Inventories are stated at lower of cost and net realisable value. Cost of inventories comprises of cost of purchase, cost of conversion and other costs incurred in bringing them to their respective present location and condition. Cost of inventories is ascertained on the FIFO basis. Tools are written off based on technical evaluation.

2.4 Cenvat, Service Tax and VAT Credit:

Cenvat, Service Tax and VAT credits receivable/availed are treated as an asset with relevant expenses being accounted net of such credits, and the same are reduced to the extent of their utilisations.

2.5 Cash Flow Statement:

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

2.6 Cash And Cash Equivalents:

Cash and Cash Equivalents for the purpose of cash flow statement comprise of cash on hand and cash at bank including fixed deposit with original maturity period of three months or less and short term highly liquid investments with an original maturity of three months or less.

2.7 Fixed Assets:

Tangible assets are stated at cost of acquisition, installation or construction including other direct expenses incurred to bring the assets to its working condition for its intended use, less accumulated depreciation / amortisation / impairment losses (if any) adjusted by revaluation of certain fixed assets.

Intangible assets are stated at cost of acquisition less accumulated amortisation and impairment loss, if any. Intangible assets are recognised only if it is probable that the expected future economic benefits that are attributable to the assets will flow to the enterprise and the cost of the assets can be measured reliably.

2.8 Depreciation and Amortisation:

Depreciation is provided on written down value method in the manner and at the rates prescribed in Schedule XIV of the Companies Act, 1956.

Fixed assets individually costing upto ₹ 0.05 Lacs are fully depreciated in the year of purchase.

Premium on the leasehold land is amortised over the period of lease.

Computer Software is amortised equally over a period of five years, from the date of Purchase.

Notes to Financial Statements for the Year Ended 31 March 2014

In case of revalued assets, the difference between depreciation based on revaluation and depreciation charged on historical cost is recouped out of the revaluation reserve.

2.9 Revenue Recognition:

Contract Revenue is recognised by reference to the stage of completion of the contract activity at the reporting date of the financial statements on the basis of "percentage of completion method". The stage of completion of contracts is measured by reference to the proportion that contract costs incurred for work performed up to the reporting date bear to the estimated total contract costs for each contract. An expected loss on construction contract is recognised as an expense immediately. Price escalation, other claims and variation in the contract work are included in contract revenue at the time of acceptance / settlement by the customers due to uncertainties attached thereto.

Contract revenue earned in excess of billing has been reflected under "Other current assets" and billing in excess of contract revenue has been reflected under "Other Current Liabilities" in the Balance Sheet.

Revenue from sale of goods is recognised when all significant risk and rewards of ownership of products are transferred to the buyers which are usually at the point of dispatch to customers. Sales are net of discounts, sales tax and returns.

Revenue from service related activities including hire charges are recognised in accordance with the terms of the agreement upon rendering of such services.

Commission income is recognised as per contracts / receipt of credit notes.

Dividend income is recognised when the right to receive dividend is established.

Interest income is recognised on time proportion basis.

Revenue is recognised when there is reasonable certainty of its realisation.

2.10 Foreign Currency Transactions:

Foreign currency transactions are recorded at the exchange rates prevailing on the date of transaction. The net gain or loss on account of exchange differences arising on settlement of foreign currency transactions and / or restatements are dealt with in the Statement of Profit and Loss as income or expenses of the period in which they arise.

Monetary assets and liabilities denominated in foreign currencies at the Balance Sheet date are reported using the rate prevailing as on that date. The resultant exchange differences are recognised in the Statement of Profit and Loss.

In respect of the Forward Exchange contracts with underlying transaction, the premium or discount arising at the inception of such contracts are recognised as expenses or income over the life of the contract.

2.11 Government Grant:

Grants and Subsidies from the Government are recognized when there is a reasonable assurance that (i) the company will comply with the conditions attached to them, and (ii) the grant/subsidy will be received.

Government Grants related to revenue are recognised on a systematic basis in the Statement of Profit and Loss over the periods necessary to match them with the related costs, which they are intended to compensate. If not related to a specific expenditure, it is taken as income.

2.12 Investments:

Investments which are readily realisable and intended to be held for not more than one year from the date on which such investments are made are classified as current investments. All other investments are classified as long term investments.

Long term Investments are carried individually at cost, less provision for diminution, other than temporary, in the value of such investments. Cost of investments includes expenses directly incurred on acquisition of investments.

Current investments are carried individually at lower of cost and fair value.

2.13 Employee Benefits:

Short-term Benefits

These are recognised as an expense at the undiscounted amount in the Statement of Profit and Loss of the period in which the related services are rendered. Short term compensated absences are provided for based on actuarial valuation in accordance with Company's rules.

Post Employment Benefits

Company's contribution for the period paid/ payable to defined contribution retirement benefit schemes are charged to the Statement of Profit and Loss.

Notes to Financial Statements for the Year Ended 31 March 2014

Company's liability towards defined benefit plans viz. gratuity is determined using the Projected Unit Credit Method as per the valuation carried out at the Balance Sheet date.

Defined benefit in the form of compensated absences is provided for based on actuarial valuation at the year-end in accordance with Company's policy.

2.14 Borrowing Costs:

Borrowing costs that are attributable to the acquisition, construction or production of a qualifying asset are capitalised as cost of such assets. A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use. All other borrowing costs are charged to the Statement of Profit and Loss in the period in which they are incurred.

2.15 Segment Reporting:

The Company is engaged in the business of Engineering, Procurement, Construction-(EPC), Fabrication, Erection, Overhauling, Maintenance, Trading and Other related activities. These, in the context of Accounting Standard 17 on Segment Reporting, as specified in the Companies (Accounting Standards) Rules, 2006, are considered to constitute different primary segments. Further, there is no reportable secondary segment i.e. Geographical Segment.

2.16 Operating Leases:

Assets taken/given on lease under which all risks and rewards of ownership are effectively retained by the lessor are classified as operating lease. Lease payments/income under operating leases are recognised as expenses/income on accrual basis in accordance with the respective lease agreements.

2.17 Earnings Per Share:

Basic and diluted earnings per share are computed in accordance with Accounting Standard 20- Earnings per share

Basic earning per share is calculated by dividing the net profit for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

2.18 Taxes on Income:

Tax expense comprises of Current and Deferred tax.

Current Tax on income is accounted on the basis of the provisions of the Income Tax Act, 1961.

Deferred tax resulting from timing differences between the book and tax profits for the year is accounted for using the tax rates and laws that have been enacted or substantively enacted as of the Balance Sheet date. The carrying amount of deferred tax assets are reviewed at each Balance Sheet date. The company writes down the carrying amount of deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realised.

2.19 Impairment of Assets:

The fixed assets are reviewed for impairment at each Balance Sheet date. An asset is treated as impaired when the carrying cost of the asset exceeds its recoverable value. An impairment loss is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognised in prior accounting periods is reversed if there has been a change in the estimate of recoverable amount.

2.20 Provisions, Contingent Liabilities and Contingent Assets:

Provisions are recognised only when there is present obligation as a result of past events and when a reliable estimate of the amount of obligation can be made. Contingent liability is disclosed for (i) Possible obligations which will be confirmed only by future events not wholly within the control of the Company or (ii) Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of amount of the obligation cannot be made. Contingent Liabilities are not recognised but are disclosed in the notes. Contingent assets are not recognised in the financial statements since this may result in the recognition of income that may never be realised.

Notes to Financial Statements for the Year Ended 31 March 2014

3 SHARE CAPITAL

(₹ In Lacs)

Particulars	As at 31 March 2014	As at 31 March 2013
Authorised :		
2,50,00,000 (Pr.Yr. 2,50,00,000) Equity shares of ₹ 10/- each	2,500.00	2,500.00
Issued, Subscribed and Fully Paid-up :		
1,36,25,160 (Pr.Yr. 1,22,75,160) Equity shares of ₹ 10/- each fully paid up	1,362.52	1,227.52
	1,362.52	1,227.52

3.1 Reconciliation of the shares outstanding at the beginning and at the end of the year.

Particulars	As at 31 March 2014		As at 31 March 2013	
	No. of Shares	₹ in Lacs	No. of Shares	₹ in Lacs
Equity shares at the beginning of the year	12,275,160	1,227.52	12,275,160	1,227.52
Add: Allotment during the year against warrants	1,350,000	135.00	-	-
Equity shares outstanding at the end of the year	13,625,160	1,362.52	12,275,160	1,227.52

3.2 Terms/ Rights attached to equity shares

The Company has only one class of equity shares with voting rights having a par value of ₹ 10 per share. The Company declares and pays dividends in Indian rupees. The final dividend proposed by the Board of Directors is subject to approval of the shareholders at the ensuing Annual General Meeting.

During the year ended 31 March 2014, the amount of per share dividend recommended as distributions to equity shareholders is ₹ 1.20 (Pr.Yr. ₹ 1.20).

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

3.3 The Company is not a Subsidiary Company.

3.4 The details of shareholders holding more than 5% of Equity Shares in the Company.

Particulars	As at 31 March 2014		As at 31 March 2013	
	No. of Shares	% holding	No. of Shares	% holding
Mr. Ratnakar Manikrao Gutte	2,202,500	16.16%	2,202,500	17.94%
Mrs. Sudhamati Ratnakar Gutte	1,968,750	14.45%	1,968,750	16.04%
Mr. Sunil Ratnakar Gutte	1,678,740	12.32%	1,678,740	13.68%
Bessemer Venture Partners Trust	1,100,000	8.07%	1,100,000	8.96%
Mr. Vijay Ratnakar Gutte	675,000	4.95%	675,000	5.50%

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.

3.5 Reserved Shares and Terms of Warrants

The convertible warrant holders have the option to convert their warrants into 16,50,000 (Pr.Yr. 30,00,000) equity shares of ₹ 10/- each at the terms and conditions as referred in Note 5.

Notes to Financial Statements for the Year Ended 31 March 2014

4 RESERVES AND SURPLUS

(₹ In Lacs)		
Particulars	As at 31 March 2014	As at 31 March 2013
Capital Reserve	825.60	825.60
Securities Premium Account		
Balance as per the last Financial Statements	11,150.14	11,150.14
Add: Premium on account of Issue of shares against conversion of Warrants	850.50	-
	12,000.64	11,150.14
Revaluation Reserve		
Balance as per the last financial statements	56.70	57.62
Less: Amount transferred to the Statement of Profit and Loss as reduction from depreciation	0.87	0.92
	55.83	56.70
General Reserve		
Balance as per the last Financial Statements	1,459.50	1,250.00
Add: Transferred from Statement of Profit and Loss	187.36	209.50
	1,646.86	1,459.50
Surplus in the Statement of Profit and Loss		
Balance as per the last financial statements	13,271.39	10,860.02
Profit for the year	2,498.16	2,793.21
Less: Appropriations		
Proposed dividend on equity shares	163.50	147.30
Tax on proposed equity dividend	27.79	25.03
Transfer to general reserve	187.36	209.50
Total appropriations	378.65	381.83
Net Surplus in the Statement of Profit and Loss	15,390.91	13,271.40
	29,919.84	26,763.34

5 MONEY RECEIVED AGAINST SHARE WARRANTS

5.1 The members at the Extra Ordinary General Meeting held on 31 January 2013 has authorized the Board/ Committee thereof, to create, offer, issue and allot on preferential basis (i) 30,00,000 warrants convertible into equity shares to the Promoters Group, Persons acting in concert with Promoters or Companies under Promoters Group and (ii) 49,50,000 warrants convertible into equity shares to the Foreign Institutional Investors (FIIs) and/ or Sub Account of FIIs.

5.2 Terms attached to equity warrants

The warrant entitles the holder to subscribe for one equity shares of ₹10/- each at the premium of ₹63/- per equity shares which is determined in accordance with the provisions of SEBI (Issue of Capital & Disclosure Requirements) Regulations, 2009.

On 14th February 2013 warrants aggregating to 30,00,000 has been allotted to promoter group after receiving ₹ 18.25, being 25% of ₹ 73/-, per warrant.

On 20th March 2014 the Company allotted 13,50,000 equity shares to promoter group, on conversion of 13,50,000 warrants, after receiving balance ₹ 54.75, being 75% of ₹ 73/-, per warrant.

The holders of remaining 16,50,000 warrants have an option to apply for and be allotted one equity share of the Company per warrant before the expiry of 18 months from date of allotment. If the option is not exercised as aforesaid amount paid on such warrants shall stand forfeited.

The warrant holders shall also be entitled to any future bonus/ rights issue(s) of equity shares or other securities convertible into equity shares by the Company in the same proportion and manner as any other shareholders of the Company for the time being. The Equity shares to be allotted on conversion of warrants shall rank pari passu in all respects with the existing equity shares of the Company.

Notes to Financial Statements for the Year Ended 31 March 2014

6 LONG TERM BORROWINGS

(₹ In Lacs)

Particulars	Non-current		Current	
	As at 31 March 2014	As at 31 March 2013	As at 31 March 2014	As at 31 March 2013
Rupee Term Loans (Secured)				
From Banks	2,480.30	915.33	253.18	1,814.21
From Financial Institutions	556.38	1,181.79	635.51	835.00
	3,036.68	2,097.12	888.69	2,649.21
Amount disclosed under the head Other Current Liabilities as Current Maturities of Long-Term Debt (Refer Note 07)	-	-	888.69	2,649.21
	3,036.68	2,097.12	-	-

6.1 Term loan from Banks referred above to the extent of :

- ₹ 419.03 Lacs (Pr.Yr. ₹ 499.18 Lacs) are secured by first mortgage/ pari-passu charge on the respective buildings situated at Pune and Nagpur.
- ₹ 196.70 Lacs (Pr.Yr. ₹ 1,038.46 Lacs) secured by first hypothecation/ pari-passu charge on the respective plant and machineries including Hydra's at various sites.
- ₹ 61.21 Lacs (Pr.Yr. ₹ 84.32 Lacs) are secured by first hypothecation/ pari-passu charge on the respective Vehicles at various sites.
- ₹ 2,056.54 Lacs (Pr.Yr. ₹ 1,107.58 Lacs) are secured by exclusive charge over the project specific total assets including receivables of the Kolhapur T&D site.

6.2 Term loan from Financial Institutions referred above to the extent of:

- ₹ 1,167.96 Lacs (Pr.Yr. ₹ 1,975.15 Lacs) are secured by first hypothecation/ pari-passu charge on the respective plant and machineries including Hydra's situated at various sites.
- ₹ 4.37 Lacs (Pr.Yr. ₹ 6.33 Lacs) are secured by first hypothecation/ pari-passu charge on the respective Vehicles at various sites.
- ₹ 19.56 Lacs (Pr.Yr. ₹ 35.31 Lacs) are secured by first and exclusive hypothecation on the respective non consumable materials.

6.3 Maturity profile and Rate of Interest on Secured Loans are as set out below.

For the Year Ended 31 March 2014

(₹ In Lacs)

Sr. No.	Particulars	Range of Interest Rate *	1-2 Years 2015-2016	2-3 Years 2016-2017	3-4 Years 2017-2018	Beyond Four Years 2018-2019 Onward
1	Property loan	13%-13.50%	101.97	115.32	15.54	96.02
2	Vehicle	5.75%-13.50%	24.82	4.97	5.49	1.31
3	Machinery	5%-16%	572.50	15.47	17.30	7.80
4	Non Consumable Materials	7.10%	1.61	-	-	-
5	Project Funding	13%	2,056.55	-	-	-
	Total		2,757.45	135.76	38.33	105.13

Notes to Financial Statements for the Year Ended 31 March 2014

For the Year Ended 31 March 2013

(₹ In Lacs)

Sr. No.	Particulars	Range of Interest Rate *	1-2 Years 2014-2015	2-3 Years 2015-2016	3-4 Years 2016-2017	Beyond Four Years 2017-2018 Onward
1	Property loan	13%	91.12	102.84	116.06	108.46
2	Vehicle	5.75%-12.08%	10.47	3.32	-	-
3	Machinery	5.12%-14.85%	690.60	597.18	-	-
4	Non Consumable Materials	7.10%	357.59	-	-	-
5	Project Funding	13%	17.96	1.61	-	-
	Total		1,167.74	704.95	116.06	108.46

* Above interest rates are Floating rates

7 OTHER LIABILITIES

(₹ In Lacs)

Particulars	Non-Current (Long Term)		Current (Short Term)	
	As at 31 March 2014	As at 31 March 2013	As at 31 March 2014	As at 31 March 2013
Current Maturities of Long-Term Debts	-	-	888.69	2,649.21
Interest Accrued but Not Due	-	-	54.00	59.35
Unpaid Dividends	-	-	6.54	6.46
(To be credited to Investor Education and Protection Fund when due)				
Other Advance Received	-	-	222.73	201.32
Security Deposit & Retention Money from Sub-Contractors	4,043.62	3,963.28	1,119.63	1,119.06
Advance from Customers	5,525.92	3,636.69	5,412.03	2,227.17
Due to Customers (Project related activity)	-	-	211.24	984.30
Income Tax Provisions (Net of Payments)	-	-	-	78.62
Other Payables *	-	-	1,872.18	1,886.37
	9,569.54	7,599.97	9,787.04	9,211.86

* Includes statutory dues and payable against other contractual obligations.

8 LONG TERM PROVISIONS

(₹ In Lacs)

Particulars	As at 31 March 2014	As at 31 March 2013
Provision for Employee Benefits (Refer Note 37)		
Provision for Gratuity (Net)	-	9.78
Provision for Compensated Absences	212.94	204.11
	212.94	213.89

Notes to Financial Statements for the Year Ended 31 March 2014

9 SHORT TERM BORROWINGS

(₹ In Lacs)

Particulars	As at 31 March 2014	As at 31 March 2013
Working Capital Rupee loans from Banks repayable on demand (Secured)	32,640.36	28,258.86
Foreign Currency Buyers Credit Arrangement from Banks (Unsecured)	2,443.28	7,704.47
	35,083.64	35,963.33

9.1 Working Capital Loans are secured by hypothecation of present and future stock of raw materials, stores and spares, book debts and other receivables and have Second Charge on Fixed Assets of the Company and personal guarantee of some of the Directors.

Of the above ₹ 3,000.00 Lacs (Pr.Yr. ₹ 3,000.00 Lacs) are secured by first hypothecation/ pari-passu charge on the stock and receivables of the project at Jhabua site.

10 TRADE PAYABLES

(₹ In Lacs)

Particulars	As at 31 March 2014	As at 31 March 2013
Trade Payables	49,559.34	25,254.61
(Refer Note 47 for Micro, Small & Medium Enterprises disclosure)		
	49,559.34	25,254.61

11 SHORT TERM PROVISIONS

(₹ In Lacs)

Particulars	As at 31 March 2014	As at 31 March 2013
Provision for Employee Benefits (Refer Note 37)		
Provision for Compensated Absences	13.60	41.93
Provision for Gratuity (Net)	18.44	-
Other Provisions		
Proposed Dividend	163.50	147.30
Tax on Dividend	27.79	25.03
Provision for Wealth Tax	2.79	3.20
	226.12	217.46

Notes to Financial Statements for the Year Ended 31 March 2014

12 FIXED ASSETS

12.1 Current Year

Description	Gross Block			Depreciation/ Amortisation			Net Block	
	As At 01.04.2013	Additions	Deduction/ Adjustment	As At 31.03.2014	As At 01.04.2013	Additions	Deduction/ Adjustment	As At 31.03.2014
A TANGIBLE ASSETS :								
Freehold Land	155.62	-	-	155.62	-	-	-	155.62
Leasehold Land	40.37	-	-	40.37	1.63	0.41	-	38.33
Buildings	2,403.17	14.50	-	2,417.67	553.79	92.38	-	1,771.50
Plant and Machinery	17,732.42	1,965.48	676.63	19,021.27	10,463.32	1,541.37	596.95	7,613.53
Computer and Printer	569.77	23.25	6.85	586.17	293.64	116.30	6.52	182.75
Furniture and Fixtures	782.45	24.08	38.49	768.04	297.47	84.28	8.04	394.33
Office Equipment	370.28	54.01	1.92	422.37	158.32	33.24	0.88	231.69
Vehicles	1,181.98	59.03	57.31	1,183.70	756.70	116.49	39.65	350.16
Temporary Office Construction	938.27	340.61	-	1,278.88	769.57	317.32	-	191.99
Total Tangible Assets	24,174.33	2,480.96	781.20	25,874.09	13,294.44	2,301.78	652.04	10,929.90
B INTANGIBLE ASSETS:								
Computer Softwares	706.86	49.60	-	756.46	289.58	136.87	-	330.01
Total Intangible Assets	706.86	49.60	-	756.46	289.58	136.87	-	330.01
C Capital Work-In-Progress								733.40
Total Fixed Assets (A)+(B)+(C)	24,881.19	2,530.56	781.20	26,630.55	13,584.02	2,438.65	652.04	11,993.31

12.2 Previous Year

Description	Gross Block			Depreciation/ Amortisation			Net Block	
	As At 01.04.2012	Additions	Deduction/ Adjustment	As At 31.03.2013	As At 01.04.2012	Additions	Deduction/ Adjustment	As At 31.03.2013
A TANGIBLE ASSETS :								
Freehold Land	166.90	-	11.28	155.62	-	-	-	155.62
Leasehold Land	40.37	-	-	40.37	1.22	0.41	-	38.74
Buildings	2,524.11	12.79	133.72	2,403.17	481.12	99.35	26.67	1,849.38
Plant and Machinery	17,658.94	200.55	127.07	17,732.42	8,646.79	1,919.01	102.47	7,269.10
Computer and Printer	539.24	242.14	211.61	569.77	247.69	168.84	122.88	276.13
Furniture and Fixtures	711.45	78.69	7.69	782.45	210.41	93.67	6.60	484.98
Office Equipment	338.90	33.77	2.39	370.28	127.19	33.00	1.87	211.96
Vehicles	1,216.78	78.32	113.12	1,181.98	714.27	130.92	88.49	425.29
Temporary Office Construction	683.37	315.08	60.18	938.27	410.67	381.60	22.69	168.69
Total Tangible Assets	23,880.06	961.34	667.06	24,174.33	10,839.36	2,826.80	371.67	10,879.89
B INTANGIBLE ASSETS:								
Computer Softwares	690.66	16.19	-	706.86	156.34	133.24	-	417.28
Total Intangible Assets	690.66	16.19	-	706.86	156.34	133.24	-	417.28
C Capital Work-In-Progress								539.45
Total Fixed Assets (A)+(B)+(C)	24,570.72	977.53	667.06	24,881.18	10,995.69	2,960.04	371.67	11,836.62

Note for 12.1 & 12.2

- a) Charge against certain movable fixed assets like crawler and other cranes (included in Plant and Machinery) and certain immovable properties situated at CBD Belapur, New Mumbai (included in Building) have been created in favour of Tata Capital Ltd. in respect of the debenture issued by Gangakhed Sugar & Energy Ltd. to Tata Capital Ltd.
- b) Charge against certain immovable properties situated at Ramtek (Included in Freehold Land) have been created in favour of Oriental Bank of Commerce in respect of Corporate Guarantee given by Sunil Hitech Engineers Limited on behalf of one of its Subsidiary Company SEAM Industries Limited.

Notes to Financial Statements for the Year Ended 31 March 2014

13 NON -CURRENT INVESTMENTS (Long Term Investment)

(₹ In Lacs)

Particulars	As at 31 March 2014	As at 31 March 2013
A Trade Investments - Unquoted		
In Subsidiary Companies		
SEAM Industries Limited		
49,00,000 (Pr.Yr. 49,00,000) Equity Shares of ₹ 10/- each fully paid up	770.00	770.00
Sunilhitech India Infra Private Limited		
8,87,690 (Pr.Yr. NIL) Equity Shares of ₹ 10/- each fully paid up	88.77	-
Sunilhitech Solar (Dhule) Private Limited		
15,10,000 (Pr.Yr. NIL) Equity Shares of ₹ 10/- each fully paid up (Including 1 Share held with Nominee)	151.00	-
Investment in Partnership Firm *		
45% share in the partnership firm V. K. Realtors	284.77	258.04
[Includes accumulated share of loss ₹ 1.68 Lacs (Pr.Yr ₹ 0.69 Lacs) and interest on capital ₹ 27.72 Lacs (Pr.Yr. ₹ 27.72 Lacs)]		
B Other Investments - Unquoted		
In Subsidiary Companies		
Sunil Hitech Energy Private Limited		
24,42,960 (Pr.Yr. 24,42,960) Equity Shares of ₹ 10/- each fully paid up	247.89	247.89
SHEL Investments Consultancy Private Limited		
9,999 (Pr.Yr. 9,999) Equity Shares of ₹ 10/- each fully paid up (Pledged to zero coupon secured optionally convertible debenture holders of SHEL Investments Consultancy Private Limited)	1.00	1.00
In Associate Company		
Gangakhed Sugar and Energy Limited		
1,95,00,000 (Pr.Yr. 1,95,00,000) Equity Shares of ₹ 10/- each fully paid up (Pledged with banks against term loans to Gangakhed Sugar and Energy Limited and can not be sold/transferred till the loans are outstanding)	1,950.00	1,950.00
In Other Company		
Sudama Mahavir Power Private Limited		
100 (Pr.Yr. 100) Equity Shares of ₹ 10/- each fully paid up	0.01	0.01
C Other Investments - Quoted		
Investments in Mutual Fund		
Union KBC Capital Protection Oriented Fund - Growth Series 3 Regular Plan		
7,50,000 (Pr.Yr. NIL) units of ₹ 10/- each (Under Lien)	75.00	-
[Aggregate Market value of quoted investments ₹ 82.16 lacs (Pr.Yr. NIL)]		
	3,568.44	3,226.94
* Details of Investments in Partnership Firm		
Investment in V. K. Realtors		
Name of the partner and share in profits (%)		
Sunil Hitech Engineers Limited	45%	45%
Mr. Kunal N. Kuwadekar	30%	30%
Mrs. Meenakshi K. Kuwadekar	15%	15%
Mr. Tarun Surender Ahuja	10%	10%
Total Fixed Capital of the firm (₹ in Lacs)	283.00	283.00

Notes to Financial Statements for the Year Ended 31 March 2014**14 DEFERRED TAX ASSETS**

(₹ In Lacs)

Particulars	As at 31 March 2014	As at 31 March 2013
Depreciation	304.37	233.16
Provision for Doubtful Debts/ Deposits/ Advances	280.75	277.61
Disallowances under Income Tax Act to be allowed in future years	166.80	297.89
	751.92	808.66

15 LOANS AND ADVANCES (UNSECURED)

(₹ In Lacs)

Particulars	Non-Current (Long Term)		Current (Short Term)	
	As at 31 March 2014	As at 31 March 2013	As at 31 March 2014	As at 31 March 2013
Capital Advances (Considered Good)	412.15	427.01	-	-
Deposits				
Considered Good	1,595.16	1,509.47	1,427.36	1,338.48
Considered Doubtful	-	-	6.51	6.51
	1,595.16	1,509.47	1,433.87	1,345.00
Less: Provision for Doubtful Deposits	-	-	6.51	6.51
	1,595.16	1,509.47	1,427.36	1,338.48
Advances to Creditors				
Considered Good	-	-	9,739.49	3,625.48
Considered Doubtful	-	-	4.20	4.20
	-	-	9,743.69	3,629.68
Less: Provision for Doubtful Advances	-	-	4.20	4.20
	-	-	9,739.49	3,625.48
Loans and Advances to Related Parties (Considered Good)	-	-	618.85	301.00
Share Application Money to Subsidiary Company	683.73	-	-	-
Balances with Statutory/ Government Authorities				
Income Tax (Net of Provisions)	-	-	36.10	-
Service Tax Receivable	-	-	190.66	168.73
VAT Receivable	-	-	1,608.51	1,745.13
Prepaid Expenses	151.68	96.68	845.38	534.39
Advances Recoverable in Cash or in Kind	-	-	719.14	742.36
	2,842.72	2,033.16	15,185.49	8,455.57

16 OTHER ASSETS

(₹ In Lacs)

Particulars	Non-Current		Current	
	As at 31 March 2014	As at 31 March 2013	As at 31 March 2014	As at 31 March 2013
Interest Accrued on Fixed Deposits	44.97	92.28	353.41	348.70
Fixed Deposits with Banks (Under Lien) (Refer Note 20)	2,130.51	2,027.43	-	-
Due from Customers (Project related activity)	-	-	30,374.30	23,587.27
Assets Held for Sale	-	-	65.81	67.57
Long Term Trade Receivables - Considered Good	2,109.21	1,777.74	-	-
	4,284.69	3,897.45	30,793.52	24,003.54

Notes to Financial Statements for the Year Ended 31 March 2014

17 CURRENT INVESTMENT (Current portion of Long Term Investment)

(₹ In Lacs)

Particulars	As at 31 March 2014	As at 31 March 2013
Investments in Mutual Fund - Quoted		
Union KBC Fixed Maturity Plan - Series 8 - Regular Plan Growth		
2,50,000 (Pr.Yr. NIL) units of ₹ 10/- each (Under Lien)	25.00	-
[Aggregate Market value of quoted investments ₹ 26.52 lacs (Pr.Yr. NIL)]		
	25.00	-

18 INVENTORIES (As certified by the Management)

(₹ In Lacs)

Particulars	As at 31 March 2014	As at 31 March 2013
Raw Material and Components	11,450.72	6,849.74
Raw Material and Components (Goods in Transit)	-	25.23
Stores, Spare Parts and Loose Tools	2,256.52	2,391.67
Stores, Spare Parts and Loose Tools (Goods in Transit)	-	1.09
Land	243.69	243.69
	13,950.93	9,511.42

19 TRADE RECEIVABLES (UNSECURED)

(₹ In Lacs)

Particulars	Non-Current		Current	
	As at 31 March 2014	As at 31 March 2013	As at 31 March 2014	As at 31 March 2013
Over Six Months from the date it become due for payment				
Considered Good	-	-	2,140.42	1,994.59
Considered Doubtful	-	-	821.31	803.12
	-	-	2,961.73	2,797.71
Others- Considered Good	2,109.21	1,777.74	42,976.83	31,365.52
Debt Due from Companies in Which Director is Director/ Member	-	-	2,225.28	4,169.09
	2,109.21	1,777.74	48,163.84	38,332.32
Less : Provision for Doubtful Debts	-	-	821.31	803.12
Amount disclosed under Other Non Current Assets	2,109.21	1,777.74		
	-	-	47,342.53	37,529.20

Notes to Financial Statements for the Year Ended 31 March 2014

20 CASH AND BANK BALANCES

(₹ In Lacs)

Particulars	Non-Current		Current	
	As at 31 March 2014	As at 31 March 2013	As at 31 March 2014	As at 31 March 2013
Cash and Cash Equivalents (As per AS 3)				
Balances with Banks in Current Accounts			875.30	1,046.40
Cash on Hand			102.19	58.22
			977.49	1,104.62
Other Bank Balances				
Earmarked Balances with Banks				
- Unpaid Dividend	-	-	6.54	6.46
- Government Grants	-	-	12.00	70.07
Fixed Deposits with original maturity for more than 3 months and upto 12 months (Under Lien)	-	-	5,153.81	4,071.76
Fixed Deposits with original maturity for more than 12 months (Under Lien)	2,130.51	2,027.43	2,170.40	2,541.13
	2,130.51	2,027.43	7,342.75	6,689.42
Amount disclosed under Other Non-Current Assets	2,130.51	2,027.43		
	-	-	8,320.24	7,794.04

21 REVENUE FROM OPERATIONS

(₹ In Lacs)

Particulars	Year Ended 31 March 2014	Year Ended 31 March 2013
Revenue from Projects and Maintenance	81,865.56	80,146.32
Project Supply	60,999.41	28,777.51
(Refer Note 42 for Segmental Revenue) A	142,864.97	108,923.83
Other Operating Revenues		
Commission Received	71.79	32.73
Income from Crane Hire	91.28	241.18
Sale of Scrap	4.66	36.93
Metal (Boulder) and Other Sale	191.35	345.80
Insurance Claim Received	-	21.08
B	359.08	677.72
(A+B)	143,224.05	109,601.55

22 OTHER INCOME

(₹ In Lacs)

Particulars	Year Ended 31 March 2014	Year Ended 31 March 2013
Interest Income		
Bank Deposits	802.72	650.29
Capital in Partnership Business	27.72	27.72
Others	105.20	35.10
Profit on Sale/ Discard of Fixed Assets (Net)	-	32.68
Amount Written Back (Net)	7.14	94.92
Miscellaneous Incomes	50.86	57.78
	993.64	898.49

Notes to Financial Statements for the Year Ended 31 March 2014

23 PROJECT MATERIAL CONSUMED AND COST OF GOODS SOLD

(₹ In Lacs)

Particulars	Year Ended 31 March 2014	Year Ended 31 March 2013
Construction Materials	27,219.41	31,641.39
Project Materials	58,969.21	28,487.72
	86,188.62	60,129.11

Particulars	31 March 2014		31 March 2013	
	Amount	Percentage	Amount	Percentage
Indigenous	86,188.62	100.00%	60,036.41	99.85%
Imported	-	-	92.70	0.15%
Total	86,188.62	100.00%	60,129.11	100.00%

24 CONTRACT AND SITE EXPENSES

(₹ In Lacs)

Particulars	Year Ended 31 March 2014	Year Ended 31 March 2013
Construction, Erection, Fabrication and Maintenance	28,027.17	22,434.22
Hire Charges	1,669.98	1,329.35
Transportation Expenses	600.26	472.31
Stores and Spares	602.94	862.65
Other Site Expenses	1,545.39	1,332.35
	32,445.74	26,430.88

25 EMPLOYEE BENEFITS EXPENSE

(₹ In Lacs)

Particulars	Year Ended 31 March 2014	Year Ended 31 March 2013
Salary, Wages and Allowances	5,756.92	5,650.60
Contribution to Provident, Superannuation and Other Funds	371.09	349.25
Staff and Labour Welfare Expenses	464.24	431.88
	6,592.25	6,431.73

26 FINANCE COSTS

(₹ In Lacs)

Particulars	Year Ended 31 March 2014	Year Ended 31 March 2013
Interest Paid to Bank	4,512.55	4,155.68
Other Borrowings Cost	2,425.31	1,462.69
Interest on Service Tax	98.33	78.38
Interest Paid to Customers	373.17	135.59
Foreign Currency Transaction and Translation Loss (Net)	288.20	-
	7,697.56	5,832.34

Notes to Financial Statements for the Year Ended 31 March 2014**27 DEPRECIATION AND AMORTISATION EXPENSE**

(₹ In Lacs)

Particulars	Year Ended 31 March 2014	Year Ended 31 March 2013
Depreciation and Amortisation (Refer Note 12)	2,438.65	2,960.01
Less: Recoupment from Revaluation Reserve	0.88	0.92
	2,437.77	2,959.09

28 OTHER EXPENSES

(₹ In Lacs)

Particulars	Year Ended 31 March 2014	Year Ended 31 March 2013
VAT, Entry Tax and Service Tax	1,020.74	1,044.24
Rent	760.40	745.70
Travelling and Conveyance	548.45	509.19
Legal and Professional Fees	225.74	225.68
Provision for Doubtful Debts	18.19	125.66
Repairs to Machinery	191.72	210.83
Repairs to Building	111.11	74.34
Repairs - Others	204.51	175.98
Insurance	191.00	212.31
Power and Fuel	182.59	216.69
Communication	146.10	156.40
Rates and Taxes	87.43	89.46
Printing and Stationery	71.26	78.20
Exchange Rate Difference (Net)	638.42	52.52
Loss of Inventory by Fire	-	53.04
Loss from Partnership Business	0.99	0.69
Loss on Sale/ Discard of Fixed Assets (Net)	28.77	-
Loss on Sale of Non Current Investments (Non Trade)	-	0.06
Miscellaneous Expenses	376.29	379.24
	4,803.71	4,350.23

Notes to Financial Statements for the Year Ended 31 March 2014

29 EARNINGS PER SHARE (EPS)

The numerator and denominator used to calculate Basic and Diluted Earnings Per Share:

(₹ In Lacs)

Particulars		Year Ended 31 March 2014	Year Ended 31 March 2013
Basic and Diluted Earnings Per Share:			
Profit attributable to Equity Shareholders considered for Basic EPS (₹ in Lacs)	(A)	2,498.16	2,793.21
Add: Dilutive effect on profit (₹ in Lacs)	(B)	Nil	Nil
Profit attributable to Equity Shareholders for computing Diluted EPS (₹ in Lacs)	(C=A+B)	2,498.16	2,793.21
Weighted average number of Equity Shares outstanding considered for Basic EPS	(D)	1,23,19,544	1,22,75,160
Add: Dilutive effect of Options outstanding - Number of equity shares *	(E)	Nil	Nil
Weighted average number of Equity Shares considered for computing Diluted EPS	(F=D+E)	1,23,19,544	1,22,75,160
Nominal Value of Equity Shares (₹)		10.00	10.00
Basic Earnings Per Share (₹)		20.28	22.76
Diluted Earnings Per Share (₹)		20.28	22.76

There are no exceptional items, extraordinary items and discontinuing operations.

* The conversion of warrants to equity shares is "Anti- Dilutive" and hence effect of anti-dilutive Potential Equity Shares is ignored in calculating Diluted Earnings per Share.

30 COMMITMENTS

- Estimated amount of contracts remaining to be executed on capital account and not provided for, net of advances ₹ 33.98 Lacs (Pr.Yr. NIL)
- Other Commitments - Non cancellable operating Leases (Refer Note 40)

31 CONTINGENT LIABILITIES

(₹ In Lacs)

Particulars	31 March 2014	31 March 2013
a) Service Tax demand disputed, contested in appeal	1,580.12	1,598.24
b) Sales Tax demand disputed, contested in appeal	39.84	39.84
c) Customs Duty disputed	115.49	115.49
d) Guarantee given to Banks and Financial Institutions on behalf of -		
i) A subsidiary company	9,279.00	5,242.00
- Loans/ LC/ BG outstanding at the year end	7,507.41	3,539.25
ii) An Associate Company	2,500.00	2,500.00
- Loans outstanding at the year end	478.33	1,298.33
iii) Others	3,210.00	250.00
e) Claims against the Company not acknowledged as debts	101.37	101.37

32 REMUNERATION TO AUDITORS (EXCLUDING SERVICE TAX)

Particulars	31 March 2014	31 March 2013
Statutory Audit Fees	20.00	20.00
For Certification and Other Matters	6.95	5.28

Notes to Financial Statements for the Year Ended 31 March 2014**33 CIF VALUE OF IMPORTS**

(₹ In Lacs)		
Particulars	31 March 2014	31 March 2013
Raw Materials and Stock in Trade	-	9,647.32
Capital Goods	-	106.76

34 EXPENDITURE IN FOREIGN CURRENCY

(₹ In Lacs)		
Particulars	31 March 2014	31 March 2013
Interest	60.72	62.17
Professional Services	27.05	-
Travelling and Others	-	5.25

35 REMITTANCE IN FOREIGN CURRENCY ON ACCOUNT OF DIVIDEND

(₹ In Lacs)		
Particulars	31 March 2014	31 March 2013
Year to which the dividend relates	2012-13	2011-12
Number of non-resident shareholders	239	284
Number of shares held by them	12,86,226	12,76,521
Amount of dividend	15.43	15.32

The Company has paid dividend in respect of shares held by Non-Resident Shareholders, on repatriation basis. This inter-alia includes portfolio investment and direct investment, where the amount is also credited to Non-Resident External A/c. The exact amount of dividend remitted in foreign currency can not be ascertained.

36 EARNINGS IN FOREIGN CURRENCY

(₹ In Lacs)		
Particulars	31 March 2014	31 March 2013
Exports at FOB Value	-	3776.12

37 EMPLOYEE BENEFITS

As required by Accounting Standard-15 "Employee Benefits" the disclosures are as under:

Defined Contribution Plans:

The Company offers its employees defined contribution plans in the form of Provident Fund (PF) and Employees' Pension Scheme (EPS) with the Government and certain state plans such as Employees' State Insurance (ESI). PF and EPS covers substantially all regular employees and the ESI covers eligible workers. Contributions are made to the Government's funds. While both the employees and the Company pay predetermined contributions into the PF and the ESI Scheme, contributions into the EPS is made only by the Company. The contributions are normally based on a certain portion of the employee's salary.

During the year, the Company has recognised the following amounts in the Accounts:

(₹ In Lacs)		
Particulars	31 March 2014	31 March 2013
Provident Fund, Employees' Pension Scheme and Labour Welfare Fund	315.69	312.68
Employees' State Insurance	26.49	21.64
TOTAL	342.18	334.32

Defined Benefit Plans**Leave Encashment:**

The Company employees are entitled for compensated absences which are allowed to be accumulated and encashed as per the Company rules.

The Liability of compensated absences, which is non funded, has been provided based on the report of independent actuary using the "Projected Unit Credit Method" in respect of past services. Accordingly ₹ 226.54 Lacs (Pr.Yr. ₹ 246.03 Lacs) being the liability as at the year end for compensated absences have been provided in the accounts.

Notes to Financial Statements for the Year Ended 31 March 2014

Gratuity:

The Employees' Gratuity Fund scheme is a defined benefits plan. The present value of obligation is determined based on the actuarial valuation, using the "Projected Unit Credit Method", which recognises each period of services as giving rise to additional unit of employee benefits entitlement and measures each unit separately to build up the final obligation.

The Company makes contributions to the Employees' Group Gratuity-cum Life Assurance (Cash Accumulation) Scheme of the LIC, a funded defined benefit plan for employees. The scheme provides for payment to employees as under:

- i) On normal retirement/ early retirement/ withdrawal/ resignation:
As per the provisions of The Payment of Gratuity Act, 1972 with vesting period of 5 years of service.
- ii) On the death in service:
As per the provisions of The Payment of Gratuity Act, 1972 without any vesting period.

Disclosures for defined benefit plans i.e. Gratuity (Funded Plan) based on actuarial reports as on 31 March 2014:

(₹ In Lacs)

Particulars	31 March 2014	31 March 2013
i) Changes in Defined Benefit Obligation		
Opening defined benefit obligation	253.18	229.94
Current service cost	66.93	54.99
Interest cost	19.40	23.95
Actuarial loss/ (gain)	(42.82)	(42.12)
Benefits (paid)	(27.23)	(13.57)
Closing defined benefit obligation	269.46	253.18
ii) Changes in Fair Value of Assets		
Opening fair value of plan assets	243.40	229.72
Expected return on plan assets	20.76	18.50
Actuarial gain/ (loss)	(0.93)	8.71
Contributions of employer	15.02	0.05
Benefits (paid)	(27.23)	(13.57)
Closing fair value of plan assets	251.02	243.40
iii) Amount recognised in the Balance Sheet		
Present value of the obligations as at year end (Funded + Non Funded)	269.46	253.18
Fair value of the plan assets as at year end	(251.02)	(243.40)
Net (asset)/ liability recognised as at the year end	18.44	9.78
iv) Expenses recognised in the Statement of Profit and Loss		
Current service cost	66.93	54.99
Interest on defined benefit obligation	19.40	23.95
Expected return on plan assets	(20.76)	(18.50)
Net actuarial loss/ (gain) recognised in the current year	(41.88)	(50.83)
Total expenses	23.69	9.61
v) Asset information (% Allocation)		
Government of India Securities	Nil	Nil
Corporate Bonds	Nil	Nil
Special Deposit Scheme	Nil	Nil
Insurer Managed Funds	100%	100%
Others	Nil	Nil
vi) Principal actuarial assumptions used		
Discount Rate (p.a.)	9.00%	8.10%
Expected Rate of Return on Plan Assets (p.a.)	8.75%	7.50%
Salary Escalation Rate (p.a.)	6.00%	6.00%

The estimate of future increase in compensation levels considered in the actuarial valuation takes into account inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

Notes to Financial Statements for the Year Ended 31 March 2014

38 DISCLOSURE PURSUANT TO ACCOUNTING STANDARD-7 "CONSTRUCTION CONTRACT" (REVISED)

(₹ In Lacs)

Particulars	31 March 2014	31 March 2013
Contract revenue recognised for the year	76,617.41	77,125.23
Aggregate amount of contract costs incurred and recognised profits (Less recognised losses) up to the year end for all contract in progress as at that date	2,38,741.33	2,37,663.05
Amount of customer advances received and outstanding for contracts in progress	8,327.63	5,817.19
Retention amount due from customers for contract in progress	16,447.11	13,952.85
Gross amount due from customers as at year end	30,374.30	23,587.27
Gross amount due to customers as at year end	211.24	984.30

39 DISCLOSURE FOR OPERATING LEASES UNDER ACCOUNTING STANDARD-19 "LEASES"

The Company has taken various residential/ office premises (including furniture and fittings, therein as applicable), under operating lease or leave and license agreements. These are generally cancellable under leave and license arrangements and are renewable by mutual consent on mutually agreeable terms. The company has given refundable interest free security deposits in accordance with the agreed terms. The lease payments of ₹ 987.43 Lacs (Pr.Yr. ₹ 755.55 Lacs) are recognised in the Statement of Profit and Loss.

The future lease payments and payment profile of non cancellable operating leases are as under.

(₹ In Lacs)

Particulars	31 March 2014	31 March 2013
Not later than one year	1,120.20	683.36
Later than one year but not later than five years	2,510.25	1,734.20
Later than five years	712.26	858.24

40 In terms of the requirements of the Accounting Standard-28 on "Impairment of Assets" issued by the Institute of Chartered Accountants of India, the amount recoverable against Fixed Assets has been estimated for the period by the management based on present value of estimated future cash flows expected to arise from the continuing use of such assets. The recoverable amount so assessed was found to be adequate to cover the carrying amount of the assets, therefore no provision for impairment in value thereof has been considered necessary, by the management.

41 SEGMENT REPORTING

I. Business Segments:

Business segments have been identified in line with Accounting Standard 17 - "Segment Reporting".

The Company's businesses are classified into following three primary business segments:

- Project
- Overhauling & Maintenance (O & M)
- Project Supply

Project Segment: This segment is engaged in the business of Fabrication, Erection and Commissioning of Boilers (Power Plants) ESP, Rotating Machineries, Sugar plants, Transmission and Distribution and EPC Contract and Balance of Plant (BOP).

O & M Segment: This segment is engaged in the business of Repair and Maintenance, Overhauling and Renovations of Boilers and auxiliaries, Ash Handling Systems etc.

Project Supply Segment: Supply of Projects related Steel and other materials at various Sites.

During the year Segment Reporting has been reconstituted in line with the revised reporting norms of the Company. Consequently, segment figures for the previous year have been regrouped.

Notes to Financial Statements for the Year Ended 31 March 2014

(₹ In Lacs)

Sr. No.	Particulars	31 March 2014	31 March 2013
1	Segment Revenue		
	(Net Sales/ Income from each segment)		
	a. Project	76,617.41	77,125.23
	b. Overhauling and Maintenance	5,248.15	3,021.09
	c. Project Supply	60,999.41	28,777.51
	Total	1,42,864.97	1,08,923.83
	Less: Intersegment Revenue	-	-
	Net Sales/ Income from Operations	1,42,864.97	1,08,923.83
2	Segment Results		
	(Profit before tax and finance cost)		
	a. Project	13,415.37	12,691.64
	b. Overhauling and Maintenance	738.86	480.26
	c. Project Supply	1,339.43	580.66
	Total	15,493.66	13,752.56
	Less:		
	i) Finance Cost	7,697.56	5,832.34
	ii) Other un-allocable expenditure net off un-allocable income	3,744.06	3,553.57
	Profit Before Tax	4,052.04	4,366.65
3	Capital Employed		
	(Segment Assets – Segment Liabilities)		
	(Based on reasonable estimate)		
	a. Project	65,648.80	37,491.82
	b. Overhauling and Maintenance	3,750.30	1,798.71
	c. Project Supply	(11,300.14)	(205.09)
	Total	58,098.96	39,085.44
	Less: Unallocated	26,571.30	10,603.78
	Total Capital Employed	31,527.66	28,481.66

II. Geographical Segments

Since company operates only in India, there are no geographical segments as defined in AS 17.

42 NOTE ON HEDGE AND UNHEDGED FOREIGN CURRENCY ASSETS AND LIABILITIES

During the year, the Company has entered into forward exchange contract, being derivative instruments for hedging purposes and not intended for trading or speculation purpose, to establish the amount of currency in indian rupees required at the settlement date of certain payables. There are no Forward Exchange Contracts outstanding as at the year end (Pr.Yr. NIL). The year end foreign currency exposures that have not been hedged by derivative instrument or otherwise are as below.

Particulars	Amount	Amount	Foreign Currency Amt in Lacs	Foreign Currency Amt in Lacs	Foreign Currency
	31 March 2014	31 March 2013	31 March 2014	31 March 2013	
Amount Receivable	3,903.14	3,777.00	64.94	69.44	USD
Amount Payable	7,619.13	11,432.55	126.77	210.20	USD
	399.88	338.49	4.84	4.87	EURO

Notes to Financial Statements for the Year Ended 31 March 2014

43 RELATED PARTY DISCLOSURE WITH WHOM TRANSACTIONS HAVE TAKEN PLACE DURING THE YEAR AS REQUIRED BY ACCOUNTING STANDARD - 18 ARE GIVEN BELOW:

Category I : Subsidiaries :	SEAM Industries Limited Sunilhitech India Infra Private Limited (Formerly Known as Ecological Road Construction Private Limited) Sunilhitech Solar (Dhule) Private Limited Sunil Hitech Energy Private Limited SHEL Investments Consultancy Private Limited
Category II : Associates :	Gangakhed Sugar & Energy Limited V. K. Realtors (Partnership Firm)
Category III : Joint Venture :	PBSPL - SHEL - JV
Category IV : Directors, Key Management Personnel and their Relatives:	Mr. Ratnakar Manikrao Gutte Mrs. Sudhamati Ratnakar Gutte Mr. Sunil Ratnakar Gutte Mr. Vijay Ratnakar Gutte Mr. Mohanan Narayanan Mattathil Mr. Venkataramana Condoor (w.e.f. 01 June 2013) Mrs. Swati Rajesh Phad
Category V : Enterprise over which persons covered under Category IV above are able to exercise significant control :	Gutte Infra Private Limited VRG Digital Corporation Private Limited RSV & Associates Kolhapur Green Energy Private Limited

A. Transactions with Related Parties During the Year are as Under*

(₹ In Lacs)

Sr. No.	Particulars	CATEGORY					TOTAL
		I	II	III	IV	V	
1	Investments made	239.77 (0.99)	- (258.72)	- -	- -	- -	239.77 (259.71)
2	Share Application Money Given	683.73 -	- -	- -	- -	- -	683.73 -
3	Sale of Investments	- (0.99)	- -	- -	- -	- -	- (0.99)
4	Sale of Investments to	- -	- -	- -	- (0.99)	- -	- (0.99)
5	Loans Given	452.85 -	- -	- -	- -	- -	452.85 -
6	Repayments of Loans Given	135.00 -	- -	- -	- -	- -	135.00 -
7	Advances Given	2,397.38 -	- -	- -	- -	- -	2,397.38 -
8	Capital Advances Given	- -	- -	- -	- (116.79)	- -	- (116.79)
9	Advances Received for Contracts and Projects	- -	73.50 (269.21)	- -	- -	1,080.02 (852.75)	1,153.52 (1,121.96)
10	Repayment of Advances Given	- (247.00)	- -	- -	- -	- -	- (247.00)
11	Purchases (Net)	6,658.47 (1,258.71)	- -	- -	- -	- -	6,658.47 (1,258.71)

Notes to Financial Statements for the Year Ended 31 March 2014

(₹ In Lacs)

Sr. No.	Particulars	CATEGORY					TOTAL
		I	II	III	IV	V	
12	Sales of Goods/ Contract Revenue & Services	208.82 (360.39)	586.59 (911.91)	- (261.15)	- -	1,072.80 (1,715.46)	1,868.21 (3,248.91)
13	Remuneration to Directors (Including Perquisites)	- -	- -	- -	397.43 (356.04)	- -	397.43 (356.04)
14	Dividend Paid	- -	- -	- -	78.38 (78.40)	- -	78.38 (78.40)
15	Rent Paid	- -	- -	- -	140.28 (157.60)	- -	140.28 (157.60)
16	Commission Income	71.79 (32.73)	- -	- -	- -	- -	71.79 (32.73)
17	Interest Income	57.08 (33.00)	27.72 -	- -	- -	- -	84.80 (33.00)
18	Expenses reimbursement to	3.42 (6.17)	59.83 (80.39)	7.42 -	- -	14.42 -	85.08 (86.56)
19	Expenses reimbursement from	334.63 (7.29)	1.45 (106.20)	- -	- -	5.11 -	341.18 (113.49)
20	Guarantees given to Banks & Financial Institutions on Behalf of	4,037.00 -	- -	- -	- -	- -	4,037.00 -
21	Share Warrant Application Money Received	- -	- -	- -	- -	739.13 (547.50)	739.13 (547.50)
22	Share Allotment against warrant	- -	- -	- -	- -	985.50 -	985.50 -

*Figures in brackets indicate previous year figures.

B. Out of the above items, transactions in excess of 10% of the total related party transactions are as under

(₹ In Lacs)

Sr. No.	Particulars	Category	31 March 2014	31 March 2013
1	Investments made			
	Sunilhitech India Infra Private Limited	I	88.77	-
	Sunilhitech Solar (Dhule) Private Limited	I	151.00	-
	V. K. Realtors	II	-	258.72
2	Sale of Investments			
	Sunilhitech India Infra Private Limited	I	-	0.99
3	Sale of Investments to			
	Mr. Sunil Ratnakar Gutte	IV	-	0.98
4	Loans Given			
	Sunilhitech India Infra Private Limited	I	452.85	-
5	Repayment of Loans Given			
	Sunilhitech India Infra Private Limited	I	135.00	-
6	Advances Given			
	Sunilhitech India Infra Private Limited	I	2,397.38	-

Notes to Financial Statements for the Year Ended 31 March 2014

(₹ In Lacs)

Sr. No.	Particulars	Category	31 March 2014	31 March 2013
7	Capital Advances Given			
	Mr. Ratnakar Manikrao Gutte	IV	-	29.20
	Mrs. Sudhamati Ratnakar Gutte	IV	-	29.20
	Mr. Sunil Ratnakar Gutte	IV	-	29.20
	Mr. Vijay Ratnakar Gutte	IV	-	29.20
8	Advances Received for Contracts and Projects			
	V. K. Realtors	II	-	269.21
	RSV & Associates	V	115.81	-
	Gutte Infra Private Limited	V	964.21	852.75
9	Advances Given Received Back			
	SEAM Industries Limited	I	-	247.00
10	Purchases (Net)			
	Sunilhitech India Infra Private Limited	I	4,951.04	-
	SEAM Industries Limited	I	1,707.43	1,258.71
11	Sales of Goods/ Contract Revenue & Services			
	SEAM Industries Limited	I	208.82	360.39
	Gangakhed Sugar & Energy Limited	II	-	383.10
	V. K. Realtors	II	565.25	518.52
	PBSPL - SHEL JV	III	-	261.15
	RSV & Associates	V	233.56	-
	Gutte Infra Private Limited	V	839.25	1,715.46
12	Remuneration to Directors (Incl Perquisites)			
	Mr. Ratnakar Manikrao Gutte	IV	84.00	92.40
	Mrs. Sudhamati Ratnakar Gutte	IV	48.00	48.00
	Mr. Sunil Ratnakar Gutte	IV	48.00	50.88
	Mr. Vijay Ratnakar Gutte	IV	48.00	50.88
	Mr. Mohanan Narayanan Mattathil	IV	51.00	79.06
	Mr. Venkataramana Condoor	IV	73.14	-
	Mr. S. K. K. Ramaiah	IV	-	34.82
13	Dividend Paid			
	Mr. Ratnakar Manikrao Gutte	IV	26.43	26.43
	Mrs. Sudhamati Ratnakar Gutte	IV	23.63	23.63
	Mr. Sunil Ratnakar Gutte	IV	20.14	20.14
	Mr. Vijay Ratnakar Gutte	IV	8.10	8.10
14	Rent Paid			
	Mr. Ratnakar Manikrao Gutte	IV	53.19	59.63
	Mrs. Sudhamati Ratnakar Gutte	IV	66.21	66.21
	Mr. Sunil Ratnakar Gutte	IV	17.94	17.94
15	Commission Income			
	SEAM Industries Limited	I	71.79	32.73
16	Interest Income			
	Sunilhitech India Infra Private Limited	I	24.08	-
	SEAM Industries Limited	I	33.00	33.00
	V. K. Realtors	II	27.72	-
17	Expenses reimbursement to			
	Gangakhed Sugar & Energy Limited	II	59.83	80.39
	Gutte Infra Private Limited	V	14.42	-

Notes to Financial Statements for the Year Ended 31 March 2014

(₹ In Lacs)

Sr. No.	Particulars	Category	31 March 2014	31 March 2013
18	Expenses reimbursement from			
	SEAM Industries Limited	I	115.98	-
	Sunilhitech India Infra Private Limited	I	210.89	-
	Gangakhed Sugar & Energy Limited	II		51.35
	V. K. Realtors	II	-	54.85
19	Guarantees given to Banks & Financial Institutions on Behalf of			
	SEAM Industries Limited	I	4,037.00	-
20	Share Warrant Application Money Received			
	Gutte Infra Private Limited	V	369.56	273.75
	VRG Digital Corporation Private Limited	V	369.56	273.75
21	Share Allotment against warrant			
	Gutte Infra Private Limited	V	492.75	-
	VRG Digital Corporation Private Limited	V	492.75	-
22	Share Application Money Given			
	Sunilhitech India Infra Private Limited	I	683.73	-

C. Balances Due From/ To the Related Parties as at 31st March 2014*

(₹ In Lacs)

Sr. No.	Particulars	CATEGORY					TOTAL
		I	II	III	IV	V	
1	Investments	1,258.66 (1,018.89)	2,234.77 (2,208.03)	- -	- -	- -	3,493.43 (3,226.92)
2	Trade Receivables	- (119.63)	2,773.41 (4,372.59)	31.10 (684.46)	- -	117.77 (100.66)	2,922.28 (5,277.34)
3	Interest Receivables	21.65 -	- -	- -	- -	- -	21.65 -
4	Other Receivables	217.49 -	- -	- -	- -	1.84 -	219.32 -
5	Loans Given	618.85 (301.00)	- -	- -	- -	- -	618.85 (301.00)
6	Advances Given	2,397.38 -	- -	- -	- -	- -	2,397.38 -
7	Deposits Given	- -	- -	63.32 (63.32)	- -	- -	63.32 (63.32)
8	Capital Advances Given	- -	- -	- -	- (311.79)	- -	- (311.79)
9	Trade Payables	2,651.73 (1,112.19)	48.51 (29.80)	- -	- -	- -	2,700.24 (1,141.99)
10	Guarantees given to Banks & Financial Institutions on Behalf of	9,279.00 (5,242.00)	2,500.00 (2,500.00)	- -	- -	- -	11,779.00 (7,742.00)
11	Share Warrant Application Money	- -	- -	- -	- -	301.13 (547.50)	301.13 (547.50)
12	Share Application Money Given	683.73 -	- -	- -	- -	- -	683.73 -

*Figures in brackets indicate previous year figures.

Notes to Financial Statements for the Year Ended 31 March 2014**44 DISCLOSURE REQUIRED BY CLAUSE 32 OF THE LISTING AGREEMENT (AS CERTIFIED BY THE MANAGEMENT)****A. Interest-free loans and advances in the nature of loans to**

(₹ In Lacs)

Particulars	Outstanding at the year end		Maximum amount outstanding during the year	
	31 March 2014	31 March 2013	2013-14	2012-13
Sunil Hitech Energy Private Limited	1.00	1.00	1.00	1.00

B. Interest bearing Loans/ Advances in the nature of Loans/Advances to

(₹ In Lacs)

Particulars	Outstanding at the year end		Maximum amount outstanding during the year	
	31 March 2014	31 March 2013	2013-14	2012-13
SEAM Industries Limited	300.00	300.00	300.00	300.00
Sunilhitech India Infra Private Limited	317.85	-	452.85	-

Notes:

- Above Loans and Advances are repayable on demand.
- Loans and Advances to employees/ customers and investments by such employees/ customers in the shares of the company if any, are excluded from the above disclosure.

C. There is no investment by loanee in the shares of Parent Company/ Subsidiary Company.

45 The company has entered into a Joint Venture with Phenix Building Solutions Private Limited named as "PBSPL - SHEL - JV", a jointly controlled entity incorporated in India where in the company holds 49% interest.

Details of Company's interest in the aforesaid joint venture as per the requirement of AS-27 on Financial Reporting of Interest in Joint Venture is as under :

Financial Interest in Jointly Controlled Entity :

(₹ In Lacs)

Particulars	31 March 2014	31 March 2013
Assets	99.09	NA
Liabilities	99.09	NA
Income	48.18	NA
Expenditure	48.18	NA

46 Disclosure of Trade payables to Micro, Small and Medium Enterprises under Current Liabilities is based on the information available with the Company regarding the Status of the suppliers as defined under the "Micro, Small and Medium Enterprises Development Act, 2006" and relied upon by the Auditors. Amount outstanding (not overdue) as on 31 March 2014 to Micro, Small and Medium Enterprises on account of principal amount aggregate to ₹ 54.45 Lacs (Pr.Yr. ₹ 7.90 Lacs) and interest payable thereon ₹ Nil (Pr.Yr. ₹ Nil) and interest paid during the year ₹ Nil (Pr.Yr. ₹ Nil).

47 Balance of some of the Trade Receivables and Trade Payables are subject to confirmation/ reconciliation and adjustments, if any.

48 Previous year's figures are regrouped and recasted wherever required.

As per our report of even date attached
For Kapoor & Parekh Associates
Chartered Accountants

Nilesh Parekh
Partner

Shrikant Rikhe
Company Secretary

For and on behalf of Board of Directors

Ratnakar M. Gutte
Chairman and
Managing Director

Sunil R. Gutte
Joint Managing Director

Mumbai, 29 May 2014

Independent Auditors' Report

To
The Board of Directors of
SUNIL HITECH ENGINEERS LIMITED

We have audited the accompanying consolidated financial statements of **SUNIL HITECH ENGINEERS LIMITED** ("the Company") and its subsidiaries, its jointly controlled entities and associate companies, which comprise the consolidated Balance Sheet as at 31 March 2014, the consolidated Statement of Profit and Loss and consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Company in accordance with accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated 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 consolidated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and presentation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. 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 consolidated financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us and (i) based on consideration of non availability of audited financial statements of an associate and non incorporation of the same in consolidated financial statements as noted below in the "Emphasis of Matter" paragraph and (ii) based on the consideration of the reports of the other auditors on the financial statements of the subsidiaries, a joint venture and an associate and based on the consideration of the accounts being prepared and certified

by the management of a joint venture, which are unaudited, as noted below in the "Other Matters" paragraph, the aforesaid consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:

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

Emphasis of Matter

In case of Gangakhed Sugar and Energy Limited, an Associate of the Company the audited financial statements are not available, hence the same have not been incorporated in the consolidated financial statements of the current year (Refer note 32.2). Our opinion is not qualified in respect of this matter.

Other Matters

We did not audit the financial statements of:

- (a) Subsidiaries, whose financial statements reflect total assets of ₹ 23,972.48 Lacs as at 31 March 2014, total revenues of ₹ 20,063.51 Lacs and net cash inflows amounting to ₹ 240.85 Lacs for the year then ended ;
- (b) Joint Ventures, whose financial statements reflect total assets of ₹ 168.31 Lacs as at 31 March 2014, total revenues of ₹ 48.18 Lacs and net cash inflows amounting to ₹ 3.66 Lacs for the year then ended, being proportionate share in the joint ventures ;
- (c) An Associate whose financial statements include the Company's share of profit of ₹ Nil.

The above mentioned financial statements have been audited by other auditors whose reports have been furnished to us, and our opinion is based solely on the report of the other auditors except for the financial statements of a Joint Venture whose financial statements reflect total assets of ₹ 69.22 Lacs as at 31 March 2014, total revenues of ₹ Nil and cash inflow of ₹ 1.57 Lacs for the year then ended, being proportionate share in the joint venture, referred to in point (b) above, which are based on unaudited financial statements prepared as per the requirement of Indian GAAP and certified by the management of the said Joint venture. Our opinion is not qualified in respect of these matters.

For Kapoor & Parekh Associates
Chartered Accountants
ICAI FRN 104803W

Nilesh Parekh
Partner

Mumbai, 29 May 2014

Membership No. 33528

Consolidated Balance Sheet as at 31 March 2014

('₹ In Lacs)

Particulars	Note	As at 31 March 2014	As at 31 March 2013
Equity and Liabilities			
Shareholders' Funds			
Share Capital	3	1,362.52	1,227.52
Reserves and Surplus	4	32,987.02	29,408.20
Share Application Money Pending Allotment		100.00	-
Money Received Against Share Warrants	5	301.13	547.50
		34,750.67	31,183.22
Minority Interest		1,327.52	1,264.74
Non Current Liabilities			
Long Term Borrowings	6	6,254.39	5,070.37
Deferred Tax Liabilities	7	117.86	85.23
Other Long Term Liabilities	8	10,431.15	9,151.11
Long Term Provisions	9	260.76	257.77
		17,064.16	14,564.48
Current Liabilities			
Short Term Borrowings	10	39,149.29	39,746.38
Trade Payables	11	51,309.39	28,214.57
Other Current Liabilities	8	12,510.80	11,569.31
Short Term Provisions	12	230.26	221.39
		103,199.74	79,751.65
Total		156,342.09	126,764.09
Assets			
Non Current Assets			
Fixed Assets	13		
Tangible Assets		14,372.21	13,890.72
Intangible Assets		351.16	429.27
Capital Work-in-Progress		4,575.44	4,642.08
Incidental Expenses Pending Allocation		1,056.30	787.88
Goodwill on Consolidation		0.51	-
Non Current Investments	14	4,107.66	3,452.33
Deferred Tax Assets	15	754.31	808.66
Long Term Loans and Advances	16	2,287.30	2,253.87
Other Non Current Assets	17	4,284.69	3,897.45
		31,789.58	30,162.26
Current Assets			
Current Investments	18	25.00	-
Inventories	19	17,880.03	13,054.67
Trade Receivables	20	51,630.36	42,288.92
Cash and Bank Balances	21	9,125.48	8,181.80
Short Term Loans and Advances	16	13,938.19	9,060.57
Other Current Assets	17	31,953.46	24,015.87
		124,552.52	96,601.83
Total		156,342.09	126,764.09
Significant Accounting Policies	2		

The accompanying notes are an integral part of the Financial Statements.

As per our report of even date attached
For Kapoor & Parekh Associates
Chartered Accountants

For and on behalf of Board of Directors

Nilesh Parekh
PartnerShrikant Rikhe
Company SecretaryRatnakar M. Gutte
Chairman and
Managing DirectorSunil R. Gutte
Joint Managing Director

Mumbai, 29 May 2014

Consolidated Statement of Profit and Loss for the Year Ended 31 March 2014

(₹ In Lacs)

Particulars	Note	Year Ended 31 March 2014	Year Ended 31 March 2013
Revenue			
Revenue from Operations	22	157,464.67	125,281.69
Other Income	23	975.18	879.71
Total Revenue		158,439.85	126,161.40
Expenses			
Project Material Consumed and Cost of Goods Sold	24	94,310.41	71,810.32
Changes in Inventories of Work in Progress	25	(1,359.80)	(341.97)
Contract and Site Expenses	26	36,278.70	27,407.45
Employee Benefits Expense	27	7,613.49	7,126.25
Finance Costs	28	8,618.72	6,517.96
Depreciation and Amortisation Expense	29	2,827.43	3,304.91
Other Expenses	30	5,341.27	4,778.81
Total Expenses		153,630.22	120,603.73
Profit Before Tax		4,809.63	5,557.67
Tax Expenses			
-Current Tax			
Expenses for Current Year		1,699.95	2,038.58
Expenses Relates to Prior Years		50.65	233.69
-Deferred Tax		86.99	(321.20)
Profit/(Loss) for the year from Continuing Operations		2,972.04	3,606.60
Add : Share in profit of Associate Company		-	49.29
Less: Minority Interest		51.55	92.52
Profit for the period		2,920.49	3,563.37
There are no Exceptional, Extraordinary Items and Discontinuing operations.			
Earnings per share (Face Value ₹ 10/-)	31		
Basic (₹)		23.71	29.03
Diluted (₹)		23.71	29.03
Significant Accounting Policies	2		

The accompanying notes are an integral part of the Financial Statements.

As per our report of even date attached
For Kapoor & Parekh Associates
Chartered Accountants

Nilesh Parekh
Partner

Shrikant Rikhe
Company Secretary

For and on behalf of Board of Directors

Ratnakar M. Gutte
Chairman and
Managing Director

Sunil R. Gutte
Joint Managing Director

Mumbai, 29 May 2014

Statement of Cash Flow for the Year ended 31 March 2014 (Consolidated)

(₹ In Lacs)

Particulars	31 March 2014	31 March 2013
A CASH FLOW FROM OPERATING ACTIVITIES		
Profit Before Tax	4,809.63	5,557.67
Adjustment for :		
Depreciation and Amortisation Expense	2,827.43	3,304.91
Exchange Differences	638.42	52.52
Bad Debts/ Advances Written off	-	26.86
Provision for Doubtful Debts/ Advances	18.19	125.66
Loss on Sale of Non-Current Investments	-	0.06
Wealth Tax (Included in Other Expenses)	2.70	2.27
Loss of Inventory by Fire	-	53.04
Loss from Partnership Business	0.99	0.69
Amount Written Back	(7.14)	(104.22)
Loss (Profit) on Sale of Fixed Assets	28.77	(32.68)
Interest Expenses (Considered in Financing Activities)	8,547.66	6,517.96
Interest Incomes (Considered in Investing Activities)	(784.01)	(630.99)
Interest Income from Partnership Firm (Considered in Investing Activities)	(27.72)	(27.72)
Miscellaneous Expenditure Written off	-	1.19
Operating Profit before Working Capital Changes :	16,054.92	14,847.22
Decrease (Increase) in Inventories	(4,825.35)	(952.04)
Decrease (Increase) in Trade Receivables	(8,472.38)	(1,995.07)
Decrease (Increase) in Other Current Assets	(8,214.70)	(13,694.11)
Decrease (Increase) in Long Term Loans and Advances	3,258.27	663.95
Decrease (Increase) in Short Term Loans and Advances	(7,349.81)	(3,163.23)
Increase (Decrease) in Long Term Provisions	8.35	9.09
Increase (Decrease) in Short Term Provisions	(9.66)	(4.66)
Increase (Decrease) in Trade Payables	22,113.15	11,108.98
Increase (Decrease) in Other Non Current Liabilities	2,332.16	1,207.42
Increase (Decrease) in Other Current Liabilities	773.10	(3,977.49)
Cash Generated from Operations	15,668.05	4,050.06
Net Income Tax Paid	(1,925.81)	(1,761.87)
Net Cash Flow from (used in) Operating Activities (A)	13,742.24	2,288.19
B CASH FLOW FROM INVESTING ACTIVITIES		
Capital Expenditure on Fixed assets including Capital Advances	(3,237.24)	(2,032.66)
Decrease (Increase) in Incidental Expenditure Pending Allocation	(276.24)	(260.17)
Proceeds from sale of Fixed Assets	102.15	309.26
Investments in Associates	(550.00)	-
Investments in Other Company	(4.59)	-
Investments in Mutual Funds	(100.00)	-
Share Application Money Given	(683.73)	-
Bank Balances not considered as Cash and Cash Equivalent	(885.21)	(4,087.36)
Interest Received	795.77	475.26
Net Cash Flow from (Used in) Investing Activities (B)	(4,839.09)	(5,595.67)

Statement of Cash Flow for the Year ended 31 March 2014 (Standalone)

(₹ In Lacs)

Particulars	31 March 2014	31 March 2013
C CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Long Term Borrowings	605.43	4,637.32
Repayment of Long Term Borrowings	(973.94)	(3,038.44)
Proceeds (Repayment) of Short Term Borrowings	(1,166.44)	7,308.30
Proceeds from Issue of Equity Shares	11.72	-
Share Application Money Received	100.00	-
Money received against Share Warrants	739.13	547.50
Proceeds from Other Long Term Liabilities	667.77	1,304.14
Dividend Paid	(147.22)	(146.28)
Dividend Distribution Tax Paid	(25.03)	(23.90)
Interest Paid	(8,553.02)	(6,505.89)
Net Cash Flow from (Used in) Financing Activities (C)	(8,741.60)	4,082.75
Net Increase (Decrease) in Cash and Cash Equivalents (A+B+C)	161.55	775.26
Cash and Cash Equivalents as at the Beginning of the Year	1,163.84	388.58
Cash and Cash Equivalents as at the End of the Year	1,325.39	1,163.84
Components of Cash and Cash Equivalents		
Balances with Banks - in Current Accounts	1,194.62	1,086.57
Cheques/ Drafts on Hand	-	-
Cash on Hand	130.77	77.27
Total Cash and Cash Equivalents	1,325.39	1,163.84

Figures in brackets indicates outflow.

Significant Accounting Policies (Refer note 2)

The accompanying notes are an integral part of the Financial Statements.

As per our report of even date attached

For Kapoor & Parekh Associates

Chartered Accountants

Nilesh Parekh

Partner

Shrikant Rikhe

Company Secretary

For and on behalf of Board of Directors

Ratnakar M. Gutte

Chairman and
Managing Director

Sunil R. Gutte

Joint Managing Director

Mumbai, 29 May 2014

Notes to Consolidated Financial Statements for the Year Ended 31 March 2014

1 GENERAL INFORMATION :

Sunil Hitech Engineers Limited ("the Parent Company") is a public company domiciled in India and incorporated under the provisions of the Companies Act, 1956 (as amended by the Companies Act, 2013). Its shares are listed on two stock exchanges in India. The Parent Company is engaged in the business of Engineering, Procurement, Construction-(EPC), Fabrication, Erection, Overhauling, Maintenance, Trading and other related activities.

2 SIGNIFICANT ACCOUNTING POLICIES :

2.1 Basis of Accounting :

2.1.1 The consolidated financial statements (CFS) comprises the financial statements of the parent company, its subsidiaries, associates and joint ventures (hereinafter referred to as " the Group"). The financial statements of the subsidiaries, associates and Joint Ventures used in the consolidation are drawn up to the same reporting date as that of the Parent Company, namely 31 March 2014.

2.1.2 The accompanying financial statements have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The company has prepared these financial statements to comply in all material respects with the accounting standards notified under the Companies (Accounting Standards) Rules, 2006, (as amended) and the relevant provisions of the Companies Act, 1956 (to the extent applicable) and the Companies Act, 2013 (to the extent notified). The financial statements have been prepared on an accrual basis and under the historical cost convention unless otherwise specified. The accounting policies adopted in the preparation of financial statements are consistent with those of previous year unless otherwise specified.

2.2 Principles of consolidation :

2.2.1 The Financial statements of the Parent Company and its subsidiaries have been consolidated in accordance with the Accounting Standard 21 "Consolidated Financial Statements", on line by line basis by adding together the book value of like items of assets, liabilities, income and expenses, after fully eliminating intra-group transactions and unrealised profits/ losses.

2.2.2 The financial statements of the Parent Company and its subsidiaries have been consolidated using uniform accounting policies for like transactions and other events in similar circumstances.

2.2.3 The excess of cost to the Parent Company of its investment in the subsidiaries, on the acquisition dates over and above the Parent Company's share of equity in the subsidiaries, is recognised in the financial statements as Goodwill on Consolidation and carried forward in the accounts. The said Goodwill is not amortised, however, it is tested for impairment at each Balance Sheet date and the impairment loss, if any, is provided for.

2.2.4 Minority Interest's share of the net profit of consolidated subsidiaries for the year is identified and adjusted against the income of the group in order to arrive at the net income attributable to the shareholders of the Parent Company.

2.2.5 Minority Interest's share of net assets of consolidated subsidiaries is identified and presented in the consolidated balance sheet separate from liabilities and the equity of the shareholders of the Parent Company.

2.2.6 Investment in associate companies have been accounted for, by using equity method in accordance with Accounting Standard 23 "Accounting for Investment in Associates in Consolidated Financial Statements" whereby investment is initially recorded at cost, identifying any Goodwill or Capital Reserve arising at the time of acquisition and the carrying amount is adjusted thereafter for post acquisition change in the Parent Company's share of net assets of the associate. The carrying amount of the investment in the associate company is reduced to recognise any decline which is other than temporary in nature.

2.2.7 Interest in Joint Ventures have been accounted by using the proportionate consolidation method as per Accounting Standard 27 - "Financial Reporting of Interest in Joint Ventures".

2.3 Use of Estimates :

Preparation of financial statements in conformity with Generally Accepted Accounting Principles (Indian GAAP), requires estimates and assumptions to be made, that affect reported amounts of assets and liabilities on the date of financial statements and reported amount of revenues and expenses during the year. Actual results could differ from these estimates and differences between the actual results and estimates are recognised in the year in which results are known/ materialised.

Notes to Consolidated Financial Statements for the Year Ended 31 March 2014

2.4 Inventories :

Inventories are stated at lower of cost and net realisable value. Cost of inventories comprises of cost of purchase, cost of conversion and other costs incurred in bringing them to their respective present location and condition. Cost of inventories is ascertained on the FIFO basis. Tools are written off based on technical evaluation.

2.5 Cenvat, Service Tax and VAT Credit :

Cenvat, Service Tax and VAT credits receivable/ availed are treated as an asset with relevant expenses being accounted net of such credits, and the same are reduced to the extent of their utilisations.

2.6 Cash Flow Statement:

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

2.7 Cash And Cash Equivalents:

Cash and Cash Equivalents for the purpose of cash flow statement comprise of cash on hand and cash at bank including fixed deposit with original maturity period of three months or less and short term highly liquid investments with an original maturity of three months or less.

2.8 Fixed Assets :

Tangible assets are stated at cost of acquisition, installation or construction including other direct expenses incurred to bring the assets to its working condition for its intended use, less accumulated depreciation/ amortisation/ impairment losses (if any) adjusted by revaluation of certain fixed assets.

Intangible assets are stated at cost of acquisition less accumulated amortisation and impairment loss, if any. Intangible assets are recognised only if it is probable that the expected future economic benefits that are attributable to the assets will flow to the enterprise and the cost of the assets can be measured reliably.

Incidental Expenditure during Construction period in case of subsidiaries :

Incidental expenditure incurred on the project/ assets during construction/ implementation is capitalised and apportioned to project/ assets on commissioning.

Interest during construction period and other attributable "incidental expenditure pending allocation" are allocated to the asset/ part of the asset being capitalised on pro-rata basis to their capital expenditure incurred.

2.9 Depreciation and Amortisation :

Depreciation is provided on written down value method in the manner and at the rates prescribed in Schedule XIV of the Companies Act, 1956.

Premium on the leasehold land is amortised over the period of lease.

Computer Software is amortised equally over a period of five years, from the date of purchase.

In case of revalued assets, the difference between depreciation based on revaluation and depreciation charged on historical cost is recouped out of the revaluation reserve.

In case of the Parent Company, Fixed assets individually costing upto ₹ 0.05 Lacs are fully depreciated in the year of purchase.

2.10 Revenue Recognition :

Contract revenue is recognised by reference to the stage of completion of the contract activity at the reporting date of the financial statements on the basis of "percentage of completion method". The stage of completion of contracts is measured by reference to the proportion that contract costs incurred for work performed up to the reporting date bear to the estimated total contract costs for each contract. An expected loss on construction contract is recognised as an expense immediately. Price escalation, other claims and variation in the contract work are included in contract revenue at the time of acceptance / settlement by the customers due to uncertainties attached thereto.

Contract revenue earned in excess of billing has been reflected under "Other current assets" and billing in excess of contract revenue has been reflected under "Other Current Liabilities" in the balance sheet.

Notes to Consolidated Financial Statements for the Year Ended 31 March 2014

Revenue from sale of goods is recognised when all significant risk and rewards of ownership of products are transferred to the buyers which are usually at the point of dispatch to customers. Sales are net of discounts, sales tax and returns.

Revenue from service related activities including hire charges are recognised in accordance with the terms of the agreement upon rendering of such services.

Commission income is recognised as per contracts/ receipt of credit notes.

Dividend income is recognised when the right to receive dividend is established. Interest income is recognised on time proportion basis.

Revenue is recognised when there is reasonable certainty of its realisation.

2.11 Foreign Currency Transactions :

Foreign currency transactions are recorded at the exchange rates prevailing on the date of the transaction. The net gain or loss on account of exchange differences arising on settlement of foreign currency transactions and/ or restatements are dealt with in the Statement of Profit and Loss as income or expenses of the period in which they arise.

Monetary assets and liabilities denominated in foreign currencies at the Balance Sheet date are reported using the rate prevailing as on that date. The resultant exchange differences are recognised in the Statement of Profit and Loss.

In respect of the Forward Exchange contracts with underlying transaction, the premium or discount arising at the inception of such contracts are recognised as expenses or income over the life of the contract.

2.12 Government Grant :

Grants and Subsidies from the Government are recognized when there is a reasonable assurance that (i) the company will comply with the conditions attached to them, and (ii) the grant/ subsidy will be received.

Government Grants related to revenue are recognised on a systematic basis in the Statement of Profit and Loss over the periods necessary to match them with the related costs, which they are intended to compensate. If not related to a specific expenditure, it is taken as income.

2.13 Investments :

Investments which are readily realisable and intended to be held for not more than one year from the date on which such investments are made are classified as current investments. All other investments are classified as long term investments.

Trade investments are the investments made for or to enhance the Company's business interests.

Long term Investments are carried individually at cost., less provision for diminution, other than temporary, in the value of such investments. Cost of investments includes expenses directly incurred on acquisition of investments.

Current investments are carried individually at lower of cost and fair value.

2.14 Employee Benefits :

Short-term Benefits

These are recognised as an expense at the undiscounted amount in the Statement of Profit and Loss of the period in which the related services are rendered. Short term compensated absences are provided for based on actuarial valuation in accordance with Company's rules.

Post Employment Benefits

Company's contribution for the period paid/ payable to defined contribution retirement benefit schemes are charged to Statement of Profit and Loss.

Company's liability towards defined benefit plans viz. gratuity is determined using the Projected Unit Credit Method as per the valuation carried out at the Balance Sheet date.

Defined benefit in the form of compensated absences is provided for based on actuarial valuation at the year-end in accordance with Company's policy.

Notes to Consolidated Financial Statements for the Year Ended 31 March 2014

2.15 Borrowing Costs :

Borrowing costs that are attributable to the acquisition, construction or production of a qualifying asset are capitalised as cost of such assets. A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use. All other borrowing costs are charged to the Statement of Profit and Loss in the period in which they are incurred.

2.16 Segment Reporting:

The Company is engaged in the business of Engineering, Procurement, Construction-(EPC), Fabrication, Erection, Overhauling and Maintenance, Trading and Other related activities. These, in the context of Accounting Standard 17 on "Segment Reporting", as specified in the Companies (Accounting Standards) Rules, 2006, are considered to constitute different primary segments. Further, there is no reportable secondary segment i.e. Geographical Segment.

2.17 Operating Leases :

Assets taken/ given on lease under which all risks and rewards of ownership are effectively retained by the lessor are classified as operating lease. Lease payments/ income under operating leases are recognised as expenses/ income on accrual basis in accordance with the respective lease agreements.

2.18 Earnings Per Share :

Basic and diluted earnings per share are computed in accordance with Accounting Standard 20 - "Earnings per share"

Basic earning per share is calculated by dividing the net profit for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

2.19 Taxes on Income :

Tax expense comprises of current and deferred tax.

Current Tax on income is accounted on the basis of the provisions of the Income Tax Act, 1961.

Deferred tax resulting from timing differences between the book and tax profits for the year is accounted for using the tax rates and laws that have been enacted or substantively enacted as of the Balance Sheet date. The carrying amount of deferred tax assets are reviewed at each Balance Sheet date. The company writes down the carrying amount of deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realised.

2.20 Impairment of Assets :

The fixed assets are reviewed for impairment at each Balance Sheet date. An asset is treated as impaired when the carrying cost of the asset exceeds its recoverable value. An impairment loss is charged to Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognised in prior accounting periods is reversed if there has been a change in the estimate of recoverable amount.

2.21 Provisions, Contingent Liabilities and Contingent Assets :

Provisions are recognised only when there is present obligation as a result of past events and when a reliable estimate of the amount of obligation can be made. Contingent Liability is disclosed for (i) Possible obligations which will be confirmed only by future events not wholly within the control of the Company or (ii) Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of amount of the obligation cannot be made. Contingent Liabilities are not recognised but are disclosed in the notes. Contingent Assets are not recognised in the financial statements since this may result in the recognition of income that may never be realised.

Notes to Consolidated Financial Statements for the Year Ended 31 March 2014

3 SHARE CAPITAL

(₹ In Lacs)

Particulars	As at 31 March 2014	As at 31 March 2013
Authorised :		
2,50,00,000 (Pr.Yr. 2,50,00,000) Equity shares of ₹ 10/- each	2,500.00	2,500.00
Issued, Subscribed and Fully Paid-up :		
1,36,25,160 (Pr.Yr. 1,22,75,160) Equity shares of ₹ 10/- each fully paid up	1,362.52	1,227.52
	1,362.52	1,227.52

3.1 Reconciliation of the shares outstanding at the beginning and at the end of the year.

Particulars	As at 31 March 2014		As at 31 March 2013	
	No. of Shares	₹ in Lacs	No. of Shares	₹ in Lacs
Equity shares at the beginning of the year	12,275,160	1,227.52	12,275,160	1,227.52
Add: Allotment during the year against warrants	1,350,000	135.00	-	-
Equity shares outstanding at the end of the year	13,625,160	1,362.52	12,275,160	1,227.52

3.2 Terms/ Rights attached to equity shares

The Company has only one class of equity shares with voting rights having a par value of ₹ 10 per share. The Company declares and pays dividends in Indian rupees. The final dividend proposed by the Board of Directors is subject to approval of the shareholders at the ensuing Annual General Meeting.

During the year ended 31 March 2014, the amount of per share dividend recommended as distributions to equity shareholders is ₹ 1.20 (Pr.Yr. ₹ 1.20).

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

3.3 The details of shareholders holding more than 5% of Equity Shares in the company.

Particulars	As at 31 March 2014		As at 31 March 2013	
	No. of Shares	% holding	No. of Shares	% holding
Mr. Ratnakar Manikrao Gutte	2,202,500	16.16%	2,202,500	17.94%
Mrs. Sudhamati Ratnakar Gutte	1,968,750	14.45%	1,968,750	16.04%
Mr. Sunil Ratnakar Gutte	1,678,740	12.32%	1,678,740	13.68%
Bessemer Venture Partners Trust	1,100,000	8.07%	1,100,000	8.96%
Mr. Vijay Ratnakar Gutte	675,000	4.95%	675,000	5.50%

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.

3.4 Reserved Shares and Terms of Warrants

The convertible warrant holders have the option to convert their warrants into 16,50,000 (Pr.Yr. 30,00,000) equity shares of ₹ 10/- each at the terms and conditions as referred in Note 5.

Notes to Consolidated Financial Statements for the Year Ended 31 March 2014

4 RESERVES AND SURPLUS

(₹ In Lacs)

Particulars	As at 31 March 2014	As at 31 March 2013
Capital Reserve	863.26	863.26
Securities Premium Account		
Balance as per the last Financial Statements	12,311.81	12,310.60
Add: Premium on account of Issue of shares against conversion of Warrants	850.50	
Add: Share in security premium of the Associates	-	1.21
	13,162.31	12,311.81
Revaluation Reserve		
Balance as per the last Financial Statements	56.70	57.62
Less: Amount transferred to the Statement of Profit and Loss as reduction from depreciation	0.87	0.92
	55.83	56.70
General Reserve		
Balance as per the last Financial Statements	1,592.35	1,382.91
Add: Transferred from Statement of Profit and Loss	187.36	209.44
	1,779.71	1,592.35
Surplus in the Statement of Profit and Loss		
Balance as per last Financial Statements	14,584.07	11,402.48
Profit for the year	2,920.49	3,563.37
Less: Appropriations		
Proposed dividend on equity shares	163.50	147.30
Tax on proposed equity dividend	27.79	25.03
Transfer to General Reserve	187.36	209.44
Total appropriations	378.65	381.77
Net Surplus in the Statement of Profit and Loss	17,125.91	14,584.08
	32,987.02	29,408.20

5 MONEY RECEIVED AGAINST SHARE WARRANTS

5.1 The members at the Extra Ordinary General Meeting held on 31 January 2013 has authorized the Board/ Committee thereof, to create, offer, issue and allot on preferential basis (i) 30,00,000 warrants convertible into equity shares to the Promoters Group, Persons acting in concert with Promoters or Companies under Promoters Group and (ii) 49,50,000 warrants convertible into equity shares to the Foreign Institutional Investors (FIIs) and/ or Sub Account of FIIs.

5.2 Terms attached to equity warrants

The warrant entitles the holder to subscribe for one equity share of ₹ 10/- each at the premium of ₹ 63/- per equity share which is determined in accordance with the provisions of SEBI (Issue of Capital & Disclosure Requirements) Regulations, 2009.

On 14th February 2013 warrants aggregating to 30,00,000 has been allotted to promoter group after receiving ₹ 18.25, being 25% of ₹ 73/-, per warrant.

On 20th March 2014 the Company allotted 13,50,000 equity shares to promoter group, on conversion of 13,50,000 warrants, after receiving balance ₹ 54.75, being 75% of ₹ 73/-, per warrant.

The holders of remaining 16,50,000 warrants have an option to apply for and be allotted one equity share of the Company per warrant before the expiry of 18 months from date of allotment. If the option is not exercised as aforesaid amount paid on such warrants shall stand forfeited.

The warrant holders shall also be entitled to any future bonus/ rights issue(s) of equity shares or other securities convertible into equity shares by the Company in the same proportion and manner as any other shareholders of the Company for the time being. The Equity shares to be allotted on conversion of warrants shall rank pari passu in all respects with the existing equity shares of the Company.

Notes to Consolidated Financial Statements for the Year Ended 31 March 2014**6 LONG TERM BORROWINGS**

(₹ In Lacs)

Particulars	Non-current		Current	
	As at 31 March 2014	As at 31 March 2013	As at 31 March 2014	As at 31 March 2013
Rupee Term Loans (Secured)				
From Banks	3,268.43	1,699.01	593.20	2,076.66
From Financial Institutions	556.38	1,181.79	635.51	835.00
Loans from related parties	1,229.58	989.57	-	-
Bonds/ Debentures (Secured)				
(1,200 Secured Optionally Fully Convertible Debentures of ₹ 1.00 Lac each)	1,200.00	1,200.00		-
	6,254.39	5,070.37	1,228.71	2,911.66
Amount disclosed under the head Other Current Liabilities as Current Maturities of Long-Term Debt (Refer Note 8)			1,228.71	2,911.66
	6,254.39	5,070.37	-	-

6.1 Term loan from Banks referred above to the extent of

- ₹ 419.03 Lacs (Pr.Yr. ₹ 499.18 Lacs) are secured by first mortgage/ pari-passu charge on the respective buildings situated at Pune and Nagpur.
- ₹ 1287.91 Lacs (Pr.Yr. ₹ 2,047.64 Lacs) are secured by first hypothecation/ pari-passu charge on the respective plant and machineries including Hydra's at various sites [including ₹ 816.00 Lacs (Pr.Yr. ₹ 1,126.00 Lacs) which are secured by collateral security of Land and Building, situated at Nagpur and Parli Vajinath, owned by Subsidiary Company SEAM Industries Limited].
- ₹ 98.15 Lacs (Pr.Yr. ₹ 121.26 Lacs) are secured by first hypothecation/ pari-passu charge on the respective Vehicles at various sites.
- ₹ 2,056.54 Lacs (Pr.Yr. ₹ 1,107.58 Lacs) are secured by exclusive charge over the project specific total assets including receivables of the Kolhapur T&D site.

6.2 Term loan from Financial Institutions referred above to the extent of:

- ₹ 1,167.96 Lacs (Pr.Yr. ₹ 1,975.15 Lacs) are secured by first hypothecation/pari-passu charge on the respective plant and machineries including Hydra's situated at various sites.
- ₹ 4.37 Lacs (Pr.Yr. ₹ 6.33 Lacs) are secured by first hypothecation/pari-passu charge on the respective Vehicles at various sites.
- ₹ 19.56 Lacs (Pr.Yr. ₹ 35.31 Lacs) are secured by first and exclusive hypothecation on the respective non consumable materials.

6.3 In respect of SHEL Investment Consultancy Private Limited, the redemption value of zero coupon debentures together with cost and other monies payable are secured (a) by pledged of 71,04,240 equity shares of ₹ 10/- each of Sunil Hitech Energy Private Limited held by SHEL Investment Consultancy Private Limited (b) by pledged of 9,999 equity shares of ₹ 10/- each of SHEL Investment Consultancy Private Limited held by Sunil Hitech Engineers Limited and (c) by pledge of 1 equity share of ₹ 10/- each of SHEL Investment Consultancy Private Limited held by Mr. Ratnakar Gutte.

6.4 Terms of redemption/ repayments:

- Term loans from banks and financial institutions are repayable from 2014-15 to 2022-23
- The debentures are optionally redeemable by the subscribers on or before 31 March 2020. In the event of the subscribers not exercising the option of conversion on or before 31 March 2020, the debentures can be redeemed on the date of redemption at par value plus 10% thereon.

Notes to Consolidated Financial Statements for the Year Ended 31 March 2014

6.5 Maturity profile and rate of interest on secured loan are as set out below.

For the Year Ended 31 March 2014

(₹ In Lacs)

Sr. No.	Particulars	Range of Interest Rate *	1-2 Years 2015-2016	2-3 Years 2016-2017	3-4 Years 2017-2018	Beyond Four Years 2018-2019 Onward
1	Property loan	13%-13.50%	101.97	115.32	15.54	96.02
2	Vehicle	5.75%-13.50%	30.94	7.31	5.49	1.31
3	Machinery	5%-16%	1,087.18	205.47	67.30	32.80
4	Non Consumable Materials	7.10%	1.61	-	-	-
5	Project Funding	13%	2,056.55	-	-	-
	Total		3,278.25	328.10	88.33	130.13

For the Year Ended 31 March 2013

(₹ In Lacs)

Sr. No.	Particulars	Range of Interest Rate *	1-2 Years 2014-2015	2-3 Years 2015-2016	3-4 Years 2016-2017	Beyond Four Years 2017-2018 Onward
1	Property loan	13%	91.12	102.84	116.06	108.46
2	Vehicle	5.75%-12.08%	38.96	9.35	2.34	-
3	Machinery	5.12%-14.85%	657.65	1,111.85	190.00	75.00
4	Non Consumable Materials	7.10%	357.59	-	-	-
5	Project Funding	13%	17.96	1.61	-	-
	Total		1,163.28	1,225.65	308.40	183.46

* Above Interest rates are Floating rates

7 DEFERRED TAX LIABILITIES

(₹ In Lacs)

Particulars		As at 31 March 2014	As at 31 March 2013
(Net Deferred Tax Liability in respect of Subsidiary Company)			
Deferred Tax Liability			
Depreciation		116.46	94.52
Disallowances under Income Tax Act to be allowed in future years		12.20	8.81
	A	128.66	103.33
Deferred Tax Asset			
Expenditure Disallowed under Income Tax Act	B	10.80	18.10
	A-B	117.86	85.23

8 OTHER LIABILITIES

(₹ In Lacs)

Particulars	Non-Current		Current	
	As at 31 March 2014	As at 31 March 2013	As at 31 March 2014	As at 31 March 2013
Current Maturities of Long-Term Debt	-	-	1,228.71	2,911.67
Interest Accrued but Not Due	-	-	143.73	86.90
Unpaid Dividends	-	-	6.54	6.46
(To be credited to Investor Education and Protection Fund when due)				
Other Advance Received	-	-	222.73	201.31
Security Deposit & Retention Money from Sub-Contractors	4,193.56	3,963.27	1,120.45	1,180.16
Advance from Customers	5,525.92	3,636.69	5,482.27	2,271.97
Due to Customers (Project related activity)	-	-	211.24	984.30
Income Tax Provisions (Net of Payments)	-	-	-	135.99
Sweat Money Payable to MSMC	-	-	1,841.00	1,841.00
Other Payables **	711.67	1,551.15	2,254.13	1,949.55
	10,431.15	9,151.11	12,510.80	11,569.31

** Includes statutory dues and payable against other contractual obligations.

Notes to Consolidated Financial Statements for the Year Ended 31 March 2014**9 LONG TERM PROVISIONS**

(₹ In Lacs)

Particulars	As at 31 March 2014	As at 31 March 2013
Provision for Employee Benefits (Refer Note 36)		
Provision for Gratuity (Net)	21.74	26.40
Provision for Compensated Absences	239.02	231.37
	260.76	257.77

10 SHORT TERM BORROWINGS

(₹ In Lacs)

Particulars	As at 31 March 2014	As at 31 March 2013
Working Capital Rupee Loans from Banks Repayable on Demand (Secured)	36,420.06	32,041.91
Foreign Currency Buyers Credit Arrangement from Banks (Unsecured)	2,443.28	7,704.47
ICD from Other Related Parties	210.95	-
Others (Unsecured)	75.00	-
	39,149.29	39,746.38

- 10.1 Working Capital Loans are secured by hypothecation of present and future stock of raw materials, stores and spares, book debts and other receivables and have second charge on Fixed Assets of the Company and personal guarantee of some of the Directors.

Of the above ₹ 3,000.00 Lacs (Pr.Yr. ₹ 3,000.00 Lacs) are secured by first hypothecation/ pari-passu charge on the stock and receivables of the project at Jhabua site.

11 TRADE PAYABLES

(₹ In Lacs)

Particulars	As at 31 March 2014	As at 31 March 2013
Trade Payables	51,309.39	28,214.57
(Refer Note 43 for Micro, Small and Medium Enterprises disclosure)		
	51,309.39	28,214.57

12 SHORT TERM PROVISIONS

(₹ In Lacs)

Particulars	As at 31 March 2014	As at 31 March 2013
Provision for Employee Benefits (Refer Note 36)		
Provision for Compensated Absences	16.37	45.27
Provision for Gratuity (Net)	19.81	0.59
Other Provisions		
Proposed Dividend	163.50	147.30
Tax on Dividend	27.79	25.03
Provision for Wealth Tax	2.79	3.20
	230.26	221.39

Notes to Consolidated Financial Statements for the Year Ended 31 March 2014

13 FIXED ASSETS

13.1 Current Year

Description	Gross Block			Depreciation/ Amortisation			Net Block	
	As At 01.04.2013	Additions	Deduction/ Adjustment	As At 31.03.2014	As At 01.04.2013	Additions	Deduction/ Adjustment	As At 31.03.2014
A Tangible Assets :								
Freehold Land	155.62	-	-	155.62	-	-	-	155.62
Leasehold Land	279.64	9.49	-	289.13	8.69	2.90	-	277.54
Buildings	4,122.46	434.77	-	4,557.23	923.16	235.48	-	3,398.59
Plant and Machinery	19,286.70	2,263.22	676.63	20,873.29	10,783.67	1,737.08	596.96	8,949.50
Computer and Printer	597.19	28.79	1.37	624.61	309.92	117.32	6.40	203.77
Furniture and Fixtures	820.65	30.65	38.49	812.81	313.62	88.54	8.01	418.66
Office Equipment	485.60	95.47	7.40	573.67	191.25	48.35	0.87	334.94
Vehicles	1,312.90	97.37	57.31	1,352.96	808.39	141.59	38.66	441.60
Temporary Office Construction	938.27	340.61	-	1,278.88	769.57	317.33	0.01	191.99
Total Tangible Assets	27,999.03	3,300.37	781.20	30,518.20	14,108.27	2,688.59	650.91	14,372.21
B Intangible Assets :								
Computer Softwares	726.86	61.60	-	788.46	297.59	139.71	-	351.16
Total Intangible Assets	726.86	61.60	-	788.46	297.59	139.71	-	351.16
C Capital Work-In-Progress								
Incidental expenses pending allocation (Refer Note 13.3)								4,575.44
Total Fixed Assets (A) + (B) + (C) + (D)	28,725.89	3,361.97	781.20	31,306.66	14,405.86	2,828.30	650.91	20,355.11

13.2 Previous Year

Description	Gross Block			Depreciation/ Amortisation			Net Block	
	As At 01.04.2012	Additions	Deduction/ Adjustment	As At 31.03.2013	As At 01.04.2012	Additions	Deduction/ Adjustment	As At 31.03.2013
A Tangible Assets :								
Freehold Land	166.90	-	11.28	155.62	-	-	-	155.62
Leasehold Land	279.64	-	-	279.64	5.79	2.90	-	270.95
Buildings	4,187.99	68.19	133.72	4,122.46	704.79	245.04	26.67	3,199.30
Plant and Machinery	18,498.54	915.23	127.07	19,286.70	8,825.43	2,060.72	102.48	8,503.03
Computer and Printer	560.02	248.77	211.61	597.18	258.09	174.71	122.88	287.26
Furniture and Fixtures	741.85	86.49	7.69	820.65	222.27	97.95	6.60	507.03
Office Equipment	433.41	54.58	2.39	485.60	147.74	45.38	1.87	294.35
Vehicles	1,321.10	104.92	113.12	1,312.90	740.58	156.30	88.49	504.51
Temporary Office Construction	683.37	315.08	60.18	938.27	410.67	381.60	22.70	168.70
Total Tangible Assets	26,872.82	1,793.26	667.06	27,999.02	11,315.36	3,164.60	371.69	13,890.75
B Intangible Assets :								
Computer Softwares	710.66	16.19	-	726.85	156.36	141.23	-	429.26
Total Intangible Assets	710.66	16.19	-	726.85	156.36	141.23	-	429.26
C Capital Work-In-Progress								
Incidental expenses pending allocation (Refer Note 13.3)								787.88
Total Fixed Assets (A) + (B) + (C) + (D)	27,583.48	1,809.45	667.06	28,725.87	11,471.72	3,305.83	371.69	19,749.97

Note for 13.1 & 13.2

- a) Charge against certain movable fixed assets like crawler and other cranes (included in Plant and Machinery) and certain immovable properties situated at CBD Belapur, New Mumbai (included in Building) have been created in favour of Tata Capital Ltd. in respect of the debenture issued by Gangakhed Sugar & Energy Limited to Tata Capital Limited.
- b) Charge against certain immovable properties situated at MIDC Butibori Industrial Area (included in Building). Ramtek (Included in Freehold Land) have been created in favour of Oriental Bank of Commerce in respect of Corporate Guarantee given by Sunil Hitech Engineers Limited on behalf of one of its Subsidiary Company SEAM Industries Limited.

Notes to Consolidated Financial Statements for the Year Ended 31 March 2014

13.3 INCIDENTAL EXPENSES PENDING ALLOCATION

(₹ In Lacs)

Particulars		As at 31 March 2014	As at 31 March 2013
Incidental Expenses of Previous years	(A)	787.85	527.68
Interest on Loan		269.75	260.88
Professional Fees		0.17	0.32
Miscellaneous Expenses		0.62	0.28
		270.54	261.48
Less : Interest Received		2.10	1.31
	(B)	268.44	260.17
	(A+B)	1,056.29	787.85

14 NON -CURRENT INVESTMENTS (Long Term Investment)

(₹ In Lacs)

Particulars	As at 31 March 2014	As at 31 March 2013
A Trade Investments - Unquoted		
In Associate Company		
MSMC Adkoli Natural Resources Limited		
Nil (Pr.Yr. 4,900) Equity Shares of ₹ 10/- each fully paid up.	-	1.00
Kolhapur Green Energy Private Limited		
4900 (Pr.Yr. NIL) Equity Shares of ₹ 10 each	4.59	-
Organic Waste (India) Private Limited		
14,252 (Pr.Yr. NIL) Equity Shares of ₹ 10/- each Fully paid up and 85,000 (Pr.Yr. NIL) Equity Shares of ₹ 10/- each ₹ 2.81 paid up (Above represents Goodwill)	550.00	-
Investment in Partnership Firm*		
45% share in the partnership firm V. K. Realtors (includes accumulated share of loss ₹ 1.68 Lacs (Pr.Yr ₹ 0.69 Lacs) and interest on capital ₹ 27.72 Lacs (Pr.Yr ₹ 27.72 Lacs))	284.77	258.03
B Other Investments - Unquoted		
In Associate Company **		
Gangakhed Sugar & Energy Limited		
1,95,00,000 (Pr.Yr. 1,95,00,000) Equity Shares of ₹ 10/- each fully paid up (Pledged with banks against term loans to Gangakhed Sugar and Energy Limited and can not be sold/ transferred till the loans are outstanding)	3,193.29	3,193.29
In Other Companies		
Sudama Mahavir Power Private Limited		
100 (Pr.Yr. 100) Equity Shares of ₹ 10/- each fully paid up	0.01	0.01
Other Investments - Quoted		
Investments in Mutual Fund		
Union KBC Capital Protection Oriented Fund - Growth Series 3 Regular Plan 7,50,000 (Pr.Yr. NIL) units of ₹ 10/- each (Under Lien)	75.00	-
[Aggregate Market Value of quoted investments ₹ 82.16 Lacs (Pr.Yr. NIL)]		
	4,107.66	3,452.33
* Details of Investments in partnership firm		
Investment in V.K. Realtors		
Name of the partner and share in profits (%)		
Sunil Hitech Engineers Limited	45%	45%

Notes to Consolidated Financial Statements for the Year Ended 31 March 2014

14 NON -CURRENT INVESTMENTS (Long Term Investment) (Contd.)

(₹ In Lacs)

Particulars	As at 31 March 2014	As at 31 March 2013
Mr. Kunal. N. Kuwadekar	30%	30%
Mrs. Meenakshi K. Kuwadekar	15%	15%
Mr. Tarun Surender Ahuja	10%	10%
Total Fixed Capital of the firm (₹ in Lacs)	283.00	283.00
** Investments in Equity Shares of Associates		
Gangakhed Sugar & Energy Limited	1,966.00	1,966.00
Add Share of Accumulated Reserves/ Profits	1,227.29	1,178.00
Add Share of Current Profits	-	49.29
	3,193.29	3,193.29

15 DEFERRED TAX ASSETS (Net Deferred Tax Asset in respect of Parent Company)

(₹ In Lacs)

Particulars	As at 31 March 2014	As at 31 March 2013
Depreciation	303.59	233.16
Provision for Doubtful Debts/ Deposits/ Advances	283.92	277.61
Disallowances under Income Tax Act to be allowed in future years	166.80	297.89
	754.31	808.66

16 LOANS AND ADVANCES (UNSECURED)

(₹ In Lacs)

Particulars	Non-Current (Long Term)		Current (Short Term)	
	As at 31 March 2014	As at 31 March 2013	As at 31 March 2014	As at 31 March 2013
Capital Advances (Considered Good)	436.33	485.53	-	-
Deposits				
Considered Good	1,563.53	1,509.47	1,476.34	1,371.46
Considered Doubtful	-	-	6.51	6.51
	1,563.53	1,509.47	1,482.85	1,377.97
Less: Provision for Doubtful Deposits	-	-	6.51	6.51
	1,563.53	1,509.47	1,476.34	1,371.46
Advances to Creditors				
Considered Good	-	-	7,173.88	4,089.52
Considered Doubtful	-	-	4.20	4.20
	-	-	7,178.08	4,093.72
Less: Provision for Doubtful Advances	-	-	4.20	4.20
	-	-	7,173.88	4,089.52
Loan and Advances to Related Parties (Considered Good)	135.75	162.19	85.00	-
Loan to Others	-	-	926.41	-
Share Application Money to Related Parties	-	-	206.90	-
Income Tax Paid (Net of Provision)	-	-	39.20	0.19
Balances with Statutory/ Government Authorities	-	-	586.35	396.94
Income Tax (Net of Provisions)	-	-	41.44	-
Balance with Excise Authorities	-	-	190.66	168.73
VAT Receivable	-	-	1,608.51	1,745.13
Prepaid Expenses	151.69	96.68	852.56	540.32
Advances Recoverable in Cash or in Kind	-	-	750.94	748.28
	2,287.30	2,253.87	13,938.19	9,060.57

Notes to Consolidated Financial Statements for the Year Ended 31 March 2014

17 OTHER ASSETS

(₹ In Lacs)

Particulars	Non-Current		Current	
	As at 31 March 2014	As at 31 March 2013	As at 31 March 2014	As at 31 March 2013
Interest Accrued on Fixed Deposits	44.97	92.28	384.42	361.03
Fixed Deposits with Banks (Under Lien) (Refer Note 21)	2,130.51	2,027.43	-	-
Due from Customers (Project related activity)	-	-	31,503.22	23,587.28
Assets Held for Sale	-	-	65.81	67.56
Long Term Trade Receivables - Considered Good	2,109.21	1,777.74	-	-
	4,284.69	3,897.45	31,953.45	24,015.87

18 CURRENT INVESTMENT (Current portion of Long Term Investment)

(₹ In Lacs)

Particulars	As at 31 March 2014	As at 31 March 2013
Investments in Mutual Fund (Quoted)		
Union KBC Fixed Maturity Plan - Series 8 - Regular Plan Growth		
250000 (Pr.Yr. NIL) units of ₹ 10 each (Under Lien)	25.00	-
(Aggregate Market value of quoted investments ₹ 26.52 lacs (Pr.Yr. NIL))		
	25.00	-

19 INVENTORIES (As certified by the Management)

(₹ In Lacs)

Particulars	As at 31 March 2014	As at 31 March 2013
Raw Material and Components	13,327.21	9,689.59
Raw Material and Components (Goods in Transit)	-	25.23
Stores, Spare Parts and Loose Tools	2,409.85	2,555.61
Stores, Spare Parts and Loose Tools (Goods in Transit)	-	1.08
Land	243.69	243.69
Work in Progress (Including Land)	1,672.60	235.97
Finished Goods	226.68	303.50
	17,880.03	13,054.67

20 TRADE RECEIVABLES (UNSECURED)

(₹ In Lacs)

Particulars	Non-Current		Current	
	As at 31 March 2014	As at 31 March 2013	As at 31 March 2014	As at 31 March 2013
Over Six Months from the date it become due for payment				
Considered Good	-	-	3,116.26	3,395.17
Considered Doubtful	-	-	821.31	803.12
	-	-	3,937.57	4,198.29
Others- Considered Good	2,109.21	1,777.74	45,820.78	33,495.21
Debt Due from Companies in Which Director is Director/ Member	-	-	2,693.32	5,398.54
	2,109.21	1,777.74	52,451.67	43,092.04
Less : Provision for doubtful debts	-	-	821.31	803.12
Less: Amount disclosed under Other Non Current Asset	2,109.21	1,777.74	-	-
	-	-	51,630.36	42,288.92

Notes to Consolidated Financial Statements for the Year Ended 31 March 2014

21 CASH AND BANK BALANCES

(₹ In Lacs)

Particulars	Non-Current		Current	
	As at 31 March 2014	As at 31 March 2013	As at 31 March 2014	As at 31 March 2013
Cash and Cash Equivalents (As per AS-3)				
Balances with Banks in Current Accounts			1,194.62	1,086.57
Cash on Hand			130.77	77.27
			1,325.39	1,163.84
Other Bank Balances				
Earmarked Balances with Banks				
Unpaid Dividend			6.54	6.46
Government Grants			12.00	70.07
Fixed Deposits with original maturity for more than 3 months and upto 12 months (Under Lien)	-	-	5,153.81	4,071.77
Fixed Deposits with original maturity for more than 12 months (Under Lien)	2,130.49	2,027.43	2,627.74	2,869.66
	2,130.49	2,027.43	7,800.09	7,017.96
Amount disclosed under Other Non-Current Assets	2,130.49	2,027.43	-	-
	-	-	9,125.48	8,181.80

22 REVENUE FROM OPERATIONS

(₹ In Lacs)

Particulars	Year Ended 31 March 2014	Year Ended 31 March 2013
Revenue from Projects and Maintenance	95,841.39	95,870.07
Project Supply	60,999.41	28,777.51
(Refer Note 40 for Segmental Revenue) A	156,840.80	124,647.58
Other Operating Revenues		
Income from Crane Hire	91.28	241.18
Sale of Scrap	44.19	50.58
Metal (Boulder) and Other Sale	191.35	345.80
Insurance Claim Received	-	21.08
Job Work Receipt	927.88	1,125.90
B	1,254.70	1,784.54
(A+B)	158,095.50	126,432.12
Less: Excise Duty	630.83	1,150.43
	157,464.67	125,281.69

23 OTHER INCOME

(₹ In Lacs)

Particulars	Year Ended 31 March 2014	Year Ended 31 March 2013
Interest Income		
Bank Deposits	837.50	663.99
Capital in Partnership Business	27.72	27.72
Others	51.72	2.10
Profit on Sale/ Discard of Fixed Assets (Net)	-	32.68
Amount Written Back (Net)	7.14	94.90
Miscellaneous Income	51.10	58.32
	975.18	879.71

Notes to Consolidated Financial Statements for the Year Ended 31 March 2014**24 PROJECT MATERIAL CONSUMED AND COST OF GOODS SOLD**

(₹ In Lacs)

Particulars	Year Ended 31 March 2014	Year Ended 31 March 2013
Construction Materials	35,341.21	43,322.60
Project Materials	58,969.20	28,487.72
	94,310.41	71,810.32

23.1 CONSTRUCTION MATERIAL CONSUMED

Particulars	31 March 2014		31 March 2013	
	Amount	Percentage	Amount	Percentage
Indigenous	94,310.41	100.00%	71,717.62	99.87%
Imported	-	-	92.70	0.13%
Total	94,310.41	100.00%	71,810.32	100.00%

25 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS

(₹ In Lacs)

Particulars		Year Ended 31 March 2014	Year Ended 31 March 2013
Inventories at the beginning of the year			
Finished Goods		303.51	-
Work-in Progress		235.97	498.45
		539.48	498.45
Less: Transfer to Investments in Partnership Firm		-	231.06
Less: Consumed and billed in project		-	69.88
	(A)	539.48	197.51
Inventories at the end of the year			
Finished Goods		226.68	303.51
Work-in Progress		1,672.60	235.97
	(B)	1,899.28	539.48
Net (Increase)/Decrease Inventories of Work in Progress	(A-B)	(1,359.80)	(341.97)

26 CONTRACT AND SITE EXPENSES

(₹ In Lacs)

Particulars	Year Ended 31 March 2014	Year Ended 31 March 2013
Construction, Erection, Fabrication and Maintenance	31,078.08	22,434.22
Hire Charges	1,758.48	1,386.33
Transportation Expenses	705.76	535.49
Stores and Spares	602.94	862.65
Other Site Expenses	1,666.44	1,446.69
Job Work Charges	467.00	742.07
	36,278.70	27,407.45

27 EMPLOYEE BENEFITS EXPENSE

(₹ In Lacs)

Particulars	Year Ended 31 March 2014	Year Ended 31 March 2013
Salary, Wages and Allowances	6,701.66	6,281.38
Contribution to Provident, Superannuation and Other Funds	405.79	374.61
Staff and Labour Welfare Expenses	506.04	470.26
	7,613.49	7,126.25

Notes to Consolidated Financial Statements for the Year Ended 31 March 2014

28 FINANCE COSTS

(₹ In Lacs)

Particulars	Year Ended 31 March 2014	Year Ended 31 March 2013
Interest Paid to Bank	5,204.38	4,688.42
Interest Paid to Others	66.49	0.08
Other Borrowing Cost	2,588.15	1,615.50
Interest on Service Tax	98.33	78.38
Interest Paid to Customers	373.17	135.58
Foreign Currency Transaction and Translation Loss (Net)	288.20	-
	8,618.72	6,517.96

29 DEPRECIATION AND AMORTISATION EXPENSES

(₹ In Lacs)

Particulars	Year Ended 31 March 2014	Year Ended 31 March 2013
Depreciation and Amortisation (Refer Note 13)	2,828.30	3,305.82
Less: Recoupment from Revaluation Reserve	0.87	0.91
	2,827.43	3,304.91

30 OTHER EXPENSES

(₹ In Lacs)

Particulars	Year Ended 31 March 2014	Year Ended 31 March 2013
VAT, Entry Tax, Service Tax and Excise Duty	1,004.03	1,082.12
Rent	797.44	779.91
Travelling and Conveyance	636.29	543.56
Legal and Professional Fees	385.35	251.80
Provision for Doubtful Debts	18.19	125.66
Repairs to Machinery	205.28	231.21
Repairs to Building	124.92	91.28
Repairs - Others	247.55	204.71
Insurance	197.11	215.14
Power and Fuel	259.65	303.98
Communication	146.10	156.40
Rates and Taxes	93.63	89.86
Printing and Stationery	73.98	78.20
Exchange Rate Difference (Net)	663.20	52.52
Loss of Inventory by Fire	-	53.04
Loss from Partnership Business	0.99	0.69
Loss on Sale/ Discard of Fixed Assets (Net)	28.77	-
Loss on Sale of Non Current Investments (Non Trade)	-	0.06
Demurrage Charges	0.92	23.10
Miscellaneous Expenses	457.87	495.57
	5,341.27	4,778.81

Notes to Consolidated Financial Statements for the Year Ended 31 March 2014**31 EARNINGS PER SHARE (EPS)** The numerator and denominator used to calculate Basic and Diluted Earnings Per Share

(₹ In Lacs)

Particulars		Year Ended 31 March 2014	Year Ended 31 March 2013
Basic and Diluted Earnings Per Share:			
Profit attributable to Equity Shareholders considered for Basic EPS (₹ in Lacs)	(A)	2,920.49	3,563.37
Add: Dilutive effect on profit (₹ in Lacs)	(C)	Nil	Nil
Profit attributable to Equity Shareholders for computing Diluted EPS (₹ in Lacs)	(C=A+B)	2,920.49	3,563.37
Weighted average number of Equity Shares outstanding considered for Basic EPS	(D)	12,319,544	12,275,160
Add: Dilutive effect of Options outstanding - Number of equity shares *	(E)	Nil	Nil
Weighted average number of Equity Shares considered for computing Diluted EPS	(F=D+E)	12,319,544	12,275,160
Nominal Value of Equity Shares (₹)		10.00	10.00
Basic Earnings Per Share (₹)		23.71	29.03
Diluted Earnings Per Share (₹)		23.71	29.03

There are no exceptional items, extraordinary items and discontinuing operations.

* The conversion of warrants to equity shares is "Anti- Dilutive" and hence effect of anti-dilutive Potential Equity Shares is ignored in calculating Diluted Earnings per Share.

32 BASIS OF PREPARATION

Details of Subsidiaries, Associates and Joint Ventures of the Group are as under :

32.1

Name of the Subsidiary Companies	Country of incorporation	Proportion of ownership interest and voting power as on	
		31 March 2014	31 March 2013
SEAM Industries Limited	India	88.61%	88.61%
Sunilhitech India Infra Private Limited (Formerly known as Ecological Road Construction Private Limited)	India	88.77%	NIL
Sunil Hitech Energy Private Limited* (Including 37.95 % of shares are held by SHEL Investment Consultancy Private Limited)	India	51.00%	51.00%
SHEL Investment Consultancy Private Limited	India	99.99%	99.99%
Sunilhitech Solar (Dhule) Private Limited (Including 1 share held with Nominee)	India	100.00%	NA

32.1.1 Accounts of the aforesaid Subsidiary Companies are for the period from 01 April 2013 to 31 March 2014 except in case of Sunil Hitech Solar (Dhule) Private Limited which are for the period from 10 March 2014 (being date of incorporation) to 31 March 2014, and are incorporated in the CFS. Financial Statements and other informations of aforesaid Subsidiaries have been audited by other Auditors.

Notes to Consolidated Financial Statements for the Year Ended 31 March 2014

32.2

Name of the Associate Companies	Country of incorporation	Proportion of interest	31 March 2014	31 March 2013
Gangakhed Sugar & Energy Limited (Including 0.05 % of shares are held by SEAM Industries Limited)	India	Ownership & Voting	28.08%	28.08%
Organic Waste (India) Private Limited (50% ownership interest by Sunilhitech India Infra Private Limited)	India	Ownership	44.39%	NIL
		Voting	24.64%	NIL

32.2.1 Gangakhed Sugar & Energy Limited is an Associate Company, due to non availability of the audited accounts, the same is not incorporated in CFS of the current financial year. The operations of this company have no significant impact on the CFS.

32.3

Name of the Joint Ventures	Country of residence	Proportion of ownership interest and voting power as on	
		31 March 2014	31 March 2013
Jointly Controlled Entities (JCE)			
PBSPL-SHEL-JV	India	49.00%	49.00%
MSMC Adkoli Natural Resources Limited	India	24.99%	24.99%

32.3.1 In respect of PBSPL-SHEL-JV, the proportionate share of each of Assets, Liabilities, Incomes and Expenses has been incorporated for the first time in the CFS. The parent Company has not made any capital contribution in the said Joint Venture.

32.3.2 "MSMC Adkoli Natural Resources Limited" is a JV company of Sunil Hitech Energy Private Limited, one of the subsidiary of the Parent Company and Maharashtra State Mining Corporation Limited(51%) having 49% and 51% ownership interest respectively in the said JV Company. Due to non availability of the audited accounts of the said JV, the same was not incorporated in CFS of the previous year. During the current year, audited accounts upto 31 March 2013 audited by other auditors and unaudited accounts prepared and certified by the management have been incorporated in CFS of the current year.

33 COMMITMENTS

- Estimated amount of contracts remaining to be executed on capital account and not provided for, net of advances ₹ 33.98 Lacs (Pr.Yr. ₹ 10.40 Lacs)
- Other Commitments - Non cancellable operating Leases (Refer Note 38)

34 CONTINGENT LIABILITIES

(₹ In Lacs)

Particulars	31 March 2014	31 March 2013
a) Service Tax demand disputed, contested in appeal	1,580.12	1,598.24
b) Sales Tax demand disputed, contested in appeal	39.84	39.84
c) Customs Duty disputed	115.49	115.49
d) Guarantee given to Banks and Financial Institutions on behalf of -		
i) An Associate Company	2,500.00	2,500.00
- Loans outstanding at the year end	478.33	1,298.33
ii) Others	3,210.00	250.00
e) Claims against the Company not acknowledged as debts	101.37	101.37
f) Uncalled liability on partly paid up shares of Organic Waste (India) Private Limited	1,182.52	NIL

Notes to Consolidated Financial Statements for the Year Ended 31 March 2014**35 REMUNERATION TO AUDITORS (EXCLUDING SERVICE TAX)**

(₹ In Lacs)		
Particulars	31 March 2014	31 March 2013
Statutory Audit Fees	24.25	23.22
Tax Audit	0.75	0.50
For Certification and Other Matters	6.95	5.28

36 EMPLOYEE BENEFITS:

As required by Accounting Standard-15 "Employee Benefits" the disclosures are as under:

Defined Contribution Plans:

The Company offers its employees defined contribution plans in the form of Provident Fund (PF) and Employees' Pension Scheme (EPS) with the Government and certain state plans such as Employees' State Insurance (ESI). PF and EPS covers substantially all the regular employees and the ESI covers eligible workers. Contributions are made to the Government's funds, while both the employees and the Company pay predetermined contributions into the PF and the ESI Scheme, contributions into the EPS is made only by the Company. The contributions are normally based on a certain portion of the employee's salary.

During the year, following amounts has been recognised in the Accounts

(₹ In Lacs)		
Particulars	31 March 2014	31 March 2013
Provident Fund, Employees' Pension Scheme and Labour Welfare Fund	341.45	333.09
Employees' State Insurance	31.78	26.58
Total	373.23	359.67

Defined Benefit Plans**In respect of Parent Company****Leave Encashment :**

The Parent Company employees are entitled for compensated absences, which are allowed to be accumulated and encashed as per the Company's rules.

The liability of compensated absences, which is non funded, has been provided based on the report of independent actuary using the "Projected Unit Credit Method" in respect of past services. Accordingly ₹ 226.54 Lacs (Pr.Yr. ₹ 246.03 Lacs) being the liability as at the year end for compensated absences have been provided in the accounts.

Gratuity :

The Employees' Gratuity Fund Scheme is a defined benefits plan. The present value of obligation is determined based on actuarial valuation, using the "Projected Unit Credit Method", which recognises each period of services as giving rise to additional unit of employee benefits entitlement and measures each unit separately to build up the final obligation.

The Company makes contributions to the Employees' Group Gratuity-cum Life Assurance (Cash Accumulation) Scheme of the LIC, a funded defined benefit plan for employees. The scheme provides for payment to employees as under:

- On normal retirement/ early retirement/ withdrawal/ resignation:
As per the provisions of The Payment of Gratuity Act, 1972 with vesting period of 5 years of service.
- On the death in service:
As per the provisions of The Payment of Gratuity Act, 1972 without any vesting period.

Disclosures for defined benefit plans i.e. Gratuity (Funded Plan) based on actuarial reports as on 31st March, 2014:

Notes to Consolidated Financial Statements for the Year Ended 31 March 2014

(₹ In Lacs)

Particulars	31 March 2014	31 March 2013
i) Changes in Defined Benefit Obligation		
Opening defined benefit obligation	253.18	229.94
Current service cost	66.93	54.99
Interest cost	19.40	23.95
Actuarial loss/ (gain)	(42.82)	(42.12)
Benefit (paid)	(27.23)	(13.57)
Closing defined benefit obligation	269.46	253.18
ii) Changes in Fair Value of Assets		
Opening fair value of plan assets	243.40	229.72
Expected return on plan assets	20.76	18.50
Actuarial gain/ (loss)	(0.93)	8.71
Contributions of employer	15.02	0.05
Benefits (paid)	(27.23)	(13.57)
Closing fair value of plan assets	251.02	243.40
iii) Amount recognised in the Balance Sheet		
Present value of the obligations as at year end (Funded + Non Funded)	269.46	253.18
Fair value of the plan assets as at year end	(251.02)	(243.40)
Net (asset)/ liability recognised as at the year end	18.44	9.78
iv) Expenses recognised in the Statement of Profit and Loss		
Current service cost	66.93	54.99
Interest on defined benefit obligation	19.40	23.95
Expected return on plan assets	(20.76)	(18.50)
Net actuarial loss/ (gain) recognised in the current year	(41.88)	(50.83)
Total expenses	23.69	9.61
v) Asset information (% Allocation)		
Government of India Securities	Nil	Nil
Corporate Bonds	Nil	Nil
Special Deposit Scheme	Nil	Nil
Insurer Managed Funds	100%	100%
Others	Nil	Nil
vi) Principle actuarial assumptions used		
Discount Rate (p.a.)	9.00%	8.10%
Expected Rate of Return on Plan Assets (p.a.)	8.75%	7.50%
Salary Escalation Rate (p.a.)	6.00%	6.00%

The estimate of future increase in compensation levels considered in the actuarial valuation takes into account inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

In respect of Subsidiary Company (SEAM Industries Ltd.)

The Present Value of obligation is determined based on actuarial valuation using the "Projected Unit Credit Method", which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the financial obligations. The obligation for leave encashment is recognised in the same manner as gratuity.

Notes to Consolidated Financial Statements for the Year Ended 31 March 2014

(₹ In Lacs)

Particulars	31 March 2014		31 March 2013	
	Gratuity Unfunded	Leave encashment (Unfunded)	Gratuity Unfunded	Leave encashment (Unfunded)
a) Reconciliation of Opening and Closing balances of Defined Benefit Obligation				
Defined Benefit Obligation at year beginning	17.21	30.60	10.29	15.72
Current Service Cost	5.33	15.38	2.99	-
Interest Cost	1.39	2.48	1.13	-
Actuarial (gain)/ loss	(4.47)	(25.49)	2.80	-
Benefits Paid	-	-	(0.85)	-
Liabilities assumed on Acquisition	-	-	0.84	-
Defined Benefit Obligations at year end	19.46	22.97	17.21	30.60
b) Reconciliation of Opening and Closing Balances of Fair value of Plan Assets	-	-	-	-
c) Reconciliation of Fair value assets and obligations				
Fair Value of Plan Assets as at year end	-	-	-	-
Present Value of Obligation as at year end	19.46	22.97	17.21	30.60
Amount recognised in balance sheet	(19.46)	(22.97)	(17.21)	(30.60)
d) Expenses recognised during the period (Under the head "Employee Benefit Expenses)				
Current Service Cost	5.33	15.38	2.99	-
Interest Cost	1.39	2.48	1.13	-
Actuarial (gain)/ loss	(4.47)	(25.49)	2.80	-
Net Cost	2.26	(7.64)	6.93	-
e) Discount Rate (p.a.)	9.00%	9.00%	8.10%	8.10%
f) Expected Rate of Return on Plan Assets (p.a.)	Nil	Nil	Nil	Nil
g) Salary Escalation rate (p.a.)	5.00%	5.00%	6.00%	6.00%

Actuarial valuation has been carried out using the "Projected Unit Credit Method".

In respect of Subsidiary Company (Sunilhitech India Infra Pvt.Ltd.)

In accordance with Accounting Standard 15 (Revised 2005) 'Employee Benefits', actuarial valuation was performed in respect of the aforesaid defined benefit plans based on the following assumptions.

(₹ In Lacs)

Particulars	31 March 2014		31 March 2013	
	Gratuity Unfunded	Leave encashment (Unfunded)	Gratuity Unfunded	Leave encashment (Unfunded)
a) Reconciliation of Fair value assets and obligations				
Fair Value of Plan Assets as at year end				
Present Value of Obligation as at year end	3.65	5.88	-	-
Amount recognised in balance sheet	(3.65)	(5.88)	-	-
b) Expenses recognised during the period (Under the head "Employee Benefit Expenses)				
Current Service Cost	3.38	4.88	-	-
Interest Cost	0.27	1.00	-	-
Actuarial (gain)/ loss				
Net Cost	3.65	5.88	-	-

Notes to Consolidated Financial Statements for the Year Ended 31 March 2014

(₹ In Lacs)

Particulars	31 March 2014		31 March 2013	
	Gratuity Unfunded	Leave encashment (Unfunded)	Gratuity Unfunded	Leave encashment (Unfunded)
c) Reconciliation of Net Asset/ (Liability) recognised in the Balance Sheet during the year				
Net Asset/ (Liability) at the beginning of the year	-	-		
Expenses recognised as above	(3.65)	(5.88)	-	-
Employer Contribution	-	-		
Net Asset/ (Liability) at the end of the year	(3.65)	(5.88)	-	-
d) Discount Rate (p.a.)	9.10%	9.10%	-	-
e) Expected Rate of Return on Plan Assets (p.a.)	Nil	Nil	Nil	Nil
f) Salary Escalation rate (p.a.)	7.00%	7.00%	-	-

Amounts recognised as an expense and included in the Personnel cost are gratuity ₹ 3.65 Lacs (Nil) and leave encashment ₹ 5.88 Lacs (Nil).

37 DISCLOSURE PURSUANT TO ACCOUNTING STANDARD-7 "CONSTRUCTION CONTRACTS" (REVISED): (IN CASE OF THE PARENT COMPANY).

(₹ In Lacs)

Particulars	31 March 2014	31 March 2013
Contract revenue recognised for the year	80,312.80	77,125.23
Aggregate amount of contract costs incurred and recognised profits (Less recognised losses) up to the year end for all contracts in progress as at that date	242,436.72	237,663.05
Amount of customer advances received and outstanding for contracts in progress	10,725.01	5,817.19
Retention amount due from customers for contracts in progress	16,447.11	13,952.85
Gross amount due from customers as at year end	31,503.23	23,587.27
Gross amount due to customers as at year end	211.24	984.30

38 DISCLOSURE FOR OPERATING LEASES UNDER ACCOUNTING STANDARD-19 "LEASES":

The Company has taken various residential/ office premises (including furniture and fittings, therein as applicable), under operating lease or leave and license agreements. These are generally cancellable under leave and license arrangements and are renewable by mutual consent on mutually agreeable terms. The Company has given refundable interest free security deposits in accordance with the agreed terms. The lease payments of ₹ 992.21 Lacs (Pr.Yr. ₹ 755.55 Lacs) are recognised in the Statement of Profit and Loss.

The future lease payments and payment profile of non cancellable operating leases are as under.

(₹ In Lacs)

Particulars	31 March 2014	31 March 2013
Not later than one year	1,129.87	683.36
Later than one year but not later than five years	2,527.99	1,734.20
Later than five years	712.26	858.24

39 In terms of the requirements of the Accounting Standard-28 on "Impairment of Assets" issued by the Institute of Chartered Accountants of India, the amount recoverable against Fixed Assets has been estimated for the period by the management based on present value of estimated future cash flows expected to arise from the continuing use of such assets. The recoverable amount so assessed was found to be adequate to cover the carrying amount of the assets, therefore no provision for impairment in value thereof has been considered necessary, by the management.

Notes to Consolidated Financial Statements for the Year Ended 31 March 2014

40 SEGMENT REPORTING

I. Business Segments:

Business segments have been identified in line with Accounting Standard 17 - "Segment Reporting".

The Company's businesses are classified into following three primary business segments:

- Project
- Overhauling and Maintenance (O & M)
- Supply
- Manufacturing

Project Segment: This segment is engaged in the business of Fabrication, Erection and Commissioning of Boilers (Power Plants) ESP, Rotating Machineries, Sugar plants, Transmission and Distribution and EPC Contract and Balance of Plant (BOP).

O&M Segment: This segment is engaged in the business of Repair and Maintenance, Overhauling and Renovations of Boilers and auxiliaries, Ash Handling Systems etc.

Project Supply Segment: Supply of Projects related Steel and other materials at various Sites.

Manufacturing Segment: Manufacturing & Supply of IBR and Non IBR Piping, Pressure Parts & Vessels and Technological Structures.

During the year Segment Reporting has been reconstituted in line with the revised reporting norms of the Company. Consequently, segment figures for the previous year have been regrouped.

(₹ In Lacs)

Sr. No.	Particulars	31 March 2014	31 March 2013
1	Segment Revenue		
	(Net Sales/ Income from each segment)		
	a. Project	74,602.70	75,607.30
	b. Overhauling and Maintenance	5,248.15	3,021.09
	c. Supply	60,999.41	28,777.51
	d. Manufacturing	15,990.54	17,241.68
	Total	156,840.81	124,647.58
	Less: Inter-segment Revenue	-	-
	Net Sales/ Income from Operations	156,840.81	124,647.58
2	Segment Results		
	(Profit before tax and finance cost from each segment)		
	a. Project	13,663.51	14,599.98
	b. Overhauling and Maintenance	738.86	480.26
	c. Supply	1,339.43	580.66
	d. Manufacturing	1,486.55	-
	Total	17,228.35	15,660.90
	Less:		
	i) Finance Cost	8,618.72	6,550.96
	ii) Other un-allocable expenditure net off un-allocable income	3,800.00	3,552.27
	Profit Before Tax	4,809.63	5,557.67
3	Capital Employed		
	(Segment Assets – Segment liabilities)		
	a. Project	66,617.05	37,491.82
	b. Overhauling and Maintenance	3,750.30	1,798.71
	c. Supply	(11,300.14)	(205.09)
	d. Manufacturing	3,439.10	3,050.88
	Total	62,506.31	42,136.32
	Less: Unallocated	26,428.12	9,688.36
	Total Capital Employed	36,078.19	32,447.96

II. Geographical Segments

Since company operates only in India, there are no geographical segments as defined in AS 17.

Notes to Consolidated Financial Statements for the Year Ended 31 March 2014

41 NOTE ON HEDGE AND UNHEDGED FOREIGN CURRENCY ASSETS AND LIABILITIES:

During the year, the Company has entered into forward exchange contract, being derivative instruments for hedging purposes and not intended for trading or speculation purpose, to establish the amount of currency in Indian rupees required at the settlement date of certain payables. There are no Forward Exchange Contracts outstanding as at the year end (Pr.Yr. NIL). The year end foreign currency exposures that have not been hedged by derivative instrument or otherwise are as below.

Particulars	Amount	Amount	Foreign Currency Amt in Lacs	Foreign Currency Amt in Lacs	Foreign Currency
	31 March 2014	31 March 2013	31 March 2014	31 March 2013	
Amount Receivable	3,903.14	3,796.53	64.94	69.80	USD
Amount Payable	7,596.75	11,432.55	126.77	210.20	USD
	399.88	338.49	4.84	4.87	EURO

42 RELATED PARTY DISCLOSURE WITH WHOM TRANSACTIONS HAVE TAKEN PLACE DURING THE YEAR AS REQUIRED BY ACCOUNTING STANDARD-18 ARE GIVEN BELOW

Category I : Associates	Gangakhed Sugar & Energy Limited V. K. Realtors (Partnership Firm) Organic Waste (India) Private Limited
Category II : Joint Venture :	PBSPL - SHEL - JV MSMC Adkoli Natural Resources Limited
Category III : Directors, Key Management Personnel and their Relatives:	Mr. Ratnakar Manikrao Gutte Mrs. Sudhamati Ratnakar Gutte Mr. Sunil Ratnakar Gutte Mr. Vijay Ratnakar Gutte Mr. Mohanan Narayanan Mattathil Mr. Venkataramana Condoor (w.e.f. 01 June 2013) Mrs. Swati Rajesh Phad
Category IV : Enterprises over which persons covered under Category III above are able to exercise significant control	Gutte Infra Private Limited VRG Digital Corporation Private Limited RSV & Associates Kolhapur Green Energy Private Limited

A. Transactions with Related Parties During the Year are as Under *

(₹ In Lacs)

Sr. No.	Particulars	CATEGORY				TOTAL
		I	II	III	IV	
1	Investments made	550.00 (258.72)	- -	- -	4.59 -	554.59 (258.72)
2	Sale of Investments to	- -	- -	- (0.99)	- -	- (0.99)
3	Capital Advances Given	- -	- -	- (116.79)	- -	- (116.79)
4	Loans and Advances Given	85.00 -	104.00 (100.00)	- -	- -	189.00 (100.00)
5	Advances Received for Contracts and Projects	73.50 (269.21)	- -	- -	1,080.02 (852.75)	1,153.52 (1,121.96)
6	Loan Taken	- -	- -	- -	490.00 -	490.00 -
7	Repayment of Loans Taken	- -	- -	- -	279.05 -	279.05 -

Notes to Consolidated Financial Statements for the Year Ended 31 March 2014

(₹ In Lacs)

Sr. No.	Particulars	CATEGORY				TOTAL
		I	II	III	IV	
8	Sales of Goods/ Contract Revenue & Services	600.34 (916.36)	- (261.15)	- -	1,095.99 (1,715.46)	1,696.34 (2,892.97)
9	Remuneration to Directors (Including Perquisites)	- -	- -	504.81 (374.04)	- -	504.81 (374.04)
10	Dividend Paid	- -	- -	78.38 (78.40)	- -	78.38 (78.40)
11	Interest Income	31.32 -	- -	- -	- -	31.32 -
12	Rent Paid	- -	- -	143.22 (160.54)	- -	143.22 (160.54)
13	Expenses reimbursement to	59.83 (80.39)	7.42 -	- -	14.42 -	81.66 (80.39)
14	Expenses reimbursement from	1.45 (106.20)	- -	- -	5.11 -	6.55 (106.20)
15	Interest Paid	- -	- -	- -	11.43 -	11.43 -
16	Share Application Money Received	- -	- -	110.23 -	- -	110.23 -
17	Share Alloted against Application Money Received	- -	- -	10.23 -	- -	10.23 -
18	Share Warrant Application Money Received	- -	- -	- -	739.13 (547.50)	739.13 (547.50)
19	Share Allotment against warrant	- -	- -	- -	985.50 -	985.50 -
20	Share Application Money Given	- -	- -	- -	206.90 -	206.90 -

* Figures in brackets indicate previous year figures.

B. Out of the above items, transactions in excess of 10% of the total related party transactions are as under

(₹ In Lacs)

Sr. No.	Particulars	Category	31 March 2014	31 March 2013
1	Investments made			
	V. K. Realtors	I	-	258.72
	Organic Waste (India) Private Limited	I	550.00	-
2	Sale of Investments to			
	Mr. Sunil Ratnakar Gutte	III	-	0.98
3	Capital Advances Given			
	Mr. Ratnakar Manikrao Gutte	III	-	29.20
	Mrs. Sudhamati Ratnakar Gutte	III	-	29.20
	Mr. Sunil Ratnakar Gutte	III	-	29.20
	Mr. Vijay Ratnakar Gutte	III	-	29.20
4	Loans and Advances Given			
	Organic Waste (India) Private Limited	I	85.00	-
	MSMC Adkoli Natural Resources Limited	II	104.00	100.00
5	Advances Received for Contracts and Projects			
	V. K. Realtors	I	-	269.21
	RSV & Associates	V	115.81	-
	Gutte Infra Private Limited	IV	964.21	852.75

Notes to Consolidated Financial Statements for the Year Ended 31 March 2014

(₹ In Lacs)

Sr. No.	Particulars	Category	31 March 2014	31 March 2013
6	Loans Taken			
	Gutte Infra Private Limited	IV	490.00	-
7	Repayment of Loans Taken			
	Gutte Infra Private Limited	IV	279.05	-
8	Sales of Goods/ Contract Revenue & Services			
	Gangakhed Sugar & Energy Limited	I	13.75	387.54
	V. K. Realtors	I	565.25	518.52
	PBSPL - SHEL - JV	II	-	261.15
	RSV & Associates	V	233.56	-
	Gutte Infra Private Limited	IV	862.44	1,715.46
9	Remuneration to Directors (Including Perquisites)			
	Mr. Ratnakar Manikrao Gutte	III	84.00	92.40
	Mrs. Sudhamati Ratnakar Gutte	III	48.00	48.00
	Mr. Sunil Ratnakar Gutte	III	48.00	50.88
	Mr. Vijay Ratnakar Gutte	III	48.00	50.88
	Mr. Mohanan Narayanan Mattathil	III	51.00	79.06
	Mr. Venkataramana Condoor	III	154.68	-
	Mr. S. K. K. Ramaiah	III	-	34.82
10	Dividend Paid			
	Mr. Ratnakar Manikrao Gutte	III	26.43	26.43
	Mrs. Sudhamati Ratnakar Gutte	III	23.63	23.63
	Mr. Sunil Ratnakar Gutte	III	20.14	20.14
	Mr. Vijay Ratnakar Gutte	III	8.10	8.10
11	Interest Income			
	Organic Waste (India) Private Limited	I	3.60	-
	V. K. Realtors	I	27.72	-
12	Rent Paid			
	Mr. Ratnakar Manikrao Gutte	III	53.19	59.63
	Mrs. Sudhamati Ratnakar Gutte	III	66.21	66.21
	Mr. Sunil Ratnakar Gutte	III	20.88	20.88
13	Expenses reimbursement to			
	Gangakhed Sugar & Energy Limited	I	59.83	80.39
	Gutte Infra Private Limited	IV	14.42	-
14	Expenses reimbursement from			
	Gangakhed Sugar & Energy Limited	I	-	51.35
	V. K. Realtors	I	-	54.85
15	Interest Paid			
	Gutte Infra Private Limited	IV	11.43	-
16	Share Application Money Received			
	Mr. Sunil Ratnakar Gutte	IV	100.00	-
17	Share Alloted Against Application Money Received			
	Mr. Venkataramana Condoor	IV	10.00	-
18	Share Warrant Application Money Received			
	Gutte Infra Private Limited	IV	369.56	273.75
	VRG Digital Corporation Private Limited	IV	369.56	273.75
19	Share Allotment against Warrant			
	Gutte Infra Private Limited	IV	492.75	-
	VRG Digital Corporation Private Limited	IV	492.75	-
20	Share Application Money Given			
	Kolhapur Green Energy Private Limited	IV	206.90	-

Notes to Consolidated Financial Statements for the Year Ended 31 March 2014

C. Balances Due from/ to the Related Parties as at 31 March 2014 *

(₹ In Lacs)

Sr. No.	Particulars	CATEGORY				TOTAL
		I	II	III	IV	
1	Investments	2,784.77 (2,225.03)	- -	- -	4.59 -	2,789.36 (2,225.03)
2	Trade Receivables	2,773.41 (4,376.82)	31.10 (684.46)	- -	117.77 (100.66)	2,922.28 (5,161.94)
3	Other Receivables	- -	- -	- -	1.84 -	1.84 -
4	Loans and Advances Given	85.00 -	266.19 (162.19)	- -	- -	351.19 (162.19)
5	Deposits Given	- -	63.32 (63.32)	- -	- -	63.32 (63.32)
6	Capital Advances Given	- -	- -	- (311.79)	- -	- (311.79)
7	Loan Taken	- -	- -	- -	210.95 -	210.95 -
8	Trade Payables	48.51 (29.80)	- -	- -	- -	48.51 (29.80)
9	Guarantees given to Banks & Financial Institutions on Behalf of	2,500.00 (2,500.00)	- -	- -	- -	2,500.00 (2,500.00)
10	Share Application Money	- -	- -	100.00 -	- -	100.00 -
11	Share Warrant Application Money	- -	- -	- -	301.13 (547.50)	301.13 (547.50)

* Figures in brackets indicate previous year figures.

43 DISCLOSURE UNDER MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006

Disclosure of Trade payables to Micro, Small and Medium Enterprises under Current Liabilities is based on the information available with the Company regarding the Status of the suppliers as defined under the "Micro, Small and Medium Enterprises Development Act, 2006" and relied upon by the Auditors. Amount outstanding (not overdue) as on 31 March 2014 to Micro, Small and Medium Enterprises on account of principal amount aggregate to ₹ 270.19 Lacs (Pr.Yr. ₹ 277.05 Lacs) and interest payable thereon ₹ 9.52 Lacs (Pr.Yr. ₹ Nil) and interest paid during the year ₹ Nil (Pr.Yr. ₹ Nil).

44 Balances of some of the Trade Receivables and Trade Payables are subject to confirmation/ reconciliation and adjustments, if any.

45 Pursuant to the agreement between 'Maharashtra State Mining Corporation' (MSMC) and the Parent Company, the Parent Company have since transferred its rights and obligations to 'Sunil Hitech Energy Private Limited' (its subsidiary), for allocating coal mining rights of 'MSMC Adkoli Natural Resources Limited', an amount of ₹ 7,412.00 Lacs is payable in three installments, out of which the 1st installment has been paid and provision for 2nd installment has been made in the books (forming part of CWIP) is adjusted from 'MSMC Adkoli Natural Resources Limited' on achieving COD of the Projects.

46 Previous year's figures are regrouped and recasted wherever required.

As per our report of even date attached
For Kapoor & Parekh Associates
Chartered Accountants

Nilesh Parekh
Partner

Shrikant Rikhe
Company Secretary

For and on behalf of Board of Directors

Ratnakar M. Gutte
Chairman and
Managing Director

Sunil R. Gutte
Joint Managing Director

Mumbai, 29 May 2014

Statement Pursuant to Section 212 of the Companies Act, 1956, Relating to Companies' Interest in Subsidiaries for the Financial Year 2013-14

Sl. No.	Particulars	SEAM Industries Limited	Sunil Hitech India Infra Private Limited	Sunil Hitech Solar (Dhule) Private Limited	SHEL Investments Consultancy Pvt. Ltd.
1	Date from which they became subsidiaries	28 May, 2005	12 July, 2013	10 March, 2014	15 March, 2010
2	The financial year of the subsidiary company ended on	31 March, 2014	31 March, 2014	31 March, 2014	31 March, 2014
3	Number of shares in the subsidiary company held by Sunil Hitech Engineers Limited at the above date	49,00,000 Share of ₹10/- Each	8,87,690 Shares of ₹10/- Each	15,10,000 Shares of ₹10/- Each	9,999 Shares of ₹10/- Each
4	Extent of holding at the end of the financial year of The subsidiary company	88.61%	88.77%	100.00%	99.99%
5	The net aggregate amounts of the subsidiary companies profit / (loss) so far as it concerns the members of holding company				
	A. Not Dealt With Holding Co. Accounts (₹ in Lacs):				
	I. For the financial year ended 31st March, 2014	438.12	84.52	Nil	(0.31)
	II. For the previous financial years of the subsidiary companies since they became the holding company's subsidiaries	1903.56	Nil	Nil	(1.29)
	B. Dealt With In Holding Company's Accounts (₹ in Lacs):				
	I. For the financial year ended 31st March, 2013	Nil	Nil	Nil	Nil
	II. For the previous financial years of the subsidiary companies since they became the holding company's subsidiaries	Nil	Nil	Nil	Nil

Date: 29th May 2014

Place: Mumbai

Ratnakar M. Gutte

Chairman & Managing Director

Sunil R. Gutte

Joint Managing Director

Details of Subsidiary Companies As on 31st March, 2014

(₹ In Lacs)

Sr. No.	Particulars	Name of Subsidiary Company			
		SEAM Industries Limited	Sunil Hitech India Infra Private Limited	Sunil Hitech Solar (Dhule) Private Limited	SHEL Investments Consultancy Pvt. Ltd.
1	Capital	553.00	100.00	151.00	1.00
2	Reserves	2,886.10	84.52	-	(1.60)
3	Liabilities	8,663.38	5,272.36	7.80	1,211.75
4	Total Assets	12,102.48	5,456.88	158.80	1,211.15
5	Total Liabilities	12,102.48	5,456.88	158.80	1,211.15
6	Investments	16.00	554.59	-	1,210.74
7	Turnover	16,289.96	3,695.39	-	-
8	Profit Before Taxation	618.14	126.13	-	(0.31)
9	Provision For Taxation	229.92	41.61	-	-
10	Profit After Taxation	388.22	84.52	-	(0.31)
11	Proposed Dividend	Nil	Nil	Nil	Nil

Date: 29th May 2014

Place: Mumbai

Ratnakar M. Gutte

Chairman & Managing Director

Sunil R. Gutte

Joint Managing Director

Notes

NOTICE

Notice is hereby given that 16th Annual General Meeting of the Members of '**SUNIL HITECH ENGINEERS LIMITED**' (CIN: L28920MH1998PLC115155) will be held on Monday, the 29th day of September, 2014 at 02.00 P.M. at the Registered Office of the Company at 'Ratnadeep', Jaynagar, Parli – Vajinath, Dist. Beed, Maharashtra, Pin – 431520, to transact the following business:

ORDINARY BUSINESS:

1. To review, consider and adopt the Audited Balance Sheet as at 31st March, 2014 and Profit & Loss Account for the year ended on that date together with the Report of the Board of Directors and the Auditors thereon.
2. To declare dividend for the financial year ended on 31st March, 2014.
3. To appoint a Director in place of Mr. Sunil R. Gutte (DIN 00165822), who retires from office by rotation and being eligible, offers himself for re-appointment.
4. To consider and, if thought fit, to pass, with or without modification, the following Resolution as an Ordinary Resolution:

"RESOLVED that pursuant to the provisions of section 139 and other applicable provisions, if any, of the Companies Act, 2013 (Act) and the Rules framed thereunder, as amended from time to time, M/s. V. Sankar Aiyar & Co., Chartered Accountants (FRN 109208W), be appointed as statutory auditors of the Company, in place of retiring auditors M/s. Kapoor & Parekh Associates, Chartered Accountants to hold office from the conclusion of ensuing annual general meeting until the next annual general meeting of the Company and that the Board of Directors be and is hereby authorized to fix their remuneration."

SPECIAL BUSINESS:

5. Appointment of Mr. Dilip Yeshwant Ghanekar as an Independent Director of the Company.

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

"RESOLVED that pursuant to the provisions of sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (Act) and the Rules framed thereunder, read with Schedule IV to the Act, as amended from time to time, Mr. Dilip Yeshwant Ghanekar (DIN 01261086), a non-executive Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company for first term of five years with effect from September 29, 2014 to September 28, 2019.

6. Appointment of Mr. Sonyabapu Shankar Waghmare as an Independent Director of the Company.

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

"RESOLVED that pursuant to the provisions of sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (Act) and the Rules framed thereunder, read with Schedule IV to the Act, as amended from time to time, Mr. Sonyabapu Shankar Waghmare (DIN 01767186), a non-executive Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company for first term of five years with effect from September 29, 2014 to September 28, 2019.

7. Appointment of Mr. Parag Ashok Sakalikar as an Independent Director of the Company.

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

"RESOLVED that pursuant to the provisions of sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (Act) and the Rules framed thereunder, read with Schedule IV to the Act, as amended from time to time, Mr. Parag Ashok Sakalikar (DIN 01940760), a non-executive Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company for first term of five years with effect from September 29, 2014 to September 28, 2019.

8. Appointment of Mr. Sajid Imran Ali as an Independent Director of the Company.

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

"RESOLVED that pursuant to the provisions of sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (Act) and the Rules framed thereunder, read with Schedule IV to the Act, as amended from time to time, Mr. Sajid Imran Ali (DIN 01968558), a non-executive Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company for first term of five years with effect from September 29, 2014 to September 28, 2019.

9. Appointment of Mr. Siddharth Ratilal Mehta as an Independent Director of the Company.

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

"RESOLVED that pursuant to the provisions of sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (Act) and the Rules framed thereunder, read with Schedule IV to the Act, as amended from time to time, Mr. Siddharth Ratilal Mehta (DIN 03551006), a non-executive Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company for first term of five years with effect from September 29, 2014 to September 28, 2019.

10. Appointment of Mr. Anil Aurangabadkar as an Independent Director of the Company.

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

"RESOLVED that pursuant to the provisions of sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (Act) and the Rules framed thereunder, read with Schedule IV to the Act, as amended from time to time, Mr. Anil Aurangabadkar (DIN 06950263), a non-executive Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company for first term of five years with effect from August 21, 2014 to August 20, 2019.

11. To approve Borrowing limits of the Company.

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

"RESOLVED that in supersession of the resolution passed under Section 293(1)(d) of the Companies Act, 1956 at the Annual General Meeting of the Company held on September 30, 2010 and pursuant to provisions of section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013, as amended from time to time, the consent of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall include any committee thereof for the time being exercising the powers conferred on the Board by this Resolution) for borrowing from time to time, any sum or sums of monies, which together with the monies already borrowed by the Company (apart from temporary loans obtained or to be obtained from the Company's bankers in the ordinary course of business), may exceed the aggregate of the paid-up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose, provided that the total outstanding amount so borrowed shall not at any time exceed the limit of Rs.5000 crore (Rupees five thousand crore only).

RESOLVED FURTHER that the Board be and is hereby authorized and empowered to arrange or settle the terms and conditions on which all such monies are to be borrowed from time to time as to interest, repayment, security or otherwise howsoever as it may think fit and to do all such acts, deeds and things, to execute all such documents, instruments and writings as may be required."

12. Creation of Charges on the assets of the Company.

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

"RESOLVED that in supersession of the resolution passed under Section 293(1)(a) of the Companies Act, 1956 at the Annual General Meeting of the Company held on September 18, 2008 and pursuant to provisions of section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013, as amended from time to time, the consent of the Company be and is hereby accorded for the creation by the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall include any committee thereof for the time being exercising the powers conferred on the Board by this Resolution) of such mortgages, charges and hypothecations as may be necessary on such of the assets of the Company, both present and future, in such manner as the Board / Committee of the Board may direct, together with power to take over the management of the Company in certain events, to or in favour of financial institutions, investment institutions and their subsidiaries, banks, mutual funds, trusts, other bodies corporate (hereinafter referred to as the "Lending Agencies") and Trustees for the holders of debentures/ bonds and/or other instruments which may be issued on private placement basis or otherwise, to secure rupee term loans/foreign currency loans, debentures, bonds and other instruments of an outstanding aggregate value not exceeding Rs. 5,000 crore (Rupees five thousand crore only) together with interest thereon at the agreed rates, further interest, liquidated damages, premium on pre-payment or on redemption, costs, charges, expenses and all other moneys payable by the Company to the Trustees under the Trust Deed and to the Lending Agencies under their respective Agreements / Loan Agreements / Debenture Trust Deeds entered / to be entered into by the Company in respect of the said borrowings.

RESOLVED further that the Board be and is hereby authorized to finalize with the Lending Agencies / Trustees, the documents for creating the aforesaid mortgages, charges and/or hypothecations and to accept any modifications to, or to modify, alter or vary, the terms and conditions of the aforesaid documents and to do all such acts and things and to execute all such documents as may be necessary for giving effect to this resolution."

13. To approve the related party transaction under Section 188 of the Companies Act, 2013 with RSV And Associates.

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

"RESOLVED that pursuant to provisions of Section 188 and other applicable provisions, if any, of the Companies

Act, 2013 and Rules framed thereunder, as amended from time to time and subject to such other approvals, consents, permissions and sanctions of any authorities obtained or to be obtained (if any), the consent of the Company be and is hereby accorded to enhance the value of contract from Rs. 7.5 crore (Rupees seven crore fifty lacs only) which was approved by Central Government vide RD/297/443/12/2013 dated 7th February, 2014 to Rs. 10 crore (Rupees ten crore only) with RSV And Associates for execution of Civil /EPC contract of construction & development of residential & commercial complexes, supply and installation of plumbing & electrical items, supply of equipments, building materials, cement, steel etc. and also to obtain necessary permissions from the municipal corporation and other statutory authorities.

RESOLVED further that the Board be and is hereby authorized to do all such acts and things and to execute all such documents as may be necessary for giving effect to this resolution."

14. To approve the related party transaction under Section 188 of the Companies Act, 2013 with Gutte Infra Private Limited.

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

"RESOLVED that pursuant to provisions of Section 188 and other applicable provisions, if any, of the Companies Act, 2013 and Rules framed thereunder, as amended from time to time and subject to such other approvals, consents, permissions and sanctions of any authorities as may be necessary, consent of the Company be and is hereby accorded to enter into a contract for the value of Rs. 6 crore (Rupees six crore only) with Gutte Infra Private Limited for a period of 18 (eighteen) months commencing from date of approval by shareholders for Construction of parking shed, garden, bore-well, gymnasium, community hall, etc. and other amenities at Water Green Project, at Jaytala, Nagpur and also obtain necessary permissions from the municipal corporation and other statutory authorities.

RESOLVED further that the Board of Directors of the Company be and is hereby authorized to do all such acts and things and to execute all such documents as may be necessary for giving effect to this resolution."

By order of the Board

Shrikant C. Rikhe
Company Secretary
ACS-29766

Place: Nagpur
Date : 21.08.2014

Off Add.: 97, East High Court Road,
Ramdaspath, Nagpur-440010

NOTES:

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

PROXIES SUBMITTED ON BEHALF OF THE COMPANIES, SOCIETIES ETC., MUST BE SUPPORTED BY AN APPROPRIATE RESOLUTION/ AUTHORITY, AS APPLICABLE. A PERSON CAN ACT AS A PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY AND HOLDING IN THE 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. The Statement pursuant to Section 102(1) of the Companies Act, 2013 in respect of the special business set out under the notice is annexed hereto.
3. The Board of Directors has recommended Dividend on Equity Shares, of Rs 1.2 per share, for the financial year ended on 31st March, 2014. The Register of Members and the Share Transfer Books of the Company will remain close from Tuesday, 23th September, 2014 to Monday, 29th September, 2014 (both days inclusive) in connection with Annual General Meeting and payment of Dividend.

Subject to the provisions of the Companies Act 2013, dividend as recommended by the Board of Directors, if declared at the meeting, will be paid to those members whose names appear on the Register of Members as on 22nd September, 2014.

4. Members holding shares in dematerialized form are requested to notify all the changes with respect of their address, e-mail id, ECS mandate and bank details to their depository participant.
5. Members (those holding shares in the physical form only) are requested to notify/send the following to the Registrar/ Transfer Agent, M/s. Bigshare Services Private Limited, 2/3 Ansa Industrial Estate, Sakivihar Road, Saki Naka, Andheri (E), Mumbai – 400 072;
 - a. Particulars of their bank account and e-mail id, in case the same have not been sent earlier;
 - b. Any change in their address/e-mail id/ECS mandate/ bank details;
 - c. Share certificate(s), held in multiple accounts in identical name or joint names in the same order of names, for consolidation of such shareholding in one account.
6. For the convenience of the members, an attendance slip is annexed with the proxy form. Photocopies of the slip will not be entertained for issuing gate pass for attending annual general meeting. However in case of non-receipt of notice of annual general meeting, members are requested to write to the company at its head office for issuing duplicate of the same. Members are requested to

affix their signature at the space provided and fill up the particulars and hand over the attendance slip at the place of the meeting.

7. Members/Proxy holders are requested to bring their copies of the annual report with them to the annual general meeting, as extra copies will not be provided.
8. Any member desirous of getting any information on accounts or operations of the company is required to forward his/her queries to the company at least ten days prior to the meeting so that the required information can be made available at the meeting.
9. The annual accounts of the subsidiary companies and the related detailed information shall be made available to shareholders of the holding and subsidiary companies seeking such information at any point of time. The annual accounts of the subsidiary companies shall also be kept for inspection by any shareholders at the registered office & head office of the holding company and of the subsidiary companies concerned. The holding company shall furnish a hard copy of details of accounts of subsidiaries to any shareholder on demand.
10. As a matter of green initiative in the matter of corporate governance, as per last year, this year too, the notice and annual report shall be sent to the shareholders by way of email id whose mail ids are available with our Registrar & Transfer Agent, M/s. Bigshare Services Private Limited, having office at 2/3 Ansa Industrial Estate, Sakivihar Road, Sakinaka, Andheri (E), Mumbai – 400 072 and physical copy by post to those shareholders whose email ids are not available with us. Members are requested to provide their email ids to our RTA to facilitate us to send notices and all other documents electronically to them to save paper, cost and our environment.
11. The copy of notice shall also be made available at our official website 'www.sunilhitech.com'. In case if any shareholder could not receive the same, can also download it or go through the same through our website.
12. Members wishing to claim dividend, which remain unclaimed are requested to correspond with Registrar and Share Transfer Agent M/s. Bigshare Services Private

Limited, having office at 2/3 Ansa Industrial Estate, Sakivihar Road, Saki Naka, Andheri (E), Mumbai – 400 072. Members are requested to note that the dividends not claimed within seven years from the date of transfer to the companies unpaid dividend account, will as per Section 124 of Companies Act, 2013 (Section 205 A erstwhile Companies Act, 1956) be transferred to the Investor Education and Protection Fund.

13. Members may note that no gifts /gifts coupon shall be distributed at the venue of the meeting.
14. For any communication, the shareholders may also send requests to the Company's investor email id investor@sunilhitech.com.
15. The instructions for shareholders voting electronically are as under:
 - (i) The voting period begins on Tuesday, 23.09.2014 (9.00 a.m. IST) to Thursday, 25.09.2014 (6.00 p.m. IST). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date **22.08.2014** (record date), 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	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the folio/client id number in the PAN Field. In case the folio number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with folio number 1 then enter RA00000001 in the PAN Field.
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	<p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <ul style="list-style-type: none"> Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the number of shares in the Dividend Bank details field.

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant <Sunil Hitech Engineers Limited > on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password& enter the details as prompted by the system.
- (xviii) Note for Non – Individual Shareholders and Custodians

Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.

A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.

After receiving the login details they have to create 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.
16. The voting rights of the Members shall be in proportion to the paid-up value of their shares in the equity capital of the Company as on the cut-off date (i.e. the record date), being Friday, August 22, 2014.
17. The Board of Directors has appointed M/s. Manish Pande & Co., Company Secretaries, Nagpur as a Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
18. The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and will make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the meeting.
19. The Results on resolutions shall be declared at or after the Annual General Meeting of the Company and the resolutions will be deemed to be passed on the Annual General Meeting date subject to receipt of the requisite number of votes in favour of the Resolutions.
20. The Results declared along with the Scrutinizer's Report(s) will be available on the website of the Company (www.sunilhitech.com) and on website of CDSL www.evotingindia.com within two (2) days of passing of the resolutions and communication of the same to BSE Limited and National Stock Exchange of India Limited.
21. Annexure to Item 3 of the Notice

Details of Director seeking appointment/re-appointment at the forthcoming Annual General Meeting

Name of the Director	Mr. Sunil Ratnakar Gutte
Date of Birth	7 th November, 1982
Date of Appointment on the Board	1 st June, 2005
Qualification	Bachelor of Engineer
Expertise in Specific Areas	Project Execution, Management and Administration
List of other Companies in which Directorship held as on 31 st March, 2014 (excluding Directorship in private, foreign companies and companies incorporated under Section 25 of the Companies Act, 1956.)	<ul style="list-style-type: none"> Gangakhed Sugar & Energy Limited SEAM Industries Limited. MSMC Adkoli Natural Resources Limited

22. Annexure to Item 4 of the Notice

Your Board approached to the retiring auditors of the Company M/s. Kapoor & Parekh Associates, Chartered Accountants for their re-appointment as statutory auditors of the Company for the financial year 2014-15; the auditors intimated their unwillingness to be re-appointed as statutory auditors of the company. The Audit Committee and the Board of Directors have placed on record their appreciation of the professional services rendered by M/s. Kapoor & Parekh Associates, Chartered Accountants during their association with the Company as its auditors.

As per the requirement of the Companies Act, 2013 (the Act) M/s. V. Sankar Aiyar & Co., Chartered Accountants (FRN 109208W) have confirmed that their appointment if made would be within the limits specified under Section 141(3)(g) of the Act and not disqualified to be appointed as statutory auditors in terms of the provisions of Section 141 of the Act and the provisions of the Companies (Audit and Auditors) Rules, 2014. The Board recommends the appointment of M/s. V. Sankar Aiyar & Co., Chartered Accountants (FRN 109208W) as statutory auditors of the company from the conclusion of ensuing annual general meeting upto the next annual general meeting of the company.

EXPLANATORY STATEMENT

(Pursuant to Section 102(1) of the Companies Act, 2013)

As required by section 102(1) of the Companies Act, 2013, the following explanatory statement sets out all material facts relating to the business mentioned under Item Nos. 5 to 14 of the accompanying Notice:

For item No. 5 to 9:

The Company had, pursuant to the provisions of clause 49 of the Listing Agreements entered with the Stock Exchanges, appointed Mr. Dilip Yeshwant Ghanekar, Mr. Sonyabapu Shankar Waghmare, Mr. Parag Ashok Sakalikar, Mr. Sajid Imran Ali and Mr. Siddharth Ratilal Mehta, as Independent Directors at various times, in compliance with the requirements of the said clause. Pursuant to the provisions of section 149 of the Act, which came into effect from April 1, 2014, every listed public company is required to have at least one-third of the total number of directors as independent directors, who are not liable to retire by rotation. The Nomination Committee has recommended the appointment of these directors as Independent Directors from September 29, 2014 upto September 28, 2019. Mr. Dilip Yeshwant Ghanekar, Mr. Sonyabapu Shankar Waghmare, Mr. Parag Ashok Sakalikar, Mr. Sajid Imran Ali and Mr. Siddharth Ratilal Mehta, Non-Executive Directors of the Company, have given a declaration to the Board that they meet the criteria of independence as provided under Section 149(6) of the Act. In the opinion of the Board, each of these directors fulfill the conditions specified in the Act and the Rules framed thereunder for appointment as Independent Director and they are independent of the management. In compliance with the provisions of Section 149 read with Schedule IV of the Act, the appointment of these directors as Independent Directors is now being placed before the Members for their approval. No Director, Key Managerial Personnel or their relatives except Mr. Dilip Yeshwant Ghanekar, Mr. Sonyabapu Shankar Waghmare, Mr. Parag Ashok Sakalikar, Mr. Sajid Imran Ali and Mr. Siddharth Ratilal Mehta, Non-Executive Directors are interested or concerned in the respective resolution of their appointment.

A brief profile of the Independent Directors to be appointed is given below:

Mr. Dilip Yeshwant Ghanekar completed his graduation in 1967 from V.R.C.E., Nagpur. He retired as a Technical

Director at MSEB. He possesses 36 years of work experience in the Maharashtra State Electricity Board for the operation, maintenance, construction, procurement and planning of power stations up to 500 MW. He underwent customer training at the works of boiler manufacturer Combustion Engineering, USA, and in Australia, conducted by the United Nations for Coal Technology Environment. He possesses rich experience in the field of operations, maintenance, construction and planning for large power stations. He is associated with the management of Sunil Hitech since the last seven years and is rendering valuable suggestions to the Board related with technical, financial and secretarial aspects of the Company.

Mr. Sonyabapu Shankar Waghmare has joined the Company as a Director in August 2011. He has done his M.Sc. (Agriculture) from Mahatma Phule Agricultural University, Rahuri District, Ahmednagar in 1971, LLB from Pune University in 1976 and DBM from Pune University in 1980. He worked as Assistant Professor of Agriculture Entomology in the College of Agriculture, Pune. Then he joined as a senior officer in UCO Bank. He has got 33 years of rich experience in banking sector. He retired as DGM from UCO Bank in the year 2006. He has also undergone training programme at University of Bradford, England, U.K on project planning and management. He was also a Chairman of Thar Anchalik Gramin Bank, Jodhpur, Rajasthan (A Government of India undertaking) sponsored by UCO Bank. Mr. S. S. Waghmare has in-depth knowledge of banking and finance. His presence in the management of the Company has advantaged the organization a lot in the long run.

Mr. Parag Ashok Sakalikar is a young entrepreneur. He holds a B.E. degree in Mechanical Engineering from Nagpur in 1998. After graduation, he joined as a trainee in the auditor training programme in ISO 9001-2000 from TUV Asia Pvt. Ltd. and advance training in Maruti from Maruti Udyog Ltd. He established his own authorized automobile service station, an ISO 9001:2000-certified company from TUV, for the entire range of Maruti vehicles. His company was awarded for good performance in Maharashtra from 2003-07, including the entire western region (Maharashtra, Goa, Gujarat and Chhattisgarh) by Maruti Suzuki. He also set up an additional Maruti-authorized service station at

Butibori MIDC with 'A' grade category. He possesses good financing, marketing and administration knowledge. He is also the Chairman of the Audit Committee and the Remuneration Committee of the Board.

Mr. Sajid Imran Ali is a Graduate in Engineering with 41 years of experience in erecting and commissioning equipment in coke oven plants, piping, boiler erection, turnkey projects. He possesses vast knowledge in planning and execution and has handled large-volume projects. His forte is able administration. He was in-charge of the total construction management of the power sector for the BHEL Western region in 1994. He possesses rich experience in the fields of boiler erection, piping and turnkey projects. As a part of governance body, he has been rendering valuable advice to the Company.

Mr. Siddharth Ratilal Mehta has joined the Company as a Director in August 2012. He holds a BE degree in Electrical from the prestigious Indian Institute of Science, Bangalore. He joined as a Junior Assistant Engineer – monitoring team for several World Bank-funded projects in 1981. In 1983, he joined Tata Power as an Assistant General Manager – Business Development and played a key role. Currently designated as CEO, Essar Power Distribution Company and Head – Business Development, Essar Power Ltd, he possesses 33 years of rich experience in the areas of strategy and business development, project coordination, management and execution, corporate governance and business expansion and growth.

For Item No. 10

Your Board of Directors at their meeting held on 21st August, 2014 have appointed Mr. Anil Aurangabadkar as an Independent Director of the company for the first term of five years with effect from 21.08.2014 to 20.08.2019 to fill the casual vacancy caused due to vacation of office of one of the Independent Directors; thereby Company complies with the provisions of Clause 49 of the Listing Agreement regarding having optimum combination of executive and non-executive directors on the Board. Mr. Anil Aurangabadkar, Non-Executive Director of the Company, has given a declaration to the Board that he meets the criteria of independence as provided under Section 149(6) of the Act. In the opinion of the Board, he fulfills the conditions specified in the Act and the Rules framed thereunder for appointment as Independent Director and he is independent of the management. In compliance with the provisions of Section 149 read with Schedule IV of the Act, his appointment as Independent Director is now being placed before the Members for their approval for the period of five years from 21.08.2014 to 20.08.2019. No Director, Key Managerial Personnel or their relatives except Mr. Anil Aurangabadkar Non-Executive Director are interested or concerned in the resolution.

A brief profile of Mr. Anil Aurangabadkar is given below:

Mr. Anil Aurangabadkar is a Mechanical Engineer and has obtained Masters Degree in Material Science. He has extended his excellence in one of the prominent company engaged in the Power Sector 'Bharat Heavy Electricals Limited' (BHEL) for 37 years. He has rich corporate excellence in overseeing the activities pertaining to Design, Manufacturing, Assembly & Erection of Rotating Heavy Electrical Equipments, Transformer, Capacitor, Bushing,

Hydro & Thermal Project Management & Execution at BHEL. He has expertise across functional sectors of Excellent track record of executing about 45 Projects for BHEL Power Sector Western Region & order range from small units to 600 MW conventional units, Frame-9FA advanced class Gas Turbines, largest CFBC Boilers to cater to 250 MW output.

After serving BHEL over 30 years he has launched "Power & Industry Sector Consultancy Services" in 2012 and in a very short time successfully established it to handle projects to the fullest satisfaction of Clients.

His inclusion on the Board will add value to the organization and his rich experience in the related field, would immensely benefit the company. His inclusion and presence will have completeness to the Board. His ideas and experience shall take the company to the new heights of growth.

For Item No. 11 & 12

At the Annual General Meeting of the Company held on September 30, 2010, the Members had, by way of Ordinary Resolution and in pursuance of the provisions of Section 293(1)(d) of the Companies Act, 1956, approved of:

(i) borrowing monies on behalf of the Company in excess of the aggregate of the paid-up capital of the Company and its free reserves, subject to the total outstanding amount so borrowed not exceeding a sum of Rs. 2,000 crore at any point of time; and

At the Annual General Meeting of the Company held on September 18, 2008, the Members had, by way of Ordinary Resolution and in pursuance of the provisions of Section 293(1)(a) of the Companies Act, 1956, approved of:

(ii) Creation of a mortgage or charge for the said borrowings, as security by way of mortgage / hypothecation on the Company's assets in favour of lending agencies and trustees for the amounts borrowed under limit sanctioned under section 293(1)(d) of the Companies Act, 1956 including interest, charges, etc. payable thereon, as the documents for the said purpose could contain the power to take over the management of the Company, in certain events.

Under Section 180 of the Act, the above powers of the Board are required to be exercised only with the consent of the company by a Special Resolution.

The Ministry of Corporate Affairs ("MCA") has vide its General Circular No 4/2014 dated March 25, 2014 clarified that the Ordinary Resolutions passed under Sections 293(1)(a) and 293(1)(d) of the Companies Act, 1956 would be sufficient compliance of Section 180 of the Act until September 11, 2014.

The present borrowing limit of your company is Rs. 2000 crore which was approved by members at annual general meeting of the Company held on September 30, 2010; considering expansion plans of the company and requirement of funds for execution of projects your board has recommended to enhance the existing borrowing limit from Rs. 2,000 crore to Rs. 5,000 crore and in order to facilitate borrowings from the banks, financial institutions, etc. company requires to create charge or mortgage over its assets from time to time; thus your board recommends to create charge or mortgage over the assets of the company upto the proposed borrowing limit of the company of Rs. 5,000 crore.

The approval of the Members for the said borrowings and creation of a mortgage or charge for the said borrowing is therefore now being sought, by way of a Special Resolutions, pursuant to Section 180(1)(c) and 180(1)(a) of the Act respectively.

The Directors recommend the Resolutions at Item Nos. 11 and 12 of the accompanying notice for the approval of the members of the company.

None of the Directors and Key Managerial Personnel of the Company or their respective relatives is concerned or interested in the passing of the Resolutions at Item Nos. 11 and 12.

For Item No. 13

The Company has entered into a contract on 30th December, 2013 with M/s RSV and Associates for Execution of Civil / EPC contract of construction & development of residential & commercial complexes for the period of 3 years and for the same has obtained approval from Central Government vide RD/297/443/12/2013 dated 7th February, 2014 for total contract value of Rs. 7.5 crore (Rupees seven crore fifty lacs only).

Considering the cost of construction, raw material, labour expenses and other execution overheads the existing contract value approved by the Central Government is not adequate to meet the said requirements. So there is a need to raise the existing contract value from Rs. 7.5 crore (Rupees seven crore fifty lacs only) to Rs. 10 crore (Rupees ten crore only).

RSV and Associates is a related party within the meaning of Section 2 (76) of Companies Act 2013, and thus the transaction requires the approval of members by special resolution u/s 188 of Companies Act, 2013 at the general meeting.

The particulars of the transaction pursuant to Para 3 of Explanation to Rule 15 of Companies (Meeting of Board and its Powers) Rules, 2014.

- Name of the related party: M/s RSV and Associates.
- Name of the director or key managerial personnel who is related: Mr. Ratnakar M. Gutte, Mr. Sunil R. Gutte and Mr. Vijay R. Gutte.
- Nature of relationship: Mr. Ratnakar M. Gutte, Mr. Sunil R. Gutte and Mr. Vijay R. Gutte are directors and promoters of Sunil Hitech Engineers Limited and also members of RSV and Associates.
- Nature, material terms, monetary value and particulars of the contract or arrangement:

Civil /EPC contract of construction & development of residential & commercial complexes, supply and installation of plumbing & electrical items, supply of equipments, building materials, cement, steel etc. and also obtain necessary permissions from the municipal corporation and other statutory authorities.

Monetary value: Rs. 10 crore (Enhanced from Rs. 7.5 crore to Rs. 10 crore), the enhanced value will be utilized as total Rs. 3.75 crore p.a. (including Rs. 2.5 crore p.a. previously approved by Central Government) during unexpired period of contract i.e. Rs. 3.75 crore each during 2014-15 and 2015-16.

Duration of contract: Duration of the contract is for a period 3 years commencing from 30th December, 2013

- Any other information relevant or important for the members to take a decision on the proposed resolution: None.

No Director, Key Managerial Personnel or their relatives except Mr. Ratnakar M. Gutte, Mr. Sunil R. Gutte and Mr. Vijay R. Gutte are interested or concerned in the resolution.

The Board recommends the resolution set forth in item no. 13 for the approval of members.

For Item No. 14

The Company proposes to enter into contract for a period of 18 (eighteen) months commencing from date of approval by shareholders with Gutte Infra Private Limited for construction of amenities at Water Green Project at Jaytala, Nagpur and also obtain necessary permissions from the municipal corporation and other statutory authorities.

Gutte Infra Private Limited is a related party within the meaning of Section 2 (76) of Companies Act, 2013 and thus the transaction requires the approval of members by special resolution u/s 188 of Companies Act, 2013 at the general meeting.

The particulars of the transaction pursuant to Para 3 of Explanation to Rule 15 of Companies (Meeting of Board and its Powers) Rules, 2014.

- Name of the related party: Gutte Infra Private Limited.
- Name of the director or key managerial personnel who is related: Mr. Ratnakar M. Gutte, Mrs. Sudhamati R. Gutte, Mr. Sunil R. Gutte and Mr. Vijay R. Gutte.
- Nature of relationship: Mr. Ratnakar M. Gutte and Mr. Sunil R. Gutte are Directors and Promoters of Sunil Hitech Engineers Limited and also of Gutte Infra Private Limited. Mrs. Sudhamati R. Gutte and Mr. Vijay R. Gutte are Directors and Promoters of Sunil Hitech Engineers Limited and members of Gutte Infra Private Limited.
- Nature, material terms, monetary value and particulars of the contract or arrangement:

The Contract is for construction of parking shed, garden, bore-well, gymnasium, community hall, etc. and other amenities at Water Green Project at Jaytala, Nagpur and also obtains necessary permissions from the municipal corporation and other statutory authorities.

Monetary value: ₹ 6 crore (Rupees six crore only)

Duration of contract: Duration of the Contract is for a period of 18 (eighteen) months commencing from date of approval by shareholders.

- Any other information relevant or important for the members to take a decision on the proposed resolution: None.

No Director, Key Managerial Personnel or their relatives except Mr. Ratnakar M. Gutte, Mrs. Sudhamati R. Gutte, Mr. Sunil R. Gutte and Mr. Vijay R. Gutte are interested or concerned in the resolution.

The Board recommends the resolution set forth in item No. 14 for the approval of members.



SUNIL HITECH ENGINEERS LIMITED
(CIN: L28920MH1998PLC115155)

ATTENDANCE SLIP

ANNUAL GENERAL MEETING
Monday, the 29th day of September, 2014 at 02.00 P. M.

1. Regd. Folio No. or Client ID No.: _____
2. DP ID No.: _____
3. No. of shares held: _____
4. Name of the Member/Proxy: _____

I am a member/proxy for the member of the Company. I hereby record my presence at an Annual General Meeting of the members of the Company at 'Ratnadeep', Jaynagar, Parli Vaijnath, Dist. Beed, Pin – 431520.

Signature of the Member / Proxy

Note: Please complete and sign this attendance slip and hand it over at the entrance of the hall.

DIVIDEND – ECS MANDATE FORM

To,
M/s. Bigshare Services Private Limited,
2/3 Ansa Industrial Estate,
Sakivihar Road, Saki naka,
Andheri (W) – 400 072

Dear Sirs,

Re.: Payment of Dividend of Sunil Hitech Engineers Ltd. under the Electronic Clearing System (ECS)

I hereby give my/our mandate to credit my/our Dividend on the Shares held by me/us under the Folio mentioned directly to my/our bank account through the Electronic Clearing System (ECS). The details of the Bank Account are given below:

Name of the Sole/First Shareholder (In Block Letters)									
Email id									
DP ID No.									
Folio No.									
No. of Shares held									
Name of the Bank in Full									
Branch Name and Address									
9 digit code No. of the Bank and branch as appearing on the MICR Cheque issued by the Bank*									
Type of the account with code (IFSC CODE)									
Account Number as appearing on the Cheque Book									
Bank Ledger No./Bank Ledger Folio No. (If any as appearing on the cheque book)									

(Please attach a photo copy of your cheque leaf which contains your bank account number and the nine digit MICR number.
You can also send your dividend mandate through email to us.)

I hereby declare that the particulars given above are correct and complete. The present mandate will supercede my earlier mandate, if any, given. If the transaction is delayed or not effected at all because of incomplete or incorrect information, I would not hold the Company/the user institution responsible.

Place :

Dated :

Name & Signature of Sole/First Shareholder



SUNIL HITECH ENGINEERS LIMITED
(CIN: L28920MH1998PLC115155)

PROXY FORM

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

Name of Company: Sunil Hitech Engineers Limited

Registered Office: 'Ratnadeep', Jaynagar, Parli, Vajjnath, Dist. Beed, Pin – 431520

Name of the member(s):

Registered Address

Email id:

Folio No/Client id:

DP ID

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

1. Name: _____

Address: _____

Email Id: _____

Signature: _____, or

2. Name: _____

Address: _____

Email Id: _____

Signature: _____, or

3. Name: _____

Address: _____

Email Id: _____

Signature: _____, or

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 16th Annual General Meeting of the company, to be held on the 29th day of September, 2014 At 02.00 p.m. at 'Ratnadeep', Jaynagar, Parli, Vajjnath, Dist. Beed, Pin – 431520 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution no.	Resolutions
Ordinary Business	
1.	Adoption of the Audited Balance Sheet as at 31 st March, 2014 and Profit & Loss Account for the year ended on that date together with the Report of the Board of Directors and the Auditors thereon.
2.	Declaration of dividend for the financial year ended on 31 st March, 2014.
3.	Re-appointment of Mr. Sunil R. Gutte (DIN 00165822), who retires from office by rotation and being eligible, offers himself for re-appointment.
4.	Appointment of M/s. V. Sankar Aiyar & Co., Chartered Accountants (FRN 109208W) as Statutory Auditors in place of retiring auditors M/s. Kapoor & Parekh Associates, Chartered Accountants.
Special Business	
5.	Appointment of Mr. Dilip Yeshwant Ghanekar (DIN 01261086) as an Independent Director of the Company.
6.	Appointment of Mr. Sonyabapu Shankar Waghmare (DIN 01767186) as an Independent Director of the Company.
7.	Appointment of Mr. Parag Ashok Sakalikar (DIN 01940760) as an Independent Director of the Company.
8.	Appointment of Mr. Sajid Imran Ali (DIN 01968558) as an Independent Director of the Company.
9.	Appointment of Mr. Siddharth Ratilal Mehta (DIN 03551006) as an Independent Director of the Company.
10.	Appointment of Mr. Anil Aurangabadkar (DIN 06950263) as an Independent Director of the Company.
11.	Special Resolution for borrowing limits under section 180(1)(c) of the Companies Act, 2013.
12.	Special Resolution for creation of charge over the assets of the company under section 180(1)(a) of the Companies Act, 2013.
13.	Special Resolution for the related party transaction under Section 188 of the Companies Act, 2013 with RSV And Associates.
14.	Special Resolution for the related party transaction under Section 188 of the Companies Act, 2013 with Gutte Infra Private Limited.

Signed this _____ day of _____ 2014

Signature of the Member(s)

Signature of Proxy holder(s)

Affix
Revenue
Stamp

Notes: 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.

Corporate information

Board of Directors

Mr. Ratnakar Manikrao Gutte - *Chairman & Managing Director*

Mr. Sunil Ratnakar Gutte - *Joint Managing Director*

Mrs. Sudhamati Ratnakar Gutte - *Executive Director*

Mr. Mattathil Narayanan Mohanan - *Director (Operations)*

Mr. Vijay Ratnakar Gutte - *Director (Finance)*

Mr. Venkataramana Condoor - *Executive Director*

Mr. Sonyabapu Shankar Waghmare - *Independent Director*

Mr. Dilip Y. Ghanekar - *Independent Director*

Mr. Sajid Ali - *Independent Director*

Mr. Parag Sakalikar - *Independent Director*

Mr. Siddharth Ratilal Mehta - *Independent Director*

R & T Agents

M/s Bigshare Services Private Limited, E-2/3, Ansa Industrial Estate,
Saki Vihar Road, Saki Naka, Andheri (E), Mumbai - 400 072

Depositories

National Securities Depositories Ltd, Central Depository Services (India) Ltd

Company Secretary

Mr. Shrikant C. Rikhe

97, East High Court Road, Ramdaspath, Nagpur - 440 010

Auditors

Kapoor & Parekh Associates, Chartered Accountants

157, Princess Street, Mumbai - 400 002

Bankers

UCO Bank

Union Bank of India

Oriental Bank of Commerce

Punjab National Bank

Bank of India

IDBI Bank

ICICI Bank

HSBC Bank

Axis Bank

Kotak Mahindra Bank

Syndicate Bank

Karur Vysya Bank

State Bank of Travancore

Canara Bank

Corporate office

602, Trade Centre, Bandra Kurla Complex,
Bandra (E), Mumbai – 400051 Maharashtra

Phone: + 91 22 61872400/99

Telefax: 91 22 61872455

Email: info@sunilhitech.com, cs@sunilhitech.com

Website: www.sunilhitech.com

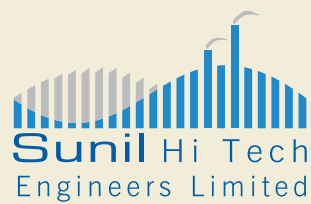
Registered office

Ratnadeep, Jaynagar,

Parli Vajjnath, (Distt. Beed) Pin - 431 520
(Maharashtra)

CIN: L28920MH1998PLC115155

SUNIL HITECH IS ONE OF INDIA'S PIONEERING NICHE ENERGY TECHNOLOGY BUSINESSES INVOLVED IN BOP (BALANCE-OF-PLANT) AND EPC (ENGINEERING-PROCUREMENT-CONSTRUCTION) SERVICES FOR POWER PLANTS. THE COMPANY POSSESSES ONE OF INDIA'S LARGEST COMMISSIONED POWER PLANT PORTFOLIOS OF 37,409 MW (AS ON 31 MARCH 2014).



97, East High Court Road,
Ramdaspath, Nagpur - 440 010, Maharashtra
CIN: L28920MH1998PLC115155
Website: www.sunilhitech.com