

EON ELECTRIC LIMITED

CIN: L31200HR1989PLC035580

Registered Office: 1048, Sector 14, Sonapat – 131 001 Haryana

Corporate Office: B-88, Sector 83, Noida – 201305 Dist. Gautam Budh Nagar (UP)

Phone: +91-120-3096700, Fax: +91-120-3096765

Email: investors@eonelectric.com

Website: <http://www.eonelectric.com>



NOTICE

Notice is hereby given that the Twenty Fifth Annual General Meeting of the Members of **EON ELECTRIC LIMITED** will be held on Monday, the 29th day of September, 2014 at 9.00 A.M at Kanak Garden Resort, 55 Mile Stone, G. T. Karnal Road, Murthal, Distt. Sonapat, Haryana - 131027, to transact the following business: -

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the year ended on 31st March, 2014 along with the Reports of Directors' and Auditors' thereon.
2. To appoint a Director in place of Shri Vivek Mahendru(DIN: 00006014), who retires by rotation at this Annual General Meeting and being eligible, offers himself for re- appointment.
3. To re- appoint Auditors and to fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013, and the Company's (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) M/s. J C Bhalla & Co., Chartered Accountants, New Delhi (Registration No.: 001111N issued by the Institute of Chartered Accountants of India), the retiring Statutory Auditors of the Company, be and are hereby re-appointed as the Statutory Auditors of the Company to hold office as such from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company at a remuneration as may be decided by the Audit Committee /Board of Directors of the Company, plus service tax as applicable and reimbursement of actual out-of-pocket expenses as may be incurred in the performance of their duties.”

SPECIAL BUSINESS:

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

“RESOLVED THAT pursuant to the provisions of Section 14 and all other applicable provisions of the Companies Act, 2013 (statutory modification (s) or re-enactment thereof, for the time being in force), the new Draft Articles as contained in the Articles of Association submitted to this meeting be and are hereby approved and adopted in substitution, and to the entire exclusion of the regulations contained in the existing Articles of Association of the Company.

RESOLVED FURTHER THAT the Board of Directors of the Company (including a Committee thereof) be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

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

“RESOLVED THAT pursuant to the provisions of Section 149, 152 and other applicable provisions of the Companies Act, 2013, and the rules made thereunder read with Schedule IV of the Companies Act, 2013 Shri Ramesh Chander Bansal (DIN: 00005387) Director of the Company, in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 signifying his intention to propose Shri Ramesh Chander Bansal as a candidate for the office of Director of the Company, be and is hereby appointed as Independent Director, to hold office for 5 (five) consecutive years with effect from 30th September, 2014, not liable to retire by rotation.”

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

“RESOLVED THAT pursuant to the provision of Section 149, 152 and other applicable provisions of the Companies Act, 2013, and the rules made thereunder read with Schedule IV of the Companies Act, 2013 Shri Ajoy Kumar Ghosh(DIN: 00005404), Director of the Company, in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 signifying his intention to propose Shri Ajoy Kumar Ghosh as a candidate for the office of Director of the Company, be and is hereby appointed as Independent Director to hold office for 5 (five) consecutive years with effect from 30th September, 2014, not liable to retire by rotation.”

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

“RESOLVED THAT pursuant to the provisions of Section 149, 152 and other applicable provisions of the Companies Act, 2013, and the rules made thereunder read with Schedule IV of the Companies Act, 2013 Shri Ranjan Sarkar (DIN: 00289322), Director of the Company, in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 signifying his intention to propose Shri Ranjan Sarkar as a candidate for the office of Director of the Company, be and is hereby appointed as Independent Director, to hold office for 5 (five) consecutive years with effect from 30th September, 2014, not liable to retire by rotation.”

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

“**RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 198, and 203 and other applicable provisions, if any, of the Companies Act, 2013 read with Schedule V to the Companies Act, 2013 and Companies (Appointment and Remuneration of Managerial Personnel), Rules 2014 (including any statutory modification(s) or re- enactment(s) thereof for the time being in force) and Articles of Association of the Company, consent of the members be and is hereby accorded to re- appoint Shri Ved Prakash Mahendru (DIN: 00005338) as Chairman and Managing Director of the Company, for a period of 3 years w.e.f. 1st October, 2014 on the following terms and condition as approved by Nomination & Remuneration Committee and the Board of Directors of the Company:

Salary	
Basic	₹ 4,25,000/- per month
Perquisites	
Housing	Company owned/ hired / leased accommodation upto 65 % of the Basic Salary over and above 15% being payable by the Director.
Medical Expenditure	For self and family in accordance with the Rules of the Company, subject to One month's Basic Salary
Leave Travel Assistance	For self and family in accordance with the Rules of the Company, subject to One month's basic Salary
Mediclaime and personal accident insurance	As per Rules of the Company
Gratuity	As per Rules of the Company
Car Facility	Company Maintained car
Other allowances, benefits and perquisites	As per Rules of the Company

RESOLVED FURTHER THAT in the event of there being a loss or inadequacy of profit for any financial year, the aforesaid remuneration payable to Shri Ved Prakash Mahendru shall be the minimum remuneration payable to him in terms of the provisions of Schedule V to the Companies Act, 2013.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to take such steps from time to time as may be necessary or desirable to give effect to this Resolution.”

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

“**RESOLVED THAT** pursuant to the provisions of Sections 152, 196, 197, 198, and 203 and other applicable provisions, if any, of the Companies Act, 2013 read with Schedule V to the Companies Act, 2013 and Companies (Appointment and Remuneration of Managerial Personnel), Rules 2014 (including any statutory modification(s) or re- enactment(s) thereof for the time being in force) and Articles of Association of the Company, consent of the members be and is hereby accorded to re- appoint Shri Vivek Mahendru (DIN: 00006014) as Executive Director of the Company for a period of 3 years w.e.f. 1st October, 2014, whose period of office shall be liable to determination by retirement of directors by rotation, on the following terms and condition as approved by Nomination & Remuneration Committee and the Board of Directors of the Company:

Salary	
Basic	₹ 3,60,000/- per month
Perquisites	
Housing	Company owned/ hired / leased accommodation or House Rent Allowance @ 50% of the basic salary in lieu of company provided accommodation.
Medical Expenditure	For self and family in accordance with the Rules of the Company, subject to One month's Basic Salary
Leave Travel Assistance	For self and family in accordance with the Rules of the Company, subject to One month's Basic Salary
Mediclaime and personal accident insurance	As per Rules of the Company
Gratuity	As per Rules of the Company
Car Facility	Company Maintained car
Other allowances, benefits and perquisites	As per Rules of the Company

RESOLVED FURTHER THAT in the event of there being a loss or inadequacy of profit for any financial year, the aforesaid remuneration payable to Shri Vivek Mahendru shall be the minimum remuneration payable to him in terms of the provisions of Schedule V to the Companies Act, 2013.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to take such steps from time to time as may be necessary or desirable to give effect to this Resolution.”

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

“**RESOLVED THAT** pursuant to the provisions of Sections 152, 196, 197, 198, and 203 and other applicable provisions, if any, of the Companies Act, 2013 read with Schedule V to the Companies Act, 2013 and Companies (Appointment and Remuneration of Managerial Personnel), Rules

2014 (including any statutory modification(s) or re- enactment(s) thereof for the time being in force) and Articles of Association of the Company, consent of the members be and is hereby accorded to re- appoint Shri Vinay Mahendru (DIN: 00005371) as Executive Director of the Company for a period of 3 years w.e.f. 1st October, 2014, whose period of office shall be liable to determination by retirement of directors by rotation, on the following terms and condition as approved by Nomination & Remuneration Committee and the Board of Directors of the Company:

Salary	
Basic	₹ 3,60,000/- per month
Perquisites	
Housing	Company owned/ hired / leased accommodation or House Rent Allowance @ 50% of the basic salary in lieu of company provided accommodation.
Medical Expenditure	For self and family in accordance with the Rules of the Company, subject to One month's Basic Salary
Leave Travel Assistance	For self and family in accordance with the Rules of the Company, subject to One month's Basic Salary
Mediclaime and persona accident insurance	As per Rules of the Company
Gratuity	As per Rules of the Company
Car Facility	Company Maintained car
Other allowances, benefits and perquisites	As per Rules of the Company

RESOLVED FURTHER THAT in the event of there being a loss or inadequacy of profit for any financial year, the aforesaid remuneration payable to Shri Vinay Mahendru shall be the minimum remuneration payable to him in terms of the provisions of Schedule V to the Companies Act, 2013.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to take such steps from time to time as may be necessary or desirable to give effect to this Resolution."

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

"RESOLVED THAT in supersession of the ordinary resolution passed by Shareholders of the Company at the Annual General Meeting of the Company held on 29th September, 2007 in terms of Section 293(1)(d) of the Companies Act, 1956, and pursuant to Section 180(1)(c) and all other enabling provisions of the Companies Act, 2013, or any other law for the time being in force (including any statutory modification or amendment thereto or re-enactment thereof) the consent of the Company, be and is hereby accorded to the Board of Directors of the Company to borrow from time to time all such sums of money from any one or more of the Company's bankers and/or persons, firms, ,body corporates or financial institutions as they may deem expedient and necessary for the purpose of the business of the Company notwithstanding that moneys to be borrowed together with moneys 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 share capital and its free reserves, that is to say, reserves not set apart for any specific purpose, provided that the total amount upto which moneys may be borrowed by the Board of Directors and outstanding shall not exceed the sum of ₹ 250 Crores (Rupees Two Hundred & Fifty Crores Only) at any point of time.

RESOLVED FURTHER THAT the Board or any of its duly constituted committee be and is hereby authorised to do and perform all such acts, deeds and things and to take all steps as may be considered necessary, proper and expedient to carry on the purpose of this resolution."

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

"RESOLVED that in supersession of the ordinary resolution passed by the Shareholders of the Company at the Annual General Meeting of the Company held on 29th September, 2007 in terms of Section 293(1)(a) of the Companies Act, 1956, and pursuant to 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 to the Board of Directors of the Company to mortgage, charge and/or hypothecate all or any part of movable and immovable properties of the Company as may be necessary, wheresoever situate, both present and future, in such manner as the Board may direct, together with power to take over the management of the Company in certain events of default, to or in favour of the financial institutions, banks, investment institutions, mutual funds, trusts and other body corporates (hereinafter referred to as the "Lending Agencies")/ 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/Working Capital Facilities/Loans/ Debentures/Bonds and other instruments of an equivalent aggregate value not exceeding ₹ 250 Crores (Rupees Two Hundred and Fifty Crores Only) together with interest thereon at an agreed rates, further interest, liquidated damages, premium on pre-payment or on redemption, costs, charges, expenses and 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 to be entered into by the Company in respect of the said borrowings.

RESOLVED FURTHER THAT the Board of Directors of the Company, 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, deeds and things and to execute all such documents as may be necessary for giving effect to the above Resolution."

By Order of the Board of Directors

Place: Noida
Date : 12th August, 2014

(Kumar Indramani)
Sr. Manager (Legal) & Company Secretary

IMPORTANT NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING, IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON POLL INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING THE PROXY SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**
2. **A PERSON CAN ACT AS PROXY FOR ONLY 50 MEMBERS AND HOLDING IN AGGREGATE NOT MORE THAN 10 PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. MEMBER HOLDING MORE THAN 10 PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS PROXY FOR ANY OTHER MEMBER.**
3.
 - a. Members/ Proxies should bring copies of the Annual Report to the Meeting, since copies of the Annual Report will not be distributed at the Meeting.
 - b. Members should bring the attendance slip duly filled in, for attending the AGM.
 - c. Members who hold shares in dematerialized form, should write their client ID and DP ID numbers and those who hold shares in physical form, should write their folio number in the attendance slip.
 - d. In case of Joint holders attending the Meeting, only such joint holder who is higher in the order of their names will be entitled to vote.
 - e. Corporate members intending to send their authorized representative to attend the meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send a duly certified copy of the resolution authorizing their representatives to attend and vote on their behalf at the meeting.
4. Pursuant to the Section 91 of the Companies Act, 2013(corresponding to Section 154 of the Companies Act, 1956), the Register of Members and Share Transfer Books of the Company will remain closed from Thursday the 18th day of September, 2014 to Monday the 29th day of September, 2014(both days inclusive).
5. The relevant documents accompanying the Notice are open for inspection to the members at the Registered Office of the Company during normal business hours of the Company upto the date of the Meeting.
6. The Statement setting out material facts pursuant to Section 102 of the Companies Act, 2013, in respect of Item Nos. 4 to 12 of the Notice as set out above, is annexed hereto.
7. Pursuant to the requirement of the Listing Agreement of the Stock Exchanges on Corporate Governance, relating to Directors proposed to be appointed / re-appointed at the Annual General Meeting, a statement containing the required details of the concerned Director forms part of this Notice.
8. The statement as required under Section II Part II of the Schedule V of the Companies Act, 2013 with reference to Special Resolutions given at Item nos. 8,9 &10 is annexed hereto as Annexure A.
9. In line with the measures of Green Initiative taken by SEBI, Section 101 and other applicable provisions of the Companies Act, 2013 and the Rules made there under also provides for sending notice of the meeting and the annual report of the company and other shareholder correspondences through electronic mode to the Members.
10. **Members holding shares in physical mode are requested to register their e-mail ID's with the Share Department of the Company and Members holding shares in demat mode are requested to register their e-mail ID's with their respective Depository Participants (DPs) in case the same is still not registered.**
11. Pursuant to the provisions of Section 124 of the Companies Act, 2013(corresponding to Section 205A and 205C of the Companies Act, 1956), the amount of dividend remaining unclaimed as unpaid for a period of seven years from the date of transfer to the Unpaid Dividend Account is required to be transferred to "Investor Education and Protection Fund" (IEPF) established by the Central Government. Special Interim Dividend declared by the Company during the financial year 2010 – 11 is still lying in the respective Unpaid Dividend Account of the Company. Members who have not encashed the said Dividend are requested to make their claim with their dividend warrants for revalidation/ with the letter of undertaking for issue of revalidated/ duplicate dividend to the Corporate Office of the Company at B 88, Sector 83, Noida – 201305.
12. Members having any queries on accounts of the Company are requested to intimate the Company at least 10 days in advance of the Meeting so that the required information may be made available at the Meeting.
13. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company / Registrars and Transfer Agents.
14. Members desirous of making a nomination in respect of their shareholdings in the Company, as permitted under Section 72 of the Companies Act, 2013(corresponding to Section 109A of the Companies Act, 1956), are requested to submit the prescribed Form for this purpose to the Company.
15. **Voting through Electronic means:** In compliance with provisions of Clause 35 B of the Listing Agreement and Section 108 and other applicable provisions of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members a facility to exercise their right to vote at the 25th Annual General Meeting by electronic means and the business may be transacted through E-voting Services provided by National Securities Depository Limited ("NSDL"), on all the resolutions set forth in this Notice. The cut-off date for determining the eligibility of shareholders to exercise e-voting is 20th August, 2014. E-voting is optional for the Members.

The instruction for e-voting are as under:

- (A) In case the member receives an e mail form NSDL[for members whose email IDs are registered with the Company/DP(NSDL/CDSL)] the procedure to vote electronically is as under:
- (i) Open the e-mail and then open the PDF file namely "EON e-voting.pdf" with your client ID or Folio No. as password. The PDF file contains your user ID and password/PIN for e-voting. Please note that the password provided in PDF is an 'Initial Password'.
 - (ii) Open the internet browser and type the following URL:<https://www.evoting.nsd.com>.
 - (iii) Click on Shareholder – Login.
 - (iv) Put user ID and password as initial password/PIN provided in the PDF file.
 - (v) The password change menu will appear on your screen. Change to a new password of your choice with minimum 8 characters with atleast one uppercase(A-Z), one lower case(a-z), one numeric(0-9) and a special character(@,#,*etc.). please take utmost care to keep your password confidential.
 - (vi) Home page of e-voting appears. Click on e-voting: Active Voting Cycles.
 - (vii) Select "EVEN" [E- Voting Event Number] of EON ELECTRIC LIMITED.
 - (viii) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
 - (ix) Upon confirmation, the message "Vote cast successfully" will be displayed.
 - (x) Once you have voted on the resolution, you will not be allowed to modify your vote.
 - (xi) Institutional shareholders[i.e other than individual, HUF, NRI etc.] are required to send scanned copy[PDF/JPG format] of the relevant Board Resolution/Authority Letter, etc. together with attested specimen signature of duly authorized signatories] who are authorized to vote, to the Scrutinizer through e-mail at ranjan.manish123@gmail.com with a copy marked to www.evoting.nsd.com.

- B. Members whose e-mail ID(s) are not registered with the Company/Depository Participants or request(s) for a physical copy, the procedure to vote electronically is as under:

- (i) Initial Password has been provided in the following format at the bottom of the Attendance Slip being sent along with the Annual Report.

EVEN (E-voting Event Number)	USER ID	PASSWORD/ PIN
Provided in the electronic voting particulars portion of the Attendance Slip		

- (ii) Please follow all steps from Sr. No. (ii) to Sr. No. (xi) of Note 15 (A) above, to cast vote.

- C. In case of any queries you may refer the Frequently Asked Questions (FAQs) for members and e-voting user manual for members available at the "Downloads" section of <https://www.evoting.nsd.com> or contact NSDL by email at evoting@nsdl.co.in.
- D. In case you are already registered with NSDL for e-voting then you can use your existing User ID and Password / PIN for casting your vote.
- E. The e-voting period commences on 22nd September, 2014 at 10.00 a.m. and ends on 24th September, 2014 at 5.00 p.m. During this period, shareholders of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date of 20th August, 2014, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the shareholder, he/she shall not be allowed to change it subsequently. Electronic voting shall not be allowed beyond the said date and time.
- F. The voting rights of Members shall be in proportion to their shares of the paid up capital of the Company as on the cut-off date of 20th August, 2014.
- G. The Board of Directors has appointed Mr. Manish Ranjan, Practicing Company Secretary, proprietor of Manish Ranjan & Associates (FCS 5074 & C.P. No. 3709), S-6, 2nd Floor, Jagdamba Bhawan, 4648/1 Ansari Road, Darya Ganj, New Delhi -110002 as the Scrutinizer, to scrutinize the e-voting process in a fair and transparent manner.
- H. 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 make a Scrutinizer's Report of the votes cast in favour of, or against, if any, forthwith to the Chairman of the Meeting.
- I. The Scrutinizer's decision on the validity of the vote shall be final and binding.
- J. The results shall be declared on or after the day of the Annual General Meeting of the Company. The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.eonelectric.com and on the website of NSDL within two (2) working days of passing of the resolution at the AGM of the Company and shall also be communicates to Stock Exchanges where the shares of the Company are listed.
- K. The resolution shall be deemed to be passed on the date of the AGM, subject to receipt of sufficient votes through a compilation of e-voting, Ballot and voting held at the AGM.
- L. Members who are not casting their vote electronically, may cast their vote at the Annual General Meeting.
- M. The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.eonelectric.com and on the website of NSDL within two days of passing of the resolutions at the AGM of the Company and also to be communicated to BSE & NSE.

By Order of the Board of Directors

Place: Noida
Date : 12th August, 2014

(Kumar Indramani)
Sr. Manager (Legal) & Company Secretary

EXPLANATORY STATEMENT SETTING OUT MATERIAL FACTS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 4

The Articles of Association ("AoA") of the Company as presently in force were originally adopted when the Company was incorporated under the Companies Act, 1956 and further amendments were adopted pursuant to the provisions under the Companies Act, 1956, from time to time, over the past several years. The references to specific sections of the Companies Act, 1956 in the existing Articles of Association may no longer be in conformity with the Companies Act, 2013("Act").

The substantive sections of the Act is now largely in force with effect from 12th September, 2013.

With the coming into force of the Act, several regulations of the existing AoA of the Company require alteration or deletions in several articles. Given this position, it is considered expedient to wholly replace the existing AoA by a new set of Articles.

The new AoA to be substituted in place of existing AoA are based on Table "F" of the Act which sets out the model articles of association for a company limited by shares.

Considering that substantive sections of the Companies Act, 2013 which deal with the general working of the companies stand notified, it is proposed to amend the existing Articles of Association to align it with the provisions of Companies Act, 2013 including the Rules framed thereunder and adoption of specific sections from Table "F" to Schedule I to the Companies Act, 2013.

The proposed new draft AoA is being uploaded on the Company's website for perusal by the shareholders of the Company.

The Board of Directors of your Company recommends the Special Resolution as given at Item No. 4 in relation to adoption of new set of Articles of Association for the approval of the shareholders of the Company.

None of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 4.

Item No. 5

Shri Ramesh Chander Bansal has been a Non Executive(Independent) Director on the Board of the Company since 24th June, 2005 pursuant to Clause 49 of the Listing Agreement.

With the enactment of the Companies Act, 2013, it is now incumbent upon every listed company to appoint Independent Directors as defined under Section 149(6) of the Companies Act, 2013.

In terms of Section 149 and other applicable provisions of the Companies Act, 2013, Shri Ramesh Chander Bansal being eligible is proposed to be appointed as Independent Director for a term of five years.

The Company has received a notice in writing under the provisions of Section 160 of the Companies Act, 2013 from a member alongwith a deposit of ₹ 1,00,000/-, proposing the candidature of Shri Ramesh Chander Bansal for the office of Independent Director to be appointed as under the provisions of the Section 149 of the Companies Act, 2013.

The Company has received from Shri Ramesh Chander Bansal (i) consent in writing to act as Independent Director in DIR – 2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors)Rules, 2014, to the effect that he is not disqualified under sub section 2 of the Section 164 of the Companies Act, 2013 and (iii) a declaration to the effect that he meets the criteria of independence as provided in sub section 6 of Section 149 of the Companies Act, 2013 and rules ,made thereunder. He is not liable to retire by rotation.

In the opinion of the Board of Directors, Shri Ramesh Chander Bansal, the Independent Director proposed to be appointed , fulfils the conditions specified in the Act and the Rules ,made thereunder and he is independent of the Management. A copy of the draft letter for the appointment of Shri Ramesh Chander Bansal as Independent Director setting out the terms and conditions is available for inspection without any fee by members at the Company's Registered Office during normal business hours on working days upto the date of AGM.

The Board considers that his continued association would be of immense benefit to the Company and desires to continue to avail the services of Shri Ramesh Chander Bansal as an Independent Director.

The Board of Directors of your Company recommends the resolution as given at Item No. 5 in relation to appointment of Shri Ramesh Chander Bansal as an Independent Director, for the approval of the shareholders of the Company.

Except Shri Ramesh Chander Bansal, no other Director and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 5.

Item No. 6

Shri Ajoy Kumar Ghosh has been a Non Executive(Independent) Director on the Board of the Company since 24th June, 2005 pursuant to Clause 49 of the Listing Agreement.

With the enactment of the Companies Act, 2013, it is now incumbent upon every listed company to appoint Independent Directors as defined under Section 149(6) of the Companies Act, 2013.

In terms of Section 149 and other applicable provisions of the Companies Act, 2013, Shri Ajoy Kumar Ghosh being eligible is proposed to be appointed as Independent Director for a term of five years.

The Company has received a notice in writing under the provisions of Section 160 of the Companies Act, 2013 from a member alongwith a deposit of ₹ 1,00,000/-, proposing the candidature of Shri Ajoy Kumar Ghosh for the office of Independent Director to be appointed as under the provisions of the Section 149 of the Companies Act, 2013.

The Company has received from Shri Ajoy Kumar Ghosh (i) consent in writing to act as Independent Director in DIR – 2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under sub section 2 of the Section 164 of the Companies Act, 2013 and (iii) a declaration to the effect that he meets the criteria of independence as provided in sub section 6 of Section 149 of the Companies Act, 2013 and rules ,made thereunder. He is not liable to retire by rotation.

In the opinion of the Board of Directors, Shri Ajoy Kumar Ghosh, the Independent Director proposed to be appointed , fulfils the conditions specified in the Act and the Rules ,made thereunder and he is independent of the Management. A copy of the draft letter for the appointment of Shri Ajoy Kumar Ghosh as Independent Director setting out the terms and conditions is available for inspection without any fee by members at the Company's Registered Office during normal business hours on working days upto the date of AGM.

The Board considers that his continued association would be of immense benefit to the Company and desires to continue to avail the services of Shri Ajoy Kumar Ghosh as an Independent Director.

The Board of Directors of your Company recommends the resolution as given at Item No. 6 in relation to appointment of Shri Ajoy Kumar Ghosh as an Independent Director, for the approval of the shareholders of the Company.

Except Shri Ajoy Kumar Ghosh, no other Director and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 6.

Item No. 7

Shri Ranjan Sarkar has been a Non Executive(Independent) Director on the Board of the Company since 12th July , 2013 pursuant to Clause 49 of the Listing Agreement.

With the enactment of the Companies Act, 2013, it is now incumbent upon every listed company to appoint Independent Directors as defined under Section 149(6) of the Companies Act, 2013.

In terms of Section 149 and other applicable provisions of the Companies Act, 2013, Shri Ranjan Sarkar being eligible is proposed to be appointed as Independent Director for a term of five years.

The Company has received a notice in writing under the provisions of Section 160 of the Companies Act, 2013 from a member alongwith a deposit of ₹ 1,00,000/-, proposing the candidature of Shri Ranjan Sarkar for the office of Independent Director to be appointed as under the provisions of the Section 149 of the Companies Act, 2013.

The Company has received from Shri Ranjan Sarkar (i) consent in writing to act as Independent Director in DIR – 2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under sub section 2 of the Section 164 of the Companies Act, 2013 and (iii) a declaration to the effect that he meets the criteria of independence as provided in sub section 6 of Section 149 of the Companies Act, 2013 and rules ,made thereunder. He is not liable to retire by rotation.

In the opinion of the Board of Directors, Shri Ranjan Sarkar , the Independent Director proposed to be appointed , fulfils the conditions specified in the Act and the Rules ,made thereunder and he is independent of the Management. A copy of the draft letter for the appointment of Shri Ranjan Sarkar as Independent Director setting out the terms and conditions is available for inspection without any fee by members at the Company's Registered Office during normal business hour on working days upto the date of AGM.

The Board considers that his continued association would be of immense benefit to the Company and desires to continue to avail the services of Shri Ranjan Sarkar as an Independent Director.

The Board of Directors of your Company recommends the resolution as given at Item No. 7 in relation to appointment of Shri Ranjan Sarkar as an Independent Director, for the approval of the shareholders of the Company.

Except Shri Ranjan Sarkar, no other Director and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 7.

Item No. 8

Shri Ved Prakash Mahendru was re-appointed as the Chairman cum Managing Director of the Company for a period of 3(three) years with effect from 1st August, 2012 by a 'Special Resolution' passed by the Shareholders of the Company at their Meeting held on 29th August, 2012 through Postal Ballot Process.

He holds office of Chairman cum Managing Director upto 31st July, 2015.

He holds a Bachelor's degree in Science. He was also the President of Indian Electrical and Electronics Manufacturers Association(IEEMA) and Federation of Engineering Industries of India(FEII) and has done a lot of pioneering works in the interest of Electrical & Engineering Industry. He has been the driving force behind the phenomenal growth and development of the Company. He is an Industrialist.

Shri Ved Prakash Mahendru has more than 55 years of vast experience in the Electrical Industry. He is the founder of Indo Asian Group. Under his stewardship, the Company has achieved the distinction of becoming one of the India's leading electrical group.

The current tenure of Shri Ved Prakash Mahendru as Chairman cum Managing Director shall end on 31st July, 2015. According to the provision of Section 196, re-appointment can be made one year before the expiry of current tenure. However there are only 11 months left for his current tenure to lapse.

Therefore the Board of Directors at its meeting held on 12th August, 2014, has approved to re-appoint Shri Ved Prakash Mahendru as Chairman and Managing Director for a period of 3(three) years with effect from 1st October, 2014 at revised remuneration as recommended by Nomination & Remuneration Committee subject to approval of Shareholders of the Company.

In accordance with Schedule V and other applicable provisions of the Companies Act, 2013, the Nomination & Remuneration Committee and the Board of Directors at their respective meetings held on 12th August, 2014, have also approved the payment of remuneration and perks as detailed in Resolution as minimum remuneration to Shri Ved Prakash Mahendru in the absence or inadequacy of profits in any financial year during his tenure ie upto 30th September, 2017 subject to approval of Shareholders.

The Board of Directors of your Company recommends the Special Resolution as given at Item No. 8 in relation to re- appointment of Shri Ved Prakash Mahendru as Chairman and Managing Director, for the approval of the shareholders of the Company.

Except Shri Ved Prakash Mahendru, Shri Vivek Mahendru and Shri Vinay Mahendru, no other Director and Key Managerial Personnel of the Company and their relatives, is concerned or interested in the Resolution.

Item No. 9

Shri Vivek Mahendru was appointed as Executive Director of the Company for a period of 3(three) years with effect from 1st August, 2012 by a 'Special Resolution' passed by the shareholders of the Company at their Meeting held on 29th August, 2012 through Postal Ballot Process.

He holds office of Executive Director upto 31st July, 2015.

Shri Vivek Mahendru is an MBA from University of Aston in Bermingham, United Kingdom in the year 1983 and worked abroad for over two years before taking up assignment in India. He has 32 years of rich and diversified experience in London, UK as well as in India in production and marketing of Switchgear products including latest and modern electrical protection devises.

Shri Vivek Mahendru has been mainly entrusted with the responsibility of Marketing and operations of Wires & Cables and Lighting products alongwith business of Joint Venture Companies in India.

The current tenure of Shri Vivek Mahendru as Executive Director shall end on 31st July, 2015. According to the provision of Section 196, re-appointment can be made one year before the expiry of current tenure. However there are only 11 months left for his current tenure to lapse.

Therefore the Board of Directors at its meeting held on 12th August, 2014, has approved to re-appoint Shri Vivek Mahendru as Executive Director for a period of 3(three) years with effect from 1st October, 2014 at revised remuneration as recommended by Nomination & Remuneration Committee subject to approval of Shareholders of the Company. His period of office shall be liable to determination by retirement of directors by rotation.

In accordance with Schedule V and other applicable provisions of the Companies Act, 2013, the Nomination & Remuneration Committee and the Board of Directors at their respective meetings held on 12th August, 2014, have also approved the payment of remuneration and perks as detailed in Resolution as minimum remuneration to Shri Vivek Mahendru in the absence or inadequacy of profits in any financial year during his tenure ie upto 30th September, 2017, , subject to the approval of shareholders.

The Board of Directors of your Company recommends the Special Resolution as given at Item No. 9 in relation to re- appointment of Shri Vivek Mahendru as Executive Director for the approval of the shareholders of the Company.

Except Shri Vivek Mahendru, Shri Ved Prakash Mahendru and Shri Vinay Mahendru, no other Director and Key Managerial Personnel of the Company and their relatives, is concerned or interested in the Resolution.

Item No. 10

Shri Vinay Mahendru was re-appointed as Executive Director of the Company for a period of 3(three) years with effect from 1st August, 2012 by a 'Special Resolution' passed by the shareholders of the Company at their Meeting held on 29th August, 2012 through Postal Ballot Process.

He holds office of Executive Director upto 31st July, 2015.

He is a Mechanical Engineer and holds a Master degree in Management from the University of Aston, Birmingham, U.K. He is an industrialist. During his long association over 25 years with the company, he was primarily engaged in the setting up, implementation and management of new projects and adding new products to the existing portfolio of the company through active involvement in the R & D segment, automation and innovation.

Shri Vinay Mahendru has been instrumental for starting the new business of Mobile accessories and Lithium- Ion Batteries.

The current tenure of Shri Vinay Mahendru as Executive Director shall end on 31st July, 2015. According to the provision of Section 196, re-appointment can be made one year before the expiry of current tenure. However there are only 11 months left for his current tenure to lapse.

Therefore the Board of Directors at its meeting held on 12th August, 2014, has approved to re-appoint Shri Vinay Mahendru as Executive Director for a period of 3(three) years with effect from 1st October, 2014 at revised remuneration as recommended by Nomination & Remuneration Committee subject to approval of Shareholders of the Company. His period of office shall be liable to determination by retirement of directors by rotation.

In accordance with Schedule V and other applicable provisions of the Companies Act, 2013, the Nomination & Remuneration Committee and the Board of Directors at their respective meetings held on 12th August, 2014, have also approved the payment of remuneration and perks as detailed in Resolution as minimum remuneration to Shri Vinay Mahendru in the absence or inadequacy of profits in any financial year during his tenure ie upto 30th September, 2017, subject to the approval of shareholders.

The Board of Directors of your Company recommends the Special Resolution as given at Item No. 10 in relation to re- appointment of Shri Vinay Mahendru as Executive Director for the approval of the shareholders of the Company.

Except Shri Vinay Mahendru, Ved Prakash Mahendru and, Shri Vivek Mahendru, no other Director and Key Managerial Personnel of the Company and their relatives, is concerned or interested in the Resolution.

Item Nos. 11 & 12

The Shareholders of the Company at their Annual General Meeting held on 29th September, 2007 had authorized the Board of Directors under Section 293(1)(d) and 293(1)(a) of the Companies Act, 1956 to borrow monies as well as to secure the same by suitable mortgage/charge on all or any of the moveable properties of the Company by way of passing of Ordinary resolution.

On 12th September, 2013 Government of India, Ministry of Corporate Affairs notified Section 180(1) (c) and Section 180 (1)(a) of the Companies Act, 2013 by which a company cannot borrow in excess of the aggregate of the paid-up capital and free reserves, apart from the temporary loans obtained from the company's bankers in the ordinary course of business, and the company can not provide the security for such borrowings by way of creation of charge/mortgage on all or any moveable and immoveable properties of the Company, **except with the consent of the shareholders obtain by way of Special Resolutions** at the general meeting of the Company.

Hence in order to remain compliant with the provisions of borrowings and creation of security/charge/mortgage pursuant to Section 180(1) (c) and Section 180(1)(a) of the Companies Act, 2013 respectively, consent of shareholders is hereby required by way of Special Resolution(s) as given at Item No. 11 & 12 to authorize the Board of Directors for the purpose of borrowing funds upto ₹ 250 Crores and to create charge/ security on the asset of the Company for such borrowings.

The Board of Directors of your Company recommends the Special Resolutions as given at Item Nos. 11 & 12 in relation to borrowing power and creation of charge respectively for the approval of the shareholders of the Company.

None of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the Special Resolutions set out at Item Nos. 11 and 12.

DETAILS OF DIRECTORS SEEKING APPOINTMENT/ RE-APPOINTMENT AT THE ANNUAL GENERAL MEETING PURSUANT TO CLAUSE 49 OF THE LISTING AGREEMENT WITH THE STOCK EXCHANGE

SHRI VED PRAKASH MAHENDRU

Sh. Ved Prakash Mahendru aged 81 years , is the promoter Director of the Company and was appointed by the Shareholders at 16th AGM held on 24th June, 2005. He holds a Bachelor's degree in Science. He was also President of Indian Electrical and Electronics Manufacturers Association(IEEMA) and Federation of Engineering Industries of India(FEII) and has done a lot of pioneering works in the interest of Electrical Industry. He is an Industrialist. He is also a Director of VPM Electricals Private Limited, Novateur Electrical & Digital Systems Private Limited and Litheon Green Energy Private Limited. He is not a member of any committee.

He holds 9,09,413 Equity shares of the Company.

SHRI VIVEK MAHENDRU

Shri Vivek Mahendru aged 53 years, is Director of the Company since 12th May, 2012. He is an MBA from University of Aston in Bermingham, U.K and has worked abroad for over two years before taking up assignment in India. He has 32 years of rich and diversified experience in London, UK as well as in India in production and marketing of Switchgear products including latest and modern electrical protection devices.

He is also a Director of Indo Simon Electric Private Limited, Hausmann Elektrik Private Limited, Litheon Green Energy Private Limited, Luxtra Lighting Private Limited, IAFL Power Distribution & Infrastructure Private Limited, IAFL Switchgears Private Limited and Indo Nordex Lightings Private Limited. He is also a member of Audit Committee of the Company.

He holds 590660 Equity shares of the Company.

SHRI VINAY MAHENDRU

Shri Vinay Mahendru aged 52 years, is the promoter Director of the Company and was appointed by the Shareholders at 16th AGM held on 24th June, 2005. He is a Mechanical Engineer and holds a Master degree in Management from the University of Aston, Birmingham, U.K. He is an industrialist. He is also a Director of Indo Simon Electric Private Limited, Hausmann Elektrik Private Limited, Litheon Green Energy Private Limited, Luxtra Lighting Private Limited, IAFL Power Distribution & Infrastructure Private Limited, IAFL Switchgears Private Limited and Indo Nordex Lightings Private Limited. He is also a member of Stakeholders Relationship/Grievance Redressal Committee of the Company.

He holds 5,76,707 Equity shares of the Company.

SHRI RAMESH CHANDER BANSAL

Shri Ramesh Chander Bansal aged 76 years is a Non Executive (Independent Director) of the Company since 24th June, 2005. He is a Chartered Accountant since 1962 with specialization in Finance and Management. He is also the Chairman of Audit Committee, Nomination & Remuneration Committee and Stakeholders Relationship/Grievance Redressal Committee of the Company.

He is also a Director of Advance Metering Technology Limited, Citicap Channels Limited, Citicab Housing Development Limited and Citicap Print Media Private Limited. He is also the Chairman of Audit Committee, Nomination & Remuneration Committee and Stakeholders Relationship/Grievance Redressal Committee of Advance Metering Technology Limited.

He holds 800 Equity shares of the Company.

SHRI AJOY KUMAR GHOSH

Sh. Ajoy Kumar Ghosh aged 76 years is an Independent Director of the Company since 24th June, 2005. He is a Chartered Accountant. He is also member of Audit Committee, Nomination & Remuneration Committee of the Company.

He is also a Director of Advance Metering Technology Limited, Cico Technologies Limited, Cico Projects Private Limited, Cico Technotrade Limited, SRG Projects Private Limited, Bengal Ceramic Limited, FRC Composites India Limited, Corchem India Private Limited and Gardtools Private Limited.

He is also a member of Audit Committee and Remuneration Committee of Advance Metering Technology Limited.

He does not hold any shares of the Company.

SHRI RANJAN SARKAR

Shri Ranjan Sarkar aged 74 years, has graduated in Electrical Engineering from Jadavpur University in the year 1963. . He has almost 50 years of rich and diversified experience in the fields of General Management, Marketing, Engineering, Installation, Testing and Commissioning, Manufacturing, Materials Control, Project Management, Strategic Business Planning.

He is also a Director of Delta Sensor Private Limited and he is not member of any committee. He does not hold any shares of the Company.

By Order of the Board of Directors

Place: Noida

Date : 12th August, 2014

(Kumar Indramani)
Sr. Manager (Legal) & Company Secretary

STATEMENT OF INFORMATION AS REQUIRED UNDER SCHEDULE V, PART II, SECTION II:

Annexure - A

(1) General Information:					
1. Nature of Industry	Electrical, Manufacturing and marketing of Wires & Cables, Energy Efficient Lighting products, Fans, Geysers, Lithium Ion Batteries and Mobile phone accessories.				
2. Date of Commencement of commercial operation	The Company was incorporated on 6 th November, 1989 as private company				
3. Financial performance based on given indicator: The financial data as per last audited Balance Sheet as on 31 st March, 2014		(Rs./Crore)			
Particulars					2013-14
Sales & other income					142.93
Profit/(Loss) before Tax and Interest					(18.47)
Profit /(Loss) before Tax					(24.08)
Profit /(Loss)after Tax					(23.44)
4 Export Performance					
Financial Year	2010-11	2011-12	2012-13	2013-14	
Export Performance	NIL	NIL	NIL	NIL	

(2) Information about the Appointees			
	Shri Ved Prakash Mahendru	Shri Vivek Mahendru	Shri Vinay Mahendru
Background Details	Shri Ved Prakash Mahendru is the founder and Chairman of Indo Asian Group. Shri Ved Prakash Mahendru holds a Bachelor's degree in Science. He was also the President of Indian Electricals and Electronics Manufacturers Association (IEEMA) and Federation of Engineering Industry. He has over 55 years of experience in top management in industry.	Shri Vivek Mahendru holds a Master degree in Management from the university of Aston, Birmingham, U.K. He has around 32 years of experience in senior management in industry.	Shri Vinay Mahendru is a Mechanical Engineer and holds a Master degree in Management from the university of Aston, Birmingham, U.K. He has over 30 years of experience in senior management in industry.
Past Remuneration(per annum)	₹ 70.51 Lacs	₹ 60.28 lacs	₹ 60.28 lacs
Job profile and his suitability	Shri Ved Prakash Mahendru is responsible for the overall control and management of the Company's operations and performance of the company subject to the superintendence, direction and control of the Board, Shri Ved Prakash Mahendru has been the driving force behind the Company's phenomenal success and plays a major role in providing thought leadership and strategic inputs to the Company.	Shri Vivek Mahendru is responsible for looking after the entire Indian and overseas marketing operations of the company. He has been instrumental in setting up various policy, guidelines for overall functioning of the Company in co-ordination with the Managing Director, under the supervision of the Board of Directors. He along with the Managing Director has greatly contributed in building up and moving the organization towards growth with his entrepreneurship.	Shri Vinay Mahendru is responsible for the management administration and performance of the Company's manufacturing operations. He has made path breaking contribution in undertaking new projects, introduction of new products and moving the organization towards growth with his professional skills and acumen.
Remuneration proposed	As set out in the resolution at item no. 8, the remuneration to Chairman and Managing Director has been approved by the Nomination & Remuneration Committee and the Board of Directors of the Company.	As set out in resolution at item no.9, the remuneration to Executive Director has been approved by the Nomination & Remuneration Committee and the Board of Directors of the Company.	As set out in the resolution at item no. 10, the remuneration to Executive Director has been approved by the Nomination & Remuneration Committee and the Board of Directors of the Company.
Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person	Taking into consideration the size of the Company, the qualification and experience of Shri Ved Prakash Mahendru and the profile being handled by him, the remuneration as mentioned above is on the lower side as compared to the remuneration being paid to similar position in the other Companies.	Taking into consideration the size of the Company, the qualification and experience of Shri Vivek Mahendru and the profile being handled by him, the remuneration as mentioned above is on the lower side as compared to the remuneration being paid to similar position in the other Companies.	Taking into consideration the size of the Company, the qualification and experience of Shri Vinay Mahendru and the profile being handled by him, the remuneration as mentioned above is on the lower side as compared to the remuneration being paid to similar position in other Companies.
Pecuniary relationship directly or indirectly with the company or relationship with the managerial person, if any	Besides the remuneration proposed Shri Ved Prakash Mahendru does not have any other pecuniary relationship with the company. Shri Ved Prakash Mahendru is relative of Shri Vivek Mahendru & Vinay Mahendru, Executive Directors of the Company.	Besides the remuneration proposed Shri Vivek Mahendru does not have any other pecuniary relationship with the company. Shri Vivek Mahendru is relative of Shri Ved Prakash Mahendru, Chairman cum Managing Director and Shri Vinay Mahendru Executive Director of the Company.	Besides the remuneration proposed Shri Vinay Mahendru does not have any other pecuniary relationship with the company. Shri Vinay Mahendru is relative of Shri Ved Prakash Mahendru, Chairman cum Managing Director and of Shri Vivek Mahendru Executive Director of the Company.

Other Information	
Reason for loss or inadequacy of profit	The major portion of the Company 's business comes from real estate and infrastructure industry in India. The general economic slowdown and inflation prevalent in the country for quite some time has resulted in the shrinking of the construction industry thereby adversely affecting the results of the company. The operating results of the company have also been affected due to the increased pressure on margins resulting in lower sales and rise in raw material prices without a corresponding increase in sale prices due to intense competition from within and outside the country and higher administration and other expenses incurred for re-establishment of the business set up and marketing facilities subsequent to the slump sale of the Switchgear business, the benefits from which have started accruing and will continue during the coming years.
Steps taken or proposed to be taken for improvement	To over come the present situation the Company has initiated pro-active measures and solutions with a view to achieve a turnaround and major breakthrough in turnover and profitability by enhancing the company's market share substantially through introduction of new & innovative products, marketing facilities and appointment of new channel partners. Efforts are also afoot for building further operational efficiency and improving internal efficiencies in the areas of marketing, technology etc and restructuring and implementing cost control measures to curtail losses and strengthening relationship management with all stakeholders including potential customers.
Expected increase in productivity and profits in measurable terms	The above measures being undertaken are expected to yield positive results in the coming years. While it is difficult to forecast the productivity and profitability in measurable terms. The Company expects that the above initiatives would increase the productivity and profitability of the Company as comparable with the industry average.

PROXY FORM

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

EON ELECTRIC LIMITED

CIN: L31200HR1989PLC035580

Registered Office: 1048, Sector 14, Sonapat – 131 001 Haryana
Corporate Office: B-88, Sector 83, Noida – 201305 Dist. Gautam Budh Nagar (UP)

Phone: +91-120-3096700, **Fax:** +91-120-3096765

Email: investors@eonelectric.com **Website:** http://www.eonelectric.com



Name of the member(s) :
Registered address :
E Mail Id:
Folio No. / *Client ID:
*DP ID:

I / We, being the member(s) of _____ equity shares of Re 5/- each of the above named Company, hereby appoint:

- 1) Name: _____ E Mail: _____
 Address: _____
 Signature _____, Or failing him / her
- 2) Name: _____ E Mail: _____
 Address: _____
 Signature _____, Or failing him / her
- 3) Name: _____ E Mail: _____
 Address: _____
 Signature _____

and whose signatures are appended below as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 25th Annual General Meeting of the Company to be held on Monday, the 29th day of September, 2014 at 9.00 a.m. at the Kanak Garden Resort, 55 Mile Stone, G T Karnal Road, Murthal Dist. Sonapat - 131 027 Haryana and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolutions	Optional**	
		For	Against
Ordinary Business			
1.	Adoption of Financial statement, Reports of the Board of Directors and Auditors for the financial year ended 31st March 2014.		
2.	Appointment of Director in place of Shri Vivek Mahendru(DIN : 00006014) who retires by rotation and being eligible offer himself for re-appointment.		
3.	Appointment of M/s J.C.Bhalla & Co., Chartered Accountants, as Auditors and fixing their remuneration		
Special Business			
4.	Approval and adoption of new set of Articles of Association of the Company		
5.	Appointment of Shri Ramesh Chander Bansal(DIN : 00005387) as an Independent Director		
6.	Appointment of Shri Ajoy Kumar Ghosh(DIN: 00005404) as an Independent Director		
7.	Appointment of Shri Ranjan Sarkar (DIN: 00289322) as an Independent Director		
8.	Re-appointment of Shri Ved Prakash Mahendru, as Chairman & Managing Director		
9.	Re-appointment of Shri Vivek Mahendru as Executive Director		
10.	Re-appointment of Shri Vinay Mahendru as Executive Director		
11.	Approval of Borrowing limits of the Company under Section 180(1)(c) and any other applicable provisions of the Companies Act, 2013.		
12.	Approval for Creation of Charge(s) pursuant to Section 180(1)(a) and any other applicable provisions of the Companies Act, 2013.		

* Applicable for investors holding shares in electronic form

Signed this day of 2014.

Signature of the shareholder

Affix
 Re. 1/-
 Revenue
 Stamp

Signature of the Proxy holder

Signature of the Proxy holder

Signature of the Proxy holder

NOTE :

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered office at 1048, Sector 14, Sonapat - 131 001, Haryana, not less than 48 hours before the commencement of the Meeting
2. For the Resolutions, Explanatory Statement and Notes, please refer to the Notice of the 25th Annual General Meeting.
- **3. It is optional to put a '✓' in the appropriate column against the Resolution indicated in the Box. If you leave the 'For' and 'Against' column blank against any or all Resolutions, your Proxy will be entitled to vote in the manner as he / she thinks appropriate.
4. Please complete all details including detail of member(s) in above box before submission.

EON ELECTRIC LIMITED

CIN: L31200HR1989PLC035580

Registered Office: 1048, Sector 14, Sonapat – 131 001 Haryana
Corporate Office: B-88, Sector 83, Noida – 201305 Dist. Gautam Budh Nagar (UP)

Phone: +91-120-3096700, **Fax:** +91-120-3096765

Email: investors@eonelectric.com **Website:** http://www.eonelectric.com



ATTENDANCE SLIP

25th ANNUAL GENERAL MEETING - September 29, 2014

Name of the Member
(In Block Letters)

Name of Proxy, If any
(In Block Letters)
(In case Proxy attends the meeting
in place of member)

DP ID/Client ID/Folio No.*

No. of Shares held

I/We hereby record my / our presence at the 25th Annual General Meeting of the Company to be held on Monday, the 29th day of September, 2014 at Kanak Garden Resort, 55 Mile Stone, G. T. Karnal Road, Murthal, Dist. Sonapat - 131 027, Haryana.

* Applicable in case of shares held in physical form .

Signature of the Member Signature of the Proxy Holder(s)

Note:

- Members/Proxy holders are requested to bring this Attendance Slip duly filled in and signed with them when they come to the meeting and hand it over at the **ATTENDANCE VERIFICATION COUNTER** at the entrance of the Meeting Venue.
- NO ATTENDANCE SLIP SHALL BE ISSUED AT THE MEETING.
- Electronic copy of the Annual Report or the Financial year 2013-14 & Notice of the AGM along with the attendance slip & Proxy form is being sent to all the members whose email address is registered with the Company /DP unless any member has requested for a hard copy of the same. Members receiving electronic copy & attending the AGM can print copy of the Attendance slip .
- Physical copy of the Annual Report for the Financial year 2013-14 & the Notice of the AGM along with Attendance Slip & Proxy form is being sent in the permitted mode(s) to all members whose e-mail is not registered or have requested for hard copy. Please bring your copy of the Annual Report to the Meeting.
- The Meeting is of members only and you are requested not to bring with you any person who is not a member or a proxy.

E-VOTING PARTICULARS

EVEN (E-Voting Event Number)	USER ID	PASSWORD

Note : Please read the instructions given in the Notice of AGM before casting your vote through e-voting



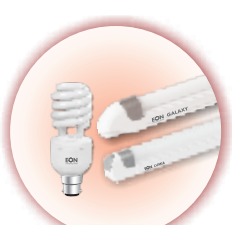
ANNUAL REPORT 2014



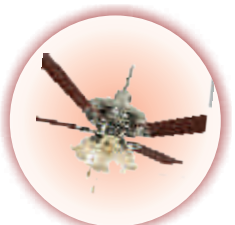
EON WIRES & CABLES



EON LED BULBS



EON LIGHTING



EON FANS



EON LITHIUM ION BATTERIES

From the Chairman's Desk



“ Upgrading our products with new technologies has been our most potent DNA ”

Dear Shareholders,

Warm Greetings!

The year 2013-14 has been a challenging year for the Economy as a whole and the Indian Electrical Industry in particular. The uncertainties spread all over the globe added to the economic unrest and consequently its downfall globally.

From the Indian perspective, despite this difficult environment but with visible emergence of governance, the economic environment within our country and around us has started looking warm and positive.

Sound Government at the Centre with massive majority mandate has provided India with the opportunity to look at the wider aspect of world economic operations in a practical and holistic manner.

It appeared difficult initially but we are now getting confident of the great potential of growth revival in Economy and in manufacturing activities.

We stayed true to our core philosophy of innovation in products. We have paid total attention to the interest of users of our products and technology and focused on delivering efficiency and cost effectiveness without compromising quality.

We also believe that having a global attitude supported with world-class technology will help in development of the country and its people. It will help provide growth opportunities which in turn will bring about modernization, technological initiative and upgradation. Ever increasing environmental concerns, for which we have employed the best resources and minds to conceive new designs for manufacturing energy saving products including LED Lights. Use of Lithium Ion Batteries is no longer limited to the Mobile Phones but now, in view of their outstanding qualities of quick charge and deep discharge, their demand is growing fast not only for emergency lights for homes, offices and institutional operations but also for ATMs, Telecommunication Towers, and for storing solar energy as acquired from Solar Cells. Above all Lithium Ion Batteries are in for an important role for a variety of critical needs of our Nation including use in Defense equipment and projects.

Thus, EON looks forward to consistent growth in coming years. We will continue to consolidate and build ever higher standards of customer delight through creative innovation. We aim to grow faster to scale new heights and to set new milestones.

I am grateful to our Board of Directors and our committed Engineers, Executives and employees for their unwavering support and guidance. I take this opportunity to thank all our stakeholders including our customers, shareholders and above all our Bankers, who have reposed full trust and confidence in us and have always extended their consistent support. I look forward to their continued patronage and support.

With kind and cordial regards,

V P Mahendru

Chairman - Managing Director

Board of Directors

Ved Prakash Mahendru	Chairman & Managing Director
Vivek Mahendru	Executive Director
Vinay Mahendru	Executive Director
Ramesh Chander Bansal	Independent Director
Ajoy Kumar Ghosh	Independent Director
Ranjan Sarkar	Independent Director
<hr/>	
K.B. Satija	Vice President (Corporate Finance)
Kumar Indramani	Sr. Manager(Legal) & Company Secretary

Auditors

J. C. Bhalla & Co., Chartered Accountants, New Delhi

Bankers

State Bank of Patiala

Corporate Office

B-88, Sector - 83
Noida - 201305, (U.P)

Registered Office

1048, Sector-14,
Sonepat, Haryana - 131001

Works:

Unit: I

Plot No. 10, Sector 4, SIDCUL,
Haridwar, Uttarakhand - 249403

Unit: II

Plot No. 28-29, Sector 6B, SIDCUL,
Haridwar, Uttarakhand - 249403

Unit: III

Plot No. 1C, Sector 7, SIDCUL,
Haridwar, Uttarakhand - 249403

Contents

Directors' Report	2
Management Discussion and Analysis	5
Corporate Governance Report	8
Independent Auditors' Report	18
Balance Sheet	22
Statement of Profit & Loss	23
Cash Flow Statement	24
Significant Accounting Policies	26
Notes on Financial Statements	29

Directors' Report

Dear Shareholders,

Your Directors have pleasure in presenting the 25th Annual Report together with Audited Accounts of your Company for the financial year ended 31st March, 2014.

FINANCIAL RESULTS

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

Particulars	(₹/Crore)	
	For the year ended 31 st March, 2014	For the year ended 31 st March, 2013
Sales & other Income	142.93	164.62
Operating Profit/(Loss)(EBITDA)	(21.69)	(22.63)
Finance Costs	5.61	2.52
Depreciation and Amortisation Expense	2.98	2.46
Profit/(Loss) before Tax	(24.08)	(19.13)
Less: Tax Expenses	(0.64)	0.66
Profit/(Loss) after Tax	(23.44)	(19.79)
Profit/((Loss) for the year	(23.44)	(19.79)
Add: (a) Profit brought forward from previous year	12.00	29.50
Balance carried to Balance sheet	11.44	12.00

Your Company has achieved a turnover and other Income of ₹142.93 crores during the financial year ended the 31st March, 2014 as against ₹ 164.62 crores during the previous financial year.

DIVIDEND

Constrained by planned financial investment for faster growth, your Directors do not recommend any dividend for the year under review.

DIRECTORS

We thank the shareholders of the Company for their support in confirming the appointment of Shri Ranjan Sarkar as Director at the 24th AGM held on 30th September, 2013 who was appointed as Additional Director w.e.f 12th July, 2013 to act as Independent Director in compliance of Clause 49 of the Listing Agreement after the resignation of Dr. Sai Ramachandran from the Directorship of the Company w.e.f. 19th June, 2013 due to his indifferent health.

Sh. Vivek Mahendru, Director is retiring by rotation at the ensuing Annual General Meeting in terms of the provisions of Companies Act, 2013 and being eligible offer himself for re-appointment at the ensuing Annual General Meeting.

Your Board recommends his re-appointment at the ensuing Annual General Meeting.

With the enactment of the Companies Act, 2013, it is now incumbent upon every listed company to appoint Independent Directors as defined under Section 149(6) of the Companies Act, 2013.

To comply the Clause 49 of the Listing Agreement, Shri Ramesh Chander Bansal, Shri Ajoy Kumar Ghosh and Shri Ranjan Sarkar had been appointed as Directors of the Company under the provisions of erstwhile Companies Act, 1956, to act themselves as Independent Directors.

The company has received notices from the shareholders for the candidature of Shri Ramesh Chander Bansal, Shri Ajoy Kumar Ghosh and Shri Ranjan Sarkar as Independent Directors of the Company alongwith prescribed fee in terms of Section 160 of the Companies Act, 2013.

In order to give effect to the provisions of the Companies Act, 2013, the Board recommends the appointment of

Shri Ramesh Chander Bansal, Shri Ajoy Kumar Ghosh and Shri Ranjan Sarkar as Independent Directors of the Company in terms of Section 149 of the Companies Act, 2013 read with amended Clause 49 of the Listing Agreement to hold office for five(5) consecutive years with effect from 30th September, 2014, not liable to retire by rotation.

The Board also recommends the re-appointment of Shri Ved Prakash Mahendru, as Chairman & Managing Director, Shri Vivek Mahendru as Executive Director and Shri Vinay Mahendru as Executive Director, for a period of 3 (Three) years w.e.f 1st October, 2014 since their current tenure shall end on 31st July, 2015 and in terms of provision of Section 196 of the Companies Act, 2013, re-appointment of Managing Director/ Executive Directors can be made one year before the expiry of current tenure.

In accordance with the requirement of Clause 49 of the Listing Agreement, brief resume of Shri Ved Prakash Mahendru, Shri Vivek Mahendru, Shri Vinay Mahendru, Shri Ramesh Chander Bansal, Shri Ajoy Kumar Ghosh and Shri Ranjan Sarkar, giving details of their expertise areas, directorship and members of various committees are forms part of the Notice of Annual General Meeting.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the provision of Section 134(5) of the Companies Act, 2013 (corresponding to Section 217(2-AA) of the Companies Act, 1956), with respect to Directors' Responsibility Statement, it is hereby confirmed:

- i. That in the preparation of the Annual Accounts for the Financial Year ended 31st March, 2014, the applicable accounting standards have been followed and no material departures have been made from the same;
- ii. That the Directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2014 and of the profit or loss of the company for the year ended on that date;
- iii. That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv. That the Directors have prepared the Annual Accounts for the Financial Year ended 31st March, 2014, on a going concern basis.

AUDITORS

M/s J C Bhalla & Co. , Chartered Accountants, New Delhi were appointed as the Statutory Auditors of the Company to hold office from the conclusion of the previous Annual General Meeting until the conclusion of the ensuing Annual General Meeting. The Company has received a letter from M/s J C Bhalla & Co. to the effect that their re-appointment, if made, would be within the limits prescribed under Section 139 of the Companies Act, 2013 and that they are not disqualified for such re-appointment within the meaning of Section 141 of the said Act. The Board of Directors recommends the re-appointment of M/s J C Bhalla & Co. Chartered Accountants, as Statutory Auditors of the Company for the financial year 2014-2015.

REPORT ON CORPORATE GOVERNANCE

Pursuant to Clause 49 of the Listing Agreement, a report on the Corporate Governance for the year under review along with Auditors Certificate regarding Compliance of Corporate Governance is given in Annexures - A and B and form part of this Report.

PARTICULARS OF EMPLOYEES

The information as required under Section 217 (2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975 as amended from time to time, forms part of this report. As per the provisions of Section 219(1)(b)(iv) of the Companies Act, 1956, the report is being sent to the shareholders of the company excluding the aforesaid information. Any shareholder interested in obtaining the particulars, may obtain it by writing to the Company Secretary.

PERSONNEL

Personnel relations with all employees and workers remained cordial and harmonious throughout the year. Your Directors wish to place on record their sincere appreciation for the devoted services of all the employees and workers of the Company.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING & OUTGO

Information required under Section 134(3)(m) of the Companies Act, 2013 (corresponding to Section 217(1)(e) of the Companies Act, 1956), read with Rule 2 of the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1998, as amended from time to time, is given in Annexure-C and forms part of Directors' Report.

LISTING OF SHARES

The Equity shares of the Company are listed on the Bombay Stock Exchange Limited (BSE) and the National Stock Exchange of India Limited (NSE).

FIXED DEPOSITS

The Company has not accepted any deposits during the year under review, within the meaning of Section 73 of the Companies Act, 2013 (corresponding to Section 58A & 58AA of the Companies Act, 1956) read with the Companies (Acceptance of Deposits) Rules, made thereunder.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

In compliance of Clause 49 of the Listing Agreement entered with the Stock Exchanges, a separate section on Management Discussion and Analysis that includes details on the state of affairs of the Company as required to be given in Directors Report forms part of this Annual Report.

ACKNOWLEDGEMENT

Your Directors would like to express their appreciation for the cooperation and assistance received from various Central and State Governments, Stakeholders, Banks, Valued clients and business associates. Your Directors also wish to place on record their deep sense of appreciation for the unstinting support and efforts of the employees at all levels towards the operations and growth of the Company and finally grateful to Board of Directors and members for unwavering support and guidance.

For and on behalf of the Board of Directors,

Place: Noida

Dated: 12th August, 2014

(V.P. Mahendru)

Chairman & Managing Director

Management Discussion & Analysis

COMPANY OVERVIEW

Eon Electric Limited (hereinafter “the Company”) is engaged in the business of manufacturing and marketing of electrical equipments such as Wires & Cables, Lighting products, LED Lights, Energy Efficient Fans, Water Heaters, Lithium ion Batteries and Mobile Phone Accessories.

The company continues to be committed towards making best of quality products at affordable prices through technological innovation and up gradation, modernisation, adoption of best practices, global benchmarking, value proposition, and deep commitment to customer satisfaction besides ensuring human as well as environmental safety, thus enhancing the value addition for the investors and for the society as a whole. No doubt, we will establish our capabilities beyond the Indian borders and enable our clients, enjoy the value of our products and services globally.

Industry Structure & Development, Opportunity & threats

The Indian Power Sector is a core component of the Indian infrastructure and its expansion is essential for the success of economic liberalisation of India. This is evident from ever increasing power demand of the country's vibrant economy leading to a widening gap between the supply and demand. The Government of India has recognised the pivotal role of electric power in economic development and also the urgent and critical need to invest heavily to reduce the growing gap in power demand and supply. The massive addition in generation capacity would also bring along with it a much bigger demand for electrical equipments.

The Cable & Wires industry has shown positive trends for the past five years due to the increased activity in power sector, improved industrial climate and industry initiatives to explore export markets. The outlook of cables & wires industry continue to remain positive on the back of demand expected to be generated as per estimation in various sectors like power, real estate etc.

Today's global lighting industry is responsible for approximately 19% of electricity use and 6% of greenhouse gas emissions. In this context, LED technology has the potential to be a game changer for the industry, with well-publicized environmental and technological advantages compared to conventional lighting (e.g., 50-70% lower energy consumption, no mercury content, and significantly longer life spans).

The Indian government has developed policies to stimulate the adoption of LED lighting in the country, and is funding a number of pilot LED street-lighting projects.

The increased emphasis on power generation and new fast developing consciousness for conservation of power and energy efficiency has hastened the process of growth of demand for the Company's existing as well as innovative products like LED Lights, Energy efficient Fans, Water Heater, Lithium ion batteries etc.

Since power sector and infrastructure/real estate sector are main consumers of Company's products, any slowdown in these sectors can largely impact the demand for Company's products. Further most of the Company's products are highly competitive and also face challenge from unorganised sector which are providing cheap products with inferior quality. Hence the pricing across our business is also under risk due to competition. We have been providing and offering value added services and benefits to the customers to retain them. We are also investing towards brand building and awareness programme across our businesses to ensure adequate quality product differentiation.

Financial Performance

Financial performance of the Company for the year 2013 – 14 as compared to the previous year is furnished in detail in the Directors' Report.

Segment-wise performance:**Cables & Wires**

Electrical cables & wires market is growing at a steady pace as the government is investing heavily in the infrastructure development and Power Sector.

Our Cables & Wires segment recorded a turnover of ₹ 83.25 Crores for the financial year ended 31st March, 2014 as against ₹ 111.53 Crores for the financial year ended 31st March 2013. Our focussed efforts in brand building, awareness creation for acceptance of products and market penetration through a fast growing network of channel partners has helped us to become a household name amongst its user segment.

Lighting

The Lighting Segment achieved a turnover of ₹ 29.26 Crores for the financial year ended 31st March 2014 as against ₹ 15.26 Crores for the year ended 31st March 2013. The Company is working on new innovative strategic plans and pursuing new creative opportunities in the areas of advance LED based energy efficient and eco- friendly lighting systems which will further augment the growth of this segment during the coming years.

Others

Other products i.e Electrical Fans, Water Heater, Lithium ion batteries and mobile phone accessories and switches contributed a turnover of ₹ 24.20 Crores for the financial year ended 31st March 2014 as against ₹ 29.34 Crores for the year ended 31st March 2013.

Human Resource Development

The Company continues to provide a platform for individual opportunities and for growth in knowledge and skills of its people. The relationship with all the employees continues to be cordial. The management acknowledges the contribution of its employees and the spirit of commitment demonstrated by them in realising the company's vision. The company has started a number of new initiatives which will further enhance the company's ability to attract and retain high caliber employees for faster growth of the Company's business.

Research and Development

Your company continues its efforts to integrate the R&D activities with the business needs of the company to offer safe, energy efficient, value added products and services to its customers.

Internal control systems and their adequacy

The Company's internal control systems are commensurate with the nature of its business and the size and complexity of its operations. These are routinely tested and certified by Statutory as well as Internal Auditors and cover all offices, factories and key areas of business. Significant audit observations and follow up actions thereon are reported to the Audit Committee. The Audit Committee reviews adequacy and effectiveness of the Company's internal control environment and monitors the implementation of audit recommendations including those relating to strengthening of the Company's risk management policies and systems.

Risks & Concern

The Company has an elaborate process for Risk Management. The Company's Risk Management Policy is backed by strong internal control systems. The risk management framework consists of policies and procedures designed to provide reasonable assurance that objectives are met by integrating management control into the daily operations, by ensuring compliance with legal requirements and by safeguarding the integrity of the Company's financial reporting and its related disclosures. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis. These are discussed with both Management and Audit Committee. Some of the risks relate to competitive intensity and cost volatility.

Domestic Electricals Market has very intense competition. Presence of multinational companies and import from China is increasing market competition which has resulted in price pressure in the market for all range of products. Your company has accordingly established itself as an innovative Company with a lean and efficient manufacturing and marketing network which manages your Company's supply chain. Accordingly, your Company proposes to address these risks by continuous product development, focused efforts to reduce costs, increase market share by diversifying existing product range and customer base with the addition of new strategic customers and strengthening the existing relationships.

Cautionary Statement

The statements in this report, particularly which relate to Management Discussion and Analysis Report describing the Company's objectives, plans, projections, estimates and expectations may constitute "forward looking statements" within the meaning of applicable laws and regulations. Actual results may differ materially from those expressed or implied in the statement depending on the circumstances.

ANNEXURE "A" TO THE DIRECTORS REPORT - 2014

CORPORATE GOVERNANCE

1. Company's philosophy on the Code of Governance

Corporate Governance is a key element in improving efficiency and growth as well as enhancing investor confidence. Corporate Governance philosophy stems from our belief that our company shall go beyond adherence to regulatory framework. Our corporate structure, business and disclosure practices have been aligned to our Corporate Governance Philosophy. The core values of the Company are based on integrity, emphasis on product quality and transparency in its dealings with all stakeholders. Any good corporate governance provides an appropriate framework for the Board, its committees and the executive Management to carry out the objectives that are in the interest of the Company and the Stakeholders. The Company maintains highest levels of transparency, accountability and good management practices through the adoption and monitoring of corporate strategies, goals and procedures to comply with its legal and ethical responsibilities. The Company is committed to meeting the aspirations of all of its stakeholders.

The Company is fully committed to follow the procedures and practices in conformity with Clause 49 of the Listing Agreement of the Stock Exchanges, as applicable, Your Directors present the Company's Report on Corporate Governance as under.

2. Board of Directors

i. Composition

The Company has a combination of Executive and Non-Executive Independent Directors. The Board consists of six Directors. Your Company has Executive Chairman and half of the total number of Directors comprises of independent Directors. The number of Non-Executive Directors is not less than 50% of the total number of Directors.

None of the Directors on the Board is a member on more than 10 Committees and Chairman of more than 5 Committees (as per Clause 49(I)(C)(ii) across all Companies in which he is a Director. All the Directors have made the requisite disclosures regarding Committee positions occupied by them in other Companies.

The names and categories of the Directors on the Board, their attendance at Board Meetings held during the year and at the last AGM, as also the number of Directorships and Committee position as held by them in other Public Limited Companies as on 31st March, 2014 are given below:

Name	Category	No. of Board Meetings Attended during 2013-2014	Whether attended last AGM held on 30 th September 2013	No. of Directorships in other Public Limited Companies	No. of committee positions held in other Public Limited Companies	
					Chairman	Member
Sh. V. P. Mahendru (Chairman-cum-Managing Director)	Promoter Not Independent Executive	7	Yes	--	--	--
Sh. Vinay Mahendru (Executive Director)	Promoter Not Independent Executive	7	Yes	--	--	--
Sh. Vivek Mahendru (Executive Director)	Promoter Not Independent Executive	7	Yes	--	--	--
Sh. R. C. Bansal (Director)	Independent Non-Executive	5	Yes	3	3	--
Dr. Sai Ramachandran (Director)	Independent Non-Executive	0	No	--	--	--
Sh. A. K. Ghosh (Director)	Independent Non-Executive	4	No	2	--	2
Sh. Ranjan Sarkar** (Director)	Independent Non-Executive	4	Yes	1	--	--

* Ceased to be Director since 19th June, 2013.

** Appointed as Additional Director w.e.f 12th July, 2013 by Board of Directors and regularize as Director by shareholders at their AGM held on 30th September, 2013.

ii. Board Meetings:

The Board met seven times on the following dates during the financial year 2013-2014 and the gap between any two meetings did not exceed four months:

- | | | |
|----------------------------------|-------------------------------------|------------------------------------|
| 1. 25 th May, 2013 | 4. 30 th September, 2013 | 7. 20 th February, 2014 |
| 2. 12 th July, 2013 | 5. 31 st October, 2013 | |
| 3. 10 th August, 2013 | 6. 31 st January, 2014 | |

3. Audit Committee

i. Terms of reference:

The Audit Committee provides direction to the audit and risk management function in the Company and monitors the quality of internal audit management audit. The terms of reference of the Audit Committee are in accordance with the requirements of the Clause 49(II) of the Listing Agreement and as specified by the Board of Directors of the Company and inter-alia includes:

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
4. Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
 - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of Section 134(5) of the Companies Act, 2013 [corresponding to Section 217 (2AA) of the Companies Act, 1956]
 - b. Changes, if any, in accounting policies and practices and reasons for the same
 - c. Major accounting entries involving estimates based on the exercise of judgment by management
 - d. Significant adjustments made in the financial statements arising out of audit findings
 - e. Compliance with listing and other legal requirements relating to financial statements
 - f. Disclosure of any related party transactions
 - g. Qualifications in the draft audit report.
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval
- 5A. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/ prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
6. Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems.
7. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
8. Discussion with internal auditors any significant findings and follow up there on.
9. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
10. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
11. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors.
12. To review the functioning of the Whistle Blower mechanism, in case the same is existing.

12A. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background etc. of the candidate.

13. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

ii. **Composition:**

The Audit Committee has been constituted as per Section 177 of the Companies Act, 2013 (corresponding to Section 292A of the Companies Act, 1956) and the guidelines set out in the Listing Agreement [Clause 49 II(A)] with Stock Exchanges. The Audit Committee comprises of one Executive Director and two Non-Executive independent Directors. The Chairman of the Audit Committee is an independent Director.

iii. **Attendance of Members at the meeting of the Audit Committee during 2013-14:**

Members	Meetings Held	Meetings Attended
Sh. R. C. Bansal (Chairman)	4	4
Sh. A. K. Ghosh	4	4
Sh. Vivek Mahendru	4	4

4. **Remuneration Committee**

i. **Brief description of terms of reference**

The terms of reference of the Committee are to appraise the performance of the executive directors, determine and recommend to the Board, compensation to executive directors including remuneration policy.

The Committee has three non-executive independent Directors.

ii. **Composition, names of Members and Chairman of Remuneration Committee and attendance at its meeting are as under:**

Name of Member	Designation	Category	Total Meetings held during the tenure of the member	Meetings attended
Sh. R.C. Bansal	Chairman	Independent Non-Executive Director	-	-
Dr. A.K. Ghosh	Member	Independent Non-Executive Director	-	-
Sh. Ranjan Sarkar	Member	Independent Non-Executive Director	-	-

iii. **Remuneration Policy**

The Remuneration Committee recommends remuneration package after taking into account the financial position of the Company, trend in the industry, appointee's qualification, experience, past performance & remuneration and recommends such performance criteria, that is in a position to bring about objectivity in determining the remuneration package while striking a balance between the interest of the Company and the Shareholders.

a. **Executive Directors:**

The details of remuneration paid to Executive Directors viz. Sh. V. P. Mahendru, Sh. Vinay Mahendru and Sh. Vivek Mahendru are as follows:

Remunerations paid to Executive Directors during 2013-2014

Sr. No.	Name	Salary & Perquisites ₹	Commission ₹	Total ₹	Period (3 Years w.e.f.)
1.	Sh. V. P. Mahendru	70,58,165	--	70,58,165	01.08.2012
2.	Sh. Vivek Mahendru	60,33,803	--	60,33,803	01.08.2012
3.	Sh. Vinay Mahendru	60,40,569	--	60,40,569	01.08.2012
	Total	1,91,32,537	--	1,91,32,537	

The salary and perquisites include all elements of remuneration i. e. salary and other allowances and benefits including contribution to Provident Fund. The Company does not pay any performance links incentives to any of the above Directors. The Company has so far not issued any stock options to Directors.

b. Non-Executive Independent Directors

The details of the remuneration paid to non-executive directors towards sitting fees for attending the meetings of the Board of Directors and Committees thereof within the limits prescribed under the Companies Act, 1956 during the financial year 2013-14 are given below.

Non-Executive Directors	Sitting Fee (₹) (Gross)
Sh. R.C. Bansal	52000
Sh. A.K. Ghosh	32000
Sh. Ranjan Sarkar	16000

5. Shareholders/Investors' Grievances Committee and Share Transfer Committee.

The Board of Directors of the Company has constituted Shareholders/Investors' Grievances Committee comprising of an independent Director and an executive Director. The Committee monitors redressal of investors' grievances.

The Share Department of the Company and the Registrar and Share Transfer Agent, Alankit Assignments Ltd., Delhi, attend all grievances / correspondence expeditiously of the shareholders' and Investors' received directly or through SEBI, Stock Exchanges, Department of Company Affairs, Registrar of Companies, etc. Usually a reply is sent within 15 days of receipt of letter except in the cases that are constrained by dispute or legal impediment.

The Board has nominated Sh. Kumar Indramani, Company Secretary, as the Compliance Officer.

The total number of complaints received and replied to the satisfaction of shareholders during the financial year 2013-14 under review was 11 Nos.

Sl. No.	Type of Complaint	No. of Complaints Received	Solved	Pending
1.	Dividend	6	6	--
2.	Annual Report	1	1	--
3.	Non Receipt of share Certificate	2	2	--
4.	General	2	2	--

Attendance of Members at the Meeting of the Investors Grievances Committee held during 2013-14:

Members	Meetings Held	Meetings Attended
Sh. R. C. Bansal	4	4
Sh. Vinay Mahendru	4	4

Share Transfer Committee

The Share Transfer committee of the Company generally meets fortnightly for approving the requests received from shareholders for share transfers, transmission, issue of duplicate share certificates, etc.

Attendance of Members at the Meeting of the Share Transfer Committee held during 2013-14

S.No.	Members	Designation	Meetings Held	Meetings Attended
1	Sh. Vinay Mahendru Executive Director	Chairman	18	18
2	Sh. Kumar Indramani, Sr. Manager (Legal) & Company Secretary	Member	18	18

6. General Body Meetings

a) Details of the Annual General Meetings held and special resolutions passed in the last three years:

Year	Category	Date	Meeting Location	Time	Whether any Special Resolutions passed
2011	AGM	11.06.2011	51 Kms., G. T. Karnal Road, Murthal, District Sonapat, Haryana	9.00 A.M.	No
2012	AGM	28.09.2012	Kanak Garden Resorts 55 Mile Stone, G. T. Karnal Road Murthal, District Sonapat, Haryana	9.00 A.M.	No
2013	AGM	30.09.2013	As above	9.00 A.M.	No

b) Details of the Extra Ordinary General Meetings held and special resolutions passed in the last three years:

Year	Category	Date	Meeting Location	Time	Whether any Special Resolutions passed
2010-11	EGM	06.05.2010	51 Kms, G.T. Karnal Raod, Murthal Dist- Sonapat, Haryana	9.00 A.M.	Yes
2011-12	EGM (Court convened meeting)	28.01.2012	51 Kms, G.T. Karnal Raod, Murthal Dist- Sonapat, Haryana	10.00 A.M.	No

(c) **Postal Ballot:**

During the year under review none of the resolution was required to be put through postal ballot.

SUBSIDIARY COMPANY INFORMATION

There was no subsidiary of the Company.

7. Disclosures

- No transaction of material nature has been entered into by the Company with its Directors or Management and their relatives, etc. that may have a potential conflict with the interests of the Company:
- The statement of related party transactions, is placed before the Board/Audit Committee regularly:
- Transactions with related parties are disclosed in Note No. 38 of Notes on financial statement in the Annual Report:
- There has been no instance of non-compliance by the Company on any matter related to capital markets. Hence, the question of penalties of strictures being imposed by SEBI or the Stock Exchanges or any other statutory authority does not arise.

Compliance with Mandatory / Non-mandatory Requirements

- The Company has complied with all the applicable mandatory requirements of Clause 49 of the Listing Agreement.
- The Company has also adopted the non-mandatory requirements as specified in Annexure 1D to Clause 49 of the Listing Agreement regarding constitution of remuneration committee.

8. Means of Communication

- The quarterly and annual financial results of the Company are published in "The Financial Express all edition and Jansatta (Hindi Edition, Delhi). The Company regularly intimates un-audited and audited financial results to the Stock Exchanges immediately after are taken on record by the Board.
- The Company's Financial Results and official press releases are displayed on the Company's web site www.eonelectric.com

9. General Shareholders Information

i. **Date, Time & Venue of the Annual General Meeting.**

The Twenty Fifth Annual General Meeting will be held on Monday the 29th day of September, 2014 at 9.00 A.M at Kanak Garden Resort, 55 Mile Stone, G. T. Karnal Road, Murthal, District – Sonapat, Haryana - 131027.

ii. **Financial Calendar**

Tentative Schedule for the year 2014 - 2015.

First Quarter Results	:	Second Week of August 2014
Second Quarter Results	:	Second Week of November 2014
Third Quarter Results	:	Second Week of February 2015
Fourth Quarter Results & Annual Results	:	Second Week of May 2015

iii. Date of Book Closure

From 18th September, 2014 to 29th September, 2014(both days inclusive).

iv. Dividend Payment Date

Not applicable since no dividend is recommended by the Board.

v. Listing on Stock Exchanges
1. Bombay Stock Exchange Limited

25th Floor, P. J. Towers, Dalal Street, Mumbai - 400 001.

Telephone : 022-2272-1233-1234

Facsimile : 022-2272-2082/ 3132

The Company has paid listing fee to The Stock Exchange, Mumbai for the financial year 2013-14 & 2014-15 .

2. National Stock Exchange of India Limited

Exchange Plaza, Bandra Kurla Complex, Bandra (E), Mumbai - 400001.

Telephone : 022-26598235/36

Facsimile : 022-26598237/38

The Company has paid listing fee to National Stock Exchange of India Limited for the financial year 2013-14 & 2014-15.

vi. Stock Code/ISIN Code

The Bombay Stock Exchange Limited : **532658**

National Stock Exchange of India Ltd. : **EON**

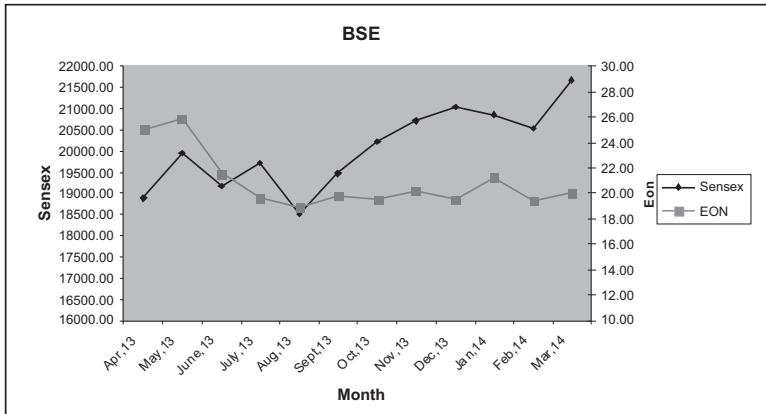
ISIN No. - NSDL/ CDSL : **INE076H01025**

vii. Stock Price and Volume

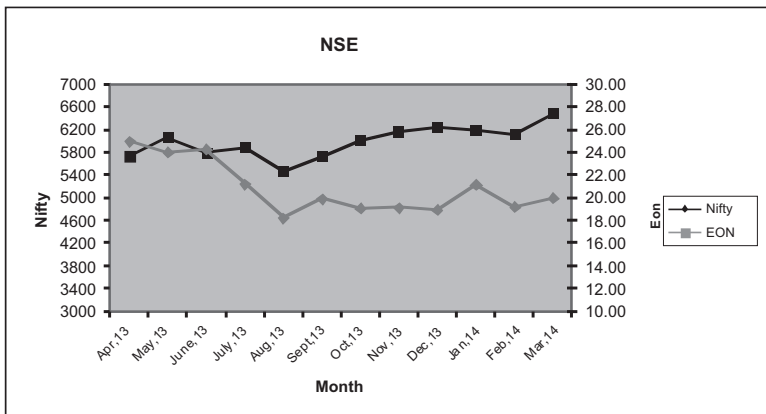
Monthly high and low quotation as also the volume of shares traded on The Bombay Stock Exchange Limited (BSE) & National Stock Exchange of India Limited (NSE) from 1st April, 2013 to 31st March, 2014

2013 – 14	Bombay Stock Exchange Limited (BSE)			National Stock Exchange of India Limited (NSE)		
	Highest (₹)	Lowest (₹)	Volume (Nos.)	Highest (₹)	Lowest (₹)	Volume (Nos.)
April	29.80	20.35	162732	26.50	23.00	8626
May	28.80	22.95	2471663	28.00	20.00	8884
June	25.70	17.50	28652	31.00	17.50	27411
July	22.80	16.50	82958	23.90	18.50	32111
August	22.40	15.45	124700	19.50	17.00	67624
September	20.70	19.00	85114	21.80	18.05	51170
October	20.00	19.00	45656	19.70	18.50	116215
November	21.40	19.00	59377	20.00	18.30	17030
December	19.95	19.00	58822	19.85	18.05	291940
January	24.30	18.30	80521	24.15	18.20	119446
February	20.40	18.45	37698	20.50	17.90	40455
March	20.95	19.00	46104	21.00	19.00	159999

a) Stock Price Movement at BSE.



b) Stock Price Movement at NSE.



viii) Share Transfer System

The shares of the Company are traded in the compulsory dematerialized mode for all investors. The shares sent for transfer in physical form are registered within a fortnight (if in order and complete in all respects) and the share certificates are immediately returned to the shareholders. In respect of requests received for dematerialization of shares, the same is confirmed to the respective depositories i.e. National Securities Depository Ltd (NSDL) and Central Depository Services (India) Limited (CDSL) within the stipulated time. The Transfer Committee constituted by the Company is looking after all share transfers, which meets once in fortnightly to consider and approve transfer of shares.

The Company has appointed M/s. Alankit Assignments Limited, 2E/21, Alankit House, Jhandewalan Extension, New Delhi – 110 055 as the Registrar and Transfer Agent (R&TA) of the Company for all aspects of investor servicing relating to shares.

ix) Distribution of Shareholding as on 31st March, 2014

	No. of Equity Shares Held	No. of Shareholders	% of Shareholders	No. of Shares held	% of Share holding
1.	UP TO 500	13949	91.55	2104424	13.10
	501 to 1000	649	4.26	533247	3.32
	1001 to 2000	325	2.13	501894	3.13
	2001 to 3000	96	0.63	240683	1.50
	3001 to 4000	53	0.35	186198	1.16
	4001 to 5000	41	0.27	189056	1.18
	5001 to 10000	61	0.40	430091	2.68
	10001 and above	62	0.41	11871873	73.93
	Total	15236	100.00	16057466	100.00

x) Dematerialization of Shares and Liquidity

The shares of the Company are in Compulsory Demat mode and 95.50% of the Company's share capital is dematerialised as on 31st March 2014.

xi) Outstanding GDRs/ADRs/Warrants: Nil

xii) Plant Locations:

- UNIT I - Plot No. 10, Sector 4, SIDCUL, Haridwar, Uttarakhand - 249403
- UNIT II - Plot No. 28-29, Sector 6B, SIDCUL, Haridwar, Uttarakhand - 249403
- UNIT III - Plot No. 1C, Sector 7, SIDCUL, Haridwar, Uttarakhand - 249403

xiii) Investors Correspondence may be addressed to the Compliance Office of the Company:

To contact R&TA for all matters relating to Shares : M/s. Alankit Assignments Ltd. Tel : 011-41540060-63
 2E/ 21, Alankit House, Fax: 011-41540064
 Jhandewalan Extn., e-mail: alankit@alankit.com
 New Delhi - 110 055.

For any other general matters relating to Dividends, Annual Reports or in case of any difficulty/ grievances : Sh. Kumar Indramani
 Company Secretary
 Eon Electric Limited Tel: (0120) 3096724
 B-88, Sector-83, Noida, Fax: (0120) 3096765
 Distt. Gautam Budh Nagar, email:kumar.indramani@eonelectric.com
 U.P. 201 305 Website: www.eonelectric.com

10. Auditors' Certificate on Corporate Governance

The Auditor's Certificate on Compliance of Clause 49 of the listing Agreement relating to Corporate Governance forms Annexure to the Directors' Report.

11. Certificate from Chief Executive Officer/ Chief Financial Officer

Certificate from Sh V. P Mahendru, Chairman cum Managing Director and Sh. K. B. Satija, Vice President (Corporate Finance) in terms of Clause 49(V) of the Listing Agreement with the Stock Exchange for the financial year ended March 31, 2014 was placed before the Board of Directors of the Company in its meeting held on May 30, 2014.

DECLARATION

Pursuant to Clause 49 of the Listing Agreement as amended, the code of Conduct (Code) of the Company has been displayed at Company's website www.eonelectric.com. All the members of the Board and the Senior Management personnel have affirmed compliance with the code for the year ended March 31, 2014.

(V. P. MAHENDRU)
CHAIRMAN & MANAGING DIRECTOR

ANNEXURE "B" TO THE DIRECTORS' REPORT**AUDITORS' CERTIFICATE****TO THE MEMBERS OF EON ELECTRIC LIMITED**

We have examined the compliance of the conditions of Corporate Governance by Eon Electric Limited for the year ended 31st March, 2014, as stipulated in Clause 49 of the Listing Agreement of the said company with the Stock Exchanges in India.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was carried out in accordance with the Guidance Note on certification of Corporate Governance (as stipulated in clause 49 of the Listing Agreement), issued by the Institute of Chartered Accountants of India and was limited to the procedure and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of company.

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 the Corporate Governance as stipulated in the above-mentioned Listing Agreement.

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

Rajesh Sethi
Partner
M. No. 85669
For and on behalf of
JC Bhalla & Co.

Place: Noida
Dated: August 12, 2014

Chartered Accountants
Firm Reg. No : 001111N

ANNEXURE -"C" TO THE DIRECTORS' REPORT

Information under Section 134(3)(m) of the Companies Act, 2013 (corresponding to Section 217(1)(e) of the Companies Act, 1956), read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules 1988 and forming part of the Directors' Report for the year ended 31st March, 2014.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO.**A. CONSERVATION OF ENERGY**

- I) Energy conservation measures taken:
 - Energy conservation measures have been implemented in the Works as well as in the Company's entire offices nation wide. Some of these include management of energy efficient resources, energy audit cells etc. These measures have resulted in cost savings for the Company.
- II) Additional investments and proposal, if any, being implemented for reduction of consumption of energy:
 - NIL
- III) Impact of the measures at (a) and (b) above for reduction of energy consumption and consequent impact of the cost of production of goods:
 - NIL
- IV) Total energy consumption and energy consumption per unit of production as per Form A of the Annexure in respect of industries specified in the Schedule thereto:
 - NIL

B. TECHNOLOGY ABSORPTION

- V) Efforts made in technology absorption as per Form B of the Annexure as follows:
 1. Specific areas in which R&D carried out by the Company:

- Continuous efforts are being made for integration of R&D activities with business needs so as to offer better value added products and services to our customers.
2. Benefits derived as a result of the above R&D:
- Multifold benefits were accrued as a result of R&D activities. Apart from strengthening of technical base, benefits have also been reflected in terms of :
- improvement in products reliability
 - Greater customer satisfaction
 - Improvement in quality
3. Future Plan of Action:-Continue efforts to improve products quality and features.
4. Expenditure on R&D:

	As on 31 st March, 2014	As on 31 st March, 2013
a) Capital	-	-
b) Recurring	-	-
c) Total	-	-
d) Total R & D expenditure as a percentage of total turnover		

Technology absorption, adaptation and innovation:

- i) Efforts, in brief, made towards technology absorption, adaptations and innovation:
 - Efforts to improve productivity and reduce raw material, power and electricity consumption continue.
- ii) Benefits derived as a result of the above efforts:
 - Cost reduction.
- iii) In case of imported technology (imported during the last 5 years reckoned the beginning of the financial year), following information may be furnished:
 - a) Technology imported:
 - b) Year of import:
 - c) Has technology been fully absorbed:
 - d) If not fully absorbed, areas where this has not taken place, reasons therefore and future plans of action:

-NOT APPLICABLE-

C. FOREIGN EXCHANGE EARNING AND OUTGO

VI) Activities relating to exports:

- (a) Activities relating to exports; initiatives taken to increase exports; development of new export markets for production and services; and export plans.

with objective to expand the reach of Company's products globally, the Management is also focussing on development of products as per requirement of foreign markets and appointment of channel partners for export sale. Promotional activities for strengthening of EON Brand and participation in exhibition in foreign countries for promotion of its products are some of the initiatives taken by the company in this regard.

- (b) Total foreign exchange used : ₹ 850.33 Lacs
- Total foreign exchange earned : -

for and on behalf of the Board of Directors

V.P. Mahendru
Chairman & Managing Director

Independent Auditors' Report

To The Members of Eon Electric Ltd.

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

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards notified under the Companies Act, 1956 of India (the 'Act'), read with the General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

An audit involves performing 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 entity'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 explanation 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 March 31, 2014;
- ii) in the case of the Statement of Profit and Loss, of the loss 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', as amended by 'the Companies (Auditor's Report) (Amendment) Order, 2004', issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act (hereinafter referred to as the "Order"), 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 notified under the Companies Act, 1956 of India (the 'Act'), read with the General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013;
 - (e) on the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956..

Rajesh Sethi

Partner

M. No. 85669

For and on behalf of

J C Bhalla & Co.

Chartered Accountants

Firm Regn. No : 001111N

Place : Noida

Dated: 30th May, 2014

Annexure to the Independent Auditors' Report

Annexure to the Auditors' Report on the accounts of Eon Electric Ltd. for the year ended March 31, 2014 as referred to in paragraph 1 of Report on Other Legal and Regulatory Requirements of our report of even date

- (i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) The fixed assets have been physically verified by the management at the year-end. We are informed that no material discrepancies have been noticed by the management on such verification as compared with the record of fixed assets maintained by the Company.
- (c) The Company has not disposed off substantial part of fixed assets during the year.
- (ii) (a) The inventory (excluding stocks with third parties) has been physically verified by the management during the year. In respect of inventories lying with the third parties, these have been substantially confirmed by them. In our opinion frequency of verification is reasonable.
- (b) The procedures of physical verification of the inventory followed by the management are reasonable and adequate in relation to size of the Company and nature of its business.
- (c) The Company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stock and the book records were not material and have been properly dealt with in the books of account.
- (iii) (a) The Company has not granted any loans, secured or unsecured, to companies, firms or other parties in the register maintained under Section 301 of the Companies Act, 1956. Accordingly, clause (iii) (b), (c) and (d) of the Order (as amended) are not applicable to the Company for the current year.
- (b) The Company has not taken any loans, secured or unsecured, from companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956. Accordingly, clause (iii) (f) and (g) of the Order (as amended) are not applicable to the Company for the current year.
- (iv) In our opinion and according to the information and explanations given to us, there is adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchases of inventory, fixed assets and with regard to the sale of goods. The Company has not undertaken any service activity during the year. Further, in our opinion, there is no continuing failure to correct major weaknesses in internal control.
- (v) (a) According to the information and explanations given to us by the management, we are of the opinion that the particulars of contracts or arrangements referred to in section 301 of the Act that need to be entered into the register maintained under section 301 have been so entered.
- (b) In our opinion and according to the information and explanations given to us, in respect of the transactions made in pursuance of contracts or arrangements entered in the register maintained under Section 301 of the Companies Act, 1956 and exceeding the value of rupees five lakhs in respect of any party during the year, as informed, because of the specialized nature of the items involved and absence of any comparable prices, we are unable to comment whether the transactions were made at prevailing market prices at the relevant time.
- (vi) According to the information and explanations given to us, the Company has not accepted any deposits from the public during the year within the meaning of Sec 58A, 58AA or any other relevant provisions of the Companies Act, 1956 and the rules framed there under. Therefore, clause 4 (vi) of the Order is not applicable to the Company.

- (vii) The Company has an internal audit system commensurate with the nature and size of its business.
- (viii) On the basis of the records produced, we are of the opinion that, prima facie, the cost accounting records prescribed by the Central Government under section 209(1) (d) of the Companies Act, 1956 have been maintained by the Company. However, we are not required to and have not carried out any detailed examination of such records.
- (ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the company, the company is generally regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Excise Duty, Custom Duty and other statutory dues applicable to it and no undisputed amounts payable in respect of the aforesaid dues were outstanding as at March 31, 2014 for a period of more than six months from the date they became payable. As explained to us, the Company did not have any dues on account of Investor Education and Protection Fund.
- (b) According to the information and explanations given to us, the particulars of disputed dues of Excise Duty and Sales tax / VAT aggregating to ₹ 5,23,14,146/- and ₹ 1,59,67,682/- respectively as at March 31, 2014 which have not been deposited on account of disputed matters are as follows:

Nature of Dues	Demand in Dispute (₹)	Amount deposited (₹)	Period to which amount relates	Forum where pending
Excise Duty Cases				
Excise Duty including Penalty	18,10,652	5,15,000	August, 1998 to December, 1998	Commissioner of Central Excise (Appeals), Chandigarh
Excise Duty including Penalty	1,04,50,866	25,00,000	2007-2008	Central Excise and Service Tax Appellate Tribunal, New Delhi
Excise Duty including Penalty	3,94,84,604	-	May 2004	Central Excise and Service Tax Appellate Tribunal, New Delhi
Excise Duty including Penalty	5,68,024	-	April 2001 to August 2004	Central Excise and Service Tax Appellate Tribunal, New Delhi
Total	5,23,14,146	30,15,000		

Nature of Dues	Demand in Dispute (₹)	Amount deposited (₹)	Period to which amount relates	Forum where pending
Sales Tax / VAT Cases				
Central Sales Tax	33,32,266	13,32,906	2006-07	Asst. Commissioner Commercial Taxes, Kerala.
Kerala Value Added Tax	82,61,267	27,53,756	2006-07	Kerala VAT Appellate Tribunal
Rajasthan Value Added Tax	43,74,149	15,78,293	2012-13 2013-14	Deputy Commissioner, (Appeals)
Total	1,59,67,682	56,64,955		

Appeal filed by Central Excise Department as at March 31, 2014 is ₹ 21,84,997/-.

Nature of Dues	Demand in Dispute (₹)	Amount deposited (₹)	Period to which amount relates	Forum where pending
Excise Duty including Penalty	20,65,676	-	December, 2007 to September 2008	Central Excise and Service Tax Appellate Tribunal, New Delhi
Service tax including education cess	1,19,921	-	July, 2004 to March, 2007	Central Excise and Service Tax Appellate Tribunal, New Delhi
Total	21,84,997	-		

- (x) The Company does not have accumulated losses as at March 31, 2014. The Company has incurred cash losses during the financial year covered by the audit as well as in the immediately preceding financial year.
- (xi) Based on our audit procedures and according to the information and explanations given to us, we are of the opinion that the Company has not defaulted in repayment of dues to a financial institution or bank.
- (xii) In our opinion and according to the explanations given to us and based on the information available, no loans and advances have been granted by the Company on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion, the Company is not a chit fund / nidhi / mutual benefit fund / society. Therefore, the provisions of clause 4 (xiii) of the Companies (Auditor's Report) Order, 2003 as amended are not applicable to the Company.
- (xiv) The Company is not dealing or trading in shares, securities, debentures and other investments. Therefore, the provisions of clause 4 (xiv) of the Companies (Auditor's Report) Order, 2003 as amended are not applicable to the Company.
- (xv) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
- (xvi) The company has not raised any term loans during the year. Therefore, the provisions of clause 4 (xvi) of the Companies (Auditor's Report) Order, 2003 as amended are not applicable to the Company.
- (xvii) According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we are of the opinion that the Company has not utilized short term funds towards long-term investments.
- (xviii) The Company has not made preferential allotment of shares to parties covered in the Register maintained under section 301 of the Companies Act, 1956 during the year.
- (xix) The Company has not issued any debentures during the year.
- (xx) The Company has not made any public issue during the year.
- (xxi) During the course of examination of the books and records of the Company, carried out in accordance with the Generally Accepted Auditing Practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the management.

Rajesh Sethi

Partner

M. No. 85669

For and on behalf of

J C Bhalla & Co.

Chartered Accountants

Firm Regn. No : 001111N

Place : Noida

Dated: 30th May, 2014

EON ELECTRIC LIMITED
Balance Sheet as at 31st March, 2014

Particulars	Note No.	31-Mar-14 Amount (₹)	31-Mar-13 Amount (₹)
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	1	80,287,330	80,287,330
Reserves and Surplus	2	1,292,575,867	1,541,037,751
Non-Current Liabilities			
Long Term Borrowings	3	23,692,500	39,487,500
Deferred Tax Liabilities (Net)	4	7,699,440	8,984,215
Other Long Term Liabilities	5	20,734,785	14,469,379
Long Term Provisions	6	9,853,640	9,621,711
Current Liabilities			
Short Term Borrowings	7	520,918,432	273,926,528
Trade Payables	8	154,612,725	115,413,170
Other Current Liabilities	9	72,679,000	84,171,540
Short Term Provisions	10	1,303,134	4,534,305
TOTAL		<u>2,184,356,853</u>	<u>2,171,933,429</u>
ASSETS			
Non-Current Assets			
Fixed Assets			
- Tangible Assets	11	364,404,022	291,642,771
- Intangible Assets	11	18,917	82,613
- Capital Work-in-Progress	11	4,933,590	14,346,310
Non - Current Investments	12	362,706,635	364,194,405
Long Term Loans and Advances	13	12,864,584	56,154,687
Current Assets			
Current Investments	14	612,413,997	528,714,365
Inventories	15	317,378,243	341,860,176
Trade Receivables	16	368,713,198	399,825,036
Cash and Bank Balances	17	85,119,311	130,931,953
Short Term Loans and Advances	18	50,568,761	38,604,251
Other Current Assets	19	5,235,595	5,576,862
TOTAL		<u>2,184,356,853</u>	<u>2,171,933,429</u>
Significant Accounting Policies			
Notes on Financial Statements	1 to 43		

As per our report of even date annexed.

Rajesh Sethi
Partner
Membership No. 85669

Kumar Indramani
Sr. Manager(Legal) &
Company Secretary

K. B. Satija
Vice President
Corporate Finance

Vinay Mahendru
Executive
Director

V. P. Mahendru
Chairman - cum -
Managing Director

for & on behalf of
J. C. Bhalla & Co.
Chartered Accountants
Firm Regn. No. 001111N

Place : Noida
Dated : 30th May, 2014

EON ELECTRIC LIMITED

Statement of Profit and Loss for the year ended 31st March, 2014

Particulars	Note No.	31-Mar-14 Amount (₹)	31-Mar-13 Amount (₹)
INCOME			
Revenue from Operations	20	1,367,202,189	1,561,361,015
Other Income	21	62,079,634	84,790,570
Total Revenue		1,429,281,823	1,646,151,585
EXPENDITURE			
Cost of Materials Consumed	22	687,620,042	1,023,925,153
Purchases of Stock-in-Trade	23	328,980,004	477,784,866
Changes in Inventories of Finished Goods, Work-in- Progress & Stock-in-Trade	24	51,620,073	(228,102,875)
Employee Benefits Expense	25	202,346,496	190,482,581
Finance Costs	26	56,119,691	25,184,162
Depreciation and Amortization Expense	27	29,854,294	24,602,926
Other Expenses	28	313,502,863	323,569,877
Total Expenses		1,670,043,463	1,837,446,690
Profit/(Loss) before tax		(240,761,640)	(191,295,105)
Tax Expenses			
Deferred Tax		(1,284,775)	7,124,658
Wealth Tax		94,845	145,394
Prior Period Tax Adjustments		(5,178,124)	(614,932)
Profit/(Loss) for the year		(234,393,586)	(197,950,225)
Earnings per Equity Share (Face Value of ₹ 5/- each)	29		
(Previous year ₹ 5/- each)			
- Basic		(14.60)	(12.33)
- Diluted		(14.60)	(12.33)
Significant Accounting Policies Notes on Financial Statements	1 to 43		

As per our report of even date annexed.

Rajesh Sethi
Partner
Membership No. 85669

Kumar Indramani
Sr. Manager(Legal) &
Company Secretary

K. B. Satija
Vice President
Corporate Finance

Vinay Mahendru
Executive
Director

V. P. Mahendru
Chairman - cum -
Managing Director

for & on behalf of
J. C. Bhalla & Co.
Chartered Accountants
Firm Regn. No. 001111N

Place : Noida
Dated : 30th May, 2014

EON ELECTRIC LIMITED
Cash Flow Statement for the year ended 31st March, 2014

Particulars	31-Mar-14 Amount (₹)	31-Mar-13 Amount (₹)
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit / (Loss) Before Tax	(240,761,640)	(191,295,105)
Adjustments for :		
Depreciation and Amortisation Expense	29,854,294	24,602,926
Interest Income	(9,162,013)	(15,378,055)
Dividend Received	-	(1,149)
Interest Expenses	56,119,691	25,184,162
Loss/(Profit) on Sale of Fixed Assets	3,023,583	(65,157)
Loss/(Profit) on Sale of Investments	(48,905,993)	(61,552,026)
Operating Profit before Working Capital Changes	(209,832,078)	(218,504,404)
Movements in Working Capital :		
(Increase) / Decrease in Trade Receivables	31,111,838	(230,420,338)
(Increase) / Decrease in Inventories	24,481,933	(227,958,419)
(Increase) / Decrease in Long Term Loans and Advances	43,290,103	(35,402,802)
(Increase) / Decrease in Short Term Loans and Advances	(9,176,900)	(20,613,853)
(Increase) / Decrease in Other Current Assets	-	7,943,981
Increase /(Decrease) in Trade Payables and Other Current Liabilities	27,707,015	116,178,206
Increase /(Decrease) in Long Term Provisions	231,929	1,483,679
Increase /(Decrease) in Short Term Provisions	(608,284)	1,560,284
Increase /(Decrease) in Other Long Term Liabilities	6,265,406	6,916,553
Cash generated from / (used in) Operations	(86,529,038)	(598,817,113)
Direct Taxes Paid	327,218	1,210,285
NET CASH FLOW FROM / (USED IN) OPERATING ACTIVITIES	(86,856,256)	(600,027,398)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets including Capital Work-in-progress	(158,798,310)	(126,061,346)
Proceeds from sale of Fixed Assets	48,567,300	150,000
Purchase of Current Investments	(679,072,749)	(617,316,475)
Purchase of Non - Current Investments	(224,812,230)	(56,814,905)
Proceeds from sale of Current Investments	870,579,110	1,057,634,161
Interest Received	9,503,280	11,212,933
Dividend Received	-	1,149
NET CASH FLOW FROM / (USED IN) INVESTING ACTIVITIES	(134,033,599)	268,805,517

Cash Flow Statement (Cont'd)

Particulars	31-Mar-14 Amount (₹)	31-Mar-13 Amount (₹)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Long Term Borrowings	-	46,321,875
Repayment of Long Term Borrowings	(15,795,000)	(6,834,375)
Proceeds from Short Term Borrowings	246,991,904	273,926,528
Repayment of Short Term Borrowings	-	-
Interest Paid	(56,119,691)	(25,184,162)
NET CASH FLOW FROM / (USED IN) FINANCING ACTIVITIES	175,077,213	288,229,866
Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)	(45,812,642)	(42,992,015)
Opening Balance of Cash and Cash Equivalents	130,931,953	174,340,161
Cash and Cash Equivalents transferred to the Resulting Company under the Scheme of Arrangement	-	416,193
Closing Balance of Cash and Cash Equivalents	85,119,311	130,931,953

Cash and cash equivalents include ₹ 19,368,169/- (Previous Year ₹ 6,48,34,952/-) on account of Margin Money and Fixed Deposits which are held for more than three months and are not available for use by the Company

As per our report of even date annexed.

Rajesh Sethi
Partner
Membership No. 85669

Kumar Indramani
Sr. Manager(Legal) &
Company Secretary

K. B. Satija
Vice President
Corporate Finance

Vinay Mahendru
Executive
Director

V. P. Mahendru
Chairman - cum -
Managing Director

for & on behalf of
J. C. Bhalla & Co.
Chartered Accountants
Firm Regn. No. 001111N

Place : Noida
Dated : 30th May, 2014

Significant Accounting Policies

Company Overview :

Eon Electric Limited is a public limited company domiciled in India and incorporated under the provisions of the Companies Act, 1956. Its shares are listed on the National Stock Exchange of India Limited and Bombay Stock Exchange Limited. The company is engaged in the manufacturing and selling of Cables and Wires, Energy Efficient Lighting, Wiring accessories, Fans, Geysers, Lithium-ion Batteries, Mobile phone accessories and other electrical products. The Company's manufacturing facilities are located at Haridwar in Uttarakhand.

Significant Accounting Policies :-

1. Basis of preparation of Financial Statements:-

The financial statements are prepared under the historical cost convention as a going concern on the accrual basis of accounting, in accordance with the generally accepted accounting principles in India and comply with the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended), to the extent applicable and the provisions of the Companies Act, 1956 as adopted consistently by the Company. The management evaluates all recently issued or revised Accounting Standards on an ongoing basis.

2. Use of Estimates :-

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

3. Fixed Assets :-

(a) Tangible Assets

Fixed Assets are accounted at cost of acquisition (net of cenvat availed) inclusive of inward freight, duties, taxes and incidentals related to acquisition and installation including interest on loan taken for the acquisition of assets upto the date of commissioning of assets. Pre-operating expenses for major projects are also capitalised, wherever appropriate. Assets under installation or under construction as at the Balance Sheet date are shown as Capital Work-in-Progress.

The revalued amounts of Fixed Assets are presented in the Balance Sheet by restating the net book value by adding thereon the net increase on account of revaluation.

(b) Intangible Assets

Intangible Assets are stated at cost of acquisition. Costs relating to development of Computer Software are capitalized. Software expenses, other than development costs, are expensed off in the year they are incurred.

4. Depreciation / Amortisation :-

Depreciation is provided on pro-rata basis on W.D.V. method at the rates prescribed by Schedule XIV to the Companies Act, 1956 except Leasehold Improvements which are amortized over the period of Lease i.e. five years and Computer Software is amortized over a period of five years.

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

100% depreciation is provided in respect of assets upto ₹ 5,000/-.

Depreciation on the revalued portion of Fixed Assets is charged to the Merger Adjustment Account.

5. 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 Non-current Investments. (Long Term Investments).

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties.

Current Investments are carried in the financial statements at lower of cost and market/fair value determined on an individual investment basis. Non-current Investments (Long Term Investments) are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the Statement of Profit and Loss

Significant Accounting Policies

6. Inventories :-

Inventories are valued as under :-

- i) Raw Material - At lower of cost determined on FIFO basis and net realisable value.
- ii) Work-in-Progress - At lower of cost and net realisable value.
- iii) Finished Goods - At lower of cost including excise duty and net realizable value.
- iv) Stock-in - Trade - At cost.
- v) Material in Transit - At cost.

7. Transactions in Foreign Currency :-

Transactions denominated in foreign currencies are recorded at the exchange rate prevailing on the date of transaction.

Foreign currency monetary items (including forward contracts) are translated at year end rates. Exchange differences arising on settlement of transactions and translation of monetary items (including forward contracts) are recognized as income or expense in the year in which they arise .

The premium or discount arising at the inception of a forward contract, which are not intended for trading purpose, is amortised as expense or income over the life of the contract.

8. Employee Benefits:-

(a) Short Term Employee Benefits

Short-term employee benefits are recognized as an expense at the undiscounted amount in the Statement of Profit and Loss for the year in which the related service is rendered.

(b) Long Term Employee Benefits

(i) Defined Contribution plan

Provident Fund and Employees' State Insurance schemes

All employees of the Company are entitled to receive benefits under the Provident Fund, which is a defined contribution plan. Both the employees and the employer make monthly contributions to the plan at a predetermined rate (presently 12.0%) of the employees' basic salary and dearness allowance. These contributions are made to the fund administered and managed by the Government of India. In addition, some employees of the Company are covered under the Employees' State Insurance schemes, which are also defined contribution schemes recognized and administered by the Government of India.

The Company's contributions to both these schemes are expensed in the Statement of Profit and Loss. The Company has no further obligations under these plans beyond its monthly contributions.

(ii) Defined benefit plan

Leave Encashment – Liability on account of unavailed earned leave at the year end is provided as per the actuarial valuation according to Projected Unit Credit Method.

Gratuity – Liability on account of Gratuity at the year end is provided as per the actuarial valuation according to the Projected Unit Credit Method.

(iii) Actuarial gains or losses arising from such transactions are charged to revenue in the year in which they arise.

9. Revenue Recognition :-

Sales :

Sale of goods is recognised at the point of despatch of finished goods to customers. Sales are inclusive of excise duty and exclusive of sales tax.

Investing and other Activities :

Income on account of interest and other activities is recognized on an accrual basis. Dividends are accounted for when the right to receive the payment is established.

10. Segment Reporting :-

The Company's operating businesses are organized and managed separately according to the nature of products and services provided with each segment representing in strategic business unit that offers different products and serves different markets.

Significant Accounting Policies

Revenue and expenses are identified to segments on the basis of their relationship to the operating activities of the segment. Revenue and expenses, which relate to the enterprise as a whole and are not allocable to segments on a reasonable basis, are included under "Unallocated Corporate Expenses".

The Company provides its segment information in conformity within the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole.

11. Earnings Per Share :-

Basic earnings per share are calculated by dividing the net profit or loss for the period 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 are adjusted for the effect of all potentially dilutive equity shares.

12. Taxation :-

Tax expense comprises both current and deferred tax. Current Tax is measured at the amount expected to be paid to the tax authorities, using the applicable tax rates and tax laws. Deferred tax assets and liabilities are recognized for future tax consequences attributable to the timing difference between taxable income and accounting income that are capable of reversal in one or more subsequent period(s) and are measured using tax rates enacted or substantively enacted as at the Balance Sheet date. Deferred Tax assets are not recognized unless, in the management judgment, there is virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. The carrying amount of deferred tax is reviewed at each balance sheet date.

13. Impairment of Assets :-

Assets that are subject to amortisation/depreciation are reviewed for impairment whenever events of changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the assets' carrying amount exceeds its recoverable amount. The recoverable amount is the higher of the assets' fair value less costs to sell and value in use.

For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash generating units).

14. Leases :-

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognised as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term.

15. Borrowing Costs:-

Borrowing Costs attributable to acquisition and construction of qualifying assets are capitalised as a part of the cost of such asset upto the date when such assets are ready for intended use. Other Borrowing Costs are charged as an expense in the year in which these are incurred.

16. Pre-operative Expenditure :-

The Expenditure incurred by the Company from the date of setting up of a new unit, up to the date of commencement of commercial production of the unit is treated as Pre-operative expenditure to be capitalised as a part of the indirect cost of construction. The amount of such expenditure is apportioned over the individual assets in an equitable manner in the year of commencement of Commercial Production of the unit. The amounts not directly attributable to fixed assets are charged to the Statement of Profit and Loss in the year in which such expenditure is incurred.

17. Provisions , Contingent Liabilities and Contingent Assets:-

Provisions are recognized when the Company has a present obligation as a result of past events; it is more likely than not that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

Notes on Financial Statements for the year ended 31st March, 2014

1 SHARE CAPITAL	31-Mar-14		31-Mar-13	
	Nos.	Amount (₹)	Nos.	Amount (₹)
Authorised Share Capital				
Equity Shares of ₹ 5/- each (Previous year ₹ 5/- each)	19,000,000	95,000,000	19,000,000	95,000,000
Preference Shares of ₹ 5/- each (Previous year ₹ 5/- each)	6,000,000	30,000,000	6,000,000	30,000,000
	25,000,000	125,000,000	25,000,000	125,000,000
Issued, Subscribed and Paid up				
Equity Shares of ₹ 5/- each fully paid up (Previous year ₹ 5/- each)	16,057,466	80,287,330	16,057,466	80,287,330
TOTAL	16,057,466	80,287,330	16,057,466	80,287,330

1.1 Aggregate Number of Shares bought back during the preceeding 5 years

The Company has bought back and extinguished 17,84,162 Equity Shares of ₹ 10/- each from the existing owners of Equity Shares other than the Promoters / Persons in Control from the open market through the Stock Exchange(s) in the year 2011-12.

1.2 Reconciliation of the number of Shares outstanding at the beginning and at the end of the year

Equity Shares	31-Mar-14		31-Mar-13	
	Nos.	Amount (₹)	Nos.	Amount (₹)
Shares outstanding at the beginning of the year	16,057,466	80,287,330	16,057,466	160,574,660
Less : Reduction in the face value of Shares from ₹ 10/- to ₹ 5/- each pursuant to the Scheme of Arrangement(Refer Note No.30)	-	-	-	80,287,330
Shares outstanding at the end of the year	16,057,466	80,287,330	16,057,466	80,287,330

1.3 Details of Shareholders holding more than 5% shares in the company.

Name of Shareholder	31-Mar-14		31-Mar-13	
	Nos.	%age holding	Nos.	%age holding
Equity Shares of ₹ 5/- each				
VPM Industrial Services Corpn. LLP	2,829,256	17.62%	4,980,444	31.02%
VPM Electricals Private Limited	3,632,177	22.62%	-	-
Shri Ashish Dhawan	1,350,000	8.41%	1,350,000	8.41%
Shri V.P. Mahendru	909,413	5.66%	909,413	5.66%

1.4 Terms/rights attached to Equity Shares

The Company has only one class of equity shares having a par value of ₹ 5/- per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees.

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.

Notes on Financial Statements for the year ended 31st March, 2014

2 RESERVES AND SURPLUS	31-Mar-14 Amount (₹)		31-Mar-13 Amount (₹)	
	Non Current	Current	Non Current	Current
Capital Reserve				
As per last Balance Sheet		36,891,000		36,891,000
Capital Redemption Reserve				
As per last Balance Sheet		17,841,620		17,841,620
Securities Premium Reserve				
As per last Balance Sheet		307,090,220		307,090,220
Merger Adjustment Account				
As per last Balance Sheet	14,068,298		38,330,187	
Less: Transferred to AMTL pursuant to the Scheme of Arrangement (Refer Note No.30)	-		23,489,566	
Less: Amount transferred from Statement of Profit & Loss as reduction from Depreciation (Refer Note No. 27)	55,226		772,323	
Less: Loss on Disposal of Fixed Assets previously revalued	14,013,072		-	
				14,068,298
General Reserve				
As per last Balance Sheet	1,045,129,775		2,591,310,646	
Add : Amount received from AMTL towards Buy-Back of fully paid Equity Shares pursuant to the Scheme of Arrangement (Refer Note No. 30)	-		57,982,028	
Less: Transferred to AMTL pursuant to the Scheme of Arrangement (Refer Note No. 30)	-		1,604,162,899	
		1,045,129,775		1,045,129,775
Surplus				
As per last Balance Sheet	120,016,838		294,980,951	
Less: Transferred to AMTL pursuant to the Scheme of Arrangement (Refer Note No.30)	-		(22,986,112)	
Less: Net Loss After Tax transferred from Statement of Profit & Loss	234,393,586		197,950,225	
Amount available for Appropriation		(114,376,748)		120,016,838
TOTAL		<u>1,292,575,867</u>		<u>1,541,037,751</u>
3 LONG TERM BORROWINGS	31-Mar-14 Amount (₹)		31-Mar-13 Amount (₹)	
	Non Current	Current	Non Current	Current
Unsecured				
Deferred payment liability	23,692,500	15,795,000	39,487,500	19,693,125
TOTAL	<u>23,692,500</u>	<u>15,795,000</u>	<u>39,487,500</u>	<u>19,693,125</u>

Note :

Deferred payment liability is due to Haryana State Industrial & Infrastructure Development Corporation Limited against land purchased from them and is payable in 8 equal half yearly instalments alongwith interest thereon.

Notes on Financial Statements for the year ended 31st March, 2014

4 DEFERRED TAX LIABILITIES (Net)	31-Mar-14 Amount (₹)	31-Mar-13 Amount (₹)
Deferred Tax Liabilities		
Differences in Depreciation & Amortisation for Accounting and Income Tax purposes	11,982,284	12,783,727
	<u>11,982,284</u>	<u>12,783,727</u>
Deferred Tax Assets		
Provision for Gratuity	1,817,575	2,460,397
Provision for Compensated Absences	1,600,561	1,339,115
Provision for Doubtful Trade Receivables	864,708	-
	<u>4,282,844</u>	<u>3,799,512</u>
Deferred Tax Liabilities (Net)	<u>7,699,440</u>	<u>8,984,215</u>
5 OTHER LONG TERM LIABILITIES	31-Mar-14 Amount (₹)	31-Mar-13 Amount (₹)
Security Deposits	20,734,785	14,469,379
TOTAL	<u>20,734,785</u>	<u>14,469,379</u>
6 LONG TERM PROVISIONS	31-Mar-14 Amount (₹)	31-Mar-13 Amount (₹)
Provision for Employee Benefits		
Provision for Gratuity	5,696,514	6,799,152
Provision for Compensated Absences	4,157,126	2,822,559
TOTAL	<u>9,853,640</u>	<u>9,621,711</u>
7 SHORT TERM BORROWINGS	31-Mar-14 Amount (₹)	31-Mar-13 Amount (₹)
Secured		
Loan from Banks		
- Cash Credit	210,121,080	20,550,839
- Others	310,797,352	253,375,689
TOTAL	<u>520,918,432</u>	<u>273,926,528</u>

Notes :

- a) Cash Credit Facility is secured primarily against first charge by way of hypothecation of entire current assets and collaterally by equitable mortgage (first charge) of Plot No. 10, Sector-4, IIE, SIDCUL, Haridwar and first charge on Plant and Machinery situated thereon and personally guaranteed by two directors of the company.
- b) Other Loans from Banks are secured against pledge of approved Investments in Mutual Funds and Bonds held in the name of the company.

Notes on Financial Statements for the year ended 31st March, 2014

8 TRADE PAYABLES	31-Mar-14 Amount (₹)	31-Mar-13 Amount (₹)
Micro, Small and Medium Enterprises	-	-
Others	154,612,725	115,413,170
TOTAL	154,612,725	115,413,170

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

Particulars	31-Mar-14 Amount (₹)	31-Mar-13 Amount (₹)
Principal amount due and remaining unpaid	-	-
Interest due on above and the unpaid interest	-	-
Interest paid	-	-
Payment made beyond the appointed day during the year	-	-
Interest due and payable for the period of delay	-	-
Interest accrued and remaining unpaid	-	-
Amount of further interest remaining due and payable in succeeding years	-	-

9 OTHER CURRENT LIABILITIES	31-Mar-14 Amount (₹)	31-Mar-13 Amount (₹)
Current maturities of Long Term Borrowings (Refer Note No. 3)	15,795,000	19,693,125
Income received in advance	-	1,221,072
Unpaid Dividend	3,420,950	3,436,700
Creditors for Capital Expenditure	-	97,492
Other Payables		
- Advances from Customers	4,274,309	2,306,824
- TDS Payable	3,486,803	3,467,275
- CST / VAT / Service Tax Payable	6,654,251	7,609,800
- Other Liabilities	39,047,687	46,339,252
TOTAL	72,679,000	84,171,540

10 SHORT TERM PROVISIONS	31-Mar-14 Amount (₹)	31-Mar-13 Amount (₹)
Provision for Employee Benefits		
Provision for Gratuity	185,605	607,777
Provision for Compensated Absences	1,022,684	1,208,796
Others		
Provision for Taxation (Net of Advance Income Tax)	94,845	2,717,732
TOTAL	1,303,134	4,534,305

Notes on Financial Statements for the year ended 31st March, 2014

12 NON CURRENT INVESTMENTS (Long Term Investments)	31-Mar-14 Amount (₹)	31-Mar-13 Amount (₹)
OTHER INVESTMENTS (valued at cost unless stated otherwise)		
Investment in Joint Ventures		
969,203 (Previous Year 637,000) Equity Shares of ₹ 10/- each of Luxtra Lighting Private Limited	9,692,030	6,370,000
22,849,462 (Previous Year 20,367,942) Equity Shares of ₹ 10/- each of Indo Simon Electric Private Limited	228,494,620	203,679,420
Investments in Preference Shares - Unquoted, fully paid up		
2,650,000 (Previous Year 2,650,000) 10% Convertible Preference Shares of ₹ 10/-each of IAFL Power Distribution & Infrastructure Private Limited	26,500,000	26,500,000
Investments in Bonds - Quoted, fully paid up		
29,669 (Previous Year 29,669) Nos. of Tax Free Secured Redeemable Non Convertible Bonds Tranche 1 Series 1 of Face Value of ₹ 1000 each of National Highways Authority of India	29,669,000	29,669,000
14,239 (Previous Year 14,239) Nos. of Tax Free Bonds Tranche-1Series 1 of Face Value of ₹ 1000 each of Power Finance Corporation Limited	14,239,000	14,239,000
48,991 (Previous Year 48,991) Nos. of Tax Free Secured Redeemable Non Convertible Bonds of Bond Series 1 of Face Value of ₹ 1000 each of Rural Electrification Corporation Limited	48,991,000	48,991,000
Investments in Mutual Funds - Quoted, fully paid up		
Nil (Previous Year 3,000,000) Units of Face Value of ₹ 10/- each of Reliance Mutual Fund - Fixed Horizon FD XXIII SR1 Growth	-	30,000,000
Investments in Others - Unquoted		
Zephyr Peacock India III Fund	5,120,985	4,745,985
TOTAL	362,706,635	364,194,405
Aggregate amount of quoted investments	92,899,000	122,899,000
Market Value of quoted investments	96,765,092	132,697,452
Aggregate amount of unquoted investments	269,807,635	241,295,405
Aggregate provision for diminution in value of Investments	-	-
13 LONG TERM LOANS AND ADVANCES (Unsecured and Considered Good)	31-Mar-14 Amount (₹)	31-Mar-13 Amount (₹)
Capital Advances	4,000,000	46,858,750
Security Deposits	6,117,684	6,538,393
Balance with Statutory/Government Authorities	2,500,000	2,500,000
Prepaid Expenses	246,900	257,544
TOTAL	12,864,584	56,154,687

Notes on Financial Statements for the year ended 31st March, 2014

14 CURRENT INVESTMENTS	31-Mar-14 Amount (₹)	31-Mar-13 Amount (₹)
Current portion of Long-Term Investments (valued at lower of cost and market value)		
Investments in Mutual Funds - Quoted, fully paid up		
Nil (Previous Year 3,000,000) Units of Face Value of ₹ 10/- each of Baroda Pioneer 370 Day FMP-Series1-Growth Plan	-	30,000,000
Nil (Previous Year 5,000,000) Units of Face Value of ₹ 10/- each of Reliance Fixed Horizon Fund - XXI - Series 11 - Growth Plan	-	50,000,000
Nil (Previous Year 19,999,990) Units of Face Value of ₹ 10/- each of Reliance Fixed Horizon Fund - XXI - Series 18 - Growth Plan	-	199,999,900
3,000,000 (Previous Year Nil) Units of Face Value of ₹ 10/- each of Reliance Mutual Fund - Fixed Horizon FD XXIII SR1 Growth	30,000,000	-
5,000,000 (Previous Year Nil) Units of Face Value of ₹ 10/- each of Birla Sun Life Fixed Term Plan-Series KN (366Days)-Growth Regular	50,000,000	-
6,000,000 (Previous Year Nil) Units of Face Value of ₹ 10/- each of State Bank of India-Debt Fund Series-366 Days 54-Direct Plan-Growth	60,000,000	-
Investments in Mutual Funds - Unquoted, fully paid up		
3,391,592 (Previous Year Nil) Units of Face Value of ₹ 10/- each of Franklin Tempelton India Income Opportunities Fund-Growth	46,300,000	-
16,500 (Previous Year Nil) Units of Face Value of ₹ 1000/- each of Franklin Tempelton India Short Term Income-Retail Plan-Growth	40,000,000	-
Current Investments (valued at cost)		
Investments in Mutual Funds - Unquoted, fully paid up		
Nil (Previous Year 1,411) Units of Face Value of ₹ 1000/- each of Morgan Stanley Liquid Fund-Regular-Growth Plan	-	1,600,000
Nil (Previous Year 1,709,978) Units of Face Value of ₹ 10/- each of Franklin Tempelton India Low Duration Fund Growth	-	19,999,900
Nil (Previous Year 27,705) Units of Face Value of ₹ 1000/- each of State Bank of India-Premier Liquid Fund-Regular Plan-Growth	-	46,861,978
Nil (Previous Year 1,630,486) Units of Face Value of ₹ 10/- each of Kotak Floater - Long Term - Growth	-	55,000,000
Nil (Previous Year 748,828) Units of Face Value of ₹ 10/- each of HDFC Liquid Fund - Growth	-	20,000,000
Nil (Previous Year 637,857) Units of Face Value of ₹ 10/- each of Reliance Dynamic Bond Fund - Growth Plan - Growth Option	-	10,000,000
Nil (Previous Year 648,421) Units of Face Value of ₹ 10/- each of Reliance Income Fund - Growth Plan - Growth Option	-	25,000,000
147 (Previous Year 147) Units of Face Value of ₹ 1000/- each of State Bank of India-Premier Liquid Fund-Regular Plan-Growth	252,587	252,587
2,406,898 (Previous Year 4,487,357) Units of Face Value of ₹ 10/- each of Reliance Dynamic Bond Fund - Direct Plan - Growth Plan - Growth Option	40,000,000	70,000,000
2,308,015 (Previous Year Nil) Units of Face Value of ₹ 10/- each of HDFC Liquid Fund-Growth	56,695,881	-
2,782,405 (Previous Year Nil) Units of Face Value of ₹ 10/- each of Kotak Floater Long Term-Growth	55,076,868	-
45,322 (Previous Year Nil) Units of Face Value of ₹ 1000/- each of Reliance Liquid Fund-Treasury Plan-Direct Plan-Growth Plan-Growth Option	129,685,440	-

Notes on Financial Statements for the year ended 31st March, 2014

Contd.

CURRENT INVESTMENTS

2,218,121 (Previous Year Nil) Units of Face Value of ₹ 10/- each of Reliance hort Fund-Direct Growth Plan-Growth Option

444 (Previous Year Nil) Units of Face Value of ₹ 1000/- each of State Bank of India-Premier Liquid Fund-Direct Plan-Growth

27,173 (Previous Year Nil) Units of Face Value of ₹ 1000/- each of State Bank of India-Premier Liquid Fund-Direct Plan-Growth

TOTAL

Aggregate amount of quoted investments

Market Value of quoted investments

Aggregate amount of unquoted investments

Aggregate provision for diminution in value of Investments

	31-Mar-14 Amount (₹)	31-Mar-13 Amount (₹)
	50,000,000	-
	889,390	-
	53,513,831	-
TOTAL	612,413,997	528,714,365
Aggregate amount of quoted investments	140,000,000	279,999,900
Market Value of quoted investments	144,013,100	310,186,389
Aggregate amount of unquoted investments	472,413,997	248,714,465
Aggregate provision for diminution in value of Investments	-	-

15 INVENTORIES

Raw Material

Work-in-Progress

Finished Goods

Stock-in-Trade

TOTAL

	31-Mar-14 Amount (₹)	31-Mar-13 Amount (₹)
Raw Material	49,366,417	22,228,277
Work-in-Progress	14,995,745	15,236,235
Finished Goods	130,269,328	131,526,916
Stock-in-Trade	122,746,753	172,868,748
TOTAL	317,378,243	341,860,176

15.1 Inventories are valued as under :-

Raw Material	:	At lower of cost determined on FIFO basis and net realisable value.
Work-in-Progress	:	At lower of cost and net realisable value.
Finished Goods	:	At lower of cost including excise duty and net realisable value.
Stock-in-Trade	:	At cost.

16 TRADE RECEIVABLES**Outstanding due for a period exceeding six months from the date they are due for payment**

Unsecured, considered good

Unsecured, considered doubtful

Less : Provision for doubtful receivables

Sub-Total**Other receivables**

Unsecured, considered good

Unsecured, considered doubtful

Sub-Total**TOTAL**

	31-Mar-14 Amount (₹)	31-Mar-13 Amount (₹)
Outstanding due for a period exceeding six months from the date they are due for payment		
Unsecured, considered good	71,071,025	56,641,984
Unsecured, considered doubtful	2,798,407	-
	73,869,432	56,641,984
Less : Provision for doubtful receivables	2,798,407	-
Sub-Total	71,071,025	56,641,984
Other receivables		
Unsecured, considered good	297,642,173	343,183,052
Unsecured, considered doubtful	-	-
Sub-Total	297,642,173	343,183,052
TOTAL	368,713,198	399,825,036

Notes on Financial Statements for the year ended 31st March, 2014

17 CASH AND BANK BALANCES	31-Mar-14 Amount (₹)	31-Mar-13 Amount (₹)
Cash and cash equivalents		
a) Balances with Banks		
On Current Accounts	25,613,191	36,943,680
Fixed Deposits with maturity of upto 12 months	208,775	100,000
On Unpaid Dividend Account	3,420,950	3,436,700
Margin Money Deposits with maturity of upto 12 months	15,379,394	63,534,952
b) Cheques/Drafts on hand	35,549,020	25,066,102
c) Cash on hand	1,167,981	650,519
Other Bank Balances		
a) Fixed Deposits with maturity of over 12 months	100,000	200,000
b) Margin Money Deposits with maturity of over 12 months	3,680,000	1,000,000
TOTAL	85,119,311	130,931,953
17.1 Margin Money Deposits have been given to Banks against Bank Guarantees and Letters of Credit got issued from them.		
18 SHORT TERM LOANS AND ADVANCES (Unsecured Considered Good)	31-Mar-14 Amount (₹)	31-Mar-13 Amount (₹)
Advances to Suppliers for goods and services	34,967,634	28,668,092
Loans and advances to employees	2,077,057	1,655,535
TDS Recoverable	2,787,610	-
Balance with Customs, Central Excise and VAT Authorities	9,102,360	6,494,212
Prepaid Expenses	1,634,100	1,786,412
TOTAL	50,568,761	38,604,251
19 OTHER CURRENT ASSETS	31-Mar-14 Amount (₹)	31-Mar-13 Amount (₹)
Interest Receivable on Fixed Deposits with Banks	568,683	909,950
Interest accrued on Investments	4,666,912	4,666,912
TOTAL	5,235,595	5,576,862
20 REVENUE FROM OPERATIONS	31-Mar-14 Amount (₹)	31-Mar-13 Amount (₹)
Sale of Products		
- Finished Goods	891,693,479	1,145,434,847
- Stock in Trade	475,508,710	415,926,168
Gross Revenue from Sale of Products	1,367,202,189	1,561,361,015
Less : Excise Duty	-	-
TOTAL	1,367,202,189	1,561,361,015

Notes on Financial Statements for the year ended 31st March, 2014

20.1 PARTICULARS OF SALE OF PRODUCTS	31-Mar-14 Amount (₹)	31-Mar-13 Amount (₹)
Finished Goods		
Wires	825,958,388	1,100,348,643
Lighting Products	9,932,975	164,042
Others	55,802,116	44,922,162
	<u>891,693,479</u>	<u>1,145,434,847</u>
Stock in Trade		
Wires	6,568,533	15,007,529
Lighting Products	282,686,937	152,433,632
Others	186,253,240	248,485,007
	<u>475,508,710</u>	<u>415,926,168</u>
TOTAL	<u>1,367,202,189</u>	<u>1,561,361,015</u>
21 OTHER INCOME	31-Mar-14 Amount (₹)	31-Mar-13 Amount (₹)
Interest Income	9,162,013	15,378,055
Dividend Income	-	1,149
Net Gain on Sale of Investments	48,905,993	61,552,026
Profit on Sale of Fixed Assets	35,746	65,157
Rental Income	208,469	2,800,000
Miscellaneous Income	1,044,359	2,087,637
Sundry Balances Written Back	1,253,573	2,385,874
Provisions no longer required written back	342,501	-
Gain on Foreign Currency Transactions	1,126,980	520,672
TOTAL	<u>62,079,634</u>	<u>84,790,570</u>
22 COST OF MATERIALS CONSUMED	31-Mar-14 Amount (₹)	31-Mar-13 Amount (₹)
Inventory at the beginning of the year	22,228,277	22,372,733
Add : Purchases	714,758,182	1,023,780,697
	<u>736,986,459</u>	1,046,153,430
Less : Inventory at the end of the year	49,366,417	22,228,277
TOTAL	<u>687,620,042</u>	<u>1,023,925,153</u>
22.1 PARTICULARS OF MATERIALS CONSUMED	31-Mar-14 Amount (₹)	31-Mar-13 Amount (₹)
Copper	562,112,284	885,474,561
Poly Vinyl Chloride (PVC)	57,974,541	86,709,656
Others (including Semi-Finished Components)	67,533,217	51,740,936
TOTAL	<u>687,620,042</u>	<u>1,023,925,153</u>

Notes on Financial Statements for the year ended 31st March, 2014

22.2 PERCENTAGE OF CONSUMPTION OF IMPORTED AND INDIGENOUS RAW MATERIALS	31-Mar-14 Amount (₹)	%age	31-Mar-13 Amount (₹)	%age
Indigenous	670,539,920	97.52%	996,665,660	97.34%
Imported	17,080,122	2.48%	27,259,493	2.66%
TOTAL	687,620,042	100.00%	1,023,925,153	100.00%

23 PURCHASE OF STOCK-IN-TRADE	31-Mar-14 Amount (₹)	31-Mar-13 Amount (₹)
Wires	8,715,218	16,966,207
Lighting Products	204,592,074	163,970,748
Others	115,672,712	296,847,911
TOTAL	328,980,004	477,784,866

24 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE	31-Mar-14 Amount (₹)	31-Mar-13 Amount (₹)
Inventories (at close)		
Finished goods	130,269,328	131,526,916
Stock-in-Trade	122,746,753	172,868,748
Work-in-Progress	14,995,745	15,236,235
	268,011,826	319,631,899
Inventories (at commencement)		
Finished goods	131,526,916	67,251,110
Stock-in-Trade	172,868,748	15,747,641
Work-in-Progress	15,236,235	8,530,273
	319,631,899	91,529,024
(INCREASE) / DECREASE	51,620,073	(228,102,875)

25 EMPLOYEE BENEFITS EXPENSE	31-Mar-14 Amount (₹)	31-Mar-13 Amount (₹)
Salaries, Wages and Bonus	181,236,478	169,374,226
Contribution to Provident and other Funds	7,949,217	7,801,104
Gratuity	1,989,501	1,373,501
Leave Encashment	3,679,596	3,163,577
Staff Welfare expenses	7,491,704	8,770,173
TOTAL	202,346,496	190,482,581

25.1. Disclosure under Accounting Standard 15 (Revised)

As per Accounting Standard (AS-15) (Revised 2005) "Employee Benefits", the disclosures of Employee benefits as defined in the Accounting Standard are given below:

(a) Defined Contribution Plans

	31-Mar-14 Amount (₹)	31-Mar-13 Amount (₹)
Employer's Contribution to Provident Fund *	7,428,645	7,261,726
Employer's Contribution to ESI *	520,572	539,378

(*) Included in Contribution to Provident and Other Funds

Notes on Financial Statements for the year ended 31st March, 2014

(b) Defined Benefit Plans

(Amount ₹)

	Non – Funded			
	Gratuity		Compensated Absences	
	31-Mar-14	31-Mar-13	31-Mar-14	31-Mar-13
Current service cost	12,32,088	14,43,479	14,13,429	14,71,152
Interest cost	666,624	665,728	362,822	149,743
Expected Return on Plan Assets	-	-	-	-
Actuarial (gain) / loss	90,789	(2,272,032)	1,903,345	1,279,946
Past service cost	-	-	-	-
Curtailment and Settlement Cost / (credit)	-	-	-	-
Net Cost	1,989,501	(162,825)	3,679,596	2,900,841
Transferred to AMTL pursuant to Scheme of Arrangement	-	1,536,326	-	262,736
Total Cost	1,989,501	1,373,501	3,679,596	3,163,577

(c) Actuarial Assumptions

(Amount ₹)

	Gratuity		Compensated Absences	
	31-Mar-14	31-Mar-13	31-Mar-14	31-Mar-13
Discount Rate	9.00%	8.00%	9.00%	8.00%
Expected Rate of increase in Compensation Levels	7.00%	6.00%	7.00%	6.00%
Expected Rate of Return on Plan Assets	N.A.	N.A.	N.A.	N.A.
Expected Average remaining working lives of employees (years)	22.53	23.22	22.23	23.02

(d) Reconciliation of opening and closing balances of Projected Benefit Obligations.

(Amount ₹)

	Non – Funded			
	Gratuity		Compensated Absences	
	31-Mar-14	31-Mar-13	31-Mar-14	31-Mar-13
Change in Projected Benefit Obligation (PBO)				
Projected Benefit Obligation at beginning of year	7,406,929	8,321,598	4,031,355	1,871,785
Current service cost	1,232,088	1,443,479	1,413,429	1,471,252
Interest cost	666,624	665,728	362,822	149,743
Benefits paid	(3,514,311)	(751,844)	(2,531,141)	(741,271)
Curtailment and Settlement cost	-	-	-	-
Contribution by plan participants	-	-	-	-
Past services cost	-	-	-	-
Actuarial (gain) / loss	90,789	(2,272,032)	1,903,345	1,279,946
Projected Benefit Obligation at year end	5,882,119	7,406,929	5,179,810	4,031,355

26 FINANCE COSTS

	31-Mar-14 Amount (₹)	31-Mar-13 Amount (₹)
Interest Expenses	50,776,994	21,758,796
Other Borrowing Costs	1,345,139	1,685,400
Bank Charges	3,997,558	1,739,966
TOTAL	56,119,691	25,184,162

Notes on Financial Statements for the year ended 31st March, 2014

27 DEPRECIATION AND AMORTISATION EXPENSE	31-Mar-14 Amount (₹)	31-Mar-13 Amount (₹)
Depreciation and Amortisation	29,909,520	25,375,249
Less : Transferred from Merger Adjustment Account	55,226	772,323
TOTAL	29,854,294	24,602,926
28 OTHER EXPENSES	31-Mar-14 Amount (₹)	31-Mar-13 Amount (₹)
Manufacturing Expenses		
Power and Fuel	10,306,749	12,321,290
Labour Work Charges	2,274,518	532,020
Rent for Machinery	-	1,377,600
Testing Charges	371,067	361,524
Building Repairs	578,459	488,195
Machinery Repairs	3,868,075	5,454,238
	17,398,868	20,534,867
Administration Expenses		
Rent	16,545,463	16,157,643
Rates and Taxes	3,691,064	3,284,837
Travelling and Conveyance	42,448,236	42,964,739
Printing and Stationery	2,066,115	4,955,879
Postage, Telegram & Telephone	6,642,902	8,151,061
Insurance	2,737,914	2,030,189
Other Repairs	5,372,997	3,542,192
Provision for Doubtful Trade Receivables	2,798,407	-
Bad Debts written off	1,805,989	19,191,820
Net Loss on Sale of Fixed Assets	3,059,329	-
Directors Sitting fees	112,358	194,589
Vehicle Maintenance	1,557,400	1,979,553
Legal & Professional Charges	16,671,200	21,309,197
Payment to Auditors		
- As Auditor	1,650,000	1,560,000
- For other services	318,875	393,375
- Service Tax	243,353	246,073
Miscellaneous Expenses	10,059,720	8,955,884
Loss on Foreign Currency Transactions	706,439	330,578
	118,487,761	135,247,609
Selling and Distribution Expenses		
Freight and Cartage Outwards	39,585,986	45,888,410
Advertisement	28,660,191	31,190,305
Selling Commission	35,211,316	32,061,675
Sales Discount	57,918,354	35,199,934
Business Promotion	13,442,891	19,987,735
Samples	1,930,612	1,056,587
Tender Charges	14,766	-
Sales Tax Assessed	852,118	2,402,755
	177,616,234	167,787,401
TOTAL	313,502,863	323,569,877

Notes on Financial Statements for the year ended 31st March, 2014

29. Earnings Per Share (EPS)

Basic and Diluted Earnings Per Share

	Unit	31-Mar-14	31-Mar-13
Net Profit attributable to Equity Shareholders	₹	(234,393,586)	(197,950,225)
Weighted Average number of Equity Shares outstanding during the year	Nos.	16,057,466	16,057,466
Face Value	₹	5	5
Basic Earnings Per Share	₹	(14.60)	(12.33)
Diluted Earnings Per Share	₹	(14.60)	(12.33)

30. Scheme of Arrangement

Pursuant to the Scheme of Arrangement ("Scheme") u/s 391 to 394 of the Companies Act, 1956 between Eon Electric Limited ("Eon") and Advance Metering Technology Limited ("AMTL") and their respective shareholders and creditors for demerger of the Metering Division and Power Generation Business of the company' duly sanctioned by the Hon'ble High Court for the States of Punjab & Haryana at Chandigarh vide its order dated 27th March, 2013, the Metering Division and Power Generation Business of Eon stands demerged and transferred to and vested in AMTL with effect from 1st April, 2011 (Appointed Date) on a going concern basis.

The Scheme became effective on 8th April, 2012 (Effective Date) on filing of the Certified True Copy of the said Order of the Hon'ble High Court with the Registrar of Companies, NCT of Delhi & Haryana.

Pursuant to the above Scheme, the Authorised, Issued, Subscribed and Paid Up Share Capital of Eon as on 9th May, 2012 ("the Record Date") has been reduced to half by changing the face value of the shares from ₹ 10/- to ₹ 5/- each. Accordingly, the Board of Directors of Eon and AMTL have at their respective meetings held on 12th May, 2012 allotted to all the eligible shareholders of Eon, one fully paid-up Equity Share of the Face Value of ₹ 5/- each of Eon and one fully paid-up Equity Share of the Face Value of ₹ 5/- each of AMTL in lieu of every one fully paid-up Equity Share of the face value of ₹ 10/- each held by them in Eon as on the Record Date.

The broad details of the assets and liabilities of the Metering Division and Power Generation Business transferred from the Company and vested with AMTL at the closing date are as under :

Particulars	(Amount ₹)	
Assets		
Non Current Assets		
Tangible Assets	383,053,386	
Intangible Assets	165,539	
Capital Work-in- Progress	14,070,007	
Non Current Investments	332,132,351	
Long Term Loans & Advances	24,092,785	753,514,068
Current Assets		
Current Investments	878,892,302	
Inventories	17,341,113	
Trade Receivables	30,086,070	
Cash & Bank Balances	416,193	
Short Term Loans & Advances	4,840,714	
Other Current Assets	1,500,000	933,076,392
Total Assets		1,686,590,460

Notes on Financial Statements for the year ended 31st March, 2014

Particulars	(Amount ₹)	
Liabilities		
Non Current Liabilities		
Deferred Tax Liabilities	35,984,030	
Long Term Provisions	1,748,993	37,733,023
Current Liabilities		
Trade Payables	3,588,305	
Other Current Liabilities	17,628,425	
Short Term Provisions	669,052	21,885,782
Total Liabilities		59,618,805
Excess of Assets over Liabilities		1,626,971,655
Reduced from :		
Equity Share Capital		80,287,330
Merger Adjustment Account		23,489,566
General Reserve		1,546,180,871
Surplus		(22,986,112)
Net Worth		1,626,971,655

Necessary effects in respect of the aforesaid Scheme of Arrangement have been given in the books of accounts of the Company in the financial statements for the year ended 31st March, 2013.

31. Contingent Liabilities and Commitments:-

a. Contingent Liabilities

- i) Bank Guarantees ₹ 49,965,592/- (Previous year ₹ 49,714,695/-).
- ii) Bond furnished to Custom & Central Excise Authorities for import of goods at Concessional Rate of Duty ₹ 70,000,000/- (Previous year ₹ 30,000,000/-).
- iii) Excise duty demands against which the company has preferred appeals ₹ 52,314,146/- (Previous year ₹ 52,314,146/-). The Company has already deposited a sum of ₹ 3,015,000/- (Previous year ₹ 3,015,000/-) against the aforesaid demand.
- iv) Central Excise and Service Tax Appeals filed by the Department ₹ 2,065,676/- (Previous year ₹ 2,065,676/-) for excise duty and ₹ 119,921/- (Previous year ₹ 119,921/-) for service tax.
- v) Sales Tax / Value Added Tax Demands against which the company has preferred appeals ₹ 159,676,682/- (Previous year ₹ 11,593,533/-). The company has already deposited a sum of ₹ 5,664,955/- (Previous year ₹ 4,086,662/-) against the aforesaid demand.

b. Commitments

- i) Capital commitments (net of advance) Nil (Previous year ₹ 86,952,823/-).
- ii) Commitment to pay balance amount towards contribution to the Share Capital of Zephyr Peacock India III Fund ₹ 7,379,015/- (Previous Year ₹ 7,754,015/-)

32. Provision for income tax has been made without considering some taxes and amounts which will be paid before filing of Income Tax Return as provided under Section 43-B of the Income Tax Act, 1961.

33. In the opinion of Board, the current assets, loans and advances are approximately of the value stated, if realized, in the ordinary course of business. The provision for depreciation and all known liabilities is adequate and not in excess of the amount reasonably necessary.

Notes on Financial Statements for the year ended 31st March, 2014

34. The Statement of Profit and Loss includes previous year debit adjustments amounting to ₹ 284,155/- (Previous year ₹ 253,029/-) on account of following :-

Particulars	31-Mar-14 Amount (₹)	31-Mar-13 Amount (₹)
Machinery Repairs	-	35,296
Interest	181,338	217,733
Business Promotion	102,817	-
Total	284,155	253,029

35. The balances of Debtors, Advances and Creditors are subject to confirmation.
36. The company has paid annual listing fees to Bombay Stock Exchange Limited and National Stock Exchange of India Limited where its equity shares are listed.
37. **Information on Segment Reporting of the Company for the year ended 31st March 2014**

Business Segments

In accordance with the Accounting Standard (AS) 17 "Segment Reporting", the Company's operations have been categorized into the following Business segments :-

Cable and Wires includes Wires and Cables etc.

Lighting includes Compact Fluorescent Lamps, Fluorescent Tube Lights, LEDs and Luminaires etc.

Others includes Modular Switches, Wiring Accessories, Home Automation, Fans, Lithium Ion Batteries, Mobile Phone Accessories etc.

Segment Revenue relating to each of the above business segments includes Other Income, where applicable.

The above business segments have been identified considering :

- a) the nature of products and services
- b) the differing risks and returns
- c) the organization structure, and
- d) the internal financial reporting systems.

There are no geographical segments as the operations of the company's existing Business Segments take place indigenously.

Notes:-

- i. Segment results represent Profit/(loss) before Interest and Tax.
- ii. Capital Expenditure pertains to gross additions made to fixed assets during the year including capital work in progress.
- iii. Segment Assets include Fixed Assets, Current Assets & Loans and Advances directly attributable to respective business segments.
- iv. Segment Liabilities include Current Liabilities and Provisions directly attributable to respective business segments.
- v. The accounting policies used to derive reportable segment results are consistent with those described in the "Significant Accounting Policies" note to the financial statements.

Notes on Financial Statements for the year ended 31st March, 2014

	Information about Business Segments						Total
	Cable & Wires		Lighting		Others		
	31-Mar-14	31-Mar-13	31-Mar-14	31-Mar-13	31-Mar-14	31-Mar-13	
1 Segment Revenue							
a) External Revenue	832,526,921	1,115,356,172	292,619,912	152,597,674	242,055,356	293,407,169	1,367,202,189
b) Inter Segment Revenue	-	-	-	-	-	-	-
Total Revenue	832,526,921	1,115,356,172	292,619,912	152,597,674	242,055,356	293,407,169	1,367,202,189
Less: Inter Segment Revenue	-	-	-	-	-	-	-
Revenue from Operations (Gross)	832,526,921	1,115,356,172	292,619,912	152,597,674	242,055,356	293,407,169	1,367,202,189
Less : Excise Duty	-	-	-	-	-	-	-
Revenue from Operations (Net)	832,526,921	1,115,356,172	292,619,912	152,597,674	242,055,356	293,407,169	1,367,202,189
2. Segment Results (Profit / Loss)	(136,703,149)	(136,714,769)	5,477,760	(15,088,207)	(44,772,988)	(22,298,116)	(175,998,377)
Finance Costs							56,119,691
Unallocated Corporate Expenses/(Income)							8,643,572
Profit/(Loss) before Tax							(240,761,640)
Tax Expense							6,655,120
Profit/(Loss) after Tax							(234,393,586)
3. Other Information							
Segment Assets	542,243,707	564,646,166	203,013,127	143,259,606	312,411,641	261,834,438	1,057,668,475
Unallocated Corporate Assets							1,126,688,378
Total Assets	542,243,707	564,646,166	203,013,127	143,259,606	312,411,641	261,834,438	2,184,356,853
Segment Liabilities	127,657,240	109,214,138	61,578,633	37,179,225	37,351,182	42,280,099	226,587,055
Unallocated Corporate Liabilities							584,906,601
Total Liabilities	127,657,240	109,214,138	61,578,633	37,179,225	37,351,182	42,280,099	811,493,656
Capital Expenditure (including Capital Work in Progress)	59,886,172	24,151,509	401,300	607,179	98,510,838	101,302,658	158,798,310
Depreciation & Amortization expense (Net of transfer to Merger Adjustment Account)	18,911,952	13,876,518	214,498	1,365,985	10,727,844	9,360,423	29,854,294
Other Non-cash expenses	3,350,909	1,606,684	267,422	16,238,399	986,065	1,346,737	4,604,396
							19,191,820

(Amount ₹)

Notes on Financial Statements for the year ended 31st March, 2014

38. Related Party Disclosure

i) Disclosures as required by Accounting Standard (AS-18) "Related Party Disclosures" are given below:

A Investing Parties with whom the Company is a Joint Venture Partner

1. Indo Simon Electric Pvt. Ltd.
2. Luxtra Lighting Private Limited

B. Directors, Key Management Personnel

1. Mr. V.P.Mahendru
2. Mr. Vinay Mahendru
3. Mr. Vivek Mahendru

C. Relatives of Directors, Key Management Personnel

1. Mr.Vimal Mahendru

D. Group Company

1. IAFL Power Distribution & Infrastructure Pvt. Ltd.

E. LLP firms in which relatives of Directors are partners

1. VPM Industrial Services Corporation LLP

F. Company in which Directors are Directors

1. VPM Electricals Private Limited

ii) Related Party Transactions

Nature of Transaction

1 Interest Received

- a. Indo Simon Electric Private Limited

Total

2 Purchases of Stock-in-Trade

- a. Indo Simon Electric Private Limited
- b. Luxtra Lighting Private Limited

Total

3 Sale of Fixed Assets

- a. Mr. Vimal Mahendru

Total

4 Remuneration paid

- a. Mr. V.P.Mahendru
- b. Mr. Vinay Mahendru
- c. Mr. Vivek Mahendru
- d. Mr. Vimal Mahendru

Total

	31-Mar-14 Amount (₹)	31-Mar-13 Amount (₹)
	-	34,205
	<u>-</u>	<u>34,205</u>
	26,423,763	96,544,273
	5,587,422	1,005,937
	<u>32,011,185</u>	<u>97,550,210</u>
	1,000,000	-
	<u>1,000,000</u>	<u>-</u>
	7,058,165	6,203,546
	6,040,569	5,314,942
	6,033,803	5,319,474
	2,638,076	-
	<u>21,770,613</u>	<u>16,837,962</u>

Notes on Financial Statements for the year ended 31st March, 2014

Nature of Transaction	31-Mar-14 Amount (₹)	31-Mar-13 Amount (₹)
5 Rent paid		
a. Mr. V.P.Mahendru	617,760	561,600
Total	617,760	561,600
6 Loans Given		
a. Indo Simon Electric Private Limited	-	5,200,000
Total	-	5,200,000
7 Loans Received Back		
a. Indo Simon Electric Private Limited	-	5,200,000
Total	-	5,200,000
8 Share Application Money given		
a. Luxtra Lighting Private Limited	3,322,030	1,870,000
b. Indo Simon Electric Private Limited	24,815,200	20,198,920
Total	28,137,230	22,068,920
9 Conversion of Share Application Money to Share Capital		
a. Luxtra Lighting Private Limited	3,322,030	6,370,000
b. Indo Simon Electric Private Limited	24,815,200	97,698,920
Total	28,137,230	104,068,920
10 Balance outstanding at the year end		
Payable		
a. Mr. V.P.Mahendru	1,301,613	23,181
b. Mr. Vinay Mahendru	99,514	23,740
c. Mr. Vivek Mahendru	464,057	195,165
d. Indo Simon Electric Private Limited	-	670,731
e. Luxtra Lighting Private Limited	24,862	154,854
Total	1,890,046	1,067,671
Receivable		
a. Indo Simon Electric Private Limited	4,578,369	-
Total	4,578,369	-

39. Lease Payments under an operating lease are recognised as an expense in the Statement of Profit and Loss on a straight line basis over the lease term. Accordingly ₹ 16,545,463/- has been charged to Statement of Profit and Loss during the year (Previous year ₹ 16,157,643/-).

The total of future minimum lease rent payable under operating lease for each of the following periods is as under

Particulars	31-Mar-14 Amount (₹)	31-Mar-13 Amount (₹)
Not later than one year	18,101,328	13,257,662
Later than one year and not later than five years	19,673,525	39,121,514
Later than five years	-	-

Notes on Financial Statements for the year ended 31st March, 2014

40. Financial Reporting of Interest in Joint Ventures

Investments include ₹ 238,186,650/- (Previous year ₹ 210,049,420/-) representing Company's interest in the following jointly controlled entities as at 31.03.2014

Name of the Company	Contribution towards Equity (₹)	Country of Residence	%age Holding of Eon
Luxtra Lighting Private Limited	9,692,030 (6,370,000)	India	49% (49%)
Indo Simon Electric Private Limited	228,494,620 (203,679,420)	India	50% (50%)
Total	238,186,650 (210,049,420)		

The financial data in respect of Indo Simon Electric Pvt. Ltd. for the year 31st March, 2014 and Luxtra Lighting Private Limited for year ended 31st March, 2014 is based on their Provisional Accounts whereas the figures for the previous year are based on their Audited Accounts.

The aggregate amount of each of the Assets, Liabilities, Income and Expenditure related to interest of the Company in the jointly controlled entities are as under :

INDO SIMON ELECTRIC PRIVATE LIMITED BALANCE SHEET AS AT MARCH 31, 2014

Particulars	31-Mar-14 Amount (₹)	31-Mar-13 Amount (₹)
EQUITY AND LIABILITIES		
Shareholders' funds		
Share capital	228,494,620	203,679,420
Reserves and surplus	(172,023,188)	(148,775,536)
Share application money pending allotment	26,114,244	-
Deferred government grant	862,955	1,028,453
Non-current liabilities		
Long term borrowings	-	2,750,000
Deferred tax liability (net)	-	-
Other long term liabilities	285,000	305,000
Long term provisions	1,436,696	1,467,668
Current liabilities		
Short-term borrowings	12,424,060	14,614,808
Trade payables	6,999,835	11,978,261
Other current liabilities	9,580,984	13,818,535
Short term provisions	33,493	33,493
TOTAL	114,208,699	100,900,102

Notes on Financial Statements for the year ended 31st March, 2014

	31-Mar-14 Amount (₹)	31-Mar-13 Amount (₹)
ASSETS		
Non-current assets		
Fixed assets		
Tangible assets	68,191,504	75,655,306
Intangible assets	3,516,401	5,515,601
Long term loans and advances	108,295	247,331
Other non-current assets	267,093	405,556
Current assets		
Inventories	23,465,992	16,232,159
Trade receivables	12,508,802	1,649,102
Cash and Bank Balances	5,728,937	885,292
Short term loans and advances	421,675	309,755
TOTAL	114,208,699	100,900,102

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2014

Particulars	31-Mar-14 Amount (₹)	31-Mar-13 Amount (₹)
Revenue From Operations	33,698,715	45,777,552
Other income	1,772,434	1,631,876
Total Revenue	35,471,149	47,409,428
Expenses:		
Cost of materials consumed	28,456,941	33,812,656
Purchase of stock in trade	292,669	1,360,678
Decrease/ (increase) in inventories	(8,557,216)	3,972,369
Employee benefits expense	14,864,111	13,791,349
Finance costs	3,084,689	4,850,275
Depreciation and amortization expense	11,361,852	10,875,140
Other expenses	9,193,286	9,182,825
Total expenses	58,696,332	77,845,292
Profit / (Loss) before tax and prior period adjustments	(23,225,183)	(30,435,864)
Prior period adjustments (net)	22,469	71,396
Profit / (Loss) before tax	(23,247,652)	(30,507,260)
Tax expense		
Deferred Tax	-	(2,069,238)
Current Tax	-	-
Profit / (Loss) after tax	(23,247,652)	(28,438,022)

Notes on Financial Statements for the year ended 31st March, 2014

LUXTRA LIGHTING PRIVATE LIMITED

BALANCE SHEET AS AT MARCH 31, 2014

Particulars	31-Mar-14 Amount (₹)	31-Mar-13 Amount (₹)
EQUITY AND LIABILITIES		
Shareholders' funds		
Share capital	9,692,033	6,370,000
Reserves and surplus	(10,321,248)	(8,041,683)
Current liabilities		
Other current liabilities	742,006	2,144,926
TOTAL	112,791	473,243
ASSETS		
Non-current assets		
Fixed assets		
Tangible assets	56,685	94,475
Other non-current assets	42,676	40,260
Current assets		
Inventories	-	131,608
Trade receivables	5,542	108,909
Cash and Bank Balances	13	80,847
Short term loans and advances	7,875	17,144
TOTAL	112,791	473,243

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2014

Particulars	31-Mar-14 Amount (₹)	31-Mar-13 Amount (₹)
Revenue From Operations	2,369,321	3,505,755
Other income	2,479	41,783
Total Revenue	2,371,800	3,547,538
Expenses:		
Purchase of stock in trade	1,554,985	2,837,147
Decrease/ (increase) in inventories	131,608	(131,608)
Employee benefits expense	1,912,020	4,738,521
Finance costs	3,530	5,121
Depreciation and amortization expense	37,790	16,704
Other expenses	1,011,434	1,714,460
Total expenses	4,651,367	9,180,345
Profit / (Loss) before tax	(2,279,567)	(5,632,807)
Tax expense		
Current Tax	-	-
Profit / (Loss) after tax	(2,279,567)	(5,632,807)

Notes on Financial Statements for the year ended 31st March, 2014

41. CIF Value of Imports :

	31-Mar-14 Amount (₹)	31-Mar-13 Amount (₹)
1 Raw Material (including components stores & spares)	23,669,192	37,575,143
2 Stock-in-trade	56,788,287	60,776,623
3 Capital Goods	-	12,055,277

42. Expenditure in Foreign Currency (on accrual basis)

- Travelling	3,700,696	2,475,855
- Others	874,846	582,896

43. Figures for the previous year have been re-arranged / re-grouped where ever necessary to make them comparable with the current year.

As per our report of even date annexed.

Rajesh Sethi
Partner
Membership No. 85669

Kumar Indramani
Sr. Manager(Legal) &
Company Secretary

K. B. Satija
Vice President
Corporate Finance

Vinay Mahendru
Executive
Director

V. P. Mahendru
Chairman - cum -
Managing Director

for & on behalf of
J. C. Bhalla & Co.
Chartered Accountants
Firm Regn. No. 001111N

Place : Noida
Dated : 30th May, 2014



Corporate Office Noida



Wires & Cables, LED Lights & Mobile Accessories
Plant at Haridwar



Fan Plant at Haridwar



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