



KELTECH ENERGIES LIMITED

38th Annual Report & Accounts

2014 - 2015



Contents	Page Nos.
Notice of Meeting	2
Directors' Report	5
Report on Corporate Governance	17
Auditors' Report	28
Balance Sheet	32
Statement of Profit & Loss	33
Cash Flow Statement	34
Notes to Financial Statements	36

BOARD OF DIRECTORS

ASHOK V. CHOWGULE - Chairman - DIN : 00018970
HEMRAJ C. ASHER - DIN : 00024863
HARISH JAGTIANI - DIN : 00262572
UMAJI V. CHOWGULE - DIN : 00018993
MS. ARATI SARAN - DIN : 01157284
KAIYOZE B. BILLIMORIA - DIN : 0002104 (From 23.01.2015)
S.L.CHOWGULE - Managing Director - DIN : 00097736

COMPANY SECRETARY & COMPLIANCE OFFICER

MS. SHALU TIBRA

EXECUTIVES

V. N. PANGAL – Director (Operations)

AUDITORS

HARIBHAKTI & CO. LLP.
CHARTERED ACCOUNTANTS
MUMBAI.

LEGAL ADVISERS

CRAWFORD BAYLEY & CO.
ADVOCATES, SOLICITORS & NOTARIES
MUMBAI

REGISTERED OFFICE

7TH FLOOR, 'EMBASSY ICON'
NO. 3, INFANTRY ROAD,
BANGALORE - 560 001.

BANKERS

CANARA BANK

SHARE TRANSFER AGENTS

CANBANK COMPUTER SERVICES LTD.
218, 1ST FLOOR, J. P. ROYALE, 2ND MAIN,
SAMPIGE ROAD, MALLESHWARAM,
BANGALORE - 560 003.

WORKS

VISHWASNAGAR - 574 108
KARKALA TALUK
UDUPI DISTRICT
KARNATAKA STATE

PLOT S-3, S-4, S-5, S-7 & S-8
UDYOG DEEP INDUSTRIAL AREA
WAIDHAN - 486 886
DISTRICT SINGRAULI, M.P.

KHASARA 381, 382 & 383
JAMUDI GRAM - 484 224
DISTRICT ANUPPUR, M.P.

PLOT NO. B-24/2 & B-25/1
M.I.D.C. INDUSTRIAL AREA
CHANDRAPUR - 442 406
MAHARASHTRA STATE

VILLAGE GARAMSUR
P.O. DUDHALA – 441 103
KATOL TEHSIL, NAGPUR DISTRICT
MAHARASHTRA STATE

SY. NO. 314/2, SAMITHI SINGARAM VILLAGE
NEAR PK.O.C. PROJECT OFFICE
MANUGURU MANDAL & POST-507 117
KHAMMAM DISTRICT
TELANGANA

NO.363, MUSTYALA VILLAGE
P.O. GODAVARIKHANI – 505 209
DISTRICT KARIMNAGAR, TELANGANA

S.Y. No. 178/2,
P.O. HARDI BAZAAR-495 446,
HARDI MURLI ROAD, DISTRICT KORBA,
CHATTISHGARH.

AKASHNAGAR, DEPOSIT 05 & 10,
BACHELI (BAILADILA) - 494 553,
DISTRICT DANTEWADA, CHATTISHGARH.

SY.NO.14/B, DONIMALAI (NARASINGAPURA),
SANDUR TALUK, BELLARY DISTRICT,
KARNATAKA - 583 118.

NOTICE

Notice is hereby given that the Thirty Eighth Annual General Meeting of Keltech Energies Limited will be held on Friday, the 24th July, 2015 at 2.30 PM, at Beaumont Hall, Le Meridian, No.28, Sankey Road, Bangalore-560052 to transact the following business:-

Ordinary Business

1. To receive, consider and adopt the audited Balance Sheet of the Company as at 31st March, 2015 and the Statement of Profit and Loss for the year ended on that date together with the Reports of the Directors and Auditors there on.
2. To declare Dividend for the year ended 31st March, 2015.
3. To appoint Director Shri Umaji V.Chowgule, who retires by rotation and, being eligible, offers himself for re-appointment.
4. To appoint Auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of third Consecutive Annual General Meeting of the Company and to fix their remuneration and to pass the following resolution thereof.

“RESOLVED THAT, pursuant to provisions of Section 139 of the Companies Act, 2013 and the Rules made thereunder, and pursuant to the recommendations of the Audit Committee and approval of the Board of Directors, M/s Haribhakti & Co.LLP, Chartered Accountants, (Registration No.103523W), be and are hereby re-appointed as the Auditors of the Company, to hold the office from the conclusion of the previous year’s Annual General Meeting i.e., Thirty Seventh Annual General Meeting (subject to ratification of the appointment by members at every Annual General Meeting held after this Annual General Meeting) till the conclusion of Thirty Ninth Annual General Meeting and that the Board of Directors be and are hereby re-authorized to fix such remuneration as may be recommended by the Audit Committee in consultation with the Auditors and determined by the Board. ”

Special Business

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

“RESOLVED THAT Shri Kaiyoze Beji Billimoria, who has been appointed as an Additional Director on 23rd January, 2015 under Article 113 of the Articles of Association of the Company who holds office upto this date of this Annual General Meeting pursuant to the provisions of Section 161 of the Companies Act, 2013 (“the Act”) and being eligible, offers himself for reappointment, and in respect of whom the Company has received notices in writing from some members of the Company pursuant to provisions of Section 160 of the Act, along with a deposit of ₹ 1,00,000/- each proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company. ”

6. To approve the remuneration of the Cost Auditor for the financial year 2015-16.

To consider, and, if thought fit, to pass, with or without modifications, the following resolution as an ordinary resolution:

“RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions of the Companies Act, 2013 and the Companies (Audit & Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) Shri Vikas Vinayak Deodhar, Practising Cost Accountant, Membership No. 3813, the Cost Auditor, appointed by the Board of Directors of the Company to conduct audit of the cost records of the Company for the financial year 2015-16, be paid the remuneration of ₹ 60,000/- (Rupees sixty thousand only).

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

By Order of the Board of Directors of
KELTECH ENERGIES LIMITED

SANTOSH L. CHOWGULE
Managing Director
DIN: 00097736

Registered Office:
'EMBASSY ICON', VII FLOOR, No. 3,
INFANTRY ROAD, BANGALORE – 560 001, INDIA
CIN: L30007KA1977PLC031660

Place : Mumbai
Dated : 21st May, 2015

Notes:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself/herself/themselves and the proxy/proxies need not be a/the member(s) of the company. A person can act as a proxy on behalf of members not exceeding fifty (50) shares and holding in the aggregate not more than ten percent of the total share capital of the company. Member holding more than ten percent of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder. Proxies in order to be effective must be deposited at the registered office of the company, duly completed and signed not less than 48 (forty eight) hours before the annual general meeting. Proxies submitted on behalf of the companies, societies etc., must be supported by an appropriate resolution/authority, as applicable.
2. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, which sets out details relating to Special Business to be transacted at the meeting, is annexed hereto.
3. In compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company has also extended e-voting facility, for its Members to enable them to cast their votes electronically on the proposed resolutions in this notice.
4. The period of e-voting shall be from 21st July, 2015 (9.00 A.M) to 23rd July, 2015 (5.00 PM) (both days inclusive), such voting period shall be completed one day prior to the date of the annual general meeting;
5. Register of Members and Share Transfer Books of the Company will remain closed from 18th July, 2015 to 24th July, 2015 (both days inclusive).
6. Those Members who have so far not encashed their Dividend Warrants for the financial years 2008-09, 2009-10, 2010-11, 2011-12, 2012-13 and 2013-14 may immediately approach the Company with their Warrants for revalidation.
7. Members are requested to note that pursuant to amended Clause 5A (II) in the Listing Agreement with the Stock Exchange, the Company is required to transfer all the unclaimed shares into one folio in the name of "Unclaimed Suspense Account" and these share are to be dematerialized and kept with Depository Participants. In compliance of the said Clause, the Company will take necessary steps with the shareholders and will initiate action to transfer the unclaimed shares into one folio in the name "Unclaimed Suspense Account" and dematerialized in due course.
8. The notice of the Thirty Eighth Annual General Meeting and instructions for e-voting, along with the attendance slip/proxy form is being sent by electronic mode to all members whose e-mail addresses are registered with the Company /Depository Participant(s) unless a member has requested for a hard copy of the same. For members who have not registered their e-mail addresses, physical copies of the aforesaid documents are being sent. Members may also note that the notice of the Thirty Eighth annual general meeting and the Annual Report for 2014-15 will be available on the Company's website www.keltechenergies.com
9. Members are requested to
 - i. Notify any change in their registered address at an early date.
 - ii. Quote folio numbers in all their correspondence; and,
 - iii. Bring the copy of their Annual Report and the attendance slip at the Annual General Meeting.

By Order of the Board of Directors of
KELTECH ENERGIES LIMITED

SANTOSH L. CHOWGULE
Managing Director
DIN: 00097736

Registered Office:
'EMBASSY ICON', VII FLOOR, No. 3,
INFANTRY ROAD, BANGALORE – 560 001, INDIA
CIN: L30007KA1977PLC031660

Place : Mumbai
Dated : 21st May, 2015

Information pursuant to Clause 49 of the Listing Agreement regarding appointment of a new Director

Mr. KAIYOZE BEJI BILLIMORIA – Additional Director

Shri Kaiyoze Beji Billimoria, is an Associate Member of Chartered Accountants of India. He is a Consultant by profession, has extensive managerial, legal, accounting, finance and project management experiences. He holds the position of Director in the companies mentioned below:

Name of the Company/ Firm/ Body Corporate	Nature of Interest or concern/ Change in interest or concern	Committee Name & Position
B.E.BILLIMORIA & CO. LTD.	Director	-
BILLIMORIA PROPERTIES PRIVATE LIMITED	Director	-

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

ITEM NO. 5

Shri Kaiyoze Beji Billimoria, was appointed as an Additional Director of the Company on 23rd January, 2015. Pursuant to Section 161 of the Companies Act, 2013 (“the Act”) and Article 113 of the Articles of Association of the Company, Shri Kaiyoze Beji Billimoria holds office up to this Annual General Meeting. Notices in writing under Section 160 of the Act, along with necessary deposit of ₹ 1,00,000/- each have been received from some Members proposing Shri Kaiyoze Beji Billimoria as a candidate for the Office of the Director of the Company. Shri Kaiyoze Beji Billimoria has consented, if appointed, to act as a Director.

Shri Kaiyoze Beji Billimoria, is an Associate Member of Chartered Accountants of India. He is a Consultant by profession, has extensive managerial, legal, accounting, finance and project management experiences. He holds the position of Director in B.E.Billimoria & Co. Ltd., and Billimoria Properties Private Limited. Having regard to the extensive experience and capability of Shri Kaiyoze Beji Billimoria, the Board of Directors desires to have his valuable advice and counsel in the Board. Your Directors commend the resolution for approval of the Shareholders.

No Director or Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, are deemed to be interested and concerned in this resolution.

ITEM NO. 6

Pursuant to the provisions of Sections 148 and other applicable provisions of the Companies Act, 2013 and the Companies (Audit & Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) Shri Vikas Vinayak Deodhar, Practising Cost Accountant, Membership No. 3813, the Cost Auditor, appointed by the Board of Directors of the Company at their meeting held on 21st May, 2015 to conduct audit of the cost records of the Company for the financial year 2015-16. The Board of Directors have recommended the remuneration of ₹ 60,000/- (Rupees sixty thousand only) payable to the said Cost Auditor for conducting cost audit of the Company for the financial year 2015-16. Your Directors commend the resolution for approval of the Shareholders.

No Director or Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, are deemed to be interested and concerned in this resolution.

DIRECTORS' REPORT

To the Members,

The Board of Directors ("Board") of Keltech Energies Limited ("Company") with immense pleasure in presenting their Thirty Eighth Annual Report on the business and operations of the Company and the accounts for the Financial Year ended March 31, 2015. This report is being presented along with the audited financial statements for the year.

I. Financial Performance:

(₹ in lacs, except per share data)

	2014-15	2013-14
Operating Profit	1122.13	1208.82
Less:		
1) Interest	214.48	144.89
2) Depreciation	379.04	172.43
Profit for the year before taxation	528.61	891.50
Less : Provision for taxation - Current Tax	183.79	186.12
- Deferred Tax	(43.51)	296.66
Adjustment on account of transitional provision	46.40	-
Profit after tax	341.93	594.84
Profit for the year available for appropriation		
Appropriations:		
Dividend	25.00	25.00
Tax on Dividend	5.09	4.25
Transfer to General Reserve	325.00	500.00
Balance of Profit / (Loss) brought forward	641.28	575.69
Balance of Profit / (Loss) c/o to Balance Sheet	531.51	641.28

2. Economic and Business Environment:

MANAGEMENT DISCUSSION AND ANALYSIS REPORT / OPERATIONS REPORT OF COMPANY'S PERFORMANCE

The Company during its operations during the year took efforts to optimise the overall performance.

A. EXPLOSIVES DIVISION

The sale of Explosives for the year under review was 43,484 MT valued at ₹ 17,250 lacs as against 34,026 MT valued at ₹ 12,676 lacs of the previous year. The Sales turnover on Explosives increased by 28% in Quantity Terms and 36% in value. This increase was mainly due to commissioning of Company's modern emulsion explosives plant and catering to the Dealer Market segment of business. During the year, the turnover in regard to traded goods and export of finished goods in Explosives sector was ₹ 1,411 lacs as against ₹ 1,320 lacs for the corresponding period of the previous year.

The sale of Detonating Fuse and related products during the year under review was valued at ₹ 760 lacs as against ₹ 733 lacs for the corresponding period of the previous year.

B. PERLITE DIVISION

The sale of Perlite and Perlite based products for the year under review were 9253 MT valued at ₹ 1,510 lacs as against 7,856 MT valued at ₹ 1,267 lacs for the corresponding period of the previous year, registering a growth of 18% in quantity and 19% in value.

The turnover of service contracts during the year under review was ₹ 187 lacs as against ₹ 514 lacs for the corresponding period of the previous year. The export of Perlite products during the year was valued at ₹ 90 lacs as against ₹ 413 lacs for the corresponding period of the previous year. The reduced turn-over in these two sectors significantly affected the profitability.

The operations for the year 2014-15 have resulted in a net profit of ₹ 342 lacs after charging depreciation, interest and tax as against ₹ 595 lacs for the corresponding period of the previous year.

3. INDUSTRIAL REVIEW, THREATS, RISKS AND CONCERNS:

(A) EXPLOSIVES DIVISION

The Explosives Sector registered growth due to wider customer base and addition of Packaged Emulsion Explosives. However other major consumers like Coal India and Singareni Collieries have finalised long term Contracts and there were no new opportunities for break-through in these segments.

In regard to D.Fuse and related products, the demand was consistent and the licenced capacity utilisation was achieved.

(B) PERLITE DIVISION

The Domestic market sale of Expanded Perlite was satisfactory during the year under review. However, there was no significant exports and overseas service contracts due to which the overall performance of this sector was affected.

(C) INDUSTRIAL RELATIONS

The industrial relations during the year under review were cordial and there were no industrial disputes.

(D) CAUTIONARY STATEMENT

The statements, expressions, information given in this Management Discussions and Analysis Report describing the Company's objections, projections, estimates, expectations may be deemed to be as "forward looking statements". Actual results might substantially or materially from those expressed or implied. Important developments that could affect the Company's operations included demand supply conditions. Changes in Government, global economic scenario and such other developments different from Company's comprehension.

(E) OUTLOOK FOR 2015-16

During the current financial year 2015-16, on account of stiff competition coupled, the Explosives Division is expected to be under pressure. The Explosives Accessories Divisions are showing encouraging performance. The Company will consolidate its growth in the new segment of business of Emulsion Explosives. The Company has secured orders for Perlite based Insulation products during the current year 2015-16. The Company has also taken effective steps for implementation of diversification of manufactured perlite performance.

4. DIVIDEND:

The Directors have recommended a Dividend of ₹ 2.50- per share of ₹ 10/- each (25%) on the paid-up Equity Capital of the Company.

5. RESERVES:

A sum of ₹ 531.51 lacs, which is surplus in the statement of Profit and Loss, the Board proposes to carry forward to reserves.

6. DEPOSITS

The Company has not received any deposits during the financial year 2014-15.

7. AUDITORS**A. Statutory Auditors and Auditors' Report**

M/s. Haribhakti & Co. LLP, Statutory Auditors of the Company, have been holding office as Auditors for a term of more than 30 years. The said auditors appointed at the previous Annual General Meeting of the Company held on 25th July, 2014 for a period of three years.

B. Cost Auditors

Pursuant to the provisions of Section 148 of the Companies Act, 2013 and the Companies (Audit & Auditors) Rules, 2014 Shri Vikas Vinayak Deodhar, Practising Cost Accountant, Membership No.3813, the Cost Auditor, appointed by the Company to conduct audit of the cost records of the Company for the financial year 2015-16.

C. Secretarial Auditors

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Shri. Swaroop S, Practising Company Secretary, has been appointed for conducting the Secretarial Audit for the year ended 31st March 2015, and his report is annexed as Annexure I.

8. PARTICULARS OF EMPLOYEES

The total number of employees of the company as on March 31, 2015 was 222 as against 217 as on March 31, 2014.

9. INTERNAL CONTROL

The Company has effective systems and procedures of internal financial control for ensuring orderly and efficient conduct of its business, safeguarding its assets, prevention and detection of frauds and errors, accuracy and completeness of accounting records and timely preparation of reliable financial information. These systems are periodically reviewed by the Audit Committee of the Board of Directors. The Audit Committee and the Board have ensured that the said system is adequate considering the nature of business and size of transactions.

10. CHANGES IN EQUITY SHARE CAPITAL

The Company has not issued any class of shares or debentures during the financial year 2014-15.

11. EXTRACT OF THE ANNUAL RETURN:

The Annual Return in Form No. MGT – 7 is annexed as Annexure 2 to this report.

12. BOARD MEETINGS, BOARD OF DIRECTORS, KEY MANAGERIAL PERSONNEL & COMMITTEES OF DIRECTORS**a. Re-appointment**

Shri Umaji V. Chowgule, [DIN 00018970] retire by rotation at the ensuing Annual General Meeting and is eligible for re-appointment. Pursuant to the provisions of Section 149 of the Companies Act, 2013, the office of independent directors are not liable to retire by rotation and they shall hold office for a term upto five consecutive years on the Board of the Company from 25th July, 2014, as they were appointed at the Annual General Meeting of the Company was held on 25th July, 2014. In view of the above provisions of the Companies Act, 2013, the term of appointment of independent directors will expire by 2018-19th Annual General Meeting of the Company.

b. Appointment

- i. During the year Shri Kaiyoze Beji Billimoria (DIN 00021204) has been appointed as an Additional Independent Director with effect from 23.1.2015 under section 149 of the Companies Act, 2013 and its relevant rules and regulations.
- ii. Ms. Shalu Tibra has been appointed as Company Secretary of the Company with effect from 1st March, 2015.
- iii. During the year Mr. P. Prabhudev has been appointed as Chief Financial Officer of the Company with effect from 1st March, 2015.

Note: Declaration by an Independent Director

A declaration from Shri Kaiyoze Beji Billimoria (DIN 00021204), an Independent Additional Director that he meets the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013 is obtained.

An independent director shall hold office for a term up to five consecutive years on the Board of a Company, but shall be eligible for reappointment for next five years on passing of a special resolution by the Company at the ensuing Annual General Meeting proposed to be held on 24th July, 2015.

c. Board Evaluation

The Board has reviewed and evaluated the performances of all individual directors and the independent directors have reviewed and evaluated the performances of Chairman, Managing Director and non-independent Directors during the year at their meeting held on 23rd January, 2015. They found that none of the board members have not been contravened any of the statutory provisions of Companies Act, 2013 and its relevant rules, regulations, guidelines etc. applicable to them in exercise of their duties and responsibilities.

d. Board Committee

The Company has the following Committees of the Board:

- a. Audit Committee;
- b. Stakeholders Relationship Committee;
- c. Committee of Directors (Share Transfer Committee);
- d. Independent Directors Committee;
- e. Corporate Social Responsibility Committee;
- f. Risk Management Committee; and
- g. Nomination and Remuneration Committee.

The composition of each of the above Committees, their respective role and responsibility is as detailed in the Report of Corporate Governance.

e. Audit Committee

The Audit Committee was constituted in accordance with the requirements of the Listing Agreement. The Audit Committee reports to the Board and is primarily responsible for such activities as stated in the Report of Corporate Governance.

The Audit Committee consists of Shri Harish Jagtiani, Independent Non-Executive Director of the Company acted as Chairman, Ms. Arati Saran, Independent Non-Executive Director and Shri Santosh L.Chowgule, Promoter Executive Director of the Company acted as Members of the Audit Committee. During the year all the recommendations submitted by the Audit Committee were approved by the Board.

f. Vigil Mechanism/ Whistle Blower Policy

The Company has established a Whistle Blower Policy for Directors and employees to report their genuine concern. The details of the same have been explained in the Corporate Governance Report and the same was inserted in the website of the Company.

g. Number of meetings of the Board of Directors

During the year four meetings of Board of Directors were held i.e. on 23rd May, 2014, 25th July, 2014, 17th October, 2014 and on 23rd January, 2015. These meetings were held as per the provision of section 173 of the Companies Act, 2013.

h. Nomination and Remuneration Committee

The Company has constituted a Nomination and remuneration committee during the year.

i. Risk management policy

The Company has formed and implemented a risk management policy for the Company including identification therein of elements of risk, if any, and the same has been inserted in the website of the Company.

13. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

During the year the company has not sanctioned any loans, given securities and made any investments as prescribed under section 186 of the Companies Act, 2013.

14. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

The contracts entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso is disclosed in AOC -2 as mentioned in Annexure 3.

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

The details of conservation of energy, technology absorption, foreign exchange earnings and outgo are as follows:

I. CONSERVATION OF ENERGY (FORM 'A')

This is not applicable to Explosives Industry.

II. ABSORPTION OF RESEARCH AND DEVELOPMENT (FORM 'B')

A) Specific areas in which R&D is carried out by the Company.

- (I) Cost reduction.
- (II) Product and Technology Development for Explosives.
- (III) Technical Services to monitor use of Explosives by Customers.
- (IV) Development of value added Explosive products.
- (V) Development of improved and more efficient equipment.
- (VI) Refinements and Developments in Packaging.
- (VII) Product Development in relation to application of Explosives and Perlite.

B) Benefits derived as a result of the above R & D:

- (I) Introduction of products for difficult blasting conditions.
- (II) Setting up of production facilities with indigenous Plant Equipment for Bulk and Packaged Explosives.
- (III) Higher efficiency in use of Explosives to Customers.
- (IV) Higher efficiency in manufacturing process.
- (V) Reduction in cost of production.
- (VI) Entry into Export market.
- (VII) New applications of our Explosives.
- (VIII) Application of perlite concrete for cryogenic tanks.
- (IX) Development of Air Decking system for blasting in boreholes.
- (X) Export of Perlite Concrete Insulation Blocks.
- (XI) Overseas Contracts deploying Mobile Perlite Expanders.

C) Future Plan of Action:

- (I) Continue development work on Explosives.
- (II) Evaluate other systems for SMS.
- (III) Develop site applications using perlite.
- (IV) Explore new products for diversification.

D) Expenditure on R & D:

(I) Capital	-	Nil.
(II) Recurring	-	₹ 26.86 lacs.
(III) Total	-	₹ 26.86 lacs.
(IV) Total R & D expenditure as a % total turnover	-	0.13 %

TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION

- Efforts, in brief, made towards technology absorption, adaptation and innovation: Strict Monitoring of emulsion explosives and making necessary improvements to meet the field requirements.
- Benefits derived as a result of the above efforts e.g. product improvement, cost reduction, product development, import substitution etc.

Emulsion products with fully indigenous equipments have been produced and supplied. These products have been well accepted by customers for use in difficult strata conditions.

Safety standards have been maintained, both during manufacture and usage, based on periodic feed back.

- In case of imported technology (imported during the last five years reckoned from the beginning of the financial year) following information may be furnished.

- | | | |
|---|---|----------------|
| (i) Technology imported : | } | Not Applicable |
| (ii) Year of import: | | |
| (iii) Has the technology been fully absorbed? | | |
| (iv) If not fully absorbed, areas where this has not taken place, reasons there for and future plan of action | | |

III. FOREIGN EXCHANGE EARNING AND OUTGO

a. Activities relating to exports, etc	The Company has exported goods worth ₹ 1627.27 lacs (C & F) during the year
b. Total Foreign exchange used and earned	The Company has used Foreign Exchange amounting to ₹ 61.57 lacs and earned ₹ 1627.27 lacs during the year.

16. CORPORATE SOCIAL RESPONSIBILITY (CSR)

The disclosure as per Rule 9 of Companies (Corporate Social Responsibility Policy) Rules, 2014 the Company was required to spend a sum of ₹ 15.42 lacs towards Corporate Responsibility Policy and accordingly the Company has spent the same.

17. CORPORATE GOVERNANCE CERTIFICATE

The Corporate Governance certificate received from M/s.Haribhakti & Company LLP, Chartered Accountants, Mumbai regarding compliance of conditions of corporate governance as stipulated in Clause 49 of the Listing agreement is annexed with the report.

18. DIRECTORS' RESPONSIBILITY STATEMENT

Your Company's Directors make the following statement in terms of sub-section (5) of Section 134 of the Companies Act, 2013, which is to the best of their knowledge and belief and according to the information and explanations obtained by them -

- The financial statements have been prepared in conformity with the applicable Accounting Standards and requirements of the Companies Act, 2013, ("the Act") to the extent applicable to the Company; on the historical cost convention; as a going concern and on the accrual basis. There are no material departures in the adoption of the applicable Accounting Standards.

- II. The Board of Directors 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 of the Company for that period.
- III. The Board of Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- IV. The Board of Directors have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- V. The Board of Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.
- VI. The financial statements have been audited by M/s. Haribhakti & Company LLP, Chartered Accountants, Mumbai, the Company's Auditors.

19. CORPORATE SOCIAL RESPONSIBILITY (CSR) INITIATIVES

As part of its Corporate Social Responsibility (CSR) initiatives, the Company has complied in accordance with Schedule VII of the Companies Act, 2013.

20. INSIDER TRADING REGULATIONS

Based on the requirements under SEBI (Prohibition of Insider Trading) Regulations, 1992, as amended from time to time, the code of conduct for prevention of insider trading and the code for corporate disclosures ("Code"), as approved by the Board from time to time, are in force by the Company. The objective of this Code is to protect the interest of shareholders at large, to prevent misuse of any price sensitive information and to prevent any insider trading activity by dealing in shares of the Company by its Directors, designated employees and other employees. The Company also adopts the concept of Trading Window Closure, to prevent its Directors, Officers, designated employees and other employees from trading in the securities of the Company at the time when there is unpublished price sensitive information.

No other material changes and commitments affecting the financial position of the Company has occurred between April 1, 2015 and the date of signing of this Report.

21. LISTING FEES

The Company confirms that it has paid the annual listing fees for the year 2015-16 to BSE Limited, Mumbai.

22. ACKNOWLEDGEMENTS

Your Directors place on record their thanks to the Canara Bank for their unstinted co-operation and timely assistance. Your Directors would like to make a special mention of the support extended by the various Departments of Government of India, the State Government agencies, the Tax Authorities including the Customs and Excise Departments, Ministry of Corporate Affairs, Securities and Exchange Board of India and others and look forward to their continued support in all future endeavors.

The Directors acknowledge the support and co-operation extended by valued customers of the Company. Your Directors also place on record their appreciation for the dedicated services rendered by the employees at all levels during the year under review.

For and on behalf of the Board of Directors

Place : Mumbai
Date : 21st May, 2015

Ashok V Chowgule
Chairman

SWAROOP S
PRACTISING COMPANY SECRETARY
216, Maruthi Nilaya, 4th Cross, Cubbonpet, Bangalore 560002
Tel: 080 41723831
Email: swaroop@srlegal.in
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31st March 2015

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

FORM NO. MR. 3

To,

The Members of Keltech Energies Limited

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Keltech Energies Limited (hereinafter called the “Company”). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my/our verification of the Company’s books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on March 31, 2015, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance- mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder; which have been notified and the Companies Act, 1956 which are still in force;
- (ii) The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’):-
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - d. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client.
- (vi) The other laws as applicable to the Company, as per Para I of Annexure hereto.
I/we have also examined compliance with the applicable clauses of the following:
 - (i) Secretarial Standards issued by The Institute of Company Secretaries of India.

(ii) The Listing Agreement entered into by the Company with Bombay Stock Exchange;

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, as mentioned.

I further report that

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

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

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

Place : Bangalore
Date : 15.05.2015

SWAROOP S
ACS No. 27907
C P No. 9997

Extract of Annual Return as on the financial year ended on March 31, 2015 – MGT-7

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. Registration and Other Details:

Particulars	Details
CIN	L30007KA1977PLC031660
Date of Incorporation	30.08.1977
Name of the Company	KELTECH ENERGIES LIMITED
Category of Company	Public Company - Company having share capital
Registered Office and contact information	'EMBASSY ICON', VII FLOOR, No. 3, INFANTRY ROAD, BANGALORE 560 001 Tel: 080 22251451, Website:www.keltechenergies.com Email: radhakrishna@keltechenergies.com
Listing Status	Listed in BSE Limited, Mumbai
Details of the Registrar and Transfer Agent	Canbank Computer Services Ltd - (Subsidiary of Canara Bank) # 218, 1st Floor, J P Royale ,2nd Main, Sampige Road, Malleswaram, Bangalore - 560 003.Tel : 080 - 23469661 / 62/ 64/ 65 Website:www.ccsil.co.in, Email: ravi@ ccsil.co.in

II. Principal Business Activities of the Company

Sl. No	Name and Description of main products / services	ITC HS Code of the Product/ service	% to total turnover
1.	Explosives	360200.09	92%
2.	Perlite	2530.10	8%
Total			100.00%

III. Particulars of Holding, Subsidiary and Associate Companies – NIL

IV. Shareholding Pattern (Equity Share Capital Breakup as % to Total Equity)

The details of shareholding is furnished in the Corporate Governance Report.

V. Indebtedness

Indebtedness of the Company including interest outstanding/accrued but not due for payment

(₹ in lacs)

Particulars	Secured Loans	Unsecured Loans	Deposits	Total Indebtness
Indebtedness at the beginning of the financial year	857.13	1076.02	0	1933.15
(i) Principal	855.05	1076.02	0	1931.07
(ii) Interest due but not paid	0	0	0	0
(iii) Interest accrued but not due	2.08	0	0	2.08
Total (i+ii+iii)	857.13	1076.02	0	1933.15
Change in Indebtedness during the financial year				
Addition	0	0	0	0
Reduction	267.72	54.25	0	321.97
Net Change	267.72	54.25	0	321.97
Indebtedness at the end of the financial year	743.87	1021.77	0	1765.64
(i) Principal	742.97	1021.77	0	1764.74
(ii) Interest due but not paid	0	0	0	0
(iii) Interest accrued but not due	0.90	0	0	0.90
Total (i+ii+iii)	743.87	1021.77	0	1765.64

VI. Remuneration of Directors and Key Managerial Personnel

Remuneration to Managing Director

Sl. No.	Particulars of Remuneration	Santhosh L Chowgule (Amount in Rs in lacs)
1.	Gross Salary (1) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 including perquisites.	44.30
2.	Others	-
	Total	44.30

VII. Penalties / Punishment/ Compounding of Offences

There were no penalties or punishments levied on the Company during the year. Also, there was no necessity for the Company to compound any offence.

For and on behalf of the Board of Directors

Place : Mumbai
Date : 21-05-2015

Ashok V Chowgule
Chairman

Details of Related Party Transactions - Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies(Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto

I. Details of material contracts or arrangement or transactions at arm's length basis

a) Name(s) of the related party and nature of relationship	Chowgule Brothers Pvt.Ltd.
b) Nature of contracts/arrangements/transactions	Services rendered
c) Duration of the contracts / arrangements/transactions	Annual basis.
d) Salient terms of the contracts or arrangements or transactions including the value, if any:	₹ 1.31 lacs.
e) Date(s) of approval by the Board, if any:	17-10-2014
f) Amount paid as advances, if any:	Nil.

a) Name(s) of the related party and nature of relationship	Chowgule Construction Chemicals Pvt.Ltd.
b) Nature of contracts/arrangements/transactions	Sale of Perlite
c) Duration of the contracts / arrangements/transactions	Annual basis.
d) Salient terms of the contracts or arrangements or transactions including the value, if any:	₹ 25.94 lacs.
e) Date(s) of approval by the Board, if any:	17-10-2014
f) Amount paid as advances, if any:	Nil.

For and on behalf of the Board of Directors

Place : Mumbai
Date : 21-05-2015

Ashok V Chowgule
Chairman

REPORT ON CORPORATE GOVERNANCE

The Directors' Report on the compliance of the Corporate Governance is given below:

I. Corporate Governance:

1.1 Company's Philosophy on Corporate Governance:

The Company has ingrained the objectives of good quality Corporate Governance, which will lead to creation of value for all its stakeholders. The Company adopts the best of the Corporate Governance practices in its spirit, whereby the highest level of transparency, accountability and equity is maintained at all levels of its operations. The Company policies are drawn keeping in mind the interest of all its stakeholders and with an ultimate objective of creation of wealth for its stakeholders.

By following good corporate governance practices, the Company ensures transparency in its policies, processes, reporting and decision making processes. The Company emphasizes on effective and efficient accounting system, internal control mechanism and planning process. The practices adopted by the Company emphasize that all the resources are utilized optimally and effectively so that the Company grows from strength to strength and creates wealth for its stakeholders.

2. Board of Directors:

2.1 Composition:

As at the end of the financial year 2015, the total Board strength comprises of the following:

Promoter Directors – Executive	1
Promoter Directors – Non Executive	2
Non Promoter Directors – Non Executive	4
Total Strength	7

Under Clause 49 I (A) (ii) of the Listing Agreement with the stock exchange, since the Chairman of the board is a non-executive promoter director, the Company is required to have at least one-half of the Board of the company as independent directors. The Company has complied with the above requirements.

2.2 Meetings, attendance and proceedings etc. of the Board Meeting:

During the year 4 Board meetings were held on 23rd May, 2014, 25th July, 2014, 17th October, 2014 and 23rd January, 2015. Last Annual General Meeting (AGM) was held on 25th July, 2014. The attendance of the Directors at the Board meeting and AGM is as under:

Sr. No	Name of the Director	Category	Number of Board Meetings attended	Attendance at last AGM
1	Shri Ashok V.Chowgule	Non Executive Promoter (Chairman)	4	Yes
2	Shri H.C.Asher	Non Executive Independent	4	Yes
3	Shri Harish Jagtiani	Non Executive Independent	4	Yes
4	Shri Umaji V.Chowgule	Non Executive	3 (*)	Yes
5	Ms. Arati Saran	Non Executive Independent	4	Yes
6	Shri Kaiyoze B.Billimoria (from 23.01.2015)	Additional Independent Director	1	N.A.
7	Shri Santosh L.Chowgule	Executive-Promoter	4	Yes

(*) Leave of Absence was taken.

2.3 Other Directorships etc:

The details of the Directorships, Chairmanships and the Committee memberships in other Companies (excluding Private Limited Companies, Foreign Companies and Section 8 Companies, under Companies Act, 2013) held by the Directors as on 31st March, 2015, are given below:

Sr. No.	Name of the Directors	No. of other Public Company Directorships	No. of Committee Membership in other Public Company*	
1	Shri Ashok V. Chowgule	3 – BM	0 – CM	2 - CC
2	Shri H.C. Asher	7 – BM	11 – CM	5 - CC
3	Shri Harish Jagtiani	1 – BM	2 – CM	4 - CC
4	Shri Umaji V. Chowgule	1 – BM	2 – CM	0 - CC
5	Ms. Arati Saran	5 – BM	3 – CM	2 - CC
6	Shri Kaiyoze B.Billimoria	1 – BM	2 – CM	0 - CC
7	Shri Santosh L.Chowgule	1 – BM	5 – CM	0 - CC

BM – Board Member. CM – Committee Member. CC – Chairman of the Committee.

* This relates to Committees referred to in clause 49 of the Listing Agreement & Companies Act, 2013, viz. Audit Committee, Stakeholders Responsibility Committee, Risk Management Committee, Share Transfer Committee (Committee of Directors), Independent Directors Committee, Corporate Social Responsibility Committee, Nomination and Remuneration Committee.

The Number of Directorships, Chairmanships and the Committee memberships of each Director is in compliance with the relevant provisions of the Companies Act, 2013 and the listing agreement.

2.4 Compensation and Remuneration:

(a) Remuneration to Managing Director:

Shri. Santosh L.Chowgule has been appointed as Managing Director of the Company for a period of five years with effect from 29th April, 2014. The details of the remuneration paid from 1st April, 2014 to 31st March, 2015 are as under:

Salary (Including perquisites)	₹ 37.26 lacs
Contribution to Provident Fund	₹ 3.13 lacs
Contribution to Superannuation Fund	₹ 3.91 lacs
* Total	₹ 44.30 lacs
Number of shares held in the Company	Nil

* Exclusive of contribution to gratuity and leave encashment

(b) Details of sitting fees paid to each of the Non Executive Directors and number of shares held during the year.

Sr. No.	Name of the Directors	Sitting fees paid during the financial year	Number of shares held in the Company
1	Shri Ashok V.Chowgule	₹ 1,20,000/-	20
2	Shri H.C.Asher	₹ 90,000/-	-
3	Shri Harish Jagtiani	₹ 1,60,000/-	-
4	Shri Umaji V.Chowgule	₹ 50,000/-	-
5	Ms.Arati Saran	₹ 1,10,000/-	-
6	Shri Kaiyoze B.Billimoria	₹ 20,000/-	-

2.5 Code of Conduct

The Board of Directors have adopted the CODE OF CONDUCT to be observed by all the Directors and Senior Management while executing their official duties and responsibilities. All Directors and designated senior management cadre of the Company have affirmed compliance of the Code of Conduct. The declaration is signed by the Managing Director to that effect and is attached at the end of this report.

The Code of Conduct is posted on the website of the Company.

3. Audit Committee

The Company’s Audit Committee functions under the Chairmanship of Shri Harish Jagtiani (Non Executive Independent Director), and the members are Ms. Arati Saran (Non Executive Independent Director) and Shri Santosh L.Chowgule (Executive Promoter Director). All the members have the requisite financial and accounting background. Shri P. Prabhudev, Dy.General Manager (F&A), is the Secretary to the Audit Committee. During the year 4 Audit Committee Meetings were held on 23rd May, 2014, 25th July, 2014, 17th October, 2014 and 22nd January, 2015. The attendance details of the committee members are as under:

Sr No	Name of the Directors	Number of Meetings attended
1	Shri Harish Jagtiani	4
2	Ms. Arati Saran	4
3	Shri Santosh L.Chowgule	4

Shri V.N.Pangal, Director (Operations), Statutory Auditors M/s.Haribhakti & Company LLP, Chartered Accountants, Mumbai, Internal Auditors, M/s. B.P. Rao & Company, Chartered Accountants, Bangalore and M/s. Kumar & Jayakrishnan, Chartered Accountant, Nagpur, were invited to attend the meetings. The powers and terms of reference of the committee are as specified in Clause 49 of the Listing Agreement with the Stock Exchanges.

4. Independent Directors Committee:

As required under Schedule IV, Section 149(8) of the Companies Act, 2013 the Company has complied the said provisions and formed an Independent Directors Committee. The said Committee consists of (1) Shri Harish Jagtiani, Non-Executive Independent Director, Chairman of the Independent Directors Committee; (2) Shri H.C. Asher, Non-Executive Independent Director, (3) Ms. Arati Saran, Non-Executive Independent Director and (4) Kaiyoze Beji Billimoria, Non-Executive Independent Director of the Company are members of the Independent Directors Committee.

The brief terms of reference of this Committee includes review the performance and participation of individual non-independent directors and promoter non-executive directors and accordingly reviewed the same at their meeting held on 23.01.2015. The attendance details of the committee members are as under:

Sr No	Name of the Directors	Number of Meetings attended
1	Shri H.C.Asher	1
2	Shri Harish Jagtiani	1
3	Ms.Arati Saran	1
4	Shri Kaiyoze Beji Billimoria	1

5. Share Transfer Committee (Committee of Directors):

As required under Clause 49 of the Listing Agreement, the Board has a duly constituted Share Transfer Committee (Committee of Directors) comprising of (1) Shri Ashok V.Chowgule, Non-Executive Promoter Director, Chairman of the Share Transfer Committee; (2) Shri Umaji V.Chowgule, Non-Executive Promoter Director and

(3) Shri Santosh L.Chowgule, Promoter Executive Director are the members of Share Transfer Committee .The said Committee authorised to review and approve transfer of shares, issue of duplicate share certificates, transmission, name deletion, sub-division, rematerialisation of shares request received from the shareholders. The Committee shall meet regularly from time to time for the above purpose, to ensure a prompt return of securities to the shareholders.

The Share Transfer Committee met 9 (nine) times during the year under review on 23.4.2014, 15.5.2014, 30.6.2014, 18.7.2014, 30.9.2014, 14.10.2014, 10.11.2014, 31.12.2014 and 4.2.2015. The attendance of the members is shown in the table below: Neither any share transfers nor any requests for demat was pending as on 31st March, 2015.

Sr. No.	Name of Directors	No. of meetings attended
1.	Shri Ashok V.Chowgule	8
2.	Shri Umaji V.Chowgule	1
3.	Shri Santosh L.Chowgule	9

6. Stakeholders Responsibility Committee:

As required under Clause 49 of the Listing Agreement, the Board has a duly constituted Stakeholders Responsibility Committee consisting of (1) Ms.Arati Saran, Non-Executive Independent Director, Chairperson of the Committee; (2) Shri Harish Jagtiani, Non-Executive Independent Director, (3) Shri H.C.Asher, Non Executive Independent Director and (4) Shri Santosh L.Chowgule, Executive Promoter Director are the members of the Stakeholders Responsibility Committee. The Stakeholders Responsibility Committee was constituted to specifically look into the redressal of Investors' complaints relating to the transfer of shares, non-receipt of Annual Reports and non receipt of dividends declared by the Company etc. During the year ended 31st March, 2015, the Company has not received any query, complaint / grievance from its Shareholders. Thus, no complaints are pending as on 31st March, 2015.

No shares were pending for transfer, transmission, name deletion, consolidation, sub-division, issue of duplicates and rematerialisation of shares as at 31st March, 2015. This Committee met on four occasions during the financial year on 23.05.2014, 25.07.2014, 17.10.2014 and 23.01.2015. The attendance details of the committee members are as under:

Sr No	Name of the Members	No. of meetings attended
1	Shri H.C.Asher	4
2	Shri Harish Jagtiani	4
3	Ms.Arati Saran	3
4	Shri Santosh L.Chowgule	4

7. Secretary to Audit Committee and Compliance Officer:

Shri P.Prabhudev, Chief Financial Officer acted as Secretary to the Audit Committee and Ms.Shalu Tibra, Company Secretary is Compliance Officer, her email id is shalu@keltechenergies.com.

8. Risk Management Committee:

As per the norms of Corporate Governance, the Company was required to constitute a Risk Management Committee. Accordingly, the company has constituted the said Committee and nominated Shri Harish Jagtiani, Non-Executive Independent Director acted as a Chairman of the committee, Shri H.C.Asher, Non-Executive Independent Director, Ms.Arati Saran, Non-Executive Independent Director and Santosh L. Chowgule, Executive Promoter Director of the Company acted as members of the Committee.

9. Nomination & Remuneration Committee.

As per Section 178 of the Companies Act, 2013, the Company was required to constitute a Nomination and Remuneration Committee for the purpose of identifying qualified persons for appointment of Directors and Senior/ key Managerial Personnel in future and to fix their remuneration and other allowances. Accordingly, the Company has constituted a Nomination and Remuneration Committee consists of S/Shri H.C.Asher, Harish Jagtiani, Ms.Arati Saran, Independent Non-Executive Directors of the Company and Santosh L.Chowgule, Promoter Executive Director, Shri Harish Jagtiani, Independent Non-Executive Director acted as a Chairman of the Committee and Shri H.C.Asher, Ms.Arati Saran and Santosh L.Chowgule, acted as Members of the Committee at their meeting held on 23.1.2015. The attendance details of the committee members are as under:

Sr No	Name of the Directors	Number of Meetings attended
1	Ms. Arati Saran	
2	Shri H.C.Asher	
3	Shri Harish Jagtiani	
4	Shri Santosh L. Chowgule	

10. Corporate Social Responsibility Committee:

As per Section 135 of the Companies Act, 2013, the Company was required to incur an expenditure of 2% of the average net profits of the Company made during the three immediate preceding financial years for social activities specified under the said provision and also to constitute a Committee for ensuring the said activities to be undertaken by the Company in a systematic manner. Accordingly, the Board has formed a Committee consisting of Shri Harish Jagtiani, Independent Non-Executive Director acted as Chairman of the Committee and S/Shri Umaji V. Chowgule Non-Executive Promoter Director and Santosh L. Chowgule, Executive Promoter Director of the Company acted as members of the Committee at their meeting held on 23rd May, 2014. The attendance details of the committee members are as under:

Sr No	Name of the Directors	Number of Meetings attended
1	Shri Harish Jagtiani	
2	Shri Umaji Chowgule	
3	Shri Santosh L. Chowgule	

11. General Body Meetings:

11.1 Annual General Meeting (AGM)

The Company convenes AGM generally within four months of the close of the financial year. The details of Annual General Meetings held in last 3 years are as follows:

Day	Date	Time	Venue	Whether Special Resolution Passed
Friday	25-07-2014	2.30 PM	Dominion Hall, Le Meridien, No.28, Sankey Road, Bangalore-560052.	Yes, Resolutions under Sections 139, 148, 149, 152, 196 to 203 of the Companies Act, 2013 for appointment of Auditors, fixation of cost Auditor's Remuneration, Appointment of Independent Directors and Managing Director.
Monday	08-07-2013	03.00 PM	Beaumont Hall, Le Meridien, No.28, Sankey Road, Bangalore-560052.	Yes. Resolution under Sec.293(1) (d) of the Companies Act, 1956 to enhance Borrowing power of the Company from ₹ 50 crores to ₹ 100 crores.
Friday	20-07-2012	03.00 PM	Beaumont Hall, Le Meridien, No.28, Sankey Road, Bangalore - 560052.	No.

11.2 Extra Ordinary General Meeting:

In addition to AGM, the Company holds General Meetings of the shareholders as and when need arises. There was no such meeting held during the year.

11.3 Postal Ballot:

No special resolution requiring approval by postal ballot was either proposed last year or is being proposed for at the ensuing AGM

12. Disclosures:

- 12.1 There were no instances of non-compliance on any other matter related to the capital market, during the last three years
- 12.2 There are no material significant related party transactions, which may have potential conflict with the interest of the Company
- 12.3 The Company has complied with all the mandatory requirements prescribed under Clause 49 of the Listing Agreement. However the Company is in the process of adopting the non mandatory requirements.
- 12.4 There has been no instance of non-compliance by the Company on any matter related to capital markets during the last three years. Hence, the question of penalties or strictures being imposed by SEBI or the Stock Exchanges or any Statutory Authority does not arise
- 12.5 Vigil Mechanism/Whistle Blower Policy : Though the Company did not have formal Vigil Mechanism/Whistle Blower Policy till end of Financial year 2013-14, in order to maintain highest standard of ethical, moral, and legal conduct, it always encouraged its employee to come forward and express their concerns without fear of punishment or unfair treatment, if they suspect any misconduct. However, in terms of Section 177(9) of the companies Act 2013, being a listed company, the company has formally adopted Vigil Mechanism/Whistle Blower policy at its meeting of Board of Directors of the Company held on 23rd January, 2015 to provide an avenue to its employees to raise concern of any violations of legal and regulatory requirements, incorrect or misrepresentation of any financial statements and reports etc. An audit committee of the company shall oversee the said mechanism from time to time. None of the Company personnel has been denied access to the Audit Committee.
- 12.6 During the year the Company has laid procedures to inform Board members about risk assessment and minimization. These procedures will be periodically reviewed to ensure control of risk through a properly defined framework.

13. Means of Communication:

The quarterly, half yearly and yearly financial results of the Company are sent to the Stock Exchanges immediately after these are approved by the Board. These are widely published in the Sanje Vani and Financial Express. These results are simultaneously posted on the website of the Company at www.keltechenergies.com.

14. General Shareholders' Information

- 14.1 Registered Office : Keltech Energies Ltd.
7th Floor, 'Embassy Icon', No.3, Infantry Road,
Bangalore-560001, Karnataka.
Phone : 080-22251451/22257900,
Fax : 080-22253857
E.Mail : info@keltechenergies.com
Website: www.keltechenergies.com

- 14.2 Address for Correspondence: As above.

14.3 Plant Locations:

1. Vishwasnagar-Karnataka
2. Donimalai-Karnataka
3. Waidhan-Madhya Pradesh
4. Anuppur-Madhya Pradesh
5. Chandrapur-Maharashtra
6. Garamsur-Maharashtra
7. Manuguru – Telangana
8. Godavarikhani, Telangana
9. Korba-Chattishgarh
10. Bachel-Chattishgarh

14.4 Share Transfer Agents:

M/s.Canbank Computer Services Ltd.,
R & T Center, No.218, JP Royale,
1st Floor, 2nd Main, Sampige Road,
Malleshwaram, Bangalore-560003.
Contact Persons :S/Shri Ravi and S.Naidu.
Ph.080-23469661/62.
Fax.080-23469667/68.
E.Mail : ravi@ccsl.co.in; naidu@ccsl.co.in

14.5 Annual General Meeting:

Day & Date: Friday, 24th July, 2015
Time: 2.30 PM
Venue: Beaumont Hall, Le Meridian,
No.28, Sankey Road, Bangalore-560052.

14.6 Book Closure:

18th July, 2015 to 24th July, 2015 (inclusive of both days)

14.7 Dividend for the financial year 2014-15 will be paid to the members of the Company within 30 days from 24th July, 2015 i.e., date of Annual General Meeting.

14.8 Listing of Shares & Other Securities:**(a) Equity Shares**

At present equity share are listed at the following Stock Exchange

Name of the Stock Exchange	Stock Code / Symbol
(i) Bombay Stock Exchange Ltd.	506528 58888 : BSE

(b) Debentures : NIL**(c) GDRs - NIL**

(d) ISIN Code for the Company's equity share : INE881E01017.

(e) Corporate Identity Number (CIN) : L30007KA1977PLC031660.

14.9 Listing Fees:

The Company has paid listing fee up to 31.3.2015 to Bombay Stock Exchange Ltd. and Bangalore Stock Exchange Ltd., where the Company's shares are listed.

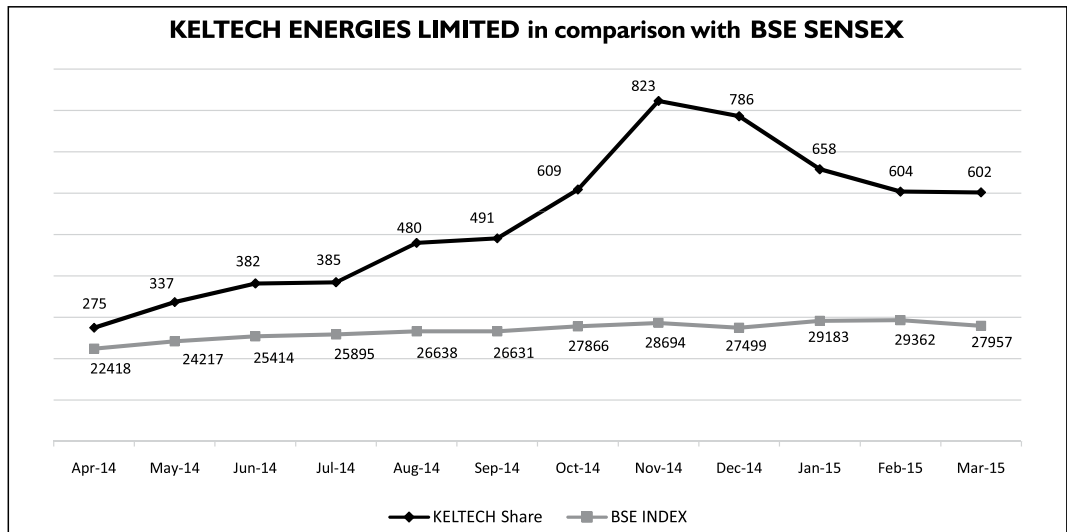
KELTECH ENERGIES LIMITED

14.10 Market Price Data:

The High / low market prices of the shares during the year at Bombay Stock Exchange Ltd. were as under:

Month	The Bombay Stock Exchange Ltd. High / Low (₹)	
April	300.50	243.20
May	377.00	251.00
June	459.75	313.05
July	414.20	331.00
August	480.05	356.00
September	587.85	481.00
October	609.45	490.00
November	940.90	613.00
December	864.40	655.00
January	850.00	631.00
February	688.00	501.00
March	759.50	588.00

14.11 Performance in comparison to broad based indices:



14.12 Distribution of Shareholding:

The shareholding distribution of equity shares as on 31st March, 2015 is given below:

Shareholding of Nominal Value of		Shareholders in Number	No. of shares	% to Total
₹	₹			
Upto 5000		2857	262016	26.20
5001	10000	68	52604	5.26
10001	20000	26	41360	4.14
20001	30000	5	12585	1.26
30001	40000	4	13476	1.35
40001	50000	1	5000	0.50
50001	100000	8	62340	6.23
100001	And above	4	550619	55.06
Total		2973	1000000	100.00

14.13 The Shareholding pattern of different categories of the shareholders as on 31st March, 2015 is furnished below:

Category	No. of shares	% Shareholding
Promoters/persons acting in concert	535639	53.563
Banks, Financial Institution, Insurance Companies etc.	1400	0.14
Private Corporate Bodies	43547	4.355
NRIs / OCBs	2092	0.210
Mutual Funds & UTI	-	-
Indian Public	417322	41.732
Total	1000000	100.00

14.14 Dematerialisation of Shares

The Company has issued 10,00,000 equity shares after its incorporation. As on 31.3.2015, 8,53,929 shares i.e. 85.39% 1721 Shareholders were held in dematerialised form with National Securities Depository Ltd. and Central Depository Securities Ltd. and 1,46,071 shares i.e. 14.61% 1252 shareholders were held in physical form. The Company is exploring possibilities of 100% demat of its shares.

14.15 Reconciliation of Share Capital Audit

The Reconciliation of Share Capital Audit has been conducted by a qualified Practicing Company Secretary viz. Shri Swaroop S., ACS-27907, C.P.No.9997, whose office situated at 'Maruthi Nilaya', No.216, 4th Cross, Cubbonpet, Bangalore-560002, conducts an audits on a quarterly basis and issues the Reports for onward submission to Stock Exchanges as per SEBI Guidelines. Accordingly, the Company has submitted the same on quarterly basis to Bangalore and Bombay Stock Exchanges within the prescribed time.

14.16 Share Transfer System

The Company has nominated an agency viz. M/s.Canbank Computer Services Ltd., a Subsidiary of Canara Bank, Registrars and Share Transfer Agents, whose office is situated at R & T Center, No.218, J.P.Royale, 1st Floor, 2nd Main, Sampige Road, Malleshwaram, Bangalore-560 003, Karnataka, who are Category-I RTA, well equipped with sufficient infrastructures for the purpose of Share Transfers, Transmission, Consolidations, sub-divisions and rematerialisation etc.

14.17 Financial Calendar 2015:

First quarterly results	:	July, 2015
Second quarterly / half yearly results	:	October, 2015
Third quarterly results	:	January, 2016
Annual results for the year ending 31.3.2016	:	May, 2016
Annual General Meeting for the year ending 31.3.2016	:	July, 2016

The Company adopts financial Calendar year as 1st April to 31st March of every calendar year.

14.18 Dividend History of last 5 years is as under:

Financial Year	Dividend	Final Dividend Rate	Total Dividend Rate	Dividend Amount
2013-14	Declared at AGM	25%	25%	25,00,000/-
2012-13	-do-	25%	25%	25,00,000/-
2011-12	-do-	25%	25%	25,00,000/-
2010-11	-do-	25%	25%	25,00,000/-
2009-10	-do-	25%	25%	25,00,000/-

15. Management Responsibility Statement:

The Management confirms that the financial statements are in full conformity with requirements of the Companies Act, 2013 and the Generally Accepted Accounting Principles (GAAP) in India. The Management accepts responsibility for the integrity and objectivity of these financial statements as well as for estimates and judgments relating to matters not concluded by the period end. The management believes that the financial statements of operation reflect fairly the form and substance of transactions and reasonably present the Company's financial condition and the results of operations. The Company has a system of internal control, which is reviewed, evaluated and updated on an ongoing basis. The Internal Auditors have conducted periodic audits to provide reasonable assurance that the Company's established policy and procedures have been followed.

Declaration regarding compliance by Board members and Senior Management Staff With the Company's Code of Conduct.

This is to confirm that the Company has adopted a Code of Conduct for its Board of Directors and Senior Management Staff of the Company. The Code of Conduct is available on the Company's website.

We confirm that the Company has in respect of the Financial Year ended 31st March, 2015, received from the Senior Management Staff of the Company and the Members of the Board a declaration of compliance with the Code of Conduct applicable to them.

For the purpose of this declaration, Senior Management Staff means the staff one level below the Director as on 31st March, 2015.

Santosh L. Chowgule
Managing Director

V.N. Pangal
Director (Operations)

Place : Mumbai
Date : 21st May, 2015

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To The Members of
Keltech Energies Limited

We have examined the compliance of conditions of Corporate Governance by Keltech Energies Limited, for the year ended on March 31, 2015 as stipulated in clause 49 of the Listing Agreement of the said Company with stock exchanges.

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the company for ensuring the compliance of the conditions of 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 we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

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

For **HARIBHAKTI & CO. LLP.**

Chartered Accountants

Firm Registration No. I03523W

CHETAN DESAI

Partner

Membership No. 17000

Place : Mumbai

Date : 21st May, 2015

INDEPENDENT AUDITORS' REPORT

To the Members of Keltech Energies Limited

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls and ensuring their operating effectiveness and the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2015, its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c. The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - f. On the basis of written representations received from the directors as on March 31, 2015, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015 from being appointed as a director in terms of Section 164 (2) of the Act;
 - g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - (i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 28 on the financial statements;
 - (ii) The Company did not have any derivative contract. In respect of other long term contracts, provision for material foreseeable losses, if any, has been made if required under relevant accounting standards;
 - (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **HARIBHAKTI & CO. LLP**
Chartered Accountants
Firm Registration No. I03523W

CHETAN DESAI
Partner
Membership No. 17000

Place : Mumbai
Date : 21st May, 2015

ANNEXURE TO INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph I under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the members of Keltech Energies Limited on the financial statements for the year ended 31st March, 2015]

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) All the fixed assets have not been physically verified by the Management during the year, but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. As informed, no material discrepancies were noticed on such verification
- (ii) (a) The inventory (excluding stocks lying with third parties) has been physically verified by the management during the year. In respect of inventory lying with third parties, these have substantially been confirmed by them. In our opinion, the frequency of verification is reasonable.
- (b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) The Company is maintaining proper records of inventory. As informed no material discrepancies were noticed on physical verification carried out during the year.
- (iii) As informed, the Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under Section 189 of the Act. Accordingly, the provisions stated in paragraph 3 (iii) (a) and 3 (iii)(b) of the Order are not applicable.
- (iv) In our opinion and according to the information and explanations given to us, there exists an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control system of the Company.
- (v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the provisions of Sections 73 to 76 of the Act and the rules framed there under.
- (vi) We have broadly reviewed the books of account maintained by the Company in respect of products where the maintenance of cost records has been specified by the Central Government under sub-section (1) of Section 148 of the Act and the rules framed there under and we are of the opinion that prima facie, the prescribed accounts and records have been made and maintained.
- (vii) (a) The Company is regular in depositing with appropriate authorities, undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, value added tax, customs duty, excise duty, cess and any other material statutory dues applicable to it and there is no arrears of outstanding statutory dues as at the last day of the financial year for a period of more than six months from the date it became payable.
- (b) According to the information and explanation given to us, the dues outstanding with respect to, income tax, sales tax, wealth tax, service tax, value added tax, customs duty, excise duty, cess and any other material statutory dues applicable to it, on account of any dispute, are as follows:

Name of the statute	Nature of dues	Amount (₹ In Lacs)	Period to which the amount relates	Forum where dispute is pending
Finance Act, 1994	Service Tax	7.16	2005-06 to 2009-10	Customs, Excise & Service Tax Appellate Tribunal (CESTAT), Bangalore
Income Tax Act, 1961	Income Tax	144.15	2009-10 to 2011-12	CIT -Appeals
Central Sales Tax Act, 1956	Central Sales Tax	118.01	2009-10	Maharashtra Sales Tax Tribunal, Mumbai

- (c) According to the information and explanations given to us, there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- (viii) The Company does not have accumulated losses at the end of the financial year nor has incurred cash losses in the current and immediately preceding financial year.
- (ix) According to the information and explanations given to us, the Company has not defaulted in repayment of dues to financial institution(s), bank(s) or debenture holder(s).
- (x) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
- (xi) According to the information and explanations given to us, the term loans have been applied for the purpose for which the loans were obtained.
- (xii) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year, nor have we been informed of any such instance by the management.

For **HARIBHAKTI & CO. LLP**
Chartered Accountants
Firm Registration No. I03523W

CHETAN DESAI
Partner
Membership No. 17000

Place : Mumbai
Date : 21st May, 2015

KELTECH ENERGIES LIMITED

Balance Sheet as at 31st March, 2015

(₹ Lacs)

Particulars	Note No.	As at 31 st March, 2015	As at 31 st March, 2014
I. EQUITY AND LIABILITIES			
I Shareholders' funds			
Share capital	2	99.99	99.99
Reserves and surplus	3	3,512.51	3,297.28
		3,612.50	3,397.27
2 Non-current liabilities			
Long-term borrowings	4	821.86	1,263.87
Deferred tax liabilities (Net)	5	267.96	311.47
Long-term provisions	6	255.66	171.82
		1,345.48	1,747.16
3 Current liabilities			
Short-term borrowings	7	501.05	346.59
Trade payables	8	2,983.20	3,148.99
Other current liabilities	9	1,171.36	1,101.90
Short-term provisions	10	143.72	228.87
		4,799.33	4,826.35
Total		9,757.31	9,970.78
II. ASSETS			
I Non-current assets			
Fixed assets			
Tangible assets	11	4,499.73	4,881.73
Intangible assets	11(a)	1.70	-
Capital work-in-progress	11(b)	43.28	21.22
Non-current investments	12	0.10	0.10
Long-term loans and advances	13	482.43	470.47
		5,027.24	5,373.52
2 Current assets			
Inventories	14	1,319.75	1,380.28
Trade receivables	15	2,766.20	2,514.08
Cash and Bank Balances	16	371.78	351.62
Short-term loans and advances	17	270.45	345.37
Other current assets	18	1.89	5.91
		4,730.07	4,597.26
Total		9,757.31	9,970.78
Significant accounting policies	1		

The accompanying notes are an integral part of the financial statements.

As per our attached Report of even date
For **Haribhakti & Co. LLP.**
Chartered Accountants
FRN 103523W

For and on behalf of the Board

ASHOK V. CHOWGULE
Chairman

S.L. CHOWGULE
Managing Director

CHETAN DESAI
Partner
Membership No. 17000

P. PRABHUDEV
Chief Financial Officer

Ms. SHALU TIBRA
Company Secretary

Place: Mumbai
Date : 21st May, 2015

Statement of Profit and Loss for the year ended 31st March, 2015

(₹ Lacs)

Particulars	Note No.	For the year ending 31 st March, 2015	For the year ending 31 st March, 2014
I. Revenue from operations (Gross)	19	21,246.23	16,980.98
Less: Excise Duty		2,049.64	1,527.84
Revenue from operations (Net)		19,196.59	15,453.14
II. Other income	20	14.54	25.96
III. Total Revenue (I + II)		19,211.13	15,479.10
IV. Expenses:			
Cost of materials consumed	21	13,136.66	9,815.48
Purchases of Stock-in-Trade	22	701.43	666.52
Changes in inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	23	(70.30)	(110.19)
Employee benefits expense	24	1,135.93	889.57
Other Expenses	25	3,121.48	2,948.26
Finance costs	26	278.28	205.53
Depreciation and amortization expense		379.04	172.43
Total expenses		18,682.52	14,587.60
V. Profit before tax (III-IV)		528.61	891.50
VI. Tax expense:			
Current tax [Including prior period tax provision of ₹ (0.21) lacs (P.Y. ₹ 0.12 lacs)]		183.79	186.12
Adjustment on account of transitional provision (Refer Note 27)		46.40	
Deferred tax [Including ₹ 46.40 lacs on account of depreciation adjusted against the opening balance of the retained earnings (Refer Note 27)]		(43.51)	110.54
		186.68	296.66
VII. Profit (Loss) for the year (V-VI)		341.93	594.84
VIII. Earnings per equity share:			
(1) Basic		34.19	59.48
(2) Diluted		34.19	59.48

The accompanying notes are an integral part of the financial statements.

As per our attached Report of even date
For **Haribhakti & Co. LLP.**
Chartered Accountants
FRN 103523W

For and on behalf of the Board

ASHOK V. CHOWGULE
Chairman

S.L. CHOWGULE
Managing Director

CHETAN DESAI
Partner
Membership No.17000

P. PRABHUDEV
Chief Financial Officer

Ms. SHALU TIBRA
Company Secretary

Place: Mumbai
Date : 21st May, 2015

KELTECH ENERGIES LIMITED

Cash Flow Statement for the year ended 31st March, 2015

(₹ Lacs)

		Current Year	Previous Year
A Cash Flow from Operating Activities			
Net Profit/(Loss) before tax	A	528.61	891.50
Adjustment for :			
Depreciation		379.04	172.43
Loss (Profit) on Sale of Assets		(0.32)	(6.44)
Interest		214.48	144.89
Other Borrowing Costs		63.80	60.64
Interest Received		(14.22)	(19.21)
Bad debts		1.03	6.68
	B	643.81	358.99
Operating Profit before Working Capital Changes (A+B)	C	1,172.42	1,250.49
Movements in working capital:			
Inventories		60.53	(428.77)
Trade Receivables		(253.15)	(219.62)
Long Term Loans & Advances		(11.96)	59.31
Short Term Loans & Advances		74.92	(150.56)
Other Current Assets		4.02	55.56
Long-term provisions		83.84	(3.55)
Trade payables		(165.79)	598.05
Other current liabilities		(52.20)	175.35
Short-term provisions		(109.98)	102.58
(Increase)/Decrease in net current assets	D	(369.78)	188.34
Direct Taxes Paid	E	(189.89)	(216.87)
Net Cash from Operating Activities (C+D+E)	F	612.76	1,221.96
B Cash Flow from Investing Activities :			
Purchase of Fixed Assets including Intangible Assets & CWIP		(163.88)	(1,685.12)
(Increase)/Decrease in FD (Having maturity of more than 3 months)		(0.29)	27.68
Interest Received		14.22	19.21
Proceeds from Sale of Fixed Assets		0.39	11.73
Net Cash used in Investing Activities	G	(149.56)	(1,626.50)

Cash Flow Statement for the year ended 31st March, 2015 (Contd...)

(₹ Lacs)

		Current Year	Previous Year
C Cash Flow from Financing Activities			
Proceeds (Repayment) of Long Term Borrowings (Net) including current maturities		(320.78)	319.69
Proceeds (Repayment) of Short Term Borrowings (Net)		154.46	(89.85)
Interest Paid		(215.67)	(142.81)
Other Borrowing Costs Paid		(63.80)	(60.64)
Dividend Paid (including Dividend tax)		2.46	(29.42)
Net Cash used in Financing Activities	H	(443.33)	(3.03)
Net Increase in cash Equivalents (F+G+H)		19.87	(407.58)
Opening Cash & Cash Equivalents		326.37	733.95
Closing Cash & Cash Equivalents		346.24	326.37
Components of Cash and Cash Equivalents			
Balance with Banks:			
On Current Accounts		196.46	184.41
On Flexi Fixed deposit account		20.60	21.40
Unpaid dividend accounts *		9.52	7.90
Bank deposits with original maturity of less than 3 months		100.00	100.00
Cheques, drafts on hand		5.85	6.30
Cash on hand		13.81	6.36
		346.24	326.37

* The Company can utilise this balance only towards settlement of the respective unpaid dividend.

As per our attached Report of even date

For **Haribhakti & Co. LLP.**

Chartered Accountants

FRN 103523W

CHETAN DESAI

Partner

Membership No.17000

For and on behalf of the Board

ASHOK V. CHOWGULE

Chairman

S.L. CHOWGULE

Managing Director

P. PRABHUDEV

Chief Financial Officer

Ms. SHALU TIBRA

Company Secretary

Place: Mumbai

Date : 21st May, 2015

Notes to financial statements for the year ended 31st March, 2015

I Significant Accounting Policies :

i) Basis of Preparation:-

The financial statements have been prepared to comply in all material respects with Accounting Standards notified under section 133 of the Companies Act, 2013 read with rule 7 of the Companies (Accounts) Rules, 2014. The financial statements have been prepared under the historical cost convention on an accrual basis. The accounting policies have been consistently applied by the Company and except for the changes, if any, in accounting policy discussed below, are consistent with those used in the previous year.

ii) Use of Estimates:-

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

iii) Revenue Recognition:-

Revenue is generally recognised on accrual basis. Revenue from Site Contracts is accounted for on the basis of reaching relevant milestones.

iv) Tangible Assets:

- a) Tangible Assets are stated at cost, less accumulated depreciation and impairment losses if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Borrowing costs relating to acquisition of fixed assets which takes substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready for use.
- b) As per the requirement of the provisions of Schedule II of the companies Act, 2013 (the "Act"), the management has re-estimated useful lives and residual values of all tangible assets. Depreciation is provided on the "straight line method" based on the estimated useful life of assets which are equal to those suggested in Part C of schedule II of the Act except for assets stated below, for which depreciation is calculated on following basis based on management estimate:

Assets	Estimated Useful Life	Basis and justification of selection of Useful Life
Lease hold Land	30 years to 99 Years	Amortized over the lease period
Furniture & Fixtures of leased premises	6 Years	period of lease or useful life prescribed under Schedule II of the Act, whichever are lower.
All assets costing ₹ 5000/- or less each	1 Year	Past experience / Materiality

- c) The management believes that depreciation rates currently used fairly reflect its estimate of the useful lives and residual value of tangible assets.
- d) Depreciation on additions / deletions is provided on pro-rata basis from the date of acquisition/ up to the date of deletion.
- e) For the assets where remaining useful life of an asset is nil, the Company has opted to adjust the carrying amount of the assets as on 1st April, 2014 after retaining the residual value, against the retained earnings in accordance with the transitional provisions of the Schedule II. For other assets acquired prior to April 1, 2014 the carrying amount as on April 1, 2014 is depreciated over the remaining useful life.

Notes to financial statements for the year ended 31st March, 2015

iv) 1. Intangible assets

Intangible assets comprising of “Computer Software” are recorded at acquisition cost and are amortized over the estimated useful life on straight line basis. Estimated useful life of Intangible Assets is as mentioned below:

Assets	Estimated Useful Life
Computer Software	3 years

iv) 2. Impairment of Assets:-

The Company assesses at each Balance Sheet date whether there is any indication that any asset may be impaired. If any such indication exists, the carrying value of such asset is reduced to its recoverable amount and the impairment loss is charged to statement of profit and loss. If at the Balance Sheet date, there is any evaluation that a previously assessed impairment loss no longer exists, then such loss is reversed and the asset is restated to that effect.

v) Capital Work-in-Progress:-

These are stated at cost to date relating to items or project in progress, incurred during construction / pre-operative period.

vi) Leases:-

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

vii) Investments:-

Investments that are readily realisable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments. Current investments are carried at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognise a decline other than temporary in the value of the investments.

viii) Inventory:-

Raw materials, Work-in-Progress, Stock- in- transit, Packing materials, Stores and spares have been valued at cost, arrived on weighted average method. Traded goods and Finished goods have been valued at lower of cost and net realisable value. Cost of finished goods includes direct material, excise duty, freight & forwarding and apportionment of manufacturing overheads based on normal operating capacity, and is determined on a weighted average basis.

ix) Borrowing Costs:-

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

x) Foreign Exchange Transactions:-

Transactions in foreign currencies are accounted for at the exchange rate prevailing on the date of transaction. Gains and Losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies are recognized in the statement of profit and loss. In case of forward contracts (non speculative), the exchange difference are dealt with in the statement of profit and loss over the period of contracts.

xi) Retirement and other Employee Benefits:-

a) Retirement benefits in the form of Provident Fund and Superannuation Fund is a defined contribution scheme and the contributions are charged to the Statement of Profit and Loss of the year when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the respective funds.

Notes to financial statements for the year ended 31st March, 2015

- b) Gratuity and Leave Encashment liability is defined benefit obligations and are provided for based on actuarial valuation. The actuarial valuation is done as per projected unit credit method.
 - c) Actuarial gains / losses are immediately taken to Statement of Profit and Loss and are not deferred.
- xii) Income Tax :-
- Tax expense comprises of current and deferred tax. Current Income Tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961. Deferred Income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.
- Deferred tax assets and liabilities are determined based on the difference between the financial statements and tax bases of assets and liabilities, as measured by the enacted / substantively enacted tax rates. Deferred tax Expense / Income is the result of changes in the net deferred tax assets and liabilities.
- Deferred tax assets are recognised only if there is a virtual certainty backed by convincing evidence of realisation of such assets. Deferred tax assets are reviewed as at each balance sheet date and are appropriately adjusted to reflect the amount that is reasonably or virtually certain to be realised.
- xiii) Segment Reporting:-
- a) The Company's operating businesses are organised and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets.
 - b) Common allocable costs are allocated to each segment in proportion of respective segment to total revenue of the company.
 - c) The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole.
- xiv) Earning per Share:-
- Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.
- xv) Provisions:-
- A provision is recognised when an enterprise has a present obligation as a result of past event; 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 not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.
- xvi) Contingent Liabilities:-
- A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The company does not recognize a contingent liability, but discloses its existence in the financial statements.
- xvii) Cash and Cash Equivalents:-
- Cash and Cash equivalents for the purpose of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

Notes to financial statements for the year ended 31st March, 2015

2	Share Capital	As at 31 st March, 2015		As at 31 st March, 2014	
		Number	(₹ Lacs)	Number	(₹ Lacs)
(i)	<u>Authorised</u>				
	Equity shares of ₹ 10 each	10,00,000	100.00	10,00,000	100.00
	Unclassified Shares of ₹ 10 each	10,00,000	100.00	10,00,000	100.00
		20,00,000	200.00	20,00,000	200.00
(ii)	<u>Issued</u>				
	Equity Shares of ₹ 10 each	10,00,000	100.00	10,00,000	100.00
(iii)	<u>Subscribed and Paid up</u>				
	Equity Shares of ₹ 10 each fully paid	9,99,900	99.99	9,99,900	99.99
(iv)	<u>Subscribed but not fully Paid up</u>				
	Equity Shares of ₹ 10 each, not fully paid up (₹ 250 received on application)	100	0.00	100	0.00
	Total subscribed and paid up Share Capital	10,00,000	99.99	10,00,000	99.99

(v) **Reconciliation of the shares outstanding at the beginning and at the end of the reporting period**

Particulars	As at 31 st March, 2015 (Equity Shares)		As at 31 st March, 2014 (Equity Shares)	
	Number	(₹ Lacs)	Number	(₹ Lacs)
Shares outstanding at the beginning of the year	10,00,000	99.99	10,00,000	99.99
Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	10,00,000	99.99	10,00,000	99.99

(vi) **Details of shareholders holding more than 5% shares in the Company**

Name of Shareholder	As at 31 st March, 2015		As at 31 st March, 2014	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Chowgule & Co., Pvt Ltd	4,09,940	40.99	4,09,940	40.99
Dolphin Investment Ltd	93,601	9.36	93,601	9.36
Solar Industries India Ltd	-	-	64,930	6.49

As per records of the Company, including its register of shareholders/members, the above shareholding represents legal ownership of shares.

(vii) **Terms/rights attached to equity shares**

The company has only one class of 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. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

KELTECH ENERGIES LIMITED

Notes to financial statements for the year ended 31st March, 2015

3	Reserves & Surplus	As at	As at
		31 st March, 2015	31 st March, 2014
		(₹ Lacs)	(₹ Lacs)
(i)	Capital Reserves		
	Opening Balance (Refer iv)	31.20	31.20
	(+) Current Year Transfer	-	-
	(-) Written Back in Current Year	-	-
	Closing Balance	31.20	31.20
(ii)	General Reserve		
	Opening Balance	2,624.80	2,124.80
	(+) Current Year Transfer	325.00	500.00
	(-) Written Back in Current Year	-	-
	Closing Balance	2,949.80	2,624.80
(iii)	Surplus in the statement of profit and loss		
	Opening balance	641.28	575.69
	(-) Depreciation on Tangible Assets for earlier years (Refer Note 27)	(96.61)	
	(+) Net Profit/(Net Loss) For the current year	341.93	594.84
	(+) Transfer from Reserves	-	-
	(-) Proposed Dividends	25.00	25.00
	(-) Tax on Dividends	5.09	4.25
	(-) Interim Dividends	-	-
	(-) Transfer to Reserves	325.00	500.00
	Closing Balance	531.51	641.28
	Total	3,512.51	3,297.28

(iv) Opening balance of capital reserves represents the subsidy received from the Government of Karnataka - ₹ 3.69 Lacs & Government of Maharashtra- ₹ 27.51 Lacs under the Investment subsidy scheme for setting up a new industrial unit in Karnataka and Maharashtra respectively.

4	Long Term Borrowings	As at	As at
		31 st March, 2015	31 st March, 2014
		(₹ Lacs)	(₹ Lacs)
A	Secured Borrowings		
	Term loans from banks		
a.	Towards purchase of Assets (Carrying interest ranging from 10.70% to 13.95% (P.Y.10.70% to 13.95%) and repayable in 36 monthly installments from the date of the loan)	34.27	71.20
b.	Towards D-fuse project (Carrying interest ranging from 13.95% to 14.70% (P.Y.14.00% to 14.75%) and repayable in 20 quarterly installments)	-	38.30
c.	Towards Emulsion project (Carrying interest of 14.20% (P.Y.14.20%) and repayable in 36 monthly installments from the date of the loan)	-	132.60
	Total of Secured Borrowings (A)	34.27	242.10
	(All the above Loans from the banks are secured by mortgage of assets and hypothecation of vehicles) [Out of the total secured borrowings of ₹ 241.92 Lacs (P.Y. ₹ 508.46 Lacs), loans of ₹ 207.65 Lacs (P.Y. ₹ 266.36 Lacs) having current maturities, have been disclosed in Note 9]		

Notes to financial statements for the year ended 31st March, 2015

4	Long Term Borrowings	As at 31 st March, 2015	As at 31 st March, 2014
		(₹ Lacs)	(₹ Lacs)
	B Unsecured Borrowings		
	a) Deferred payment liabilities		
	(i) Sales tax deferment loans (Deferred sales tax loan is interest free and payable in 8 years starting from April 2010)	29.94	70.11
	(ii) Sales tax deferment loans (Deferred sales tax loan is interest free and payable in 7 years starting from April 2012)	25.65	36.66
	b) Loans and Advances from Related Parties		
	Chowgule & Co Pvt Ltd (Bearing 11% interest, repayable in 5 years from January 2016 to January 2020)	732.00	915.00
	Total of Unsecured Borrowings (B)	787.59	1,021.77
	[Out of the total unsecured borrowings of ₹ 1021.77 Lacs (P.Y. ₹ 1076.02 Lacs), loans of ₹ 234.18 Lacs (P.Y. ₹ 54.25 Lacs) having current maturities, have been disclosed in Note 9]		
	Total (A+B)	821.86	1,263.87
5	Deferred Tax Liability	As at 31 st March, 2015 (₹ Lacs)	As at 31 st March, 2014 (₹ Lacs)
	(i) Deferred Tax Liability		
	Opening Balance	386.30	277.50
	Difference between tax depreciation & book depreciation	(10.90)	108.80
		375.40	386.30
	(ii) Deferred Tax Asset		
	Opening Balance	74.83	76.57
	Expenses allowable u/s43B on payment basis	32.61	(1.74)
		107.44	74.83
	Net Deferred Tax Liabilities (i-ii)	267.96	311.47
6	Long Term Provisions	As at 31 st March, 2015 (₹ Lacs)	As at 31 st March, 2014 (₹ Lacs)
	(i) Provision for employee benefits		
	Gratuity (Partly funded)	145.54	91.82
	Leave Encashment (unfunded)	110.12	80.00
	Total	255.66	171.82
7	Short Term Borrowings	As at 31 st March, 2015 (₹ Lacs)	As at 31 st March, 2014 (₹ Lacs)
	Secured Borrowings		
	Loans repayable on demand from banks		
	Cash Credit facility (Secured by first charge by hypothecation of book debts (as prime security), stocks of raw materials, semifinished goods, consumable stores and by first charge on the fixed assets).	501.05	346.59
	Total	501.05	346.59

KELTECH ENERGIES LIMITED

Notes to financial statements for the year ended 31st March, 2015

8	Trade Payables	As at	As at
		31 st March, 2015	31 st March, 2014
		(₹ Lacs)	(₹ Lacs)
	Trade Payables (Goods)	2,828.72	3,041.58
	Trade Payables (Expenses)	154.48	107.41
	Total	2,983.20	3,148.99

9	Other Current Liabilities	As at	As at
		31 st March, 2015	31 st March, 2014
		(₹ Lacs)	(₹ Lacs)
	Current maturities of long-term debt - Secured Borrowings (Note 4)	207.65	266.36
	Current maturities of long-term debt- Unsecured Borrowings (Note 4)	234.18	54.25
	Interest accrued but not due on borrowings	0.90	2.08
	Income received in advance	57.68	38.31
	Deposits from dealers	1.60	1.85
	Trade payables - Capital Goods	28.18	123.00
	Other liabilities- Statutory Dues	102.02	110.29
	Outstanding liabilities	529.63	497.86
	Unclaimed Dividend	9.52	7.90
	Total	1,171.36	1,101.90

10	Short Term Provisions	As at	As at
		31 st March, 2015	31 st March, 2014
		(₹ Lacs)	(₹ Lacs)
	(i) Provision for employee benefits		
	Gratuity (Partly- Funded)	36.18	32.45
	Leave Encashment (Un-funded)	31.40	25.55
	Provision for Bonus/Ex-gratia	25.40	23.63
	Salaries & Wages	-	91.92
		92.98	173.55
	(ii) Other provisions		
	Provision for taxation [Net of Advance tax of ₹ 546.85 lacs (P.Y. ₹ 577.43 lacs)]	20.65	26.07
	Proposed Dividend	25.00	25.00
	Tax on Dividend	5.09	4.25
		50.74	55.32
	Total	143.72	228.87

Notes to financial statements for the year ended 31st March, 2015

II Tangible Assets

Particulars	C O S T				D E P R E C I A T I O N				N E T B L O C K		
	Cost as on 01.04.2014	Additions during the year	Deductions during the year	Cost as on 31.03.2015	Depreciation as on 01.04.2014	**Depreciation adjusted against retained earnings	Depreciation for the year	Deductions during the year	Depreciation upto 31.03.2015	Net Block as on 31.03.2015	Net Block as on 31.03.2014
LAND											
a) Freehold	99.15	-	-	99.15	-	-	-	-	-	99.15	99.15
b) Leasehold	7.51	15.37	-	22.88	0.69	0.10*	0.79	-	0.79	22.09	6.82
Buildings	2,078.70	36.29	-	2,114.99	190.86	58.18	78.48	-	327.52	1,787.47	1,887.84
Plant & Equipment											
a) Laboratory Equipment	23.70	0.10	-	23.80	8.13	2.62	2.86	-	13.61	10.19	15.57
b) Other Plant & Equipments	3,506.66	63.20	-	3,569.86	1,054.60	45.51	214.40	-	1,314.51	2,255.35	2,452.06
Office Equipments	142.80	24.91	2.76	164.95	54.38	31.97	24.81	2.69	108.47	56.48	88.42
Furniture & Fixtures	269.79	0.24	3.95	266.08	57.40	4.72	36.11	3.94	94.29	171.79	212.39
Vehicles	154.36	-	-	154.36	34.88	-	22.27	-	57.15	97.21	119.48
Total	6,282.67	140.11	6.71	6,416.07	1,400.94	143.00	379.03	6.63	1,916.34	4,499.73	4,881.73
Previous Year	3,777.32	2,583.98	78.63	6,282.67	1,302.40	-	171.88	73.34	1,400.94	4,881.73	

* Amortization
 *** Represents depreciation adjusted against the retained earnings in accordance with the transitional provisions of the Schedule II of "the Act". (Refer Note 27).

II (a) Intangible Assets

Particulars	C O S T				D E P R E C I A T I O N				N E T B L O C K		
	Cost as on 01.04.2014	Additions during the year	Deductions during the year	Cost as on 31.03.2015	Depreciation as on 01.04.2014	**Depreciation adjusted against retained earnings	Depreciation for the year	Deductions during the year	Depreciation upto 31.03.2015	Net Block as on 31.03.2015	Net Block as on 31.03.2014
Computer Software	13.11	1.71	-	14.82	13.11	-	0.01	-	13.12	1.70	-
Total	13.11	1.71	-	14.82	13.11	-	0.01	-	13.12	1.70	-
Previous Year	21.13	-	-	21.13	20.58	-	0.55	-	21.13	-	-

II (b) Capital Work-in-Progress

Particulars	As at 31 st March 2015	As at 31 st March 2014
	(₹ Lacs)	(₹ Lacs)
Opening Balance	21.22	920.08
Additions during the year	22.06	1,499.23
Less:- Capitalised during the year	-	2,398.09
Closing Balance	43.28	21.22

The borrowing costs capitalised during the year was ₹ Nil (FY: 111.03 lacs)

KELTECH ENERGIES LIMITED

Notes to financial statements for the year ended 31st March, 2015

12	Non Current Investments	As at	As at
		31 st March, 2015	31 st March, 2014
		(₹ Lacs)	(₹ Lacs)
	Non Trade Investments (Valued at cost unless stated otherwise)		
	Investments in Government or Trust securities		
	In NSC	0.10	0.10
	Total	0.10	0.10

13	Long Term Loans and Advances	As at	As at
		31 st March, 2015	31 st March, 2014
		(₹ Lacs)	(₹ Lacs)
	Long Term Loans and Advances (Unsecured, Considered good unless stated otherwise)		
	(i) Capital Advances	3.14	6.00
	(ii) Security Deposits	192.14	157.86
	(iii) Other loans and advances		
	Loans to Employees	1.01	1.41
	Prepaid Expenses	10.56	6.76
	VAT Receivable*	275.58	298.44
	Total	482.43	470.47

* Out of this ₹ 36.13 lacs has been adjusted by the tax authorities against CST demands, which has been disputed by the Company.

14	Inventories	As at	As at
		31 st March, 2015	31 st March, 2014
		(₹ Lacs)	(₹ Lacs)
	(i) Raw Materials and components [Valued at cost, arrived on weighted average method (WAM)] [including goods in transit ₹ 165.06 lacs (P.Y. ₹ 119.66 lacs)]	852.69	1,005.83
	(ii) Work-in-Progress [Valued at cost, arrived on weighted average method (WAM)]	120.57	-
	(iii) Finished goods [Valued at Lower of cost and net realisable value (including goods in transit ₹ 32.09 lacs (P.Y. ₹ 55.36 lacs)]	180.90	245.69
	(iv) Stock-in-trade (Valued at lower of cost and net realisable value)	54.04	39.52
	(v) Stores and spares (Valued at cost, arrived on WAM)	111.55	89.24
	Total	1,319.75	1,380.28

15	Trade Receivables	As at	As at
		31 st March, 2015	31 st March, 2014
		(₹ Lacs)	(₹ Lacs)
	Trade receivables (Unsecured considered good) (Refer Note 31)		
	Outstanding for a period less than six months	2,545.52	2,295.35
	Outstanding for a period more than six months	220.68	218.73
	Total	2,766.20	2,514.08

Notes to financial statements for the year ended 31st March, 2015

16	Cash and bank balances	As at	As at
		31 st March, 2015	31 st March, 2014
		(₹ Lacs)	(₹ Lacs)
	(A) Cash and cash equivalents		
	(i) Balance with Banks:		
	On Current Accounts	196.46	184.41
	On Flexi Fixed deposit account	20.60	21.40
	Unpaid dividend accounts	9.52	7.90
	Bank deposits with original maturity of less than 3 months	100.00	100.00
	(ii) Cheques, drafts on hand	5.85	6.30
	(iii) Cash on hand	13.81	6.36
		346.24	326.37
	(B) Other bank balances		
	(i) Bank deposits with Original maturity of more than 3 months but less than 12 months maturity	5.40	5.11
	(ii) Bank deposits with more than 12 months maturity	0.14	0.14
	(iii) Margin Money kept as deposits with more than 12 months maturity (against Letter of Credit)	20.00	20.00
		25.54	25.25
	Total (A + B)	371.78	351.62

17	Short-term loans and advances	As at	As at
		31 st March, 2015	31 st March, 2014
		(₹ Lacs)	(₹ Lacs)
	Other Short-term loans and advances		
	(Unsecured, Considered good unless stated otherwise)		
	(i) Pre-Paid Expenses	35.61	43.40
	(ii) Advances to Suppliers	128.83	127.09
	(iii) Loans & Advances to Employees	34.37	9.80
	(iv) Deposit & Balances with Excise Authorities	71.64	165.08
	Total	270.45	345.37

18	Other Current Assets	As at	As at
		31 st March, 2015	31 st March, 2014
		(₹ Lacs)	(₹ Lacs)
	Other Current Assets		
	(Unsecured, Considered good unless stated otherwise)		
	Billable Costs	1.29	5.81
	Interest Receivable	0.60	0.10
	Total	1.89	5.91

KELTECH ENERGIES LIMITED

Notes to financial statements for the year ended 31st March, 2015

19	Revenue From Operations	For the year ended 31 st March 2015	For the year ended 31 st March 2014
		(₹ Lacs)	(₹ Lacs)
(i)	Sale of products		
	Manufactured Goods	20,165.60	15,622.46
	Traded Goods	854.02	755.07
		21,019.62	16,377.53
(ii)	Sale of services	186.95	553.45
(iii)	Other operating revenues	39.66	50.00
	Revenue from operations (Gross)	21,246.23	16,980.98
	Less:		
(iv)	Excise duty *	2,049.64	1,527.84
	Revenue from operations (Net)	19,196.59	15,453.14

* Excise duty on sales amounting to ₹ 2049.64 lacs (P.Y. ₹ 1527.84 lacs) has been reduced from sales in statement of profit & loss and excise duty on closing stock amounting to ₹ 7.20 lacs (P.Y ₹ 13.21 lacs) has been considered in "Other Expenses" in note 25 of financial statements.

(v) **Details of Sale of Manufactured Goods**

Industrial Explosives	18,622.91	13,930.02
Detonating Fuse	587.98	515.74
Expanded Perlite	693.58	547.01
Perlite Concrete Blocks	89.62	412.92
Others	171.51	216.77
	20,165.60	15,622.46

(vi) **Details of Sale of Traded Goods**

Nonel Shock tubes, Electric Detonators etc.,	33.40	35.53
Perlite Ore, Peat Products	820.62	719.54
	854.02	755.07

(vii) **Details of Sale of Services**

Site Contract Incomes - Explosives	-	39.50
Site Contract Incomes - Perlite	186.95	513.95
	186.95	553.45

20	Other income	For the year ended 31 st March 2015	For the year ended 31 st March 2014
		(₹ Lacs)	(₹ Lacs)
(i)	Interest Income	14.22	19.21
(ii)	Net gain/(loss) on sale of Fixed Assets	0.32	6.75
	Total	14.54	25.96

Notes to financial statements for the year ended 31st March, 2015

21	Raw Materials and Packing Materials Consumed	For the year ended	For the year ended
		31 st March 2015	31 st March 2014
		(₹ Lacs)	(₹ Lacs)
(i)	Opening Stock		
	Raw Materials	857.95	562.13
	Packing Materials	147.88	124.55
		1,005.83	686.68
(ii)	Add: Purchases		
	Raw Materials	11,896.76	9,377.26
	Packing Materials	1,086.77	757.37
		12,983.53	10,134.63
(iii)	Less: Closing Stock		
	Raw Materials	698.16	857.95
	Packing Materials	154.54	147.88
		852.70	1,005.83
(iv)	Consumption		
	Raw Materials	12,056.55	9,081.44
	Packing Materials	1,080.11	734.04
		13,136.66	9,815.48

(v) **Details of Raw Materials and Packing Materials Consumed**

	For the year ended	For the year ended
	31 st March 2015	31 st March 2014
	(₹ Lacs)	(₹ Lacs)
Ammonium Nitrate	7,026.51	4,961.06
Mono Methyle Amine	1,015.06	790.71
Nitric Acid	695.13	567.74
Perlite Ore	227.52	153.52
Sodium Nitrate	369.98	244.34
Guar Gum	226.23	244.37
Calcium Nitrate Melt	588.89	415.60
Packing Materials	1,080.12	734.04
Others	1,907.22	1,704.10
	13,136.66	9,815.48

(vi) **Details of Inventory**

	For the year ended	For the year ended
	31 st March 2015	31 st March 2014
	(₹ Lacs)	(₹ Lacs)
Ammonium Nitrate	179.84	340.12
Mono Methyle Amine	28.58	42.44
Nitric Acid	19.04	10.32
Perlite Ore	69.93	70.87
Sodium Nitrate	19.39	27.74
Guar Gum	17.46	20.91
Calcium Nitrate Melt	15.03	13.97
Packing Materials	154.54	147.88
Others	348.89	331.58
	852.70	1,005.83

KELTECH ENERGIES LIMITED

Notes to financial statements for the year ended 31st March, 2015

22	Details of Purchase of stock in trade	For the year ended 31 st March 2015	For the year ended 31 st March 2014
		(₹ Lacs)	(₹ Lacs)
	Shock Tubes	18.38	13.78
	Perlite Ore	529.50	524.60
	Peat products	153.55	128.14
	Total	701.43	666.52

23	Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	For the year ended 31 st March 2015	For the year ended 31 st March 2014
		(₹ Lacs)	(₹ Lacs)
(i)	Manufactured Finished Goods		
	Opening Stock	245.69	145.80
	Less : Closing Stock	180.90	245.69
		64.79	(99.89)
(ii)	Traded Finished Goods		
	Opening Stock	39.52	29.22
	Less : Closing Stock	54.04	39.52
		(14.52)	(10.29)
(iii)	Work-in-Progress		
	Opening Stock	-	-
	Less : Closing Stock	120.57	-
		(120.57)	-
		(70.30)	(110.19)

(iv) Details of Inventory - Finished Goods

	For the year ended 31 st March 2015	For the year ended 31 st March 2014
	(₹ Lacs)	(₹ Lacs)
Industrial Explosives	138.67	170.33
Expanded Perlite	19.43	22.23
Detonating Fuse	15.74	27.67
PETN/DNA	7.07	25.45
Detonating Fuse	0.03	0.03
Shock Tubes	5.29	3.60
Perlite Ore	46.88	33.85
Peat products	1.83	2.05
	234.94	285.21

(v) Details of Work-in-Progress

	For the year ended 31 st March 2015	For the year ended 31 st March 2014
	(₹ Lacs)	(₹ Lacs)
Perlite Concrete Blocks	120.57	-
	120.57	-

Notes to financial statements for the year ended 31st March, 2015

24	Employee Benefits Expense	For the year ended 31 st March 2015	For the year ended 31 st March 2014
		(₹ Lacs)	(₹ Lacs)
	(i) Salaries and incentives	829.33	729.38
	(ii) Contributions to - Provident fund, State Insurance & Superannuation scheme	99.30	74.45
	(iii) Gratuity	88.78	23.20
	(iv) Staff welfare expenses	118.52	62.54
	Total	1,135.93	889.57

25	Other Expenses	For the year ended 31 st March 2015	For the year ended 31 st March 2014
		(₹ Lacs)	(₹ Lacs)
	Stores Consumed	257.40	286.96
	Power and Fuel	334.11	239.98
	Insurance	38.17	28.93
	Rent (Net)	102.62	126.96
	Rates & Taxes	36.54	47.18
	Repairs and Maintenance		
	Building	37.84	53.71
	Plant & Machinery	108.11	77.13
	Others	60.12	39.00
	Travelling and Conveyance	495.18	494.46
	Auditors Remuneration		
	For Audit Fees	3.71	3.65
	For Audit under Income Tax Act	1.42	0.84
	For Other Services	3.38	4.21
	Communication Expenses	44.20	35.22
	Directors' Sitting Fees	6.18	5.28
	Freight and Forwarding	610.19	553.33
	Commission on Sales	194.08	150.31
	Establishment Expenses	319.05	297.00
	Claims under warranties	80.59	101.69
	Loss on sale of assets (Net)	-	-
	Bad-debts	1.03	6.68
	Drilling, Blasting & Excavation	-	28.82
	Legal & Professional Charges	87.02	63.14
	Handling & Transport	134.58	137.77
	Corporate Social Responsibility Expenditure	15.42	-
	Misc Expenses	150.54	166.01
	Total	3,121.48	2,948.26

Notes to financial statements for the year ended 31st March, 2015

26	Finance Costs	For the year ended 31 st March 2015	For the year ended 31 st March 2014
		(₹ Lacs)	(₹ Lacs)
	Interest expense (Refer Note.11)	214.48	144.89
	Other borrowing costs	63.80	60.64
	Total	278.28	205.53

27 Change in Accounting Estimate related to depreciation and its impact on financials

To comply with the requirements of the Schedule II of the Companies Act, 2013 the Management has re-estimated useful lives and residual values of all its fixed assets.

In respect of assets where the remaining useful life is 'NIL', ₹ 96.61 lacs (net of tax benefits of ₹ 46.40 lacs) being their carrying amount after retaining the residual value as on 1st April, 2014 has been adjusted against the opening balance of retained earnings as on that date. For other assets, additional depreciation charge of ₹ 111.22 lacs is adjusted during the current year in the statement Profit and loss.

The impact of additional depreciation charge is likely to hold good for future years also.

28 Contingent Liabilities:

- Disputed demand in respect of Service tax at Vishwasnagar aggregating to ₹ 17.16 lacs (P.Y. ₹ 17.16 lacs). Amounts aggregating ₹ 10.00 lacs (P.Y. ₹ 10.00 lacs) is paid under protest against such demand.
- Disputed demand of Income tax for the Assessment year 2010-2011, 2011-2012, 2012-2013 amounting to ₹ 189.15 lacs (P.Y. ₹ 158.96 lacs). Amounts aggregating ₹ 45 lacs (P.Y. ₹ Nil) is paid under protest against such demand.
- Disputed demand in respect of Central Sales tax in Maharashtra for the year 2009-10 aggregating ₹ 121.01 lacs (P.Y. ₹ 536.06 lacs). Amounts aggregating ₹ 3 lacs (P.Y. ₹ Nil) is paid under protest against such demand.
- Letter of credits and Bank guarantees issued to suppliers/customers ₹ 2637.92 lacs (P.Y. ₹ 1764.92 lacs).
Management is of the view that above matters are not likely to have any impact on financial position of the Company.

29 Estimated amount of contracts remaining to be executed on Capital Account and not provided for (Net of Advances) ₹ 2.95 lacs (₹ 6.00 lacs).

30 In respect of Sundry Creditors which are Micro, Small and Medium Enterprises, the Company has not availed credit facility beyond 45 days. Further, there is no outstanding payable to such Enterprises beyond 45 days as on Balance Sheet date.

31 The Company's main clients are PSUs where in Powder Factor deduction is determined after a substantial period of time, the consequential claims and counterclaims on performance bonus/deductions affect the trade receivables on account of which the substantial part of balances outstanding as trade receivables are not confirmed by them. However, the management is confident that such receivables are stated at their realizable value and adequate provisions are made in the accounts, wherever required.

Notes to financial statements for the year ended 31st March, 2015

32 Segment Reporting:-

The primary segment reporting format is determined to be business segments as the company's risks and rate of return are affected predominantly by difference in the products and services provided. Secondary information is reported geographically.

The Company has identified its business into three reportable segments namely, Explosives, Perlite and Site Contracts.

Business Segments

₹ Lacs

Particulars	2014-15					2013-14				
	Business Segments				Total	Business Segments				Total
	Explosives	Perlite	Site Contracts			Explosives	Perlite	Site Contracts		
Explosives Related			Perlite Related	Explosives Related	Perlite Related					
Revenue (Excluding Excise Duty)										
External Revenue	17436.54	1533.45	-	186.95	19156.94	13225.90	1623.79	39.50	513.95	15403.14
Less:- Inter-segment Revenue	-	-	-	-	-	-	-	-	-	-
Add:- Un-allocable Income					39.98					56.76
Total Revenue	17436.54	1533.45	-	186.95	19196.92	13225.9	1623.79	39.5	513.95	15459.90
Result										
Segment result	827.89	(121.87)	-	86.65	792.67	843.41	78.65	10.68	145.08	1077.82
Less:- Interest & financing charges					278.28					205.53
Add:- Interest Income					14.22					19.21
Profit before Tax					528.61					891.50
Less:- Provision for tax					186.68					296.66
Profit after tax					341.93					594.84
Other information										
Segment assets	7617.19	1043.40	-	103.31	8763.90	8056.54	745.38	-	134.30	8936.22
Unallocated assets	-	-	-	-	983.89	-	-	-	-	1034.56
Total assets	7617.19	1043.40	-	103.31	9747.79	8056.54	745.38	-	134.30	9970.78
Segment liabilities	2857.43	212.64	-	0.60	3070.67	3263.89	44.51	-	3.72	3312.12
Unallocated liabilities	-	-	-	-	3064.66	-	-	-	-	3232.13
Total liabilities	2857.43	212.64	-	0.60	6135.33	3263.89	44.51	-	3.72	6544.25
Capital expenditure	157.87	6.01	-	-	163.88	1657.73	27.39	-	-	1685.12
Depreciation & amortisation	348.62	30.42	-	-	379.04	160.09	12.34	-	-	172.43

Geographical Segment

Particulars	India		Other Countries		Total	
	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14
Sales Revenues	17360.99	13210.87	1795.95	2192.27	19156.94	15403.14
Segment Assets	9604.46	9665.29	143.33	305.49	9747.79	9970.78
Addition to Fixed Assets	141.82	2583.98	0.00	0.00	141.82	2583.98

KELTECH ENERGIES LIMITED

Notes to financial statements for the year ended 31st March, 2015

33 Disclosure in respect of Operating Lease in accordance with AS 19 on 'Leases'

- a) The Company has taken on lease various Office Premises and Godowns for the periods ranging from 3 years to 6 years.
- b) The total of future minimum lease payments under non-cancellable operating leases for each of the following periods:-
 - i) Not later than one year ₹ 25.21 lacs (P.Y. ₹ 22.05 lacs).
 - ii) later than one year and not later than five years- ₹ 71.74 lacs (P.Y. ₹ 80.90 lacs).
 - iii) later than five years - Nil
- c) lease payments recognised in the statement of profit and loss for the period from 1.4.2014 to 31.3.2015 is ₹ 102.62 lacs (P.Y. ₹ 126.96 lacs).

34 (a) Related party disclosure in accordance with Accounting Standards 18.

Name of the party	Relationship
Chowgule & Co Pvt Ltd	Major Shareholder
Angre Ports Pvt Ltd (Formerly known as Jaigad Ports & Infrastructure Pvt Ltd)	Enterprises over which major Shareholder is able to exercise significant influence
Chowgule Brothers Pvt Ltd	Enterprises over which major Shareholder is able to exercise significant influence
Chowgule Construction Chemicals Pvt Ltd	Enterprises over which major Shareholder is able to exercise significant influence
Santosh L Chowgule	Key management personnel
Santosh Chowgule HUF	Key management personnel is able to Exercise significant influence

(b)

Name of the party	Nature of transaction	Amount of transaction	Amount due from	Amount due to
		(₹ lacs)	(₹ lacs)	(₹ lacs)
Chowgule & Co. Pvt. Ltd.	Sale of Perlite	-	-	-
		(0.28)	-	-
	Loan Borrowed	-	-	915.00
		(565.00)	-	(915.00)
	Interest paid	100.65	-	-
		(78.33)	-	-
Rent paid	20.38	-	-	
	(18.54)	-	-	
Chowgule Brothers Pvt Ltd	Services Received	1.31	-	-
		(7.23)	-	-
Chowgule Construction Chemicals Pvt Ltd	Sale of Perlite	25.94	6.70	-
		(27.27)	(7.86)	-
Angre Ports Pvt Ltd	Sale of Services	0.00	-	-
	Site Contract-Explosives	(39.50)	-	-
Santosh Chowgule HUF	Rent paid	8.26	-	-
		(8.26)	-	-
Santosh L Chowgule	Remuneration	45.40	-	-
		(39.53)	-	-

Figures in brackets pertains to previous year.

- * Further disclosure in conformity with Clause 32 of Listing Agreement; the maximum outstanding of said loan was ₹ 915 Lacs during the year.

Notes to financial statements for the year ended 31st March, 2015

35 The Company has classified various employee benefits as under:-

(A) Defined contribution plans

- a. Provident Fund
- b. Superannuation Fund
- c. State defined contribution plans
 - Employers' Contribution to Employees' State Insurance

The provident fund and the state defined contribution plan are operated by the Regional Provident Fund Commissioner and the superannuation fund is funded to LIC of India. Under the schemes, the Company is required to contribute a specified percentage of payroll cost to the retirement benefit schemes to fund the benefits.

The Company has recognised the following amounts in the Statement of Profit and Loss for the year:-

Sl. No.	Particulars	Year ended 31 st Mar 15	Year ended 31 st Mar 14
		(₹ / Lacs)	
(i)	Contribution to Provident Fund	75.53	54.19
(ii)	Contribution to Employee's Superannuation Fund	23.28	19.97
(iii)	Contribution to Employee's State Insurance Scheme	0.49	0.29

(B) Defined Benefit Plans

- a) Gratuity
- b) Leave Encashment

Sl. No.	Particulars	Gratuity		Leave Encashment	
		Year ended 31 st Mar 15	Year ended 31 st Mar 14	Year ended 31 st Mar 15	Year ended 31 st Mar 14
		(₹ / Lacs)		(₹ / Lacs)	
Valuation in respect of Gratuity and Leave Encashment has been carried out by the independent actuaries, as at the Balance Sheet date, based on the following assumptions:					
(a)	Discount Rate (Per annum)	7.77%	9.19%	7.77%	9.19%
(b)	Rate of increase in Compensation levels	5%	5%	5%	5%
(c)	Rate of Return on Plan Assets	8.15%	8.15%	-	-
(d)	Attrition rate	1%	1%	1%	1%
(i)	Changes in present Value of Obligation				
a)	Present value of Obligation at the beginning of the period	256.42	252.20	105.55	103.02
b)	Interest Cost	22.84	19.45	9.27	7.93
c)	Past Service Cost	-	-	-	-
d)	Current Service Cost	32.32	23.93	38.23	26.59
e)	Contributions by Plan participants	-	-	-	-

KELTECH ENERGIES LIMITED

Notes to financial statements for the year ended 31st March, 2015

Sl. No.	Particulars	Gratuity		Leave Encashment	
		Year ended 31 st Mar 15	Year ended 31 st Mar 14	Year ended 31 st Mar 15	Year ended 31 st Mar 14
		(₹ / Lacs)		(₹ / Lacs)	
	f Curtailment Cost/(Credit)	-	-	-	-
	g Settlement Cost/(Credit)	-	-	-	-
	h Benefits Paid	(15.70)	(24.01)	(9.36)	(10.16)
	i Actuarial (Gains)/Loss	51.38	(15.15)	(2.15)	(21.83)
	j Present value of Obligations at the end of the period	347.25	256.41	141.52	105.55
(ii)	Changes in Fair value of Plan Assets				
	a Present value of Plan assets at the beginning of the period	132.14	119.22	-	-
	b Adjustment to opening balance	18.15	6.43	-	-
	c Expected Return on Plan Assets	12.86	10.51	-	-
	d Actuarial(Gain)/Loss	(12.87)	(10.51)	-	-
	e Employer's Contributions	30.94	30.50	9.36	10.16
	f Benefits Paid	(15.70)	(24.01)	(9.36)	(10.16)
	g Fair Value of Assets at the end of the period	165.52	132.14	-	-
(iii)	Percentage of each Category of Plan Assets to total fair value of plan Assets as at end of the period				
	a Bank Deposits (Sp. Dep. Scheme, 1975)	-	-	-	-
	b Debt Instruments	-	-	-	-
	c Administered by Life Ins. Corpn. Of India	165.52	132.14	-	-
	d Others	-	-	-	-
(iv)	Amounts recognised in the Balance Sheet				
	a Present value of Obligations at the end of the period	347.25	256.41	141.52	105.55
	b Fair Value of Assets at the end of the period	165.52	132.14	-	-
	c Liability recognised in the Balance Sheet	181.73	124.27	141.52	105.55
(v)	Expenses recognised in the Statement of Profit and Loss				
	a Current Service Cost	32.32	23.93	38.23	26.59
	b Past Service Cost	-	-	-	-
	c Interest Cost	22.84	19.46	9.27	7.93
	d Expected Return on Plan Assets	(12.87)	(10.51)	-	-
	e Curtailment Cost/(Credit)				
	f Settlement Cost/(Credit)				
	g Adjustment to Opening Balance of Present Value of Plan Assets	-	-	-	-
	h Net Actuarial (Gain)/Loss	64.25	(4.64)	(2.15)	(21.83)
	i Employees' Contribution	-	-	-	-
	j Total Expenses recognised in the Profit and Loss Account	106.54	28.24	45.34	12.69

Notes to financial statements for the year ended 31st March, 2015

Sl. No.	Particulars	Gratuity		Leave Encashment		
		Year ended 31 st Mar 15	Year ended 31 st Mar 14	Year ended 31 st Mar 15	Year ended 31 st Mar 14	
		(₹ / Lacs)		(₹ / Lacs)		
(vi)	Details of Plan Assets and obligation for last 5 years					
		2014-15	2013-14	2012-13	2011-12	2010-11
a	Present value of Obligations	347.25	256.41	252.20	243.45	193.56
b	Fair Value of Assets	165.52	132.14	119.22	109.50	63.00
c	Liability recognised in the Balance Sheet	181.73	124.27	132.98	133.95	130.56
d	(Gain)/Loss on obligation due to change in Assumption	23.12	(14.43)	(1.03)	(1.90)	17.24
e	Experience (Gain)/Loss on obligation	28.26	(0.71)	(6.79)	14.31	(18.38)
f	Actuarial Gain/(Loss) on plan assets	(12.87)	(10.51)	(9.60)	(8.07)	(5.64)
(vii)	Contributions expected to be paid to the plan during the next financial year is ₹ 32 lacs.					

36 Earning Per Share:-

	<u>2014-15</u>	<u>2013-14</u>
	(₹ lacs)	(₹ lacs)
1) Profit attributable to Equity Shareholders	341.93	430.68
2) Weighted number of Equity Shares during the year	10.00	10.00
3) Basic/Diluted EPS	<u>34.19</u>	<u>43.07</u>

37 Earnings in Foreign Exchange:

	<u>2014-15</u>	<u>2013-14</u>
	(₹ lacs)	(₹ lacs)
Exports on FOB basis	1,568.29	2,405.63
	<u>1,568.29</u>	<u>2,405.63</u>

38 Details of Imported and Indigenous Raw Materials, Stores & Spares Consumed

	<u>2014-15</u>		<u>2013-14</u>	
	Value (₹ lacs)	Percentage	Value (₹ lacs)	Percentage
Imported	268.67	2.01	177.00	1.75
Indigenous	13,125.39	97.99	9,925.44	98.25
	<u>13,394.06</u>	<u>100.00</u>	<u>10,102.44</u>	<u>100.00</u>

39 CIF value of imports during the year

	<u>2014-15</u>	<u>2013-14</u>
	(₹ lacs)	(₹ lacs)
Raw Materials	363.00	236.67
Capital Goods	-	412.01
	<u>363.00</u>	<u>648.68</u>

KELTECH ENERGIES LIMITED

Notes to financial statements for the year ended 31st March, 2015

40 Unhedged Foreign Currency Exposure as at the Balance Sheet date

Trade Receivables :- ₹ 278.38 lacs (US \$ 449894 @ Closing rate of 1 USD = ₹ 61.87).

Trade Payables :- ₹ 123.23 lacs (Euro 181285 @ Closing rate of 1 EURO = ₹ 67.98).

41 Expenditure in Foreign Currency (shown on cash basis)

	<u>2014-15</u>	<u>2013-14</u>
	(₹ lacs)	(₹ lacs)
For Other Matters		
i) Travelling	40.93	108.44
ii) Project Cost	15.61	190.19
iii) Others	5.03	1.30
	<u>61.57</u>	<u>299.93</u>

42 CSR Expenditure

I. As per the Section 135 of the Companies Act, 2013 every year the Company is required to spend at least 2% of its Average Net Profit made during the immediately 3 preceding financial years on the Corporate Social Responsibility (CSR) activities. Gross amount required to be spent by the Company during the year is ₹ 15.42 lacs and amount actually spent during the year is also ₹ 15.42 lacs, the details of which is as given below:

	In Cash ₹ lacs	Yet to be paid in cash ₹ lacs	Total ₹ lacs
Construction/acquisition of any asset	-	-	-
On purposes other than (i) above	15.42	-	15.42

43 The figures for the previous year have been regrouped wherever necessary.

As per our attached Report of even date

For **Haribhakti & Co. LLP.**

Chartered Accountants

FRN 103523W

CHETAN DESAI

Partner

Membership No. 17000

Place: Mumbai

Date : 21st May, 2015

For and on behalf of the Board

ASHOK V. CHOWGULE

Chairman

P. PRABHUDEV

Chief Financial Officer

S.L.CHOWGULE

Managing Director

Ms. SHALU TIBRA

Company Secretary

KELTECH ENERGIES LIMITED

CIN : L30007KA1977PLC031660

'Embassy Icon', 7th Floor, No. 3, Infantry Road, Bangalore - 560 001

PROXY FORM

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

Name of the Member(s)			
Registered Address			
Email ID			
Folio No. / Client ID		DP ID	

I/We, being the member(s) of shares of Keltech Energies Limited , hereby appoint:

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

and whose signature(s) are appended below as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Thirty eighth Annual General Meeting of the Company, to be held on 24th July, 2015 at 2.30 p.m. at, Beaumont Hall, Le Meridian, No. 28, Sankey Road, Bangalore-560052 and at any adjournment thereof in respect of such resolutions as are indicated below:

** I/We wish my above Proxy to vote in the manner as indicated in the box below:

Resolutions	For	Against
1. Consider and adopt the Audited Balance Sheet of the Company as at March 31, 2015 and the Statement of Profit and Loss for the year ended on that date together with the reports of Directors and Auditors thereon.		
2. Declaration of Dividend		
3. Re-appointment of Shri Umaji V. Chowgule who retires by rotation		
4. Confirmation of Auditor's appointment for the current financial year		
5. Appointment of Shri Kaiyoze B. Billimoria as an Independent Director		
6. Approval for fixation of remuneration to Cost Auditor		

* Applicable for investors holding shares in electronic form.

Signed this day of 2015

Signature of shareholder.....

Affix
Revenue
Stamp

Signature of first proxy holder

Signature of second proxy holder

Signature of third proxy holder

Notes :

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

KELTECH ENERGIES LIMITED

CIN : L30007KA1977PLC031660

'Embassy Icon', 7th Floor, No. 3, Infantry Road, Bangalore - 560 001

ATTENDANCE SLIP

(Please complete this attendance slip and hand it over at the entrance of the Hall)

I hereby record my presence at the Thirty eighth Annual General Meeting of the Company on Friday, the 24th July, 2015 at 2.30 PM, at Beaumont Hall, Le Meridian, No. 28, Sankey Road, Bangalore - 560 052, Karnataka, India.

Folio No. / DP ID-Client ID

Full Name of the Shareholder in Block Letters

No. of Shares held

Name of Proxy (if any) in Block Letters

Signature of the Shareholder/Proxy/Representative*

* Strike out whichever is not applicable



To

Canbank Computer Services Ltd.
218, 1st Floor, J.P. Royale, 2nd Main
Sampige Road, Malleshwaram
Bangalore - 560 003.

Dear Sirs,

FORM FOR ELECTRONIC CLEARING SERVICES FOR PAYMENT OF DIVIDEND

Please fill in the information in CAPITAL LETTERS in ENGLISH only. Please Tick a wherever applicable.
For shares held in Physical form

Master
Folio No.

FOR OFFICE USE ONLY

ECS
Ref. No.

Name of First Holder

Bank Name

Branch Name

Branch Code

(9 Digits Code Number appearing on the MICR Band of the cheque by the Bank). Please attach a photo copy of a cheque of your bank duly cancelled for ensuring accuracy of the bank's name, branch name and code number

Account Type

Savings

Current

Cash Credit

A/c No. (as appearing in the cheque book)

Effective date of this mandate

I, hereby, declare that the particulars given are correct and complete. If any transaction is delayed or not effected at all for reasons of incompleteness, Canbank Computer Services Ltd. / Keltech Energies Limited will not be held responsible. I agree to avail the ECS facility provided by RBI, as and when implemented by Keltech Energies Limited.

I further undertake to inform the Company any change in my Bank / branch and account number.

(Signature of First Holder)

Date :

Note : * On dematerialisation of your shares, the details registered with your Depository Participant will be considered for payment through ECS.

* This for duly filled in may be returned to Canbank Computer Services Limited.

