27th Annual Report 2013-2014

APOLLO

GUJARAT APOLLO INDUSTRIES LIMITED

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BOARD OF DIRECTORS

MR. ANIL T. PATEL	-	*DIRECTOR*
MR. MANIBHAI V. PATEL	-	*DIRECTOR*
MR. ASIT A. PATEL	-	*MANAGING DIRECTOR*
MR. ANAND A. PATEL	-	*WHOLE-TIME DIRECTOR*
MR. UGRABHAI V. PATEL	-	*INDEPENDENT DIRECTOR*
MR. NAVINCHANDRA V. SHAH	-	*INDEPENDENT DIRECTOR*

COMPANY SECRETARY
CS NEHA CHIKANI SHAH

STATUTORY AUDITORS
M/s. DJNV & CO.,
Chartered Accountants,
Ahmedabad

BANKERS
HDFC BANK LTD.
KOTAK MAHINDRA BANK LTD.

REGISTERED OFFICE
Block No. 486, 487, 488,
Mouje Dholasan,
Taluka and District : Mehsana - 382 732

CORPORATE OFFICE

"Parishram", 5-B, Rashmi Society,
Near Mithakhali Six Roads,
Navrangpura, Ahmedabad- 380009

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NOTICE

NOTICE is hereby given that the **TWENTY SEVENTH Annual General Meeting** of the members of **GUJARAT APOLLO INDUSTRIES LIMITED** will be held on Tuesday, the 23rd day of September, 2014 at 11.00 A.M at the registered office of the Company at Block No. 486, 487, 488, Mouje Dholasan, Taluka and District: Mehsana – 382732 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt Audited Balance Sheet as at 31st March, 2014 and Profit and Loss Account for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.

2. To declare dividend on equity shares.

3. To appoint a Director in place of Mr. Asit A. Patel, who retires by rotation and being eligible offers himself for re- appointment.

4. To appoint a Director in place of Mr. Anand A. Patel, who retires by rotation and being eligible offers himself for re- appointment.

5. To appoint Statutory Auditors and fix their remuneration and for that purpose to consider and, if thought fit to pass the following resolution as an Ordinary Resolution:

   "RESOLVED THAT pursuant to Section 139(3) and any other applicable provisions of the Companies Act, 2013 (including any statutory modifications or re-enactments thereof for the time being in force) read with rules under the Companies (Audit and Auditors) Rules, 2014 the Company's Auditors M/s. DJNV & Co., Chartered Accountants (ICAI Registration No. **115145W**) who hold office upto the date of this Annual General Meeting, being eligible, offer themselves for re-appointment, be and are hereby re-appointed as Statutory Auditors of the Company for the financial year 2014-15 to hold the office until the conclusion of 28th Annual General Meeting, subject to ratification by members at every Annual General Meeting and to fix their remuneration and that their remuneration be fixed by mutually decided by the Audit committee and Auditor of the Company."

SPECIAL BUSINESS:

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

   "**RESOLVED THAT** pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 including any statutory modification(s) or re-enactment(s) thereof, for the time being in force Mr. P.D. Modh & Associates, Cost Accountants, be and is hereby appointed as Cost Auditor for the year ending on 31st March, 2015, at a remuneration of ₹ 60,000/- plus applicable Service Tax, p.a. and reimbursement of all reasonable out of Pocket expenses incurred, if any.

   RESOLVED FURTHER THAT any one of the Director of the Company and/or Company Secretary be and are hereby severally authorized to take all such steps as may be necessary to implement this resolution."

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

   "RESOLVED THAT **Mr. Ugrabhai V. Patel** (DIN 00036002), who was appointed by the Board of Directors as an Additional Director of the Company with effect from 3rd October, 2013 and who holds office up to the date of this Annual General Meeting of the Company in terms of Section 260 of the Companies Act, 1956 (corresponding to Section 161(1) of the Companies Act, 2013 ("Act") and in respect of whom the Company has received a notice in writing from a Member proposing his candidature for the office of Director of the Company, be and is hereby appointed an Independent Director of the Company to hold office for five consecutive years for a term upto 31st March, 2019, whose term of appointment will not be liable to retire by rotation."

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

"RESOLVED THAT pursuant to the provisions of sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modifications or re-enactments thereof for the time being in force) read with Schedule IV of the Companies Act, 2013 and clause 49 of the listing Agreement **Mr. Navinchandra V. Shah** (DIN 03027647), Non Executive Independent Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act, and who is eligible for appointment be and is hereby appointed an Independent Director of the Company to hold office for five consecutive years from the date of Annual General Meeting."

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

"RESOLVED THAT subject to the approval of members and pursuant to provisions of the relevant Articles of Articles of Association of the Company and Sections, 196, 197 and 198 read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof for the time being in force) and subject to such other consents, approvals and permissions if any needed, Mr. Asit A. Patel (DIN 00093332)be and is hereby Re-appointed as the Managing Director of the Company for a period of 5 (Five) years with effect from 1st July, 2014 on the terms and conditions hereinafter mentioned.

Salary (₹ / Month):

The monthly salary of Mr. Asit A. Patel be ₹ 1,90,000/- p.m.

Commission

Such remuneration by way of commission not exceeding 2 % of net profits of the Company in addition to the salary, perquisites and allowances, subject to the overall ceiling stipulated in Sections 197 and 198 of the Companies Act, 2013. The specific amount payable will be decided by the Board of Directors based on certain criteria and will be payable only after the Annual Accounts of the Company have been adopted by the members of the Company.

Perquisites

Perquisites should be allowed in addition to the salary as but within the overall limit, if any, prescribed under Schedule V of the Companies Act, 2013, as amended from time to time. The perquisites shall be evaluated etc. as per Income Tax Rules, wherever applicable and in the absence of any such rules, at actual cost.

a) Leave Travel Assistance

Return package for self and family, as per the rules of the Company, for self and family once in a year to any destination. Encashment of leave at the end of the tenure will not be included in the computation of the ceiling on perquisites.

b) Employer's contribution to Provident fund/superannuation fund

As per Rules of the Company

c) Gratuity

Gratuity payable shall be at the rate of 15 days salary for each completed year of service in accordance with the rules.

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d) Medial Reimbursement

Expenses incurred for the appointee subject to the rules of the Company within the overall ceiling as defined under the Companies Act, 2013 or any other applicable Act.

Others:

- The Company will reimburse to the said Managing Director such expenses as he may incur on behalf of the Company.
- The Managing Director shall be liable to retire by rotation.
- The Managing Director will not be entitled to receive any sitting fees for attending the meetings of the Board of Directors or committee thereof from the date of his appointment.

10. To consider and if thought fit to pass with or without modification the following resolution as an Special **Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 180(1)(a) of the Companies Act, 2013 and other applicable provisions if any, authority be and is hereby given to the Board of Directors of the Company (herein- after referred to as "the Board") to borrow any sum or sums of money, from time to time, were the moneys to be Borrowed, together with the money already borrowed by the Company (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business) may exceed, at any time, the aggregate of the paid up capital of the Company and its free reserves (that is to say reserves not set apart for any specific purpose), and that the Board be and is hereby empowered and authorized to arrange or fix the terms and conditions of all such moneys to be borrowed, from time to time interest, repayment, security or otherwise howsoever as it may deem fit, as also to execute all such deeds and documents as may be necessary or required for this purpose."

11. To consider and if thought fit to pass with or without modification the following resolution as an Special **Resolution**:

"RESOLVED that in supersession of ordinary resolutions passed earlier and pursuant to the provision of Section 180(1)(c) and any other applicable provision of the Companies Act, 2013 and the rules made there under (including any statutory modifications or re-enactments thereof for the time being in force) the Consent of the Company be and hereby accorded to the board of Directors to borrow moneys in excess of the aggregate of the paid-up share capital and free reserves of the Company, provided that the total amount borrowed and outstanding at any time of point, apart from temporary loans obtained /to be obtained from the Company's bankers in the ordinary course of business, shall not be in excess of ₹ 200 Crores (Rupees Two Hundred Crores) over and above aggregate of the paid up share capital and free reserves of the Company."

12. To consider and if thought fit to pass with or without modification the following resolution as an Special **Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 188 and other applicable provisions of the Companies Act, 2013, if any consent of the Company be and is hereby accorded for entering into related party transactions by the Company with effect from 1st April, 2014 upto the maximum per annum amounts as appended below:

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(Rs. In Crores)

Particulars of the proposed transactions for the purpose of approval u/s. 188 of the Companies Act, 2013					
MAXIMUM VALUE OF CONTRACT/ TRANSACTION (PER ANNUM) WEF 1ST APRIL, 2014					
	Transactions defined u/s 188(1) of Companies Act, 2013				Others
	Sales, purchase or supply of any goods, materials	Selling or otherwise disposing of, or buying, property of any kind	Leasing of property of any kind	Availing or rendering of any services, Appointment of any agent for purchase or sale of goods, materials, services or property	Donation (for CSR-Corporate Social Responsibility initiatives of the Company)
Name of Related Parties:-					
COMPANIES:					
Tribhuvan Industries Limited	15	3	0.75	3	—
Apollo Agro Industries Ltd	2	—	—	3	—
Apollo Industries & Projects Limited	50	—	—	50	—
TRUST/ FIRM/ SOCIETY/ LLP					
Ganpat University	—				1.25
SUBSIDIARIES/ JOINT VENTURE					
Apollo Earthmovers Limited	5	1	0.75	25	—
Apollo Maschinenbau GmbH, Germany	5	—	—	10	—
Sunrise Technologies Pvt. Ltd.	3	—	—	—	—
Ammann Apollo India Pvt Ltd [JV Company]	75	—	—	0.25	—
DIRECTORS /KMPs / RELATIVES OF DIRECTORS AND KMPs / OTHERS FIRMS AND COMPANIES in which directors have some interest as per the provisions of section 2(76) of the Companies Act, 2013	—	0.25	—	—	—

"Resolved further that to give effect to this resolution the Board of Directors and / or any committee thereof be and is hereby authorised to settle any question, difficulty, or doubt that may arise with regard to giving effect to the above Resolution and to do all acts, deeds, things as may be necessary, proper desirable and to finalise any documents and writings related thereto."

By order of the Board of Directors

Place : Ahmedabad
Dated : 14th August, 2014

Neha Chikani Shah
Company Secretary
Membership No. A25420

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE ON A POLE INSTEAD OF HIM/HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING PROXY SHOULD HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**

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2. The relative Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, setting out the material facts in respect of business under item No. 6 to 12 is annexed hereto. The relevant details as required under clause 49 of the Listing Agreement, of the person seeking appointment/re-appointment as directors under item No. 7 to 9 of the notice is also annexed hereto.

3. The Register of Members and Share Transfer Book of the Company will remain closed from 17th September, 2014 to 23rd September, 2014 (both days inclusive).

4. Pursuant to Section 205A (5) read with Section 205C of the Companies Act, 1956, the Company is required to transfer the amount of dividend remaining unpaid or unclaimed for a period of seven years to the Investors Education and Protection Fund established by the Central Government. It may be noted that no claims will lie against the Company or the Investors Education and Protection Fund in respect of the said unclaimed dividend amount transferred to the Fund. The members who have not claimed their dividend for the financial year ended 31st March, 2007 and onwards are requested to lodge their claim with the Company.

5. Members are requested to notify immediately the change in address, if any, to the Company or to the Registrar and Transfer Agents (R&TA) or with their respective Depository Participants in case the shares are in electronic form.

6. Members desirous of obtaining any information concerning accounts and operations of the Company are requested to address their questions in writing to the Company at least 7 days before the date of the meeting so that the information required may be made available at the meeting.

7. As per Securities and Exchange Board of India (SEBI) Circular, submission of Permanent Account Number (PAN) is compulsorily required for participating in the securities market, deletion of name of deceased shareholder or transmission/transposition of shares. Members holding shares in dematerialized mode are requested to submit the PAN details to their Depository Participant, whereas Members holding shares in physical form are requested to submit the PAN details to the Company's R&TAs.

8. Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificates to R&TA for consolidating their holdings in single folio. The share certificates will be returned to the members after making requisite changes thereon.

9. As an austerity measure, copies of the Annual Report will not be distributed at the Annual General Meeting. Members are requested to bring their copies to the meeting.

10. Details of the Directors seeking Appointment/Re-Appointment at the Annual General Meeting(Pursuant to Clause 49 of the Listing Agreement with Stock Exchanges):

Particulars	**Mr. Asit A. Patel**	**Mr. Anand A. Patel**	**Mr. Navinchandra V. Shah**	**Mr. Ugrabhai V. Patel**
DIN No.	00093332	00002277	03027647	00036002
Date of Birth	25.09.1968	26.06.1972	01.10.1946	01.03.1941
Date of Appointment	25.06.1994	29.08.2007	07.11.2012	03.10.2013
Qualifications	B.S. (USA) (Engineering management)	MBA (USA), M.E. (Mechanical Engineering)	M. Com., L.L.M, I.C.W.A.(I)	B.E. (Mechanical Engineering)
No. of Shares held in Company	5,000	11,89,000	100	1,08,783
List of outside Directorship(s) held on 31st March, 2014 [excluding Private Limited Companies]	1. Apollo Earthmovers Ltd	1. Apollo Earthmovers Ltd	NIL	NIL

11. E-Voting Instructions

The Business transacted as set out in the Notice may be transacted through e-voting system and Company will provide a facility for voting by electronic means. In compliance with the provisions of section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to offer the facility of voting through electronic means. Please note that the voting through electronic means is optional for shareholders.

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The members, whose names appear in the Register of members/list of Beneficial Owners as on Friday, August 22, 2014 i.e. on the cut-off date are entitled to vote on the resolutions set forth in this Notice.

The voting through electronic means will commence on 17.09.2014 and will end on 18.09.2014 The members will not be able to cast their vote electronically envisaged herein above beyond the date and time mentioned above.

The Company has appointed Mr. Ashish Shah, Practicing Company Secretary (Membership No. F5974) from M/s. Ashish Shah & Associates, to act as the scrutinizer for conducting the electronic voting process in a fair and transparent manner.

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

In case of members receiving e-mail:

(i) Log on to the e-voting website www.evotingindia.com

(ii) Click on "Shareholders" tab.

(iii) Now, select the "**Gujarat Apollo Industries Limited**" from the drop down menu and click on "SUBMIT"

(iv) Now Enter your User ID

a. For CDSL: 16 digits beneficiary ID,

b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

c. Members holding shares in Physical Form should enter Folio Number registered with the Company.

(v) Next enter the Image Verification as displayed and Click on Login.

(vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

(vii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN*	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) · Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the last 8 digits of the demat account/folio number in the PAN field. · In case the folio number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with folio number 100 then enter RA00000100 in the PAN field.
DOB#	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details#	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. · Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter **the number of shares held by you as on the cut off date** in the **Dividend Bank details field**.

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

(ix) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is

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strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

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

(xi) Click on the EVSN - **Gujarat Apollo Industries Limited** on which you choose to vote.

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

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

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

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

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

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

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

In case of members receiving the physical copy:

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

(B) The voting period begins on **<17.09.2014 @ 9.00 a.m.>** and ends on **<18.09.2014 @6.00 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 (22.08.2014) of <17.09.2014>, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(C) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.co.in under help section or write an email to helpdesk.evoting@cdslindia.com.

Green Initiative – An Important Communication to Members

Ministry of Corporate Affairs has taken a green initiative by permitting companies to send various documents like notices, annual reports including annual accounts etc. to its Members through electronic mode. Keeping in spirit with the said initiative, we request you to update your email ID with your respective DP's in case of shares held in electronic form and with Registrar & Share Transfer Agent - M/s Link Intime India Private Limited in case of shares held in physical form. Email is a better method to receive the communications

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quickly, with least cost implications and have longer shelf life. Company proposes to send all permitted communications electronically to the email id's of Members unless specific request is received for a physical copy from Member. Please act and contribute to preserve environment for our better future.

EXPLANATORY STATEMENT UNDER SECTION 102 OF THE COMPANIES ACT, 2013 ("THE ACT")

Item No. 6

The Board of Directors at its meeting held on 30th May, 2014 appointed M/s. P.D. Modh & Associates, Cost Accountants, as the Cost Auditor for audit of the cost accounting records of the Company for the financial year ending 31st March, 2015, at a remuneration amounting to ₹ 60,000/- (Rupees Sixty Thousand only) plus applicable Service Tax, p.a. and reimbursement of all reasonable out of Pocket expenses incurred, if any. In terms of the provisions of Section 148(3) of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to Cost Auditor shall be ratified by the shareholders of the Company.

Accordingly, consent of the members is sought for approving the Ordinary Resolution as set out in Item No. 6 for ratification by the shareholders at the ensuing Annual General Meeting of the Company.

None of the Directors, Key Managerial Personnel, relatives of Directors and Key Managerial Personnel of the Company is directly/ indirectly interested in the above resolution. The Board of Directors recommend the resolution for your approval.

Item No. 7

Mr. Ugrabhai V. Patel was appointed as Additional Director (Independent) with effect from October 3, 2014 by the Board pursuant to Section 260 of the Companies Act, 1956. Pursuant to relevant provisions of Section 161 of the Companies Act, 2013, he will hold office up to the date of the ensuing Annual General Meeting. The Company has received notices from the members, along with the deposit of requisite amount under Section 160 of the Companies Act, 2013, proposing the candidature of Mr. Ugrabhai V. Patel for the office of Directors of the Company.

Mr. Ugrabhai V. Patel is an Engineer and a technocrat who have worked in various capacities in different industries since 1965. He is socially connected with many educational Institutions, Medical and Educational Trusts.

The Company has received declarations from **Mr. Ugrabhai V. Patel** that he meet with the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013.

In the opinion of the Board, **Mr. Ugrabhai V. Patel** fulfills the condition specified in the Companies Act, 2013 and rules made thereunder for his appointment as Independent Directors of the Company and is independent of the management.

Keeping in view their experience and knowledge, the Board considers that the proposed appointment of **Mr. Ugrabhai V. Patel** would be of immense benefit to the Company. Accordingly, the Board recommends the resolution in relation to the appointment of **Mr. Ugrabhai V. Patel** as Independent Directors of the Company.

Except Mr. Ugrabhai V. Patel, being the appointees, none of the other Directors and Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the above resolution.

Item No. 8

The Company had, pursuant to the provisions of clause 49 of the Listing Agreements entered with the Stock Exchanges, appointed Mr. Navinchandra V. Shah as an Independent Directors, in compliance with the requirements of the clause.

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Pursuant to the provisions of section 149 of the Act, which came in to effect from April 1, 2014, every listed public company is required to have at least one-third of the total number of directors as independent directors, who are not liable to retire by rotation.

The Board has recommended the appointment of Mr. Navinchandra V. Shah as an Independent Director from 23rd September, 2014 up to 32nd AGM to be held in 2019.

Mr. Navinchandra V. Shah non-executive director of the Company, has given a declaration to the Board that he meet the criteria of independence as provided under section 149(6) of the Act. In the opinion of the Board, he fulfill the conditions specified in the Act and the Rules framed there under for appointment as Independent Director and he is independent of the management.

In compliance with the provisions of section 149 read with Schedule IV of the Act, the appointment of Independent Director is now being placed before the Members for their approval.

None of the Directors (except Mr. Navinchandra V. Shah) Key Managerial Personnel, relatives of Directors and Key Managerial Personnel of the Company is directly/ indirectly interested in the above resolution except to the extent of their respective interest as shareholders of the Company.

Item No. 9

The Company has managed to sustain well under stiff and competitive market conditions under the guidance and leadership of Mr. Asit A. Patel, Managing Director. In light of their experiences and increased business activities of the Company, the Board of Directors at its meeting held on 29th May, 2014, on the recommendation of Remuneration Committee, approved the proposal to re-appoint Mr. Asit A. Patel, Managing Director of the Company subject to your approval or any such approvals as may be required.

Pursuant to provisions of 196, 197 and 198 read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof for the time being in force) re-appointment of Managing Director can only be done subject to the approval of members of the Company in General Meeting. You are therefore, requested to approve and re-appoint Mr. Asit A. Patel as a Managing Director with terms and other perquisites as enumerated in their respective resolutions in the accompanied notice.

No other directors (except Mr. Asit A. Patel, Mr. Anand A. Patel and Mr. Anil T. Patel), Key Managerial Personnel, relatives of Directors and Key Managerial Personnel of the Company is directly/ indirectly interested in the above resolution.

Item No. 10 & 11

As per General Circular no. 04/2014 dated 25/03/2014 issued by Ministry of Corporate Affairs it is clarified that the resolution passed under Section 293 of the Companies Act, 1956 prior to 12.09.2013 with reference to borrowings (subject to the limit prescribed) and or creation of security on assets of the Company will be regarded as sufficient compliance of the requirements of Section 180 of the Companies Act, 2013 for a period of one year from the date of notification of section 180 of the Act. In view of the same it is required for every company to obtain consent of shareholders by passing special resolution for delegation of powers to the Board sanctioning the limit for Borrowings exceeding the paid up capital and free reserves of the Company. Accordingly members approval is sought for authorizing the Board to borrow money not exceeding ₹ 200,00,00,000/- (Rupees Two Hundred Crore.)

None of the Directors, Key Managerial Personnel, relatives of Directors and Key Managerial Personnel of the Company is directly/ indirectly interested in the above resolution except to the extent of their respective interest as shareholders of the Company. The Board of Directors recommend the resolution for your approval.

Item No. 12

The provisions of Section 188(1) of the Companies Act, 2013 that govern the following Related Party Transactions require a Company to obtain prior approval of the Board of Directors and in case the paid-up share capital of a company is ₹ 10 crores or more, the prior approval of shareholders by way of a Special Resolution:

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(a) sale, purchase or supply of any goods or materials;

(b) selling or otherwise disposing of, or buying, property of any kind;

(c) leasing of property of any kind:

(d) availing or rendering of any services;

(e) appointment of any agent for purchase or sale of goods, materials, services or property;

(f) such related party's appointment to any office or place of profit in the company, its subsidiary company or associate company;

and

(g) underwriting the subscription of any securities or derivatives thereof, of the company

Further, third proviso to section 188(1) provides that nothing shall apply to any transaction entered into by the company in its ordinary course of business other than transactions which are not on arm's length basis. The provisions of section 188(3) also provide that any contract or arrangement entered into u/s 188(1) may be ratified by the Board or, as the case may be, by the shareholders at a meeting within three months from the date on which such contract or arrangement was entered into.

In the light of provisions of the Companies Act, 2013 the Board of Directors of your Company has approved the proposed transactions along with annual limits that your Company may enter into with its Related Parties (as defined under the Companies Act, 2013) for the financial year 2014-15.

All prescribed disclosures as required to be given under the provisions of the Companies Act, 2013 and the Companies (Meetings of Board and its Powers) Rules, 2014 are given herein below in a tabular format for kind perusal of the members.

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(₹ In Crores)

Particulars of the proposed transactions for the purpose of approval u/s. 188 of the Companies Act, 2013					
MAXIMUM VALUE OF CONTRACT/ TRANSACTION (PER ANNUM) WEF 1ST APRIL, 2014					
	Transactions defined u/s 188(1) of Companies Act, 2013				Others
	Sales, purchase or supply of any goods, materials	Selling or otherwise disposing of, or buying, property of any kind	Leasing of property of any kind	Availing or rendering of any services, Appointment of any agent for purchase or sale of goods, materials, services or property	Donation (for CSR-Corporate Social Responsibility initiatives of the Company)
Name of Related Parties:-					
COMPANIES:					
Tribhuvan Industries Ltd [Associate Company]	15	3	0.75	3	—
Apollo Agro Industries Ltd [Associate Company]	2	—	—	3	—
Apollo Industries & Projects Ltd [Associate Company]	50	—	—	50	—
TRUST/ FIRM/ SOCIETY/ LLP					
Ganpat University	—				1.25
SUBSIDIARIES/ JOINT VENTURE					
Apollo Earthmovers Ltd [Subsidiary Company]	5	1	0.75	25	—
Apollo Maschinenbau GmbH, Germany [Subsidiary Company]	5	—	—	10	—
Sunrise Technologies Pvt. Ltd. [Fellow Subsidiary Company]	3	—	—	—	—
Ammann Apollo India Pvt Ltd [JV Company]	75	—	—	0.25	—
DIRECTORS /KMPs / RELATIVES OF DIRECTORS AND KMPs / OTHERS FIRMS AND COMPANIES in which directors have some interest as per the provisions of section 2(76) of the Companies Act, 2013	—	0.25	—	—	—

(a) Name of the related Party: As provided in the table above.

(b) name of the director or key managerial personnel who is related, if any: Mr. Anilkumar Patel, Mr. Asit A. Patel, Mr. Anand A. Patel, Directors of the Company are related.

(c) nature of relationship: As provided in the table above

(d) nature, material terms, monetary value and particulars of the contract or arrangement: As provided in the table above

(e) any other information relevant or important for the members to take a decision on the proposed resolution: Duration for the contract is for one year i.e. from 01.04.2014 to 31.03.2015

Members are hereby informed that pursuant to second proviso of section 188(1) of the Companies Act, 2013, no member of the company shall vote on such special resolution to approve any contract or arrangement which may be entered into by the company, if such member is a related party.

The Board of Directors of your Company has approved this item in the Board Meeting held on 30th May 2014. The Board of Directors is of the opinion that the transactions are on arm length basis and are in the ordinary course of business and recommends the resolution as set out in the accompanying Notice for the approval of members of the company as a Special Resolution.

Except Promoter, Directors and their relatives, no other Director is concerned or interested in the Resolution.

By order of the Board of Directors

Place : Ahmedabad
Dated : 14st August, 2014

Neha Chikani Shah
Company Secretary
Membership No. A25420

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DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in presenting the **Twenty Seventh** Annual Report for the year ended 31st March, 2014.

FINANCIAL PERFORMANCE:

(₹ in Lacs)

	Current Year 2013-14	Previous Year 2012-13
Sales (Net of Excise) and other Income	**4754.29**	20535.37
Profit before Interest, Depreciation and taxes	**193.42**	3587.93
Less:		
Depreciation	**147.05**	388.24
Interest	**381.29**	545.91
Exceptional Item	**13680.35**	359.70
Provision for Taxation	**—**	810.00
Deferred tax liability	**-251.08**	32.75
Net Profit	**13,596.53**	2,170.73
Add : Profit & Loss Account Balance B/F	**1646.71**	1902.36
Amount available for proposed Appropriations	**15243.23**	4073.09
Proposed Dividend	**340.63**	1657.50
Transfer to General Reserve	**4936.56**	500.00
Provision for tax on dividend	**57.89**	268.89
Balance carried to Balance Sheet	**9776.98**	1646.70

OPERATIONAL REVIEW:

During the year under review, the Company had a turnover of ₹ 4,754.43 Lacs against ₹ 20,535.37 Lacs in the previous year with total expense of ₹ 5,948.71 Lacs against 17,899.84 Lacs in the previous year. The Company's Profit before exceptional items and tax was negative ₹ 1,194.28 Lacs (Previous Year ₹ 2,653.78). The Company has earned Net profit for the current year ₹ 13,596.53, with the extraordinary item being consideration on sale of business amounting ₹ 13,680.35 as compared to net profit of ₹ 2,170.73 Lacs in the previous year. The Basic EPS of the Company for the year 2013-2014 before extraordinary item and after extraordinary item is ₹ -0.53 and ₹ 85.29 respectively.

For detailed analysis of the performance, please refer to the Management's Discussion and Analysis Section of the Annual Report.

BUYBACK OF EQUITY SHARES:

The Company had initiated Buy-Back of Equity shares from the owners/beneficial owners of the Equity Shares, other than the promoters and persons acting in concert, from the Open Market through the Stock Exchange mechanism using the electronic trading facilities of BSE Limited and The National Stock Exchange of India Limited ("Stock Exchanges") at a price not exceeding ₹ 125/- per Equity Share payable in cash for an aggregate amount

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not exceeding ₹ 16.50 Crore (excluding the Transaction Costs). The Company has bought back 14,19,673 Equity Shares utilizing a total of ₹ 15.2866 Crore (excluding Transaction Costs) and closed the offer on 30.06.2014.

DIVIDEND:

Your Directors are pleased to recommend a dividend of ₹ 2.5/- per share on Equity Shares of the Company on 1,51,55,327 (Post Buy-Back) Equity shares of the Company. The dividend will be payable to the members, whose names appear on the register of members on 17th September, 2014.

DEPOSITS:

During the year under review, the Company has not accepted/ renewed deposit from public/ shareholders as per the applicable provisions of the new Companies Act, 2013 and Companies (acceptance of Deposits) Rules, 2014. Deposits aggregating ₹ 17.40 Lacs were due for repayment on or before 31st March, 2014 bout not claimed by the depositors as on that date. The Company has complied with the provisions of the relevant Rules. There is no overdue deposit as on 31st March, 2014.

CONSOLIDATED ACCOUNTS:

As required under the Listing Agreements entered into with the Stock Exchanges, a consolidated financial statement of the Company and all its subsidiaries is attached. The audited consolidated financial statements received from subsidiaries as approved by their respective Board of Directors have been prepared in accordance with Accounting Standards- 21 (AS – 21) on the Accounting for investment in Associates.

SUBSIDIARY COMPANIES:

Pursuant to the provisions of Section 212(8) of the Act, the Ministry of Corporate Affairs vide its circular No: 2/ 2012 dated February 8, 2011 has granted general exemption from attaching the balance sheet, statement of profit and loss and other documents of the subsidiary companies with the balance sheet of the Company. A statement containing brief financial details of the Company's subsidiaries for the financial year ended 31st March, 2014 is included in the Annual Report. The annual accounts of these subsidiaries and the related detailed information will be made available to any member of the Company/its subsidiaries seeking such information at any point of time and are also available for inspection by any member of the Company/its subsidiaries at the registered office of the Company, on any working day during business hours.. The annual accounts of the said subsidiaries will also be available for inspection, as above, at the head offices/registered offices of the respective subsidiary companies.

DIRECTOR'S RESPONSIBILITY STATEMENT:

Pursuant to the requirement of Section 217(2AA) of the Companies Act, 1956 ("Act"), and based on the representations received from the operating management, the Directors hereby confirm:

- that in the preparation of Annual Accounts, the applicable Accounting Standards have been followed and that no material departures have been made from the same.
- that they have selected such Accounting Policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the Financial Year and of the profit or loss of the Company for that period.
- that they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- that they have prepared the Annual Accounts on a going concern basis.
- That the Company has adequate internal systems and controls in place to ensure compliance of laws applicable to the Company.

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DIRECTORS:

During the period under review Mr. Ugrabhai V. Patel was appointed as an additional director of the Company on 03.10.2013.

During the period, Mr. Rupesh Mehta, Independent Director of the Company has conveyed his decision not to continue his directorship and placed his resignation which was accepted by the Board of Directors in its meeting held on 03.10.2013. The Directors places their appreciation towards the valuable contribution made by him during his tenure.

At the ensuing Annual General Meeting Mr. Asit A. Patel and Mr. Anand A. Patel who retires by rotation and being eligible offers themselves for re-appointment.

There being no other changes in directorship of the Company during the year under review.

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

The particulars regarding conservation of energy, technology absorption and Foreign Exchange earnings and outgo pursuant to Section 217 (1) (e) of the Companies Act, 1956 read with Rule 2 of the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 is annexed hereto and forms part of this Report.

CORPORATE GOVERNANCE:

As per Clause 49 of the Listing Agreement with the stock exchange, a separate section on corporate governance practices followed by the Company together with a certificate from the Company's Auditors confirming compliance is set out in the Annexure forming part of this Report.

AUDITORS:

M/s. DJNV & Co., Chartered Accountants, Ahmedabad retire at the ensuing Annual General Meeting and being eligible offer themselves for re-appointment as Statutory Auditors of the Company. As per the provisions of the Companies Act, 2013, M/s. DJNV & Co. are eligible to be appointed for a further maximum period of 3 years. The Auditors have confirmed that their appointment, if made, would be within limit prescribed under section 141 of the Companies Act, 2013 and they are not disqualified for re-appointment. The Board recommends their appointment as a statutory auditors of the Company from the conclusion of ensuing AGM until the conclusion of the next AGM.

COMMENTS ON AUDITORS' REPORT:

There is no adverse comment in the Auditors' Report which requires any further explanation.

COST AUDITORS:

Subject to such guideline(s)/order(s) as may be issued by Central Government from time to time, M/s. P. D. Modh & Associates, Cost Accountants, Ahmedabad have been appointed by the Board of Directors of the Company, as a Cost Auditors' of the Company for the financial year ending on 31st March, 2015 on the recommendation of Audit Committee on a remuneration of ₹ 60,000/- (Rupees Sixty Thousand only) per annum plus service tax and out of pocket expenses and the same is required to be ratified by the members at the Annual general meeting, as per the provisions of the Companies Act, 2013.

ACKNOWLEDGEMENT:

Your Directors place on record their sincere appreciation for the continuous support and co-operation received from the Business Associates including vendors, customers and Banks. Your Directors greatly appreciates overwhelming co-operation, dedication, commitment and contribution made by employees at all levels and look forward for their continued support in future as well. Your Directors would also wish to place on record their gratitude to the shareholders for having faith on the management of the Company.

For and on behalf of the Board of Directors

Place : Ahmedabad
Dated : 14th August, 2014

Anil T. Patel
Chairman
DIN:00096307

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ANNEXURE "A" TO DIRECTORS' REPORT

	2013-14	2012-13
A. CONSERVATION OF ENERGY:		
Power & Fuel Consumption		
1. Electricity :		
a. Purchased :		
Units	**3,23,177**	11,25,172
Total Amount (₹)	**24,34,229**	85,67,108
Rate/unit (₹)	**7.53**	7.61
b. Own generation	**NIL**	NIL
2. L.P.G Quantity (Kg.)	**3,648**	10,393
Total cost (₹)	**2,96,555**	7,73,620
Rate / Unit (₹)	**81.29**	74.44
3. Diesel Quantity (Ltr)	**12,600**	NIL
Total cost (Rs.)	**7,27,199**	NIL
Rate / Unit (Rs.)	**57.71**	NIL

B. TECHNOLOGY ABSORPTION:

1. Research & Development (R & D)

The Company is not having an independent Research & Development unit registered with the Government of India. However, product developmental activities continue to get utmost priority in the field of process technology, improvement in quality, import substitution etc., through the quality assurance department.

Benefits Derived as a result of above R & D

The Company has been able to substitute some of the indigenous spares, which were earlier required to be imported.

2. Technology Absorption and Innovation

a) Efforts: The Company has been able to indigenize components required for the manufacture of hydrostatic paver finisher.

b) Benefits derived : better product and indirect saving in foreign exchange

c) Particulars of technology imported during the past 5 years:

A. (1) **Technology Imported :**

(i) Technology relating to the manufacture of Crushers, Feeders, Screens, Conveyers etc.

(ii) Year of Import: 2006

(iii) Has the technology been absorbed:

Technology has been partially absorbed.

(iv) If not fully absorbed, areas where this has not taken place, reasons thereof and future plans of actions.

Technology for the other models is under development and absorption.

(2) **Technology Imported**:

(i) Vibratory Compactor

(ii) Year of Import: 2007

(iii) Has the technology been absorbed: Technology has been partially absorbed.

(iv) If not fully absorbed, areas where this has not taken place, reasons thereof and future plans of actions.

Technology for the other models is under development and absorption. This technology has been transferred along with the product line as a part of Joint Venture Agreement entered into by Company in the previous year.

B. FOREIGN EXCHANGE EARNING AND OUTGO:

The required information is contained in the Notes to the Accounts, Note No. 29 to 31, 33 and 34.

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MANAGEMENT DISCUSSION AND ANALYSIS

The year that was....:

FY 2013-14 was a difficult year with the markets observing a lot of ups and downs. Your Company managed to tide through this difficult and uncertain year with a fair amount of success. It is true that no outstanding records were created during the year but the Company did manage to maintain its market share in the Crushing and Screening business post Joint Venture.

During FY 2013-14, the Company closed a Business Transfer Agreement for a strategic joint venture with Switzerland based Ammann Group. The Company and its wholly owned subsidiary, Apollo Earthmovers Limited, transferred their respective identified businesses, being the entire product portfolio of asphalt plants and paver business (excluding crushing and screening business) of the Company on April 10, 2013 to Ammann Apollo India Private Limited (Previously known as Apollo Construction Equipments Limited) on slump sale basis. This resulted in substantial cash surplus of more than ₹ 136 Crore, leading to a favourable liquidity position. Simultaneously, it was observed that there had been an unwarranted fall in the market price of Equity Shares of the Company. These facts when reviewed against the management's overall objective of maximization of shareholders wealth, led the management to consider buyback of the Equity Shares of the Company as an effective way of utilizing the cash surplus. The Buyback was initiated out of the Company's accumulated free reserves leading to:

1. reduce outstanding number of equity shares and consequently increase Earnings Per Share over a period of time;
2. effectively utilize surplus cash; and
3. make the Balance Sheet leaner and more efficient to improve key return ratios like Return on Net Worth, Return on Assets etc.

The management has and will continue to strive in protecting the interests of all the stakeholders thus justifying the trust and confidence reposed on them by the stakeholders. The management has always adopted an unbiased attitude in all its actions and has consistently followed the practice of transparency. The management firmly believes in profit sharing and has made sincere efforts to fulfill the expectations of the stakeholders.

Your Company continues with its endeavor of contributing in a positive manner to the society at large by improving on the energy efficiency levels of its products.

The Company's financial results can be summed up as follows:

1. Total Income of the Company is ₹ 4,754.43 Lacs.
2. Profit Before Interest & exceptional items of the Company is ₹ 46.39 Lacs.
3. Extraordinary item is ₹ 13,680.35 Lacs (Net of tax)
4. Profit after Tax is ₹ 13,596.53Lacs.
5. Earning per Share is ₹ 85.29 (Basic) and ₹ 82.25 (Diluted).

Due to the slump sale of the business and volatile economic conditions, leading the market to become challenging, the sale during the FY 2013-14 has reduced as compared to FY 2012-13. The main reason apart from transfer of business is poor performance of overall mining and manufacturing sector due to a variety of reasons. Delays in regulatory approvals, problems in land acquisition and rehabilitation, environmental clearances and time overrun in the implementation of projects were the likely reasons resulted in slowing external and internal demands.

The overall economic conditions in the country did not meet with the original estimates, emerging mining as one of the stressed sector. In FY 2013-14, your company experienced uneven periods of sales. The first half was at best a steady performance while the second half provided the growth. Your Company was always alive to the market conditions and with a combination of dedicated efforts, experience and expertise managed to obtain

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maximum mileage in a difficult environment. Taking cognizance of this difficult period, in the year under review the Company relied on market money as well as on the internal accruals.

The detailed Management discussion and analysis report, industry wise, economy wise, product wise and in general is as follows:-

Industry Structure:

India continues to be one of the most promising of BRIC Countries. International Companies are looking at India for growth. But for the trying economic conditions in many parts of the globe the industry would have witnessed a far higher level of investments. Though there is an overcapacity in the global system but Large global clients have plans to invest billions of dollars in several mega projects over the next few years which augur well with the demand led growth.

The Crushing & Screening market segment in India is a part of Mining Sector and is experiencing challenging environment. Your company is working hard to build up the reasonable market share in this segment.

MAIN FOCUS AREAS AND APPLICATIONS:

The Company's major source of business is from mining and manufacturing sector and the growth of the company is therefore directly proportional to the growth in the mining and manufacturing segment. The Crushing & Screening equipment business has a wider market application and is not restricted to road construction alone.

OPPORTUNITIES, THREATS, RISK AND CONCERN:

Opportunities:-

- The Global Economy is showing signs of revival since the onset of financial crisis. According to Union Budget, mining issues are to be resolved on priority. This can be relied upon looking at the steady Government.
- Customers are looking for quality Crushing and Screening equipment at affordable prices and your company hopes to fill in this segment.

Threats, Risks and Concerns:-

- Though the Global Economy is reviving, the Indian economy is estimated to remain challenged. The highlight of the Economic Survey 2014 reveals that even the Indian Economy is estimated to have a slower growth. RBI has identified mining as one of the stressed sector. This may result in caution in the entry of foreign players and investment in India as a whole and mining segment in particular.
- Competition will be severe as there are quite a few local players in this field who sustain on offering low prices. This may lead to the Company not being in a position to realize higher prices for its products and services.
- This combined with higher input costs will exert pressure on the margins.

Outlook:

The Company sees a moderate outlook in the coming years for Crushing and Screening business on its own. With the existing cash balances, the Company can mobilize the funds and venture in diversified business activities, outside of road construction equipment business. With the Government committing itself to infrastructure in general and construction in particular, the demands for the Company's products are likely to see a good growth in the coming years.

Internal Control Systems and their Adequacies:

The Company maintains effective and adequate internal control systems. The Internal Control is formed as such to avoid unnecessary losses, and to ensure proper record of transactions, reliable financial reporting, safeguarding of assets and adherence to management policies. The Internal Control system is adequately equipped so as to suggest proper changes that are required in the system to improve performance and minimize losses.

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An Independent firm of Chartered Accountants regularly carries out the internal audit of the Company. Internal audit of the Company is carried out at periodic intervals. The Officers responsible for their functions regularly submit their comments on report and share the steps they have taken to rectify the defects.

Your Company continues to be an ISO 9001 certified Company by TUV India Private Limited (TUV NORD) recognized for the production, quality control and other qualities.

Human Resources:

Your Company is a technology-driven and has its own HR policy, which focuses on qualitative & transparent recruitment, training & development, performance appraisal, employee welfare etc. The Company believes that the development of employees is the prime responsibility of an organization and its employees are key contributors to the success of its business. The Company believes that its human resources are the key to maintain its leading position in the industry. The Company provides competitive compensation packages combined with a good working culture and environment to attract and retain talented personnel.

The Company seeks to establish and maintain an environment that supports its business processes and ensures that employee performance is evaluated against the achievement of objectives, which are in line with its long-term goals. All employees are provided with KRAs and an opportunity to discuss their performance, plan their development and submit self-appraisals.

The Company's HR policy is built in such a way that the employees grow along with the growth of the company. To instill a high level of ownership feeling, employees are involved in major decision making. The Company has well laid out performance based incentives directly related to output and achievement of targets, which are reviewed in an open and transparent fashion with the employees.

Comments on Financial Performance with respect to Operational Performance:

During the Financial year under review, the Net Turnover of the Company has decreased to ₹ 4,754.43 lacs as compared to ₹ 20,535.37 lacs in the previous financial year. The profits of the Company though increased as compared to the previous financial year due to realized consideration on sale of business, being an extraordinary item. The profit before exceptional items and tax is ₹ 46.39 Lacs. The Profit/Loss before Tax is ₹ - 334.90 lacs, whereas, Profit/Loss after Tax is ₹ -83.82 lacs in the current year. The Company's manufacturing business was on break-even point and therefore there was no profit in current year. The Net profit for FY 2013-14 is ₹ 13,596.53, with the extraordinary item being ₹ 13,680.35. Due to competitive pressures and stagnant market size, the Company could not improve on the price realization as expected. As far as investment activities are concerned, major chunk was blocked in the debt fund where there was no gain and inadequate price realizations. The reason was due to the changed RBI policies in the month of July-August leading to no price acceleration in all the investments.

Cautionary Statement:

Statements in the Management Discussion & Analysis describing the Company's objectives, projections, estimates, expectations, predictions etc. may be "Forward statement" within the meaning of applicable laws and regulations. Actual results, performance or achievements may vary with those expressed or implied, depending upon the economic conditions, Government policies and other incidental/ unforeseeable factors. Important factors that could influence the Company's operations include input availability and prices, demand and pricing of finished goods in the Company's principal markets, changes in Government regulations, tax laws, economic developments within the Country and other incidental factors.

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REPORT ON CORPORATE GOVERNANCE

(Pursuant to Clause 49 of the Listing Agreement)

COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:

Corporate Governance enhances stakeholders' value by focusing on long-term value creation without compromising on integrity, social obligations and regulatory compliances. At Gujarat Apollo, value creation is a philosophy that is ubiquitous across the organization. The Shareowners remain the focus of our growth strategy. Ensuring stability in a dynamic environment and growth in competitive time is a commitment we have and have kept since our inception. Our Company has always believed in the concept of good Corporate Governance involving a high level of transparency, accountability and responsibility in all areas of its operations to ensure investors protection. Mandatory provisions of Corporate Governance as stipulated under listing agreement of Stock Exchanges are being complied with. The Company is committed to conducting business in accordance with the highest legal and ethical standards, superior product quality and services to its customers.

BOARD OF DIRECTORS:

The Board of Directors includes a Managing Director, a Whole-time Director, 2 (Two) Non – Executive Directors and 2 (Two) Independent Directors, making total strength of 6 (Six). The Composition of Board is in Compliance with the requirements of Clause 49(1) A. None of the Directors of the Company was a member of more than 10 (Ten) Committees nor was the Chairman of more than 5 (Five) Committees across all Companies in which they are directors. The detailed Composition of the Board as on 31st March, 2014 along with other related information is given in the table below:

Name of the Director	Designation	Category	No. of outside Director-ship held	No. of Memberships/ Chairmanships of the other Board Committees	No. of Board meeting attended	Attendance at the last Annual General Meeting
Mr. Anilkumar T. Patel	Director	Promoter Non- Executive	4	NIL	10	Yes
Mr. Manibhai V. Patel	Director	Promoter Non- Executive	1	NIL	10	NO
Mr. Asit A. Patel	Managing Director	Executive Director	1	2	7	Yes
Mr. Anand A. Patel	Whole-Time Director	Executive Director	1	NIL	10	Yes
Mr. Rupesh P. Mehta (Ceased w.e.f. 03.10.2013)	Director	Independent Non- Executive	NIL	3	5	No
Mr. Navinchandra V. Shah	Director	Independent Non- Executive	1	3	10	Yes
Mr. Ugrabhai V. Patel (appointed w.e.f. 03.10.2013)	Director	Independent Non- Executive	NIL	3	4	No

During the year 2013-14, 10 (Ten) Board meetings were held, details of which are given herein below:

Date of the Board Meetings	08.04.13	03.05.13	29.05.13	01.08.13	14.08.13	03.10.13	14.11.13	16.12.13	18.01.14	14.02.14
No. of Directors present	06	06	05	05	05	05	06	06	06	06
Board Strength	06	06	06	06	06	05	06	06	06	06

The time gap between any two meetings was less than 4 months.

The Company has adopted Codes of Conduct for Executive Directors & Senior Management and Non-Executive Directors separately. All the Directors and Senior Management personnel of the Company have affirmed compliance with the Code.

AUDIT COMMITTEE:

The Audit Committee comprising of the following Directors was reconstituted by the Board of Directors in its meeting held on 14.11.2013.

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The terms of reference of the Audit Committee are as per the guidelines as set out in the listing agreement with the stock exchanges and includes such other functions as may be assigned to it by the Board from time to time which briefly includes following:

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

The composition of Audit committee is as under:

Name of the Director	Designation	Category
Mr. Navinchandra V. Shah	Chairman	Independent Non- Executive Director
Mr. Asit A. Patel	Member	Managing Director
Mr. Ugrabhai V. Patel	Member	Independent Non- Executive Director

During the year the committee held 4 (Four) meetings on 29.05.2013, 14.08.2013, 14.11.2013, 14.02.2014. The time gap between two meetings was not more than four months.

REMUNERATION COMMITTEE:

The Remuneration Committee was re-constituted by the board of directors at its meeting held on 14.11.2013 with terms of reference remaining unchanged.

Composition:

Name of the Director	Designation	Category
Mr. Navinchandra V. Shah	Chairman	Independent Non- Executive Director
Mr. Ugrabhai V. Patel	Member	Independent Non- Executive Director

During the year the committee held 1 (One) meeting on 14.11.2013.

Terms of reference:

The terms of reference of remuneration committee, inter alia consists of:

1. Recommend and review the remuneration package, service agreement and other employment conditions including actual salary, allowances, perquisites retirals and increments of Managerial Personnel like Managing Director and Whole-Time Directors under the provisions of Companies Act, 1956
2. Recommend and review the remuneration of Non-Executive Directors of the Company.
3. Decide the amount of commission payable to Directors of the Company under the provisions of Companies Act, 1956.

The Directors' remuneration and sitting fees paid/payable in respect of the financial year 2014 are given below:-

Remuneration to Managing Director and Whole-Time Director:

In view of Loss, Managing Director and Whole-Time Director waived off their right of remuneration and did not claim the same.

Remuneration to Non- Executive Directors:

A Commission @ 1% is payable to Mr. Anilkumar T. Patel and Mr. Manibhai V. Patel, the Non-Executive directors of the Company for the year 2013-14. In view of Loss, no commission was paid during the year.

All the Non-Executive Directors are paid sitting fees of ₹ 2,500/- per meeting for attending the Board and Audit Committee meetings.

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Remuneration policy:

In determining the remuneration package of the M.D. / E.D. under the provisions of Companies Act, 1956, the committee evaluates the remuneration paid by comparable organizations within the industry and across various industries before making its recommendations to the Board of Directors. The compensation is also linked to individual vis-a-vis Company performance.

SHAREHOLDERS GRIEVANCES COMMITTEE:

The said committee was re-constituted by the Board of Directors on 14.11.2013 to ensure the effective redressal of the complaints of the investors. The Committee also recommends steps to be taken for further implementation in the quality and services to the investors.

Composition of the Shareholders Grievances Committee:

Name of the Director	Designation	Category
Mr. Navinchandra V. Shah	Chairman	Independent Non- Executive Director
Mr. Ugrabhai V. Patel	Member	Independent Non- Executive Director
Mr. Asit A. Patel	Member	Managing Director

During the year the committee held 2 (Two) meetings on 14.11.2013 and 14.02.2014.

Compliance Officer:

CS Neha Chikani Shah, Company Secretary is a Compliance Officer for redressal of shareholder's grievances.

Complaints or queries relating to the shares can be forwarded to the Company's Registrar and Transfer Agents "M/s. Link Intime India Private Limited" at ahmedabad@linkintime.co.in. The Compliance Officer has been regularly interacting with the Share Transfer Agents to ensure that the complaints of the investors are attended without undue delay and when deemed expedient, the complaints are referred to the committee or discussed at the meetings.

SCORES:

The Company has enrolled itself for SEBI Complaints Redress System (SCORES), a centralized web based complaints redress system with 24x7 access. It allows online lodging of complaints at anytime from anywhere. An Automated email acknowledging the receipt of the complaint and allotting a unique complaint registration number is generated for future reference and tracking. The Company uploads an Action taken Report (ATR) so that the investor can view the status of the complaint online. All complaints are saved in the central database which generates relevant MIS reports to SEBI.

During the year under review the Company received 55 (Fifty-Five) Complaints, including 1 (one) pending complaint at the beginning of the year. All the Complaints except 2 (Two) were resolved to the satisfaction of the Shareholders by the Company and Company's Registrar and Share Transfer Agent. However, 2 (Two) complaints remained pending at the end of the year; in the nature displayed as below:

Nature of Complaints	Received	Solved	Pending
Non-receipt of share certificates/Refund / Demat	53	51	02
Stock Exchange	01	01	00
SEBI	01	01	00

GENERAL BODY MEETING:

The location and time of the last three Annual General Meeting are as under:

AGM	Date	Time	Venue	No. of Special resolutions approved
24th	21.09.2011	11.00 a.m.	Ditasan,Post Jagudan, State Highway, Mehsana- 382710	—
25th	26.09.2012	11.00 a.m.		2 (Two) (As listed below)
26th	29.08.2013	11.00 a.m.	Block No. 486, 487, 488, Mouje Dholasan, Tal. & Dist. Mehsana - 382732	—

No Extra Ordinary General Meeting held during the year.

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Special Resolutions in 25th AGM:

In AGM held on September 26, 2012, 2 (Two) Special Resolutions were passed to pay commission, not exceeding 1% of the net profits of Company to Non-Executive Directors, as may be determined by the board of directors from time to time under the provision of the Companies Act, 1956

DISCLOSURES:

- There were no transactions of material nature with the management or with the directors of the Company during the year.
- There was no instance of Non Compliance of any matter related to the capital markets during the last three years.
- The Company ensures compliance of various statutory requirements by all its divisions and obtains quarterly reports in the form of certificate from the head of the divisions. These certificates are placed before the board on quarterly basis.
- All the statutory registers that are required to be maintained, particularly Registers of Contracts in which Directors have interest, Registers of Directors Shareholding, Register of Charges etc., are maintained and continuously updated.

MEANS OF COMMUNICATION:

During the year, quarterly, half yearly and yearly (unaudited) Financial Results of the Company were submitted to the Stock Exchanges immediately after the Board meeting approved the same and were published in the Economic Times - English and Gujarati Newspaper/s.

The Quarterly results are also updated on the Company's website www.apollo.co.in.

GENERAL SHAREHOLDERS' INFORMATION:

Financial Year	:	1st April, 2014 to 31st March, 2015.
Financial Calendar		
a) First Quarter Results	:	by 15th August, 2014
b) Second Quarter Results	:	by 15th November, 2014
c) Third Quarter Results	:	by 15th February, 2015
d) Fourth Quarter Results	:	by 30th May, 2015

Annual General meeting for the year 2013-14

- Date	: 23rd September, 2014
- Time	: 11.00 A.M.
- Venue	: Block No. 486, 487, 488, Mouje Dholasan, Taluka & District Mehsana, Mehsana- 382732
Date of Book Closure	: 17th September, 2014 to 23rd September, 2014 (Both Days inclusive)
Dividend Payment Date	: The proposed dividend, if approved at the AGM, will be distributed within 30 days of its declaration.
Listing on stock exchange	: Bombay Stock Exchange Limited : National Stock Exchange of India Limited

Stock Code

- Bombay Stock Exchange Limited	: 522217
- National Stock Exchange Limited	: GUJAPOLLO

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MARKET PRICE DATA:

The monthly movement of Equity Share prices on BSE during the year is summarized below:

(In ₹)

PERIOD	SHARE PRICE OF GAIL	
	HIGH	LOW
April, 2013	112.00	98.15
May, 2013	121.30	101.00
June, 2013	115.90	98.40
July, 2013	107.00	98.00
August , 2013	105.00	76.00
September, 2013	93.85	77.50
October, 2013	99.90	82.75
November, 2013	110.00	85.10
December, 2013	120.00	94.60
January, 2014	112.70	100.10
February, 2014	108.00	93.45
March, 2014	114.40	102.50

DISTRIBUTION OF SHAREHOLDING AS ON 31ST MARCH, 2014:

SHAREHOLDINGS	SHARE HOLDERS		TOTAL NO. OF SHARES	
	NUMBERS	% OF TOTAL	SHARES	% OF TOTAL
1- 500	8813	86.75	1384796	8.69
501- 1000	614	6.04	478170	3.00
1001 – 2000	300	2.95	427751	2.68
2001- 3000	127	1.25	313427	1.97
3001- 4000	57	0.56	199262	1.25
4001 – 5000	58	0.57	267637	1.68
5001- 10000	81	0.80	595257	3.73
10000 & above	109	1.08	12274321	77.00
TOTAL	**10159**	**100.00**	**15940621**	**100.00**

CATEGORIES OF SHAREHOLDERS AS ON 31ST MARCH, 2014:

Category	No. of Shares	% of Total Shares held
Promoters and persons acting in concert	8470292	53.14
Mutual Funds	0	0
Banks/FII's	6011	0.04
Foreign Nationals	259249	1.63
Bodies Corporate	1737453	10.90
Trust & Foundations	4442	0.03
Public	5463174	34.26
Total	**15940621**	**100**

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REGISTRAR AND TRANSFER AGENTS:

As per the SEBI's circular dated 27.12.02 and upon the instructions of Stock Exchange, Mumbai, the Company has appointed a common agency on a single point for physical and demat registry work. For transfer lodgment, delivery and correspondence related to Shares, Members are requested to do correspondence with the Company's Registrar and Share Transfer Agents – M/s Link Intime India Private Limited quoting their folio no. at the address appearing herein below:

Link Intime India Private Limited
303, 3rd Floor, Shopper's Plaza, - V,
Opp. Municipal Market, Off C. G. Road, Navrangpura, Ahmedabad - 380009
Phone: 079 – 26465179 Fax: 079 - 26465179 E-mail: ahmedabad@linkintime.com

SHARE TRANSFER SYSTEM:

Shares lodged for transfer at the Registrar's address are processed in due time, if the documents are clear in all respects. Subsequent to Circular No. CIR/MIRSD/8/2012 dated: July 5, 2012, issued by SEBI, the Board has issued Power of Attorney to Registrar and Share Transfer Agent, M/s. Link Intime India Pvt. Ltd., to approve transfer of shares.

RECONCILIATION OF SHARE CAPITAL AUDIT & CERTIFICATE PURSUANT TO CLAUSE 47 (C) OF THE LISTING AGREEMENT:

A qualified Practicing Company Secretary carried out a Reconciliation of Share Capital Audit to reconcile the total admitted capital with NSDL and CDSL and the total issued and listed capital. The audit confirms that the total issued/paid up capital is in agreement with the aggregate of the total number of shares in physical form and the total number of shares in dematerialized form (held with NSDL and CDSL).

Pursuant to Clause 47(c) of the Listing Agreement with the Stock Exchanges, certificates, on half-yearly basis have been issued by a Practicing Company Secretary for due compliance of share transfer formalities by the Company.

REPORT ON CORPORATE GOVERNANCE:

The Company regularly submits to the Stock Exchanges, within the prescribed period, quarterly reports on Corporate Governance. A Certificate from the Practicing Company Secretary on Corporate Governance is attached as annexure to the Report.

DEMATERIALISATION OF SHARES:

The Equity Shares of the Company are traded compulsorily in the dematerialized form. The Company has entered into an agreement with both National Securities Depository Ltd. (NSDL) and Central Depository Services Ltd. (CDSL), whereby the shareholders have options to dematerialized their shares with either of the depository.

As on 31st March, 2014, shares comprising 97.81% of the Company's total Equity Share Capital have been dematerialized, status of which is as follows.

ISIN No.: INE826C01016

Particulars	No. of shares	% of total capital	No. of shareholders
NSDL	9601484	60.24	6589
CDSL	5989309	37.57	2932
Physical	349828	2.19	638
GRAND TOTAL	**15940621**	**100**	**10159**

PLANT LOCATION:

Block No. 486, 487, 488, Mouje Dholasan, Taluka & District Mehsana, Gujarat-382732

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ADDRESS FOR CORRESPONDENCE:

The Company Secretary & Compliance Officer
Gujarat Apollo Industries Limited
"Parishram", 5-B, Rashmi Society, Near Mithakhali Six Roads, Navrangpura, Ahmedabad- 380009
E-mail: cs@apollo.co.in / cs@gapollo.net

DECLARATION BY THE MANAGING DIRECTOR UNDER CLAUSE 49 OF THE LISTING AGREEMENT REGARDING ADHERENCE TO THE CODE OF CONDUCT:

In the above regards, I declare as follows:

1. The Company does have a code of conduct approved by its board of directors, which have been posted on its website.
2. All the members of the board of directors and all the members of the Senior Management of the Company have individually submitted statements of affirmation of compliance with the code of conduct as applicable to the financial year ended on 31st March, 2014 which is in accordance with sub-clause I (D) of Clause 49 of the Listing Agreement.

For Gujarat Apollo Industries Limited
ASIT A. PATEL
Managing Director
DIN : 00093332

CEO CERTIFICATE

[As per Clause 49(v) of the Listing Agreement]

To,
The Board of Directors,
Gujarat Apollo Industries Ltd.
Block No. 486, 487, 488, Mouje Dholasan,
Taluka & District Mehsana,
Gujarat-382732

We hereby certify that:

We have reviewed the financial statement and the cash flow statements for the year 2013-14 and that to the best of our knowledge and belief:

These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.

These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violent of the Company's Code of Conduct.

We accept responsibility for establishing and maintaining internal controls and that we have evaluated the effectiveness of the internal control systems of the Company and we hereby disclose to the auditors and the Audit Committee that there have been no deficiencies in the design or operation of internal controls, prevailing in the Company.

We hereby certify that:

There have been no significant changes in internal control during the year.

There have been no significant changes in accounting policies during the year and

No instances of fraud were observed in the Company by the management or an employee having a significant role in the Company's internal control system.

ASIT A. PATEL	**Bharat Dave**
Managing Director	**Chief Accountant**
DIN:00093332	**CFO-Incharge**

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CERTIFICATE

To,
The Members of
Gujarat Apollo Industries Limited

We have examined the Compliance of conditions of Corporate Governance Report by Gujarat Apollo Industries Limited("the Company") for the year ended 31st March, 2014, as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchanges.

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

In our opinion and to the best of our information and according to the explanations given to us the representations made by the Directors and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the 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.

For, DJNV & Co.
FRN : 115145W
Chartered Accountants

Date : 14th August, 2014
Place : Ahmedabad

CA Vasant Patel
Membership No. **044612**

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INDEPENDENT AUDITORS' REPORT

To,
The Members,
Gujarat Apollo Industries Limited

Report on Financial Statement

1. We have audited the accompanying Financial Statements of Gujarat Apollo Industries Limited which comprise the Balance Sheet at 31st March 2014 ,Statement of Profit and Loss for the year ended on that date, Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory informations, which we have signed under reference to this report.

Management's Reponsibility

2. The Company's Management is responsible for the preperation of these financial statements that give a true and fair view of the financial position, financial performance and cash flow of the Company in accordance with the Accounting Standard notified under the companies act 1956 of Inida (the Act) read with general circular 15 / 2013 dated 13th September 2013 of the ministry of Corporate Affairs in respect of Section 133 of the Companies Act 2013. This responsibility includes the design implementation and maintenance of internal control relevant to the preperation and presentation of the financial statements that give a true and fair view and are free from material misstatements, whether due to fraud or errors.

Auditor's Responsibility

3. Our responsibility is to express an opinion on these finincial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institue of Chartered Accountants of India. Those standards require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free form material misstatement.
4. An audit involves performing procedures to obtain about amounts and disclosures in the financial statements. The procedures selected depends on auditor's judgement, including assessment of risk of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor consider internal control relevant to company's preperation and fair presentation of the financial statements in order to design audit procedures that are apporpriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the management, as well as evaluating the overall presentation of the financial statements.
5. We belive that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

6. In our opinion and to the best of our information and according to the explainations given to us, the accompanying financial statements give the information required by the act in the manner so required and give a true and fair view in confirmity with the accounting principles generally accepted in India:
   a. in the case of the Balance Sheet, of the state of affairs of the company as at March 31, 2014.
   b. in the case of the statement of Profit and Loss, of the profit for the year endend on that date; and
   c. in the case of the Cash Flow Statement, of the cash flow for the year endend on that date

Report on Other Legal and Regulatory Requirement

7. As required by the Companies (Auditor's Report) Order, 2003', as amended by the Companies (Auditors Report) (Amendment) Order, 2004', issued by the Central Government of India in terms of sub-section (4A) of section section 227 of the Act (hereinafter referred to as the "Order"), and on the basis of such chekcs of the books and records of the company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure a statement on the matters specified in paragraph 4 and 5 of the order.

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8. As required by the section 227 (3) of the Act, we report that;

   a. We have obtained all the information and explainations 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 requird by law have been kept by the company so far as appears from our examination of those books;

   c. The Balance Sheet and the 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, the Statement of Profit and Loss, and Cash Flow Statement dealt with by this report comply with the Accounting Standards notified under companies act 1956 read with the general circular 15/2013 dated 13th September 2013 of the ministries of corporate affairs in respect of section 133 of companies act 2013;

   e. On the basis of written representation received from the Directors as on March 31, 2014, and taken on record by the Board of Directors, we report that none of the director is diaqualified as on March 31, 2014 from being appointed as a director in terms of section 274(1)(g) of the Act.

For, DJNV & Co.
Firm Registration Number: 115145W
Chartered Accountants

Date : 30.05.2014
Place : Mehsana

(Vasant Patel)
Partner
Membership No. 044612

ANNEXURE TO THE AUDITORS' REPORT

(Referred to in paragraph 7 of our report of even date)

(i) In respect of its fixed assets;

   a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets on the basis of available information.

   b. According to the information and explanations given to us, the Company has formulated a program of verification by which, all the assets of Company are being verified in the phased manner over a period of three years, which in our opinion, is reasonable having regard to the size of the Company and nature of its assets .No material discrepancies were noticed on verification conducted during the period as compared with the books records.

   c. In our opinion the Company has disposed off substantial part of its fixed assets through slump sale during the year, but the going concern status of the Company is not affected.

(ii) In respect of its inventories:

   a. As explained to us, inventories have been physically verified by management at reasonable intervals during the year. In our opinion, the frequency of such verification is reasonable.

   b. In our opinion\ and according to the information and explanations give to us, the procedures of physical verification of stocks followed by the Management are reasonable and adequate in relation to the size of the Company and the nature of its business.

   c. In our opinion and accordingly to the information and explanations given to us, the Company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material having regard to the size of the operations of the Company.

(iii) In respect of the loans, secured or unsecured granted or taken by the company to/from: Companies, firm or other parties covered in the register maintained under Section 301 of the Companies Act, 1956.

   a. The Company has given interest-bearing loan to a party & interest free loan to a party. In respect of said loans, the maximum amount outstanding at any time during the year is Rupees 10216.66 lacs and year-end balance is Rupees 10216.66 lacs.

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b. In our opinion and according to information and explanation given to us, the rate of interest and other terms and condition of the loans given are not prima facie prejudicial to the interest of the company.

c. In respect of the above loan granted there is no stipulation as regard receipt/renewal of the principal amount.

d. In respect of the loan given by the company, the same is repayable on demand and therefore the question of overdue amount does not arise.

e. 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, the provisions of clause 4 (iii) (e) to (g) of the order are not applicable to the company and hence not commented upon.

(iv) In our opinion and according to the information and explanations give to us, having regard to the explanation that certain items purchased are of specialized nature for which suitable alternative sources do not exist for obtaining comparative quotations, there are adequate internal control procedure commensurate with the size of the Company and the nature of its business with regard to purchase of inventories and with regards to the sale of goods and services. During the course of our audit we have not observed any major weakness in the internal control

(v) a. In our opinion and according to the information and explanation given to us, the particulars of contracts or arrangements refer to in section 301 of the Act, have been entered in the register required to be maintained under that section.

b. In our opinion and having regard to our comments in paragraph (iv) above, and according to the information and explanations given to us, transactions made in pursuance of contracts or arrangements entered in the register maintained under Section 301 of the Companies Act, 1956. in respect of one of the party to whom slump sales have been made is as per the business transfer agreement and hence not comparable. In respect of the other transactions they have been made at prices which are reasonable having regard to prevailing market prices at the relevant time where such market prices are available.

(vi) In our opinion and according to the information and explanations give to us, the Company has complied with the provisions of Section 58A and 58AA of the Act and the Companies (Acceptance of Deposits) Rules, 1975 with regard to the deposits accepted from the public. According to the information and explanations given to us, no order under the aforesaid Sections has been passed by the Company Law Board, National Law Tribunal, National Law Board or Reserve Bank of India or any other court or any other tribunal.

(vii) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

(viii) We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Accounting Records) Rules, 2011 prescribed by the Central Government under section 209 (1) (d) of the Companies Act,1956 and are of the opinion that prima facie the prescribed cost records have been maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(ix) According to the information and explanations given to us In respect of statutory dues:

a. The Company is generally been regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty and other material statutory dues applicable to it.

b. No undisputed amounts payable in respect of income tax, wealth tax, sales tax, customs duty and excise duty were outstanding, at the year end for a period of more than six months from the date they become payable.

c. Details of dues of sales tax, income tax, custom duty, wealth tax, excise duty, service tax which have not been deposited as on 31st March, 2014 on account of any disputes are given below;

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Nature of the Statute	Nature of Dispute	For the Year	Amount (₹)	Authority
Central Sales Tax and Commercial Tax Gujarat	Sales Tax	1997-1998	10.35 Lacs	Second Appellate (Hyderabad)
	Sales Tax	2005-2008	110.86 Lacs	Commissioner Appeals
	Sales Tax	2005-2006	47.45 Lacs	Joint Commissioner Appeals
	Sales Tax	2009-2010	92.78 Lacs	Joint Commissioner Appeals
Total			261.44 Lacs	
Service Tax Act	Service Tax	2005-2009	20.51 Lacs	Custom Excise & Service Tax Appellate Tribunal
Total			20.51 Lacs	
Central Excise Act, 1944	Excise	Duty Difference	9.15 Lacs	Custom Excise & Service Tax Appellate Tribunal
Total			9.15 Lacs	

(x) The Company does not have any accumulated losses at the end of the financial year and it has not incurred any cash losses during the current financial year and immediately preceding financial year.

(xi) According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of dues to any financial institution or bank or debenture holders as at the Balance Sheet date.

(xii) Based on our examination of the records and the information and explanations give to us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.

(xiii) In our opinion, the Company is not a chit fund or a nidhi/mutual benefit fund/society. Therefore, the provisions of clause 4 (xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.

(xiv) In our opinion and according to the information and explanations given to us, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4 (xiv) of the Companies (Auditor's Report) Order 2003 are not applicable to the Company.

(xv) In our opinion and according to the information and explanation given to us, the Company has not given any bank guarantee.

(xvi) In our opinion, and according to the information and explanaiton given to us, the term loans have been applied for the purposes for which they were obtained.

(xvii) According to the information and explanations given to us, and on overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term investment by the Company.

(xviii) The Company has not made any preferential allotment of shares to parties covered in the register maintained under section 301 of the Companies Act, 1956.

(xix) According to the information and explanation given to us, the Company has not issued any debenture during the year and no outstanding at the year end.

(xx) As informed to us, during the period covered by our audit report, the Company has not raised any money by public issues.

(xxi) Based upon the audit procedures performed for the purpose of reporting the true end fair view of the financial statements and as per the information and explanations given by the management, which have been relied upon by us, we report that no material fraud on or by the Company has been noticed or reported during the course of our audit.

For, DJNV & Co.
Firm Registration Number: 115145W
Chartered Accountants
(Vasant Patel)
Partner
Membership No. 044612

Date : 30.05.2014
Place : Mehsana

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BALANCE SHEET AS AT 31ST MARCH, 2014

	Particulars	Note	₹ As at 31.03.2014	₹ As at 31.03.2013
I.	**EQUITY AND LIABILITY**			
1	**Shareholder's Funds**			
	Share Capital	2	159,406,210	165,750,000
	Reserves & Surplus	3	2,768,363,065	1,520,537,340
2	**Non Current Liabilities**			
	Long term borrowings	4	80,000,000	80,068,000
	Deferred tax liabilities (Net)	5	31,717,773	56,826,221
	Other long term liabilities	6	-	8,742,236
3	**Current Liabilities**			
	Short-term Borrowings	7	735,209,461	204,269,272
	Trade payables	8	90,896,892	249,558,359
	Other current liabilities	9	124,160,692	135,027,967
	Short-term provisions	10	46,624,324	201,949,130
			4,036,378,417	**2,622,728,525**
II.	**ASSETS**			
1	**Non-current assets**			
	Fixed Assets			
	(i) Tangible assets	11	400,753,402	612,890,354
	(ii) Intangible assets	11	2,757,534	28,031,022
	(iii) Capital work-in-progress	11	16,086,487	14,427,601
	Non-current investments	13	559,472,968	457,193,013
	Long-term loans and advances	14	151,292,016	70,732,440
	Other non-current assets	15	-	2,535,000
2	**Current Assets**			
	Current investments	16	1,136,939,467	500,000
	Inventories	17	250,165,215	353,881,311
	Trade receivables	18	88,359,216	358,811,027
	Cash and cash equivalents	19	259,428,401	163,286,972
	Short-term loans and advances	20	1,156,914,012	558,905,988
	Other current assets	21	14,209,699	1,533,797
			4,036,378,417	**2,622,728,525**

See accompanying notes forming part of Financial Statements

As per our report of even date attached
For, DJNV & Co.
Chartered Accountants
Firm Registration Number: 115145W

For and on behalf of Board of Directors

(Vasant Patel)
(Partner)
Membership No. 044612

Neha Chikani Shah
Company Secretary
Mem. No.A25420

Navinchandra V. Shah
Director
DIN : 03027647

Asit A. Patel
Managing Director
DIN : 00093332

Place : Mehsana
Date : 30.05.2014

Place : Mehsana
Date : 30.05.2014

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

	Particulars	Note	₹ Year ended 31.03.2014	₹ Year ended 31.03.2013
	Revenue from Operations	22	475,442,911	2,053,537,004
	Other Income	23	124,067,029	56,415,857
I	**Total Revenue**		**599,509,940**	**2,109,952,861**
	Expenses			
	Cost of Material Consumed	24	295,577,609	1,323,549,841
	Changes in Inventories of Finished Goods, WIP & Stock in Trade	25	58,338,334	7,557,302
	Employee Benefit Expenses	26	37,891,295	106,800,287
	Other Expenses	28	188,360,657	313,252,284
II	**Total Expenses**		**580,167,895**	**1,751,159,714**
III	**Earning before Interest, Tax, Depreciation & Amortization (EBITDA)**		**19,342,045**	**358,793,147**
	Depreciation and Amortization Expenses	11	14,705,161	38,823,540
	Finance Cost	27	38,128,583	54,591,235
IV	**Profit before exceptional items & tax**		**(33,491,699)**	**265,378,372**
	Exceptional Items being Income from Sales of Investments		1,368,035,051	35,970,000
V	**Profit before Tax**		**1,334,543,352**	**301,348,372**
	Tax Expense:			
	- Current Tax		-	81,000,000
	- Deferred Tax Liability		(25,108,448)	3,274,996
VI	**Profit for the period**		**1,359,651,800**	**217,073,376**
VII	**Earning Per Share**			
	Basic EPS		85.29	13.10
	Diluted EPS		82.25	13.10

See accompanying notes forming part of Financial Statements

As per our report of even date attached
For, DJNV & Co.
Chartered Accountants
Firm Registration Number: 115145W

For and on behalf of Board of Directors

(Vasant Patel)
(Partner)
Membership No. 044612

Neha Chikani Shah
Company Secretary
Mem. No.A25420

Navinchandra V. Shah
Director
DIN : 03027647

Asit A. Patel
Managing Director
DIN : 00093332

Place : Mehsana
Date : 30.05.2014

Place : Mehsana
Date : 30.05.2014

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CASH FLOW STATEMENT

	Particulars	₹ Year ended 31.03.2014	₹ Year ended 31.03.2013
I	**Cash Flow from Operating Activities:**		
	Profit before taxation and Exceptional Items	(33,491,699)	265,378,372
	Depreciation	14,705,161	38,823,540
	Interest Cost	38,128,583	54,591,235
	Gain on Sale of Fixed Assets held for disposal	13,774,463	-
	Surplus / Deficit on disposal of Investment (net)	(21,753,124)	(11,936,966)
	Interest Income	(102,313,905)	(44,478,891)
	Operating Profit before Working Capital Changes	(90,950,521)	302,377,290
	Trade and Other Receivables	272,986,811	106,385,776
	Inventories	103,716,096	(10,439,775)
	Loans & Advances	(734,944,676)	(80,451,102)
	Other Assets	(12,675,902)	218,906
	Trade Payables	(158,661,467)	(104,018,861)
	Current Liabilities & Provisions	(20,177,611)	57,428,007
	Cash generated from Operations	(640,707,270)	271,500,241
	Income tax paid (net of refunds)	(293,622,924)	(92,979,491)
	Cash flow before exceptional Items	(934,330,194)	178,520,750
	Exceptional Items	1,718,035,051	35,970,000
	Net Cash Flow from Operating Activities - I	783,704,857	214,490,750
II	**Cash Flow from Investing Activities:**		
	Purchase of Fixed Assets	(143,852,704)	(48,500,902)
	Sale of Fixed Assets	279,579,093	2,345,463
	(Purchase) / Sale of Investments	(1,238,719,422)	2,000,000
	Profit on Sale of Investment and Other Income	21,753,124	11,936,966
	Interest Received	102,313,905	44,478,891
	Net cash from / used in Investing Activities - II	(978,926,004)	22,260,418
III	**Cash Flow from Financing Activities:**		
	Increase / (decrease) in short term borrowings	530,940,189	(80,429,789)
	Increase / (decrease) in long term borrowings	(8,810,236)	2,747,096
	Interest Paid	(38,128,583)	(54,591,235)
	Dividend Paid and Tax there on	(192,638,794)	(48,159,698)
	Net cash from / used in Financing Activities - III	291,362,576	(180,433,626)
	Net increase / (decrease) in Cash & Cash Equivalents (I+II+III)	96,141,429	56,317,542
	Cash & Cash Equivalent at the beginig of the year	163,286,972	106,969,430
	Cash & Cash Equivalent at the end of the year	259,428,401	163,286,972

See accompanying notes forming part of Financial Statements

As per our report of even date attached
For, DJNV & Co.
Chartered Accountants
Firm Registration Number: 115145W

For and on behalf of Board of Directors

(Vasant Patel)
(Partner)
Membership No. 044612

Neha Chikani Shah
Company Secretary
Mem. No.A25420

Navinchandra V. Shah
Director
DIN : 03027647

Asit A. Patel
Managing Director
DIN : 00093332

Place : Mehsana
Date : 30.05.2014

Place : Mehsana
Date : 30.05.2014

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Notes Forming Part of Financial Statements

Note 1 Significant Accounting Policies

Note 1.1 Convention and Basis of Preparation of Financial Statements

(a) Basis of Preperation of Financial Statement

These financial statements have been prepared on the accrual basis of accounting as per double entry system, under the historical cost convention. The mandatory applicable accounting standards in India and the provisions of companies Act, 1956 have been followed in preparation and presentation of these financial statements.

(b) Use of Estimates

The preparation of financial statements in conformity with Accounting Standards requires, the management to make judgments, estimates and assumptions that affects the reported amounts, at the end of the reporting period. Although these estimated are based on the management's best knowledge of current events and actions, uncertainty about thee assumptions ad estimates could result in the outcome requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

Note 1.2 Tangible and Intangible Assets

(a) Tangible Assets

Cost of fixed assets comprises purchase price, duties levies and any directly attributable cost of bringing the asset to its working conditions for the intended use. Borrowing costs related to the acquisition or construction of the qualifying fixed assets for the period up to completion of their acquisition or construction are included in the book value of the assets.All costs relating to up gradations/enhancements are generally charged off as revenue expenditure unless they bring significant additional benefits of lasting nature. Cenvat claimed on fixed assets is reduced from the cost of respective assets.

(b) Intangible Assets

An intangible asset, where it is expected to provide future enduring benefits, is capitalized. Capitalization costs include license fees and costs of implementation / system integration services. The costs are capitalized in the year in which the relevant intangible asset is ready for use.

(c) Depreciation and Amortisation:

Depreciation is being provided on all tangible assets on Straight Line Method as per the rate and in the manner prescribed in Schedule XIV to the Companies Act, 1956.Intangible assets are recognized when it is probable that the future economics benefits that are attributable to the assets will flow to enterprise and the cost of the assets measure reliably. The intangible assets are recorded at the consideration paid for the acquisition of such assets and are carried at the cost less accumulated and impairment loss if any.

(d) Impairment

An asset is treated as impaired when the carrying cost of the asset exceeds its recoverable value. An impairment loss is charged to statement of profit and loss in the year in which an asset is identified as impaired. A previously recognized impairment loss is increased or reversed depending on changes in circumstances. However, the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation if there was no impairment

Note 1.3 Revenue Recognition

Sales are recorded net of trade discount, rebates and include excise duty. Revenue from sale of products is recognized when the significant risks and rewards of ownership of the goods have passed to the buyer. Incomes from services are recognized based on agreements/ arrangements with the concerned parties. Dividend income is recognized when the right to receive dividends is established. Interest income is recognized on the time proportion method.

Note 1.4 Inventory

Basis of Valuation

Inventories of raw materials and components, work-in-progress and stock-in-trade are valued at the lower of cost and net realizable value. Cost is ascertained on a moving weighted average. The costs of work-in-progress and finished goods is determined on full absorption cost basis.

Note 1.5 Investments

Investments are recognized and valued as per the the period of holding intended by management, further bifurcated as a current and non current as per the requirements of revised schedule VI of companies act, 1956. Current investments are valued at cost and fair value as on balance sheet date, which ever is low. Non current

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investments are valued at historical cost unless and otherwise there is a significant diminution in the value of investment.

Note 1.6 Transactions in Foreign Currency

(a) Foreign Currency Transactions

Transaction in foreign currency are recorded at the exchange rate prevail on the date of transaction, exchange difference arise on account of difference between transaction date and settlement/period end date are recognized in the statement of profit and loss for the year. All monitory assets and liabilities in the foreign currency are translated at the year end rate of relevant currency.

(b) Forward Contracts

Company generally in the practice to take forward contract to cover its foreign exchange risk related to export and import obligation. All premium and discount are accounted in statement of profit and loss in the year it pertains.

Note 1.7 Employee Benefit

(a) Gratuity

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 to 30 days salary payable for each completed year of service. Vesting occurs upon completion of five years of service. The Company makes annual contributions to gratuity fund maintained with Life Insurance Corporation of India. The Company accounts for the liability for gratuity benefits payable in future based on an independent actuarial valuation.

(b) Provident Fund

The eligible employees of the Company are entitled to receive benefits under the provident fund, a defined contribution plan, in which both employees and the company make monthly contribution at a specified percentage of the covered employees' salary. The contributions as specified under the law are paid to the provident fund and pension fund to respective Regional Provident Fund Commissioner and the Central Provident Fund under the State Pension Scheme.

(c) Compensated Absences

The company provides for the encashment of leave or leave with pay subject to certain rules. The employees are entitled to accumulated leave subject to certain limits, for future encashment. The liability is provided based on the number of days of unutilized leave at each balance sheet date. The Company makes contributions to leave encashment fund maintained with Life Insurance Corporation of India. The Company accounts for the liability for benefits payable in future based on an independent actuarial valuation.

Note 1.8 Provision for Taxation

Tax expenses comprises of current, and deferred tax. Provision for current tax is made on the basis of estimated taxable income for the current accounting year in accordance with the Income Tax Act, 1961.The deferred tax for timing difference between the book and tax profits for the year is accounted for, using the tax rates and laws that have been substantively enacted as of the Balance Sheet Date. Deferred tax assets arising from timing differences are recognized to the extent there is reasonable certainty that these would be realized in future.Deferred tax assets, in case of unabsorbed losses and unabsorbed depreciation, are recognized only if there is virtual certainty that such deferred tax asset can be realized against future taxable profits.

Note 1.9 Provisions and Contingencies

Contingent Liabilities are possible but not probable obligation as on the Balance Sheet date, based on the available evidence. Department appeals, in respect of cases won by the Company, are also considered as Contingent Liabilities. Provisions are recognized when there is a present obligation as a result of past event; and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are determined based on best estimate required to settle the obligation at the Balance Sheet date.

Note 1.10 Borrowing Cost

Interest and other cost incurred in connection with the borrowings of the funds are charged to revenue on accrual basis except those borrowing costs which are directly attributable to the acquisition or construction of those fixed assets ,which necessarily take a substantial period of time to get ready to its intended use, such cost are capitalized with fixed assets .

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NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2014

	Particulars	As at 31.03.2014	As at 31.03.2013
2	**Share Capital**		
	Authorised Share Capital		
	2,00,00,000 Equity Shares of ₹ 10/- each	200,000,000	200,000,000
	Issued, Subscribed, Called and Paid up Capital		
	15,940,621 Equity Shares of ₹ 10/- each fully paid up	**159,406,210**	165,750,000
	Total Share Capital	**159,406,210**	165,750,000

Buy Back of Shares

Pursuant to the approval of the the board of directors of the company, for buy back of equity shares under section 77A of the companies act 1956, upto 3.83% of the paid up equity share capital and free reserves of the company aggregating Rs. 6.52 Crore, the company has bought back 6,34,379 (March 2013: Nil) equity shares during the year ended March 31, 2014, from existing security holders on a proportionate basis for Rs. 6.52 Crore by utilising Share Premium Account (March 2013: Nil) and Rs. 63.44 lacs (March 2013: Nil) being the nominal value of shares bought back in terms of Section 77A of the Companies Act, 1956

(a) Reconciliation of number of shares outstanding at beginning and end of the year

Equity Shares		
Number of Shares Outstanding at the beginning of the year	16,575,000	16,575,000
Add: Issued during the year	-	-
Less: Buyback during the year	634,379	-
Number of Shares Outstanding at the end of the year	**15,940,621**	**16,575,000**

(b) Details of Shareholders holding more than 5% Equity Shares in the Company

Name of Shareholder	Percentage of Holding	Percentage of Holding
Asit A. Patel (HUF)	13.49%	-
Asit A. Patel	-	8.67%
Anand A. Patel	7.46%	7.17%
Apollo Infratech Private Limited	5.78%	5.56%

(c) Terms/rights attached to Equity Shares

The Company has only one class of shares referred to as equity shares having a par value of 10/- per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees. Payment of dividend is also made in foreign currency to shareholders outside India. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in the case of interim dividend.As per the Companies Act, 1956, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts in the event of liquidation of the Company. However no such preferential amounts exist currently. The distribution will be in proportion to the number of equity shares held by the shareholders.

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	Particulars	As at 31.03.2014	As at 31.03.2013
3	**Reserves & Surplus**		
	Capital Redemption Reserve		
	Opening Balance	-	-
	Add: Addition During the Year	6,343,790	-
	Less: Deduction during the Year	-	-
	Security Premium Reserve		
	Opening Balance	93,500,000	93,500,000
	Add: Addition During the Year	-	
	Less: Deduction during the Year	65,201,754	-
	Closing Balnace of Security Premium Reserve	28,298,246	93,500,000
	General Reserve		
	As per the Last Balance Sheet	1,264,750,000	1,214,750,000
	Add: Transfer from Surplus in Statement of Profit & Loss	500,000,000	50,000,000
	Less: Deduction during the Year	6,343,790	-
	Closing Balance of General Reserve	1,758,406,210	1,264,750,000
	Surplus in Statement of Profit & Loss		
	As per last Balance Sheet	164,670,738	190,236,156
	Add: Net Profit / (Loss) after Tax	1,359,651,800	217,073,376
	Less: Appropriations		
	Proposed final dividend	(39,851,553)	(165,750,000)
	Income tax on dividend	(6,772,768)	(26,888,794)
	Transfer to General Reserve	(500,000,000)	(50,000,000)
	Closing Balance of Surplus in Statement of Profit & Loss	977,698,217	164,670,738
	Foreign Currency Translation Reserve		
	Opening Balance	(2,383,398)	3,998,005
	Add: Addition During the Year	-	(6,381,403)
	Closing Balance of Foreign Currency Translation Reserve	(2,383,398)	(2,383,398)
	Total Reserves & Surplus	**2,768,363,065**	**1,520,537,340**
4	**Long Term Borrowings**		
	Deposits (Unsecured)		
	From Public	-	39,418,000
	From Shareholders	-	40,650,000
	From Banks	-	-
	Term Loan from HDFC Bank Limited	80,000,000	-
	Total Unsecured Long Term Loans	80,000,000	80,068,000
	Total Long Term Borrowings	**80,000,000**	**80,068,000**
5	**Deferred Tax**		
	Deferred Tax Liability as the the opening of the year	56,826,221	53,551,225
	Deferred Tax Liablity for Current Year on Depreciation Diff.	(25,108,448)	3,274,996
	Total Deferred Tax	**31,717,773**	**56,826,221**

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	Particulars	As at 31.03.2014	As at 31.03.2013
6	**Other Long Term Liabilities**		
	Interest Accrued but not Due on Borrowings	-	8,742,236
	Total Other Long Term Liabilities	-	8,742,236
7	**Short Term Borrowings**		
	Unsecured Short Term Borrowings		
	From Banks	-	-
	HDFC Bank	572,508,904	100,427,397
	Kotak Mahindra Bank	29,773,763	-
	Mehsana Urban Cooperative Bank	52,388,794	-
	From Others		
	Loan from Directors	-	9,700,000
	Loan from Corporate Bodies	-	316,875
	Deposit from Public	80,538,000	93,825,000
	Total Unsecured Long Term Loans	735,209,461	204,269,272
	Total Short Term Borrowings	**735,209,461**	**204,269,272**
8	**Trade Payables**		
	Trade payables (Including Acceptances)	**90,896,892**	249,558,359
	Total Trade Payables	**90,896,892**	249,558,359
9	**Other Current Liability**		
	Interest Accrued by not due on Borrowings	3,767,290	4,317,599
	Unpaid Dividends	4,417,765	3,710,236
	Balance payable to Statutory Bodies	7,242,875	1,582,060
	Advance from Customers	59,643,169	100,430,478
	Unpaid Liabilities	49,089,593	24,987,594
	Total Other Current Liability	**124,160,692**	**135,027,967**
10	**Short Term Provisions**		
	Provision for Dividend and Dividend Tax	46,624,324	192,638,794
	Provision for Managerial Remuneration	-	9,310,336
	Total Short Term Provisions	**46,624,324**	**201,949,130**

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12 Fixed Assets

ASSETS	GROSS BLOCK				ACCUMULATED DEPRECIATION				NET BLOCK	
	As On 01.04.13	Addition During the Year	Deduction During the Year	Total As On 31.03.14	Up to 31.03.12	Deduction During the Year	For the Year	Total As On 31.03.14	As on 31.03.14	As On 31.03.13
(a) Tangible Assets										
1. Freehold Land	162,975,218	1,424,420	29,684,118	**134,715,520**	-	-	-	**-**	**134,715,520**	159,673,948
2. Office Premises	40,386,359	-	37,781,921	**2,604,438**	4,922,226	4,261,304	86,988	**747,910**	**1,856,528**	35,464,133
3. Factory Building	223,091,920	29,925,000	204,124,769	**48,892,151**	35,989,119	33,633,307	1,259,472	**3,615,284**	**45,276,867**	170,491,462
4. Workers Quarters	10,583,127	-	10,583,127	**-**	866,227	866,227	-	**-**	**-**	9,716,900
5. Plant & Machinery	283,205,546	105,865,044	132,985,253	**256,085,337**	84,827,898	44,846,896	10,503,124	**50,484,126**	**205,601,211**	172,709,735
6. Electrical Installations	7,508,728	2,084,715	7,508,728	**2,084,715**	3,279,581	3,279,581	41,016	**41,016**	**2,043,699**	4,229,147
7. Furniture & Fixtures	29,357,164	146,500	26,033,128	**3,470,536**	11,485,668	9,626,802	115,826	**1,974,692**	**1,495,844**	17,859,692
8. Office Equipments	38,392,076	764,876	32,816,457	**6,340,495**	18,871,125	16,602,348	1,093,036	**3,361,813**	**2,978,682**	19,410,495
9. Vehicles	37,490,408	1,187,301	27,522,151	**11,155,558**	14,155,566	10,826,294	1,041,235	**4,370,507**	**6,785,051**	23,334,842
Total 12(a)	832,990,546	141,397,856	509,039,652	**465,348,750**	174,397,410	123,942,759	14,140,697	**64,595,348**	**400,753,402**	612,890,354
(b) Intangible Assets										
10. Technical Knowhow	38,879,942	713,877	18,767,183	**20,826,636**	25,074,968	5,967,846	178,469	**19,285,591**	**1,541,045**	13,804,974
11. Capitalised Software	26,093,789	82,085	22,672,072	**3,503,802**	11,867,813	9,966,495	385,995	**2,287,313**	**1,216,489**	14,226,048
Total 12(b)	64,973,731	795,962	41,439,255	**24,330,438**	36,942,781	15,934,341	564,464	**21,572,904**	**2,757,534**	28,031,022
Total 12(a)+12(b)	897,964,277	142,193,818	550,478,907	**489,679,188**	211,340,191	139,877,100	14,705,161	**86,168,252**	**403,510,936**	**686,624,086**
Previous Year	869,736,601	34,862,125	6,634,449	897,964,277	176,805,637	4,288,986	38,823,540	**211,340,191**	**686,624,086**	692,930,964

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	Particulars	As at 31.03.2014	As at 31.03.2013
12	**Capital Work in Progress**		
	Tangible	**16,086,487**	14,427,601
	Total Capital Work in Progress	**16,086,487**	14,427,601
13	**Non Current Investment**		
	Inventment in Property	-	57,049,069
	Less: Depreciation	-	(11,346,359)
	Net Block (Refer 12C in Note 12)	-	45,702,710
	Trade Investments		
	Unquoted		
	Investment in Subsidiaries		
	- 36,00,000 (PY 36,00,000) Shares of Rs.10/- each fully paid in Apollo Earthmovers Limited	312,563,000	312,563,000
	- Investment in Apollo Maschinenbau GmbH (for current value, refer Note No.36)	98,927,303	98,927,303
	Investment in Body Corporates	**-**	1,20,30,000
	- 45,63,006 (PY Nil) Equity Shares of Rs.27.50 each of Credo Holding Private Limited	125,482,665	-
	- 22,50,000 (PY Nil) Equity Shares of Rs.10 each of Apollo Agro Products Limited	22,500,000	-
		559,472,968	411,490,303
	Total Non Current Investment	**559,472,968**	**457,193,013**
14	**Long Term Loans and Advances**		
	Unsecured Considered Good		
	Security Deposit	2,764,211	9,150,010
	Loans and Advances to Related Parties	65,527,805	-
	Othe Loans and Advances	83,000,000	61,582,430
		151,292,016	**70,732,440**
15	**Other Non Current Assets**		
	Margin Money Deposit with SBI having more than 1 Year for maturity	**-**	2,535,000
	Trade Receivables with Long Term Maturity	**-**	-
	Total Other Non Current Assets	**-**	2,535,000
16	**Current Investment**		
	Unquoted Mutual Funds		
	SBI - Mutual Fund:		
	50,000 units of ₹ 10/- each fully paid up of SBI Infrastructure Fund	-	500,000
	Quoted Mutual Funds		
	Sundaram Flex Fund-Flx Inc-SBBNAD499139	100,000,000	
	SBI Dyn. Bond Fund -Re-Gr-Kotak-13721706	100,000,000	
	PIRAMAL M.FUND	7,500,000	
	L&T Triple ACE Fund - IIFL	148,047,624	
	L&T TRIP. ACE B.F.-BONUS-2413848/88	82,153,530	
	L&T Opportunity Fund - 2412261/96	100,000,000	
	L & T Cash Fund (Daily Dividend)	149,238,313	
	Kotak Floater Long Term Fund	75,000,000	
	Kotak Bond Scheme Plan A Gr	50,000,000	
	IDFC Dyn. Bond Fund - Gr.-Reg-1457548/19	100,000,000	
	ICICI Prudential Income Opportunity Fund	100,000,000	
	ICICI Prudential Income Fund	75,000,000	
	Birla Sun Life Inc. Plus - Gr - R-K01579	50,000,000	
	Total Current Investment	**1,136,939,467**	**500,000**
	Aggregate Market Value of Total Current Investment is ₹ 1,277,571,869		

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	Particulars	As at 31.03.2014	As at 31.03.2013
17	**Inventories**		
	Raw Materials and bought out Spares	126,446,489	168,611,392
	Stores and Tools	-	3,212,859
	Semi Finished Goods	2,913,491	110,272,479
	Finished Goods	120,805,235	71,784,581
	Total Inventories	**250,165,215**	**353,881,311**
18	**Trade Receivables**		
	(a) Overdue for more than Six Months		
	Considered Good	59,786,529	53,598,147
	Considered Doubtful	-	6,732,113
		59,786,529	60,330,260
	(b) Others		
	Considered Good	28,572,687	298,480,767
	Total Trade Receivables	**88,359,216**	**358,811,027**
19	**Cash & Bank Balance**		
	A. Cash & Cash Equivalents		
	(a) Cash on hand	96,629	685,993
	(b) Balance with Banks		
	Current Account	90,798,877	54,116,992
	Deposits in bank with less than 3 months of maturity	-	-
		90,895,506	54,802,985
	B. Other Bank Balance		
	(a) Margin Money Deposit	34,315,130	104,773,750
	(b) Unpaid Dividends	4,417,765	3,710,237
	(c) Bank Deposit with 3 months to 12 months of of maturity	129,800,000	-
		168,532,895	108,483,987
	Total Cash & Bank Balance	**259,428,401**	**163,286,972**
20	**Short Term Loans and Advances**		
	Advance recoverable in cash or kind	148,224,166	39,402,991
	Inter Corporate Deposits	905,968,494	395,928,457
	Prepaid Expenses	54,966,059	15,542,059
	Balance with Statutory Bodies	57,880,634	61,780,746
	Advance Income Tax (Net of Provision)	(10,125,341)	46,251,735
	Total Short Term Loans and Advances	**1,156,914,012**	**558,905,988**
21	**Other Current Assets**		
	Interest Accrued on Investments	12,893,699	217,797
	Deposit in Sardar Sarovar Narmada Nigam Limited	1,316,000	1,316,000
	Total Other Current Assets	**14,209,699**	**1,533,797**

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	Particulars	As at 31.03.2014	As at 31.03.2013
22	**Revenue from Operations**		
	Sale of Road Construction & Maintenance Machineries & Spares	511,965,935	2,170,530,393
	Sale of Services	1,923,293	50,003,987
	Other Operating Revenues		
	Sale of Scrap	-	15,809,924
	Duty Drawback	2,283,895	4,969,882
	Solar Project Income	3,156,708	-
	Gross Total	519,329,831	2,241,314,186
	Less: Excise Duty and Service Tax Paid	43,886,920	187,777,182
	Total Revenue from Operations	**475,442,911**	**2,053,537,004**
23	**Other Income**		
	Interest Income	102,313,905	44,478,891
	Miscellaneous / Other Income	21,753,124	11,936,966
	Total Other Income	**124,067,029**	**56,415,857**
24	**Cost of Material Consumed**		
	Raw Material Consumed		
	Opening Stock of Raw Material	168,611,392	423,672,065
	Add: Purchase During the Year	422,345,454	899,877,776
	Less: Stock Transfer under BTA	(165,745,508)	-
		425,211,338	**1,323,549,841**
	Closing Stock of Raw Material and Components		
	Less: Closing Stock of Raw Material	129,633,729	168,611,392
		295,577,609	**168,611,392**
25	**Changes in Inventories of Finished Goods, Work in Progress and Stock in Trade**		
	Opening Balance of		
	Semi Finished Goods	110,272,479	105,751,037
	Finished Goods	71,784,581	83,863,325
	Total	182,057,060	189,614,362
	Closing Balance of		
	Semi Finished Goods	2,913,491	110,272,479
	Finished Goods	120,805,235	71,784,581
	Total	123,718,726	182,057,060
	Changes in Inventories of Finished Goods, Work in Progress and Stock in Trade	**58,338,334**	**7,557,302**
26	**Employee Benefit Expenses**		
	Salaries and Wages	30,207,434	95,379,825
	Contribution to Provident and Other Funds	2,018,207	2,655,982
	Staff Welfare Expenses	3,788,391	6,000,478
	Bonus and Gratuity	1,877,263	2,764,002
	Total Employee Benefit Expenses	**37,891,295**	**106,800,287**

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	Particulars	As at 31.03.2014	As at 31.03.2013
27	**Finance Cost**		
	Interest	37,559,909	48,673,080
	Bank Charges and Commission	568,674	4,862,412
	Brokerage and Commission	-	1,055,743
	Total Finance Cost	**38,128,583**	**54,591,235**
28	**Other Expenses**		
	Stores and Tools Consumed	7,421,458	34,474,583
	Power and Fuel	3,080,140	8,567,108
	Labour Charges	24,921,087	38,215,584
	Factory Expenses	8,709,089	4,724,617
	Transportation, Cartrage and Octroi (Inward)	2,557,484	3,175,635
	Repairs to Plant & Machinery	1,448,136	3,500,532
	Rent, Rates and Taxes	3,363,614	-
	Office & Administrative Expenses (Including Director's Sitting Fees ₹ 87,500/- (Previous Year ₹ 82,500)	3,044,190	11,277,190
	Remuneration to Auditors		
	- For Audit Fees	350,000	350,000
	- For Other Services	150,000	150,000
	- For Reimbursement of Out of Pocket Expenses	-	12,777
	Postage, Telephone and Telex Expenses	1,858,268	6,794,859
	Travelling & Conveyance	10,696,448	16,660,581
	Stationery & Printing Expenses	428,347	1,640,647
	Professional Charges	17,809,486	31,849,486
	Miscellaneous Expenses	21,093,832	13,943,553
	Vehicle Running and Maintenance	2,530,505	5,840,491
	Director's Remuneration	-	10,504,330
	Bad Debt's Written Off (Net of Bad Debts Recovered)	42,008,416	17,723,622
	Loss on Sale of Assets (Net)	13,774,463	-
	Erection and After Sales Services	4,997,848	18,012,649
	Advertisement and Sales Promotion	4,053,409	10,041,178
	Commission on Sales	2,334,637	18,410,361
	Freight Outward	11,729,800	58,610,726
	Realised Loss on Foreign Exchange	-	(1,228,225)
	Total Other Expenses	**188,360,657**	**313,252,284**
29	**Earnings in Foreign Exchange (on Accrual Basis)**		
	A. Export of Goods		
	(i) Direct on FOB Basis	82,788,376	429,116,733
	(ii) Deemed Exports	-	-
	B. Export of Services	-	504,392
30	**Value of Imports on CIF Basis (on Accrual Basis)**		
	Raw Material & Components	5,807,381	48,967,537
	Capital Goods	-	-
31	**Expenditure in Foreign Currency (on Accrual Basis)**		
	Travelling, Professional Fees and Other Expenses	2,384,793	10,351,585
	Commission on Sales	1,776,133	17,900,107

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Particulars		As at 31.03.2014	As at 31.03.2013
32 Contingent Liabilities			
I.	Director General of Foreign Trade, Demand not Acknowledge by the company	16,096,767	16,096,767
II.	In respect of Sales Tax, Excise and Service Tax Demand	29,109,754	19,333,781
III.	In respect of Corporate Guarantee given to a subsidiary	-	18,933,750

33 Segment Reporting

(i) The Company has primarily one business segment "Road Construction and Maintenance Machineries". The compan's operations are solely situated in India.

(ii) The secondary segment is based on Geographical demarcation i.e. India and Rest of the World. Information about secondary segment are as follows:

Description		
Export Sales	82,788,376	442,144,757
Domestic Sales	392,654,535	2,104,455,272
Total	**475,442,911**	**2,546,600,029**

34 Details of Raw Material Consumed

Particulars	31.03.2014		31.03.2013	
	%	Amount	%	Amount
Imported	0.83%	2,467,338	5.88%	77,828,869
Indigenous	99.17%	293,110,271	94.12%	1,245,720,972
Total	**100%**	**295,577,609**	**100%**	**1,323,549,841**

35 Investment in Foreign Subsidiary

There is further dimunition in the value of investment in Apollo Maschinenbau, GmbH, Germany to the extent of Rs.1,17,63,681/- (PY Rs.2,31,23,446/-), on the basis of annual accounts of this subsidiary as on 31.03.2014, for which no provision has been made since the management is expecting positive turnaround in coming years.

36 Disclosure under Micro, Small and Medium Enterprises Development Act, 2006

No amount is payable to Suppliers' registered under the Micro, Small and Medium Enterprise Development, Act 2006. No interest has been paid / payable by the company during the year to the Suppliers' covered under the Micro, Small and Medium Enterprise Development, Act 2006. The above information takes into account only those suppliers who have responded to inquiries made by the company for this purpose.

37 Disclosures as per AS 15

The disclosure as per the notified AS 15 under the Companies (Accounting Standards) Rules, 2006 on "Employee Benefits", are as follows:

The company has a defined benefit gratuity plan. Every employee who has completed 5 years or more of services gets a gratuity on departure at 15 days salary (taking last drawn as a base) for each completed year of service. The scheme is funded with Life Insurance Corporation of India in the form of a qualifying

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insurance policy. The future contribution payable by the company under the gratuity scheme is currently not ascertainable.

Details of Provision	Gratuity		Leave Encashment	
Particulars	**2013-14**	**2012-13**	**2013-14**	**2012-13**
Defined Benefit obligation	**19,201,524**	14,169,117	36,515,469	**3,622,218**
Fair Value of Plan Assets	**4,694,401**	17,097,730	4,373,190	**4,009,506**
Plan (Assets) Liabilities	**14,507,123**	**(2,928,613)**	**32,142,279**	**(387,288)**
Change in Defined Benefit obligation				
Op. Present Value of Obligation	**19,095,917**	14,169,117	36,622,218	**3,063,089**
Current Service Cost	**1,967,415**	1,665,007	238,685	**179,150**
Interest Cost	**1,527,673**	1,133,529	289,777	**245,047**
Actuarial (Gain)/Loss on Obligation	**11,499,496**	(652,177)	(427,119)	**268,834**
Benefit Paid	**(14,888,977)**	(932,105)	(208,092)	**(133,902)**
Cl. Defined Benefit obligation	**19,201,524**	**15,383,371**	**36,515,469**	**3,622,218**
Change in fair value of Plan Assets				
Op. Fair Value of Plan Assets	**17,976,683**	17,097,730	4,009,506	**3,764,749**
Expected Return on Plan Assets	**618,269**	1,531,130	78,129	**342,250**
Contribution by Employer	**988,426**	**-**	193,647	**36,409**
Benefit Paid	**(14,888,977)**	(652,177)	(208,092)	**(133,902)**
Actuarial (Gain)/Loss on Plan Assets	**-**	-	**-**	-
Cl. Fair Value of Plan Assets	**4,694,401**	**17,976,683**	**4,373,190**	**4,009,506**
Net Period Gratuity cost				
Current Service Cost	**1,967,415**	1,665,007	238,685	**179,150**
Interest Cost on Benefit Obligation	**1,527,673**	1,133,529	289,777	**245,047**
Net Acturial (Gain)/Loss recognised in the year	**11,499,496**	(932,105)	(427,119)	**268,834**
Expected Return on Plan Assets	**(618,269)**	(1,531,130)	(378,129)	**(342,250)**
Net Benefit Expenses	**14,376,315**	**335,301**	**(276,786)**	**350,781**

The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:

Assumptions:		
Discount Rate	8%	
Expected Rate of Return on Plan Assets	-	
Employee Turnover	1% to 3%	1% to 3%
Salary Escalation	8%	

38 Related Party Disclosures

A. List of Related Parties with whom Transactions have taken place during the year

(i)	**Name of the Related Parties**	**Short Name**	**Nature of the Relationship**
	(a) Apollo Industries & Projects Limited	AIPL	Associate
	(b) Apollo Earthmovers Limited	AEML	Subsidiary
	(c) Apollo Maschinenbau GmbH, Germany	AMG	Subsidiary
	(d) Apollo Agro Industries Limited	AAIL	Associate
	(e) Ammann Apollo India Pvt Ltd	AAIPL	Associate
(ii)	**Key Managerial Personnel**	**Short Name**	**Nature of the Relationship**
	(a) Mr. Asit A. Patel	KMP	Managing Director
	(b) Mr. Anand A. Patel	KMP	Whole Time Director
	(c) Mr. Anil T. Patel	KMP	Director
	(d) Mr. Manibhai V. Patel	KMP	Director

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Transaction with related parties

Particulars	AIPL	AEML	AMG	AAIL	AAIPL	KMP
Sales Service &	-	7,088,305	10,176,418	-	347,699,783	-
	-	23,023,446	10,480,115	-	-	-
Purchase of Raw Material	-	2,737,973	1,764,449	-	72,296,639	-
& Component & Services	-	130,237,130	-	-	-	-
Interest and Other		3,370,800	25,841,635	-	-	-
Expenditure	-	-	-	-	-	-
Intercorporate Deposits	744,000,000	651,730,499	3,945,375	-	-	-
Given / (Returned)	129,874,916	454,042,687	-	108,957,797	-	-
Intercorporate Deposits	76,100,000	869,577,314	-	-	-	-
(Taken) / Repaid	-	-	-	-	-	(2,500,000)
Interest Income	30,924,630	-	-	-	-	-
-	58,121,556	4,659,580	-	7,641,763	-	-
Salary, Commission	-	-	-	-	-	-
on Profit	-	-	-	-	-	17,838,740
Purchase of	-	16,376,152	-	-	-	-
Capital Assets	-	-	-	3,848,717	-	-
Purchase and Sale	-	-	-	-	-	-
of Shares	-	48,000,000	-	-	-	-
Outstanding Balance as on 31st March 2014						
Due to Company	-	-	-	-	1,713,779	-
	-	4,378,017	-	-	-	-
Payable by Company	-	-	-	-	-	-
	-	7,176,662	74,952	608,263	-	-
Intercorporate Deposits	(695,732,167)	178,081,642	-	-	-	-
(Receivable) / Payable	-	(395,928,457)	(58,089,255)	-	-	-

40 Extraordinary Item:

Gujarat Apollo Industries Limited (GAIL) has executed an agreement for a strategic joint venture with Switzerland based Ammann Group. GAIL and its wholly owned subsidiary (WOS), Apollo Earthmovers Limited (AEML) has been transferred their respective identified businesses, being the entire product portfolio of asphalt plants and the paver business excluding crushing and screening business of GAIL, on 08/04/2013 to Apollo Construction Equipments Limited (ACEL) on slump sale basis, which has been discharged by payment on closing as per the definitive agreements between the joint venture parties. Now Ammann Group hold 70% of the equity of ACEL and balance 30% is held by AEML, WOS of GAIL.

As per our report of even date attached
For, DJNV & Co.
Chartered Accountants
Firm Registration Number: 115145W

For and on behalf of Board of Directors

(Vasant Patel)
(Partner)
Membership No. 044612

Place : Mehsana
Date : 30.05.2014

Neha Chikani Shah
Company Secretary
Mem. No.A25420

Navinchandra V. Shah
Director
DIN : 03027647

Place : Mehsana
Date : 30.05.2014

Asit A. Patel
Managing Director
DIN : 00093332

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Statement Pursuant to General Exemption received under Section 212(8) of the Companies Act, 1956 relating to Subsidiary Companies

Sr. No.	Particulars	Name of the Subsidiary Company		
		Apollo Earthmovers Limited	Sunrise Technologies Private Limited	Apollo Maschinenbau GmbH
1	Country of Incorporation	India	India	Germany
2	Reporting Currency	INR	INR	Euro
3	Capital	36,000,000	500,000	98,927,303
4	Reserve	1,064,725,254	(4,836767)	(76,546,042)
5	Total Assets	1,374,569,013	14,674,388	131,084,981
6	Total Liabilities	273,843,759	19,011,155	108,703,720
7	Investments	551,161,111	-	-
8	Turnover	105,557,810	3,826,455	96,357,813
9	Profit Before Taxation	422,153,300	(3,445,744)	(11,763,680)
10	Provision for Taxation	7,297,330	-	-
11	Profit After Taxation	414,855,970	(3,445,744)	(11,763,680)
12	Proposed Dividend	-	-	-

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INDEPENDENT AUDITORS' REPORT

To,
The Board of Directors
Gujarat Apollo Industries Limited

Report on consolidated financial statement

1. We have audited the accompanying Consolidated Financial Statements (the "Consolidated Financial Statements") of Gujarat Apollo Industries Limited (the "Company") and its subsidiaries (the Company and its subsidiaries constitute "the Group" refer Note No. 2.1(c) to the attached consolidated financial statement), which comprise the Consolidated Balance Sheet as at March 31, 2014, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information which we have signed under reference to this report.

Management's Responsibility for the Consolidated Financial Statement

2. The Company's Management is responsible for the preparation of these Consolidated Financial Statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flow of the Group in accordance with the Accounting Principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Consolidated Financial Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

3. Our responsibility is to express an opinion on these Consolidated Financial Statements based on our audit. We conducted our audit in accordance with the Standards on Auditing and other applicable authoritative pronouncements issued by Institute of Chartered Accountant of India. These Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Consolidated Financial Statements are free from material misstatement.

4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Consolidated Financial Statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error. In making those risk assessment, the auditor considers internal control relevant to the company's preperation and fair presentation of the Consolidated Financial Statement in order to design audit procedure that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the management, as well as evaluating the overall presentation of the Consolidated Financial Statements.

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

Opinion

6. We report that the consolidated fianancial statements have been prepared by the management of the company in accordance with the requirements of accounting standards - 21 - Consolidated Financial statements accounting standards -23- Accouting for Investments in associate companies in consolidated financial statements and accounting standard - 27 - Financial reporting of interest in joint ventures notified under section 211 (3C) of the Companies Act 1956 read with circular 15 / 2013 dated 13th September 2013 of the Ministry of Corporate Affairs, Government of India in respect of section 133 of the Companies Act , 2013.

7. Based on our audit report and on consideration of reports of other auditors on sepertate financial statements and on the other financial information of the components of the group, and to the best of our information and according to the explanations given to us, in our opinion, the accompanying Consolidated financial

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statements give true and fair veiw in confirmity with accounting principles generally accepted in India.

a. In the case of Consolidated Balance Sheet, of the state of affairs of the Group as at March 31, 2014;

b. In the case of the Consolidated Statement of Profit and loss, of the profit of the Group for the year ended on that date; and

c. In the case of Consolidated Cash Flow Statements of cash flow of the Group for the year ended on that date.

Other Matter

8. In respect of the financial statement of one of the subsidiary , we did not carry out the audit. This financial statements have been audited by other auditor whose reports have been furnished to us and our opinion, in so far as it relates to the amount included in respect of this subsidiary is based solely on the report of other auditor. The details of assets and revenue in respect of this subsidiary whose financial statements reflect total assets of Rs. 13671.44 Lacs as at 31st March, 2014, the total revenue of Rs. 2918.28 Lacs, net profit of Rs. 1858.57 Lacs and net cash flow amounting to Rs. 1922.10 Lacs for the year ended on that date.

9. We further report that in respect of the foreign subsidiary, we did not carry our the audit. These financial statement have been certified by management and have been furnished to us and in our opinion, in so far as it relates to the amount included in respect of this subsidiary is based solely on these certified financial statement.

Since financial statement for the year ended March 31, 2014, which was compiled by the management of that company were not audited, any adjustment to their balances could have consequential effect on the attached consolidate financial statement. However the size of these subsidiary whose financial statements reflect total assets of Rs. 1310.85 Lacs as at March 31, 2014, the total revenue of Rs. 963.90 Lacs, net loss of Rs. 117.64 Lacs and net cash flow amounting to Rs. (63.83) Lacs for the year ended on that date.

For, DJNV & Co.
Firm Registration Number: 115145W
Chartered Accountants

Date : 30.05.2014
Place : Mehsana

(Vasant Patel)
Partner
Membership No. 044612

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CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2014

	Particulars	Note	₹ As at 31.03.2014	₹ As at 31.03.2013
I.	**EQUITY AND LIABILITY**			
1	**Shareholder's Funds**			
	Share Capital	2	159,406,210	165,750,000
	Reserves & Surplus	3	3,498,332,094	1,857,761,648
2	**Non Current Liabilities**			
	Long term borrowings	4	118,555,621	99,101,035
	Deferred tax liabilities (Net)	5	42,516,036	67,627,154
	Other long term liabilities	6	-	55,286,898
3	**Current Liabiliteis**			
	Short-term Borrowings	7	968,959,576	463,748,386
	Trade payables	8	133,140,728	267,033,338
	Other current liabilities	9	139,439,166	383,428,078
	Short-term provisions	10	51,601,395	213,047,174
4	**Minority Interest**		-	-
			5,111,950,826	**3,572,783,711**
II.	**ASSETS**			
1	**Non-current assets**			
	(a) Fixed Assets	11		
	(i) Tangible assets		512,301,426	769,998,087
	(ii) Intangible assets		33,109,593	70,252,717
	(iii) Capital work-in-progress	12	16,086,487	14,427,601
	(b) Non-current investments	13	699,143,776	569,763,821
	(c) Long-term loans and advances	14	87,657,544	12,853,540
	(d) Other non-current assets	15	-	2,535,000
2	**Current Assets**			
	(a) Current investments	16	1,136,939,467	500,000
	(b) Inventories	17	329,982,748	565,682,368
	(c) Trade receivables	18	139,864,416	422,469,614
	(d) Cash and cash equivalents	19	447,865,434	200,174,131
	(e) Short-term loans and advances	20	1,689,882,585	932,779,182
	(f) Other current assets	21	19,117,350	11,347,651
			5,111,950,826	**3,572,783,711**

See accompanying notes forming part of Financial Statements

As per our report of even date attached
For, DJNV & Co.
Chartered Accountants
Firm Registration Number: 115145W

For and on behalf of Board of Directors

(Vasant Patel)
(Partner)
Membership No. 044612

Neha Chikani Shah
Company Secretary
Mem. No.A25420

Navinchandra V. Shah
Director
DIN : 03027647

Asit A. Patel
Managing Director
DIN : 00093332

Place : Mehsana
Date : 30.05.2014

Place : Mehsana
Date : 30.05.2014

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STATEMENT OF CONSOLIDATED PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2014

	Particulars	Note	₹ Year ended 31.03.2014	₹ Year ended 31.03.2013
	Revenue from Operations	22	583,568,958	2,546,600,029
	Other Income	23	344,233,892	131,010,216
I	**Total Revenue**		**927,802,850**	**2,677,610,245**
	Expenses			
	Cost of Material Consumed	24	350,538,287	1,626,342,649
	Changes in Inventories of Finished Goods, WIP & Stock in Trade	25	93,724,766	25,951,776
	Employee Benefit Expenses	26	78,352,842	179,802,105
	Other Expenses	28	216,421,028	385,926,636
II	**Total Expenses**		**739,036,923**	**2,218,023,166**
III	**Earning before Interest, Tax, Depreciation & Amortization (EBITDA)**		**188,765,927**	**459,587,079**
	Depreciation and Amortization Expenses	11	30,542,921	55,085,318
	Finance Cost	27	48,619,036	69,709,937
IV	**Profit before Extra Ordinary items & tax**		**109,603,970**	**334,791,824**
	Extra Ordinary Items being Income from Slump Sale Of Business	33	1,631,224,377	35,970,000
V	**Profit before Tax**		**1,740,828,347**	**370,761,824**
	Tax Expense:			
	- Current Tax		7,300,000	117,000,000
	- Deferred Tax Liability		(25,108,448)	3,877,292
VI	**Profit for Minority Interest**		**1,758,636,795**	**249,884,532**
	Minority Interest		**-**	-
VII.	**Profit for the period**		**1,758,636,795**	**249,884,532**
	Earning Per Share			
	Basic EPS		110.32	15.08
	Diluted EPS		106.64	15.08

See accompanying notes forming part of Financial Statements

As per our report of even date attached
For, DJNV & Co.
Chartered Accountants
Firm Registration Number: 115145W

For and on behalf of Board of Directors

(Vasant Patel)
(Partner)
Membership No. 044612

Neha Chikani Shah
Company Secretary
Mem. No.A25420

Navinchandra V. Shah
Director
DIN : 03027647

Asit A. Patel
Managing Director
DIN : 00093332

Place : Mehsana
Date : 30.05.2014

Place : Mehsana
Date : 30.05.2014

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CONSOLIDATED CASH FLOW STATEMENT

	Particulars	₹ Year ended 31.03.2014	₹ Year ended 31.03.2013
I	**Cash Flow from Operating Activities:**		
	Profit before taxation and Exceptional Items	109,603,970	334,791,824
	Depreciation	30,542,921	55,085,318
	Interest Cost	48,619,036	69,709,937
	Gain on Sale of Fixed Assets held for disposal	(18,421,957)	2,545,325
	Surplus / Deficit on disposal of Investment (net)	(195,047,567)	(44,672,416)
	Interest Income	(149,186,325)	(86,337,800)
	Operating Profit before Working Capital Changes	(173,889,922)	331,122,188
	Trade and Other Receivables	285,140,198	87,411,840
	Inventories	235,699,620	53,605,011
	Loans & Advances	(831,907,407)	(208,404,588)
	Other Assets	(7,769,699)	(3,880,268)
	Trade Payables	(133,892,610)	(13,346,611)
	Current Liabilities & Provisions	(243,988,912)	268,670,754
	Cash generated from Operations	(870,608,733)	515,178,327
	Income tax paid (net of refunds)	(301,194,979)	(134,690,309)
	Cash flow before exceptional Items	(1,171,803,712)	380,488,018
	Exceptional Items	1,981,224,377	35,970,000
	Net Cash Flow from Operating Activities - I	809,420,665	416,458,018
II	**Cash Flow from Investing Activities:**		
	Purchase of Fixed Assets	(215,842,429)	(94,828,564)
	Sale of Fixed Assets	509,023,328	8,675,050
	(Purchase) / Sale of Investments	(1,265,819,422)	(456,352,000)
	Profit on Sale of Investment and Other Income	195,047,567	44,672,416
	Interest Received	149,186,325	86,337,800
	Net cash from / used in Investing Activities - II	(628,404,631)	(411,495,298)
III	**Cash Flow from Financing Activities:**		
	Increase / (decrease) in short term borrowings	343,765,411	127,974,168
	Increase / (decrease) in long term borrowings	(35,832,312)	37,411,191
	Interest Paid	(48,619,036)	(69,709,937)
	Dividend Paid and Tax there on	(192,638,794)	(48,159,698)
	Net cash from / used in Financing Activities - III	66,675,269	47,515,724
	Net increase / (decrease) in Cash & Cash Equivalents (I+II+III)	247,691,303	52,478,444
	Cash & Cash Equivalent at the beginig of the year	200,174,131	147,695,687
	Cash & Cash Equivalent at the end of the year	447,865,434	200,174,131

See accompanying notes forming part of Financial Statements

As per our report of even date attached
For, DJNV & Co.
Chartered Accountants
Firm Registration Number: 115145W

For and on behalf of Board of Directors

(Vasant Patel)
(Partner)
Membership No. 044612

Neha Chikani Shah
Company Secretary
Mem. No.A25420

Navinchandra V. Shah
Director
DIN : 03027647

Asit A. Patel
Managing Director
DIN : 00093332

Place : Mehsana
Date : 30.05.2014

Place : Mehsana
Date : 30.05.2014

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Note 1 Significant Accounting Policies

Note 1.1 Convention and Basis of Preparation of Financial Statements

(a) Basis of Preperation of Financial Statement

These financial statements have been prepared on the accrual basis of accounting as per double entry system, under the historical cost convention. The mandatory applicable accounting standards in India and the provisions of companies Act, 1956 have been followed in preparation and presentation of these financial statements.

(b) Use of Estimates

The preparation of financial statements in conformity with Accounting Standards requires, the management to make judgments, estimates and assumptions that affects the reported amounts, at the end of the reporting period. Although these estimated are based on the management's best knowledge of current events and actions, uncertainty about thee assumptions ad estimates could result in the outcome requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

(c) Principles of Consolidation

The Financial Statements of the company and its subsidiaries have been combined line-by-line basis by adding together the book values of like items of assets and, liabilities, income and expenses after eliminating inter group transactions and balances transaction and resulting unrealized profit or lossThe Financial Statements of subsidiaries used in the consolidated financial statements are drawn upto march 31st 2014, The same reporting date of the company.

The differential between cost of investment in the subsidiary over the companies portion of equity is recognized as a good will or capital reserve as the case may be.The Consolidated financial statements are prepared using uniform accounting policies for like transaction and events in similar circumstances except where stated other wise.The Consolidated financial statements includes the following subsidiaries along with companies holding there in as under:

Sr. No.	Name of the Subsidiary / Fellow Subsidiary Company	Country	31st March 2014	31st March 2013
1.	Apollo Earthmovers Limited	India	100%	100%
2.	Apollo Maschinenbau GmbH	Germany	100%	100%
3.	Sunrise Technologies Private Limited*	India	100%	100%

* Investment held through subsidiary company

1.2 Tangible and Intangible Assets

(a) Tangible Assets

Cost of fixed assets comprises purchase price, duties levies and any directly attributable cost of bringing the asset to its working conditions for the intended use. Borrowing costs related to the acquisition or construction of the qualifying fixed assets for the period up to completion of their acquisition or construction are included in the book value of the assets.All costs relating to up gradations/enhancements are generally charged off as revenue expenditure unless they bring significant additional benefits of lasting nature. Cenvat claimed on fixed assets is reduced from the cost of respective assets.

(b) Intangible Assets

An intangible asset, where it is expected to provide future enduring benefits, is capitalized. Capitalization costs include license fees and costs of implementation / system integration services. The costs are capitalized in the year in which the relevant intangible asset is ready for use.Goodwill arising out of aquisition of equity shares in subsidiary is amortized in equal amount over the period of ten years from the date of acquisition, in the event of cessation of operation of subsidiary the unamortized amount of goodwill will be amortized fully.

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(c) Depreciation and Amortisation:

Depreciation is being provided on all tangible assets on Straight Line Method as per the rate and in the manner prescribed in Schedule XIV to the Companies Act, 1956.Intangible assets are recognized when it is probable that the future economics benefits that are attributable to the assets will flow to enterprise and the cost of the assets measure reliably. The intangible assets are recorded at the consideration paid for the acquisition of such assets and are carried at the cost less accumulated and impairment loss if any.

(d) Impairment

An asset is treated as impaired when the carrying cost of the asset exceeds its recoverable value. An impairment loss is charged to statement of profit and loss in the year in which an asset is identified as impaired. A previously recognized impairment loss is increased or reversed depending on changes in circumstances. However, the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation if there was no impairment

1.3 Revenue Recognition

Sales are recorded net of trade discount, rebates and include excise duty. Revenue from sale of products is recognized when the significant risks and rewards of ownership of the goods have passed to the buyer. Incomes from services are recognized based on agreements/ arrangements with the concerned parties. Dividend income is recognized when the right to receive dividends is established. Interest income is recognized on the time proportion method.

1.4 Inventory

Inventories of raw materials and components, work-in-progress and stock-in-trade are valued at the lower of cost and net realizable value. Cost is ascertained on a moving weighted average. The costs of work-in-progress and finished goods is determined on full absorption cost basis.

1.5 Investments

Investments are recognized and valued as per the the period of holding intended by management, further bifurcated as a current and non current as per the requirements of revised schedule VI of companies act, 1956. Current investments are valued at cost and fair value as on balance sheet date, which ever is low. Non current investments are valued at historical cost unless and otherwise there is a significant diminution in the value of investment.

1.6 Transactions in Foreign Currency

(a) Foreign Currency Transactions

Transaction in foreign currency are recorded at the exchange rate prevail on the date of transaction, exchange difference arise on account of difference between transaction date and settlement/period end date are recognized in the statement of profit and loss for the year. All monitory assets and liabilities in the foreign currency are translated at the year end rate of relevant currency.

(b) Forward Contracts

Company generally in the practice to take forward contract to cover its foreign exchange risk related to export and import obligation. All premium and discount are accounted in statement of profit and loss in the year it pertains.

1.7 Employee Benefit

(a) Gratuity

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 to 30 days salary payable for each completed year of service. Vesting occurs upon completion of five years of service. The Company makes annual contributions to gratuity fund maintained with Life Insurance Corporation of India. The Company accounts for the liability for gratuity benefits payable in future based on an independent actuarial valuation.

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(b) Provident Fund

The eligible employees of the Company are entitled to receive benefits under the provident fund, a defined contribution plan, in which both employees and the company make monthly contribution at a specified percentage of the covered employees' salary. The contributions as specified under the law are paid to the provident fund and pension fund to respective Regional Provident Fund Commissioner and the Central Provident Fund under the State Pension Scheme.

(c) Compensated Absences

The company provides for the encashment of leave or leave with pay subject to certain rules. The employees are entitled to accumulated leave subject to certain limits, for future encashment. The liability is provided based on the number of days of unutilized leave at each balance sheet date. The Company makes contributions to leave encashment fund maintained with Life Insurance Corporation of India. The Company accounts for the liability for benefits payable in future based on an independent actuarial valuation.

1.8 Provision for Taxation

Tax expenses comprises of current, and deferred tax. Provision for current tax is made on the basis of estimated taxable income for the current accounting year in accordance with the Income Tax Act, 1961.The deferred tax for timing difference between the book and tax profits for the year is accounted for, using the tax rates and laws that have been substantively enacted as of the Balance Sheet Date. Deferred tax assets arising from timing differences are recognized to the extent there is reasonable certainty that these would be realized in future.Deferred tax assets, in case of unabsorbed losses and unabsorbed depreciation, are recognized only if there is virtual certainty that such deferred tax asset can be realized against future taxable profits.

1.9 Provisions and Contingencies

Contingent Liabilities are possible but not probable obligation as on the Balance Sheet date, based on the available evidence. Department appeals, in respect of cases won by the Company, are also considered as Contingent Liabilities. Provisions are recognized when there is a present obligation as a result of past event; and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are determined based on best estimate required to settle the obligation at the Balance Sheet date.

1.10 Borrowing Cost

Interest and other cost incurred in connection with the borrowings of the funds are charged to revenue on accrual basis except those borrowing costs which are directly attributable to the acquisition or construction of those fixed assets ,which necessarily take a substantial period of time to get ready to its intended use, such cost are capitalized with fixed assets .

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NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2014

	Particulars	As at 31.03.2014	As at 31.03.2013
2	**Share Capital**		
	Authorised Share Capital		
	2,00,00,000 Equity Shares of ₹ 10/- each	200,000,000	200,000,000
	Issued, Subscribed, Called and Paid up Capital		
	15,940,621 Equity Shares of ₹ 10/- each fully paid up	**159,406,210**	165,750,000
	Total Share Capital	**159,406,210**	165,750,000

Buy Back of Shares

Pursuant to the approval of the the board of directors of the company, for buy back of equity shares under section 77A of the companies act 1956, upto 3.83% of the paid up equity share capital and free reserves of the company aggregating Rs. 6.52 Crore, the company has bought back 6,34,379 (March 2013: Nil) equity shares during the year ended March 31, 2014, from existing security holders on a proportionate basis for Rs. 6.52 Crore by utilising Share Premium Account (March 2013: Nil) and Rs. 63.44 lacs (March 2013: Nil) being the nominal value of shares bought back in terms of Section 77A of the Companies Act, 1956

(a) Reconciliation of number of shares outstanding at beginning and end of the year

Equity Shares		
Number of Shares Outstanding at the beginning of the year	**16,575,000**	16,575,000
Add: Issued during the year	-	-
Less: Buyback during the year	**634,379**	-
Number of Shares Outstanding at the end of the year	**15,940,621**	**16,575,000**

(b) Details of Shareholders holding more than 5% Equity Shares in the Company

Name of Shareholder	Percentage of Holding	Percentage of Holding
Asit A. Patel (HUF)	13.49%	-
Asit A. Patel	-	8.67%
Anand A. Patel	7.46%	7.17%
Apollo Infratech Private Limited	5.78%	5.56%

(c) Terms/rights attached to Equity Shares

The Company has only one class of shares referred to as equity shares having a par value of 10/- per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees. Payment of dividend is also made in foreign currency to shareholders outside India. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in the case of interim dividend.As per the Companies Act, 1956, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts in the event of liquidation of the Company. However no such preferential amounts exist currently. The distribution will be in proportion to the number of equity shares held by the shareholders.

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	Particulars	As at 31.03.2014	As at 31.03.2013
3	**Reserves & Surplus**		
	Capital Redumption Reserve		
	Opening Balance	-	-
	Add: Addition During the Year	6,343,790	-
	Less: Deduction during the Year	-	-
	Closing Balance of Capital Redumption Reserve	6,343,790	-
	Security Premium Reserve		
	As per the Last Balance Sheet	93,500,000	93,500,000
	Add: Transfer from Surplus in Statement of Profit & Loss	-	-
	Less: Deduction during the Year	65,201,754	-
	Closing Balance in Security Premium Reserve	28,298,246	93,500,000
	General Reserve		
	As per the Last Balance Sheet	1,584,750,000	1,534,750,000
	Add: Transfer from Surplus in Statement of Profit & Loss	533,420,231	50,000,000
	Less: Deduction during the Year	6,343,790	
	Closing Balance of General Reserve	2,111,826,441	1,584,750,000
	Surplus in Statement of Profit & Loss		
	As per last Balance Sheet	186,106,347	178,860,609
	Add: Net Profit / (Loss) after Tax	1,758,636,795	249,884,532
	Less: Appropriations		
	Dividend on Equity Shares		
	Proposed final dividend and Tax Thereon	(46,624,324)	(192,638,794)
	Transfer to General Reserve	(533,420,231)	(50,000,000)
	Closing Balance of Surplus in Statement of Profit & Loss	1,364,698,587	186,106,347
	Foreign Currency Translation Reserve		
	Opening Balance	(6,594,699)	(1,118,940)
	Add: Addition During the Year	(6,240,271)	(5,475,759)
	Less: Deduction during the Year	-	-
	Closing Balance of Foreign Currency Translation Reserve	(12,834,970)	(6,594,699)
	Total Reserves & Surplus	**3,498,332,094**	**1,857,761,648**
4	**Long Term Borrowings**		
	Secured		
	From Banks	18,879,487	19,033,035
	Unsecured		
	From Banks	87,120,484	-
	Deposits (Unsecured)		
	From Public	-	39,418,000
	From Shareholders	-	40,650,000
	From Others	12,555,650	-
	Total Unsecured Long Term Loans	99,676,134	80,068,000
	Total Long Term Borrowings	**118,555,621**	**99,101,035**
5	**Deferred Tax**		
	Deferred Tax Liability as the the opening of the year	67,627,154	63,749,862
	Deferred Tax Liablity for Current Year on Depreciation Diff.	(25,111,118)	3,877,292
	Total Deferred Tax	**42,516,036**	**67,627,154**

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	Particulars	As at 31.03.2014	As at 31.03.2013
6	**Other Long Term Liabilities**		
	Interest Accrued but not Due on Borrowings	-	8,742,236
	Deposits	-	46,544,662
	Total Other Long Term Liabilities	**-**	**55,286,898**
7	**Short Term Borrowings**		
	Secured Short Term Borrowings		
	From Banks		
	OD Against FD from Bank of Baroda	22,783,660	
	OD Against FD from Mehsana Urban Cooperative Bank	34,968,429	
	Cash Credit with State Bank of India	-	133,209,991
	Above Cash Credit is secured against Current Assets, entire Fixed Assets and property situated at Ditasan (Mehsana), office premises at Ahmedabad and Corporate Guarantee of Apollo Earthmovers Ltd.		
	Total Secured Long Term Loans	57,752,089	133,209,991
	Unsecured Short Term Borrowings		
	From Banks		
	HDFC Bank	572,508,904	201,340,411
	Mehsana Urban Cooperative Bank	52,388,794	
	Kotak Mahindra bank	29,773,763	
	From Others		
	Loan from Directors	-	35,056,109
	Loan from Corporate Bodies	-	316,875
	Deposit from Public	80,538,000	93,825,000
	Loans from Related Party	175,998,026	-
	Total Unsecured Long Term Loans	911,207,487	330,538,395
	Total Short Term Borrowings	**968,959,576**	**463,748,386**
8	**Trade Payables**		
	Trade payables (Including Acceptances)	133,140,728	267,033,338
	Total Trade Payables	**133,140,728**	**267,033,338**
9	**Other Current Liability**		
	Interest Accrued by not due on Borrowings	3,767,290	4,317,599
	Unpaid Dividends	4,417,765	3,710,236
	TDS Payable	6,511,886	2,800,853
	Advance from Customers	74,530,245	100,430,478
	Unpaid Liabilities	50,211,980	272,168,912
	Total Other Current Liability	**139,439,166**	**383,428,078**
10	**Short Term Provisions**		
	Provision for Dividend and Dividend Tax	46,624,324	192,638,794
	Provision for Expenses & Tax	4,977,071	20,408,380
	Total Short Term Provisions	**51,601,395**	**213,047,174**

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11 Fixed Assets

ASSETS	GROSS BLOCK				ACCUMULATED DEPRECIATION				NET BLOCK	
	As on 01.04.13	Addition During the Year	Deduction During the Year	Total As On 31.03.14	Up to 31.03.13	Deduction During the Year	For the Year	Total As on 31.03.14	As on 31.03.14	As On 31.03.13
(a) Tangible Assets										
1. Leasehold Land	8,733,763	1,000,410	410,500	**9,323,673**	-	-	-	**-**	**9,323,673**	8,733,763
2. Freehold Lan	169,896,887	6,641,497	29,684,118	**146,854,266**	-	-	-	**-**	**146,854,266**	169,896,887
3. Office Premises	40,386,359	-	37,781,921	**2,604,438**	4,922,226	4,261,304	86,988	**747,910**	**1,856,528**	35,464,133
4. Factory Building	250,630,744	52,960,748	204,124,769	**99,466,723**	44,364,934	31,711,044	2,483,031	**15,136,921**	**84,329,802**	206,265,810
5. Workers Quarters	10,583,127	-	-	**10,583,127**	866,227	866,227	-	**-**	**-**	9,716,900
6. Plant & Machinery	358,417,797	139,869,359	181,608,398	**316,678,758**	98,729,827	39,136,747	14,684,853	**74,277,933**	**242,400,825**	259,687,970
7. Electrical Installations	8,573,073	2,084,710	7,508,728	**3,149,055**	4,328,425	3,279,581	43,172	**1,092,016**	**2,057,039**	4,244,648
8. Furniture & Fixtures	35,024,538	146,500	27,668,550	**7,502,488**	12,829,563	8,272,838	344,294	**4,901,019**	**2,601,469**	22,194,975
9. Office Equipments	45,595,803	4,881,435	35,497,942	**14,979,296**	24,119,477	18,504,402	1,932,820	**7,547,895**	**7,431,401**	21,476,326
10. Vehicles	52,368,415	5,069,061	33,314,809	**24,122,667**	20,051,740	14,476,559	3,101,063	**8,676,244**	**15,446,423**	32,316,675
Total 12(a)	980,210,506	212,653,720	568,182,862	**624,681,364**	210,212,419	120,508,702	22,676,221	**112,379,938**	**512,301,426**	769,998,087
(b) Intangible Assets										
11. Technical Knowhow	44,375,440	713,877	24,262,681	**20,826,636**	25,269,205	6,162,083	178,469	**19,285,591**	**1,541,045**	19,106,235
12. Capitalised Software	26,796,674	122,085	22,672,072	**4,246,687**	12,376,369	9,966,423	442,384	**2,852,330**	**1,394,357**	14,420,305
13. Copyrights & Other Assets	15,607,087	693,861	172,840	**16,128,108**	8,763,351	172,840	3,141,224	**11,731,735**	**4,396,373**	6,843,736
14. Goodwill on Consolidation	41,046,220	-	-	**41,046,220**	11,163,779	-	4,104,623	**15,268,402**	**25,777,818**	29,882,441
Total 12(b)	127,825,421	1,529,823	47,107,593	**82,247,651**	57,572,704	16,301,346	7,866,700	**49,138,058**	**33,109,593**	70,252,717
(c) Asset Treated as Investment										
12. Freehold Land	3,301,270	-	**3,301,270**	-	-	-	-	**-**	**-**	3,301,270
13. Factory Building	18,967,151	-	**18,967,151**	-	2,355,812	2,355,812	-	-	**-**	16,611,339
14. Plant & Machinery	33,032,849	-	**33,032,849**	-	7,364,936	7,364,936	-	-	**-**	-25,667,913
15. Furniture & Fixtures	1,609,968	-	**1,609,968**	-	1,598,164	1,598,164	-	-	**-**	11,804
16. Office Equipments	137,831	-	**137,831**	-	27,447	27,447	-	-	**-**	110,384
Total 12(c)	57,049,069	-	**57,049,069**	-	11,346,359	11,346,359	-	-	**-**	45,702,710
Total 12(a)+12(b)+12(c)	1,165,084,996	214,183,543	672,339,524	**706,929,015**	267,785,123	136,810,048	30,542,921	**161,517,996**	**545,411,019**	885,953,514
Previous Year	1,102,430,458	83,116,975	20,462,437	1,165,084,996	233,288,226	9,242,062	55,085,318	279,131,482	885,953,514	869,142,233

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	Particulars	As at 31.03.2014	As at 31.03.2013
12	**Capital Work in Progress**		
	Tangible	**16,086,487**	14,427,601
	Total Capital Work in Progress	**16,086,487**	14,427,601
13	**Non Current Investment**		
	Inventment in Property	-	57,049,069
	Less: Depreciation	-	(11,346,359)
	Net Block (Refer 12C in Note 12)	-	45,702,710
	Trade Investments		
	Unquoted		
	Investment in Associates		
	- 4,40,000 (PY 4,40,000) Equity Shares of ₹ 10 each of Tribhuvan Industries Limited	4,400,000	4,400,000
	- 46,82,010 (PY 46,82,010) Equity Shares of ₹ 10 each of Apollo Industries and Project Limited	31,229,110	31,229,110
	- 52,50,000 (PY 30,00,000) Equity Shares of ₹ 10 each of Apollo Agro Products Limited	42,550,000	20,050,000
	- 8,61,970 (PY 8,31,970) Equity Shares of Rs.10 each of Ammann Apollo India Private Limited	486,382,001	468,382,001
	- 10,000 (PY Nil) Equity Shares of Rs.10 each of Vasnatha Herb Products Private Limited	100,000	-
	- 9,00,000 (PY Nil) Equity Shares of Rs.10 each of Sky India Infracture Private Limited	9,000,000	-
	- 45,63,006 (PY Nil) Equity Shares of Rs.27.50 each of Credo Holding Private Limited	125,482,665	-
		699,143,776	524,061,111
	Total Non Current Investment	**699,143,776**	**569,763,821**
14	**Long Term Loans and Advances**		
	Unsecured Considered Good	-	12,853,540
	Security Deposit	2,764,211	-
	Othe Loans and Advances	84,893,333	-
		87,657,544	**12,853,540**
15	**Other Non Current Assets**		
	Margin Money Deposit with SBI having more than 1 Year for maturity	**-**	2,535,000
	Trade Receivables with Long Term Maturity	**-**	-
	Total Other Non Current Assets	**-**	2,535,000

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	Particulars	As at 31.03.2014	As at 31.03.2013
16	**Current Investment**		
	Unquoted Mutual Funds		
	SBI - Mutual Fund:		
	50,000 units of ₹ 10/- each fully paid up of SBI Infrastructure Fund (Market Value ₹ 3,71,240)	-	500,000
	Quoted Mutual Funds		
	Sundaram Flex Fund-Flx Inc-SBBNAD499139	100,000,000	
	SBI Dyn. Bond Fund -Re-Gr-Kotak-13721706	100,000,000	
	PIRAMAL M.FUND	7,500,000	
	L&T Triple ACE Fund - IIFL	148,047,624	
	L&T TRIP. ACE B.F.-BONUS-2413848/88	82,153,530	
	L&T Opportunity Fund - 2412261/96	100,000,000	
	L & T Cash Fund (Daily Dividend)	149,238,313	
	Kotak Floater Long Term Fund	75,000,000	
	Kotak Bond Scheme Plan A Gr	50,000,000	
	IDFC Dyn. Bond Fund - Gr.-Reg-1457548/19	100,000,000	
	ICICI Prudential Income Opportunity Fund	100,000,000	
	ICICI Prudential Income Fund	75,000,000	
	Birla Sun Life Inc. Plus - Gr - R-K01579	50,000,000	
	Total Current Investment	**1,136,939,467**	500,000
	Aggregate Market Value of Total Current Investment is Rs.127,75,71,869		
17	**Inventories**		
	Raw Materials and bought out Spares	157,300,012	240,697,097
	Stores and Tools	-	3,212,859
	Semi Finished Goods	4,564,891	161,599,076
	Finished Goods	168,117,845	160,173,336
	Total Inventories	**329,982,748**	**565,682,368**
18	**Trade Receivables**		
	(a) Overdue for more than Six Months		
	Considered Good	59,786,529	53,598,147
	Considered Doubtful		6,732,113
		59,786,529	60,330,260
	(b) Others		
	Considered Good	80,077,887	362,139,354
	Total Trade Receivables	**139,864,416**	**422,469,614**
19	**Cash & Bank Balance**		
	A. Cash & Cash Equivalents		
	(a) Cash on hand	224,392	694,498
	(b) Balance with Banks		
	Current Account	239,801,571	90,875,680
	Deposits in bank with less than 3 months of maturity	-	-
		240,025,963	91,570,178
	B. Other Bank Balance		
	(a) Margin Money Deposit	73,621,706	104,893,716
	(b) Unpaid Dividends	4,417,765	3,710,237
	(c) Bank Deposit with 3 months to 12 months of of maturity	129,800,000	-
		207,839,471	108,603,953
	Total Cash & Bank Balance	**447,865,434**	**200,174,131**

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	Particulars	As at 31.03.2014	As at 31.03.2013
20	**Short Term Loans and Advances**		
	Unsecured Considered Good		
	Loans and Advances to Related Parties	1,193,590,065	761,027,198
	Advance recoverable in cash or kind	155,137,210	41,967,830
	Inter Corporate Deposits	210,042,303	-
	Prepaid Expenses	54,966,059	17,259,645
	Balance with Statutory Bodies	83,902,324	69,687,667
	Advance Income Tax (Net of Provision)	(7,755,376)	42,836,842
	Total Short Term Loans and Advances	**1,689,882,585**	**932,779,182**
21	**Other Current Assets**		
	Interest Accrued on Investments	12,898,687	217,797
	Deposit in Sardar Sarovar Narmada Nigam Limited	1,316,000	1,316,000
	Other Current Assets of AEML	3,388,806	9,813,854
	Other Current Assets of Apollo GmbH	1,513,857	-
	Total Other Current Assets	**19,117,350**	**11,347,651**
22	**Revenue from Operations**		
	Sale of Road Construction & Maintenance Machineries & Spares	622,019,353	2,712,676,362
	Sale of Services	1,923,293	6,678,079
	Other Operating Revenues		
	Sale of Scrap	-	15,809,924
	Duty Draw Back	2,283,895	-
	Solar Project Income	3,156,708	-
	Gross Total	629,383,249	2,735,164,365
	Less: Excise Duty and Service Tax Paid	45,814,291	188,564,336
	Total Revenue from Operations	**583,568,958**	**2,546,600,029**
23	**Other Income**		
	Interest Income	149,186,325	86,337,800
	Service / Other Income	195,047,567	44,672,416
	Total Other Income	**344,233,892**	**131,010,216**
24	**Cost of Material Consumed**		
	(a) Raw Material Consumed		
	Opening Stock of Raw Material	240,697,097	272,529,708
	Add: Purchase of Raw Material	267,141,202	1,594,510,038
	Less: Stock Transferred under BTA	165,745,508	-
		507,838,299	**1,867,039,746**
	Less: Closing Stock of Raw Material and Components	157,300,012	240,697,097
	Cost of Material Consumed	**350,538,287**	**1,626,342,649**

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	Particulars	As at 31.03.2014	As at 31.03.2013
25	**Changes in Inventories of Finished Goods, Work in Progress and Stock in Trade**		
	Opening Balance of		
	Semi Finished Goods	161,599,076	143,312,788
	Finished Goods	160,173,336	204,411,400
	Total	321,772,412	347,724,188
	Closing Balance of		
	Semi Finished Goods	4,564,891	161,599,076
	Finished Goods	168,117,845	160,173,336
	Stock to be transferred under BTA	55,364,910	
	Total	228,047,646	321,772,412
	Changes in Inventories of Finished Goods, Work in Progress and Stock in Trade	**93,724,766**	**25,951,776**
26	**Employee Benefit Expenses**		
	Salaries and Wages	68,829,659	155,315,701
	Contribution to Providend and Other Funds	3,095,157	10,303,754
	Staff Welfare Expenses	4,158,298	7,044,849
	Bonus and Gratuity	2,269,728	7,137,801
	Total Employee Benefit Expenses	**78,352,842**	**179,802,105**
27	**Finance Cost**		
	Interest	47,203,027	62,318,912
	Bank Charges and Commission	1,416,009	6,335,282
	Brokerage and Commission	-	1,055,743
	Total Finance Cost	**48,619,036**	**69,709,937**

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	Particulars	As at 31.03.2014	As at 31.03.2013
28	**Other Expenses**		
	Stores and Tools Consumed	7,421,458	34,555,132
	Power and Fuel	4,629,008	12,258,421
	Labour Charges	24,921,087	56,642,687
	Factory Expenses	15,799,497	10,354,508
	Transportation, Cartrage and Octroi (Inward)	2,557,484	8,474,311
	Repairs to Pland & Machinery	1,448,136	3,862,061
	Office & Administrative Expenses (Including Director's Sitting Fees ₹ 87,500/- (Previous Year ₹ 82,500)	22,650,315	16,167,999
	Remuneration to Auditors		
	- For Audit Fees	537,080	350,000
	- For Other Services	162,500	150,000
	- For Reimbursement of Out of Pocket Expenses	-	12,777
	Postage, Telephone and Telex Expenses	2,226,070	7,740,849
	Travelling & Conveyance	(12,989,615)	19,500,756
	Stationery & Printing Expenses	450,542	1,963,875
	Professional Charges	19,512,854	42,033,221
	Miscellaneous Expenses	25,777,728	19,052,444
	Vehicle Running and Maintenance	4,351,464	8,857,693
	Director's Remuneration	-	10,504,330
	Bad Debt's Written Off (Net of Bad Debts Recovered)	42,008,416	17,781,660
	Loss on Sale of Assets (Net)	18,421,957	2,545,325
	Erection and After Sales Services	12,412,252	19,557,693
	Advertisement and Sales Promotion	8,007,544	12,439,284
	Commission on Sales	3,154,556	20,156,921
	Freight Outward	12,233,243	60,964,689
	Realised Loss on Foreign Exchange	727,452	
	Total Other Expenses	**216,421,028**	**385,926,636**

29	**Contingent Liabilities**			
	I.	Director General of Foreign Trade, Demand not Acknowledge by the company	16,096,767	16,096,767
	II.	In respect of Sales Tax, Excise and Service Tax Demand	29,109,754	19,832,000
	III.	In respect of Corporate Guarantee given to a subsidiary	-	17,385,950

30 Segment Reporting

(i) The Company has primarily one business segment "Road Construction and Maintenance Machineries". The company's operations are solely situated in India.

(ii) The secondary segment is based on Geographical demarcation i.e. India and Rest of the World. Information about secondary segment are as follows:

Description		
Export Sales	82,788,376	442,144,757
Domestic Sales	500,780,582	2,104,455,272
Total	**583,568,958**	**2,546,600,029**

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31 Disclosure under Micro, Small and Medium Enterprises Development Act, 2006

The company has not received any intimation from suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures, if any, relating to amounts unpaid as at the year end together with interest payable as required under the act have not been given.

32 Related Party Disclosures

A. List of Related Parties with whom Transactions have taken place during the year

(i)	Name of the Related Parties	Short Name	Nature of the Relationship
	(a) Apollo Industries & Projects Limited	AIPL	Associate
	(b) Apollo Agro Industries Limited	AAIL	Associate
	(c) Ammann Apollo India Private Limited	AAIPL	Associate
(ii)	**Key Managerial Personnel**	**Short Name**	**Nature of the Relationship**
	(a) Mr. Asit A. Patel	KMP	Managing Director
	(b) Mr. Anand A. Patel	KMP	Whole Time Director
	(c) Mr. Anil T. Patel	KMP	Director
	(d) Mr. Manibhai V. Patel	KMP	Director

Transaction with related parties

Particulars	AIPL	AAIL	AAIPL	KMP
Sales Service & Other Income	-	-	**757,320,334**	**-**
	-	-	1,730,617	-
Purchase of Raw Material & Component & Services	**-**	**-**	**74,371,907**	**-**
	-	-	15,760,258	-
Interest and Other Expenditure	**-**	**-**	**-**	**-**
	-	-	-	-
Intercorporate Deposits Given / (Returned)	**744,000,000**	**-**	**-**	**-**
	129,874,916	108,957,797	-	-
Intercorporate Deposits (Taken) / Repaid	**76,100,000**	**-**	**-**	**-**
	-	-	-	(2,500,000)
Interest Income	**74,995,463**	**2,891,342**	**-**	**-**
	58,121,556	7,641,763	-	-
Salary, Commission on Profit	-	-	-	**872,045**
	-	-	-	17,838,740
Purchase of Capital Assets	**-**	**-**	**-**	**-**
	-	3,848,717	9,757,155	-
Purchase and Sale of Shares	**-**	**-**	**-**	**-**
	-	-	-	-
Outstanding Balance as on 31st March 2014				
Receivable by Company	**-**	**2,602,208**	**1,713,779**	**-**
	-	-	1,730,617	-
Payable by Company	**-**	**-**	**-**	**-**
	-	608,263	21,985,494	-
Intercorporate Deposits (Receivable) / Payable	**(312,273,808)**	**2,602,208**	**-**	**-**
	222,120,673	-	-	9,700,000

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33 Extraordinary Item

Gujarat Apollo Industries Limited (GAIL) has executed an agreement for a strategic joint venture with Switzerland based Ammann Group. GAIL and its wholly owned subsidiary (WOS), Apollo Earthmovers Limited (AEML) has been transferred their respective identified businesses, being the entire product portfolio of asphalt plants and the paver business excluding crushing and screening business of GAIL, on 08/04/2013 to Apollo Construction Equipment Limited (ACEL) on slump sale basis, which has been discharged by payment on closing as per the definitive agreements between the joint venture parties. Now Ammann Group hold 70% of the equity of ACEL and balance 30% is held by AEML, WOS of GAIL.

As per our report of even date attached
For, DJNV & Co.
Chartered Accountants
Firm Registration Number: 115145W

(Vasant Patel)
(Partner)
Membership No. 044612

Place : Mehsana
Date : 30.05.2014

Neha Chikani Shah
Company Secretary
Mem. No.A25420

For and on behalf of Board of Directors

Navinchandra V. Shah
Director
DIN : 03027647

Asit A. Patel
Managing Director
DIN : 00093332

Place : Mehsana
Date : 30.05.2014

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GUJARAT APOLLO INDUSTRIES LIMITED

CIN: L45202GJ1986PLC009042

Registered Office: Block No. 486, 487, 488, Mouje Dholasan, Taluka & District Mehsana – 382732.

Corporate Office: "Parishram", 5-B, Rashmi Society, Near Mithakhali Circle, Navrangpura, Ahmedabad – 380009.

ATTENDANCE SLIP

Please fill in the Attendance Slip and hand it over at the entrance of the meeting hall. Joint Shareholders may obtain additional Attendance Slips on request. Please bring your copy of Annual Report for reference at the meeting.

D.P. ID*	
Client ID*	

FOLIO NUMBER:

NAME AND ADDRESS OF THE SHAREHOLDER

No. of shares held:

I hereby record my presence at the 27th Annual General Meeting of the Company to be held on Tuesday, 23rd September, 2014 at 11.00 a.m. at Block No. 486, 487, 488, Mouje Dholasan, Taluka & District Mehsana – 382732.

SIGNATURE OF THE SHAREHOLDER/PROXY

Strike out whichever is not applicable.

* Applicable for Investor holding shares in demat form.

.....**TEAR HERE**.....

Form No. MGT-11

Proxy Form

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

CIN: L45202GJ1986PLC009042

Name of the Company**: GUJARAT APOLLO INDUSTRIES LIMITED**

Registered Office: Block No. 486, 487, 488, Mouje Dholasan, Taluka & District Mehsana – 382732.

Corporate Office: "Parishram", 5-B, Rashmi Society, Near Mithakhali Circle, Navrangpura, Ahmedabad – 380009.

.....

Name of the Member(s):

Registered Address:

E-mail ID:

Folio No/Client ID&DP ID

.....

I/We .....of.....being a member/members of Gujarat Apollo Industries Limited hereby appoint

1. Name: ..... Address:.....
   .....
   E-mail ID:.....Signature ....., or failing him

2. Name: ..... Address:.....
   .....
   E-mail ID:.....Signature ....., or failing him

3. Name: ..... Address:.....
   .....
   E-mail ID:.....Signature .....,

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as my/our proxy to vote for me/us and on my /our behalf at 27th Annual General Meeting to be held on 23rd September, 2014 at 11.00 a.m. or at any adjustment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolutions	Optional**	
		For	Against
1	To receiver, consider and adopt Financial Statements of the Company for the year ended 31st March, 2014 together with the Reports of the Board and Auditors thereon		
2	To declare dividend on equity shares		
3	To appoint Mr. Asit A. Patel as a Director liable to retire by rotation		
4	To appoint Mr. Anand A. Patel as a Director liable to retire by rotation		
5	Re-Appointment of M/s. DJNV & Co., as a Statutory Auditors		
6	Ratification of the remuneration payable to M/s. P. D. Modh & Associates, Cost Auditors of the Company for the financial year ending 31st March, 2015		
7	To Appoint Mr. Ugrabhai V. Patel as an Independent Director		
8	To Appoint Mr. Navinchandra V. Shah as an Independent Director		
9	Re-Appointment of Mr. Asit A. Patel, as a Managing Director		
10	Borrowing Limits under Section 180 (1) (a) of the Companies Act, 2013		
11	Borrowing Limits under Section 180 (1) (c) of the Companies Act, 2013		
12	Transactions with Related parties under Section 188 of the Companies Act, 2013		

Signed this.....day of.....2014

Signature of Shareholder:.....

Signature of Proxy holder .....

Affix Revenue Stamp

Notes:

1. The Proxy Form must be returned so as to reach the Registered Office of the Company not less than 48 hours before the time for holding the aforesaid meeting. The Proxy need not be a member of the Company.
2. For the resolutions, Explanatory Statements and Notes, please refer to the notice of 27th AGM.

**3. It is optional to put a 'X' in the appropriate column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all resolutions, your proxy will be entitled to vote in the manner as he/she thinks appropriate.

4. Please complete all details including details of member(s) in the box before submission.

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