



SAVITA OIL TECHNOLOGIES LIMITED

53rd Annual Report 2013-2014





New manufacturing facility at Silvassa

Savita Oil Technologies Limited

Fifty-third Annual Report 2013-2014

Board of Directors	Mr. G. N. Mehra - Chairman and Managing Director Mr. C. V. Alexander - Whole-time Director Mr. N. B. Karpe - Non-Executive Director Mr. S. R. Pandit - Non-Executive Director Mr. H. A. Nagpal - Non-Executive Director
Group Chief Financial Officer	Mr. S. M. Dixit
Company Secretary & Executive VP – Legal	Mr. U. C. Rege
Bankers	State Bank of India Citibank N.A. Corporation Bank DBS Bank Limited ICICI Bank Limited Standard Chartered Bank Union Bank of India
Auditors	G. M. Kapadia & Co. Chartered Accountants Mumbai
Registered Office	66/67, Nariman Bhavan, Nariman Point, Mumbai - 400 021 Tel. No.: 91-22-6624 6200 / 6624 6228 Fax No.: 91-22-2202 9364 CIN - L24100MH1961PLC012066 Website: www.savita.com E-mail: legal@savita.com
Factories	17/17A, Thane Belapur Road, Turbhe, Navi Mumbai - 400 703 Survey No. 10/2, Kharadpada, Post Naroli, Silvassa, Dadra and Nagar Haveli - 396 230 Survey No.140/1, Village Kuvapada, Silli, P.O. Kilwani, Silvassa, Dadra and Nagar Haveli - 396 230
Share Transfer Agent	Sharepro Services (India) Pvt. Ltd. 13 AB, Samhita Warehousing Complex, Near Sakinaka Telephone Exchange, Andheri-Kurla Road, Sakinaka, Andheri (East), Mumbai – 400 072 Tel: 91-22-6772 0300/6772 0400 Fax: 91-22-2859 1568 E-mail: sharepro@shareproservices.com

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Notice

NOTICE is hereby given that the **Fifty-third Annual General Meeting** of the Members of **SAVITA OIL TECHNOLOGIES LIMITED** will be held at M. C. Ghia Hall, Bhogilal Hargovindas Building, 4th Floor, 18/20, Kaikhushru Dubash Marg, Mumbai 400 001 on **Saturday, 6th September 2014 at 11.00 A.M.** to transact the following business:

ORDINARY BUSINESS:

1. To receive and adopt the Audited Balance Sheet as at 31st March 2014, Statement of Profit and Loss and Cash Flow Statement for the year ended on that date and the Report of the Directors and the Auditors thereon.
2. To declare dividend on Equity Shares.
3. To appoint a Director in place of Mr. C. V. Alexander (DIN: 00253736), who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint Statutory Auditors and to fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 139 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder, the retiring auditors, G. M. Kapadia & Co., Chartered Accountants, Mumbai (Registration No.104767W) be and are hereby appointed as Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the 56th Annual General Meeting of the Company, subject to ratification by shareholders at each Annual General Meeting to be held hereafter, on a remuneration of ₹12,50,000/- (Rupees Twelve Lakh Fifty Thousand only) plus service tax thereon and reimbursement of travelling and other out-of-pocket expenses for the year 2014-15.”

SPECIAL BUSINESS:

5. To appoint Mr. Sanjeev R. Pandit (DIN: 00131424) as an Independent Director and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Sections 149 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and Clause 49 of the Listing Agreement (including any statutory amendments or re-enactments thereof for the time being in force), Mr. Sanjeev R. Pandit (DIN: 00131424) be and is hereby appointed as an Independent Director of the Company to hold office for a term of 5 consecutive years upto 31st March 2019.”

6. To appoint Mr. Ninad B. Karpe (DIN: 00030971) as an Independent Director and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Sections 149 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and Clause 49 of the Listing Agreement (including any statutory amendments or re-enactments thereof for the time being in force), Mr. Ninad B. Karpe (DIN : 00030971) be and is hereby appointed as an Independent Director of the Company to hold office for a term of 5 consecutive years upto 31st March 2019.”

7. To appoint Mr. Harit A. Nagpal (DIN: 00481307) as an Independent Director and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Sections 149 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and Clause 49 of the Listing Agreement (including any statutory amendments or re-enactments thereof for the time being in force), Shri Harit A. Nagpal (DIN : 00481307) be and is hereby appointed as an Independent Director of the Company to hold office for a term of 5 consecutive years upto 31st March 2019.”

8. To consider and if thought fit, to pass with or without modifications, the following as **Special Resolution**:

“RESOLVED THAT pursuant to the provisions of Sections 196, 197, 203 and other applicable provisions, if any, of the Companies Act, 2013 read with Schedule V to the Act and the Companies (Appointment and Remuneration of Managerial personnel) Rules, 2014 (including any amendments thereto), the re-appointment of Mr. C. V. Alexander (DIN: 00253736) as the Whole-time Director of the Company from 1st October 2014 up to 30th September 2015 on remuneration and perquisites and other terms and conditions as set out in the Agreement executed by the Company with Mr. C. V. Alexander and approved by the Nomination and Remuneration Committee be and is hereby approved and ratified.”

“FURTHER RESOLVED THAT the Board of Directors of the Company with the approval of the Nomination and Remuneration Committee be and is hereby authorised to vary or increase the remuneration, perquisites and any other entitlements including the monetary value thereof as specified in the said Agreement to the extent the Board of Directors may consider appropriate,

as may be permitted or authorised in accordance with the provisions of the Companies Act, 2013 or re-enactment thereof and/or Rules or Regulations framed there under and the terms of the aforesaid Agreement between the Company and Mr. C. V. Alexander shall be suitably modified to give effect to such variation or increase as the case may be.”

9. To approve the remuneration of the Cost Auditor for the financial year 2014-2015 and in this regard, if thought fit, to pass with or without modifications, the following as **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Rules made thereunder, M/s. Sevekari, Khare & Associates, Cost Accountants (Firm Registration No.000084), appointed as Cost Auditors by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the financial year ending 31st March 2015, be paid the remuneration as set out in the Statement annexed to the Notice convening this Meeting.”

By Order of the Board

Mumbai
21st July 2014

U. C. Rege
Company Secretary & Executive VP - Legal

NOTES:

1. A Member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself / herself and the proxy need not be a member.
2. The proxy form duly completed and signed should be deposited at the Registered Office of the Company not later than 48 hours before the time of holding the Meeting.
3. The Register of Members and the Share Transfer Books of the Company will remain closed from **01.09.2014 to 06.09.2014** (both days inclusive).
4. The payment of dividend, if approved, will be made to the shareholders whose names stand on the Register of Members on **06.09.2014**. For shares held in the electronic form, dividend will be paid on the basis of beneficial ownership as per details received from the Depositories.
5. The shareholders seeking information on Accounts published herein are requested to kindly furnish their queries to the Company at least seven days before the date of the Meeting to facilitate satisfactory replies.
6. The shareholders who attend the Meeting are requested to fill in the attendance slip and deliver the same at the entrance of the Meeting hall. The shareholders holding shares in dematerialised form should indicate the DP ID and Client ID numbers in the attendance slip.
7. The shareholders are requested to bring their copy of the Annual Report to the Meeting.
8. The shareholders are requested to (a) intimate, if shares are held in the same name or in the same order and names, but more than one folio to enable the Company to consolidate the said folios into one folio, and (b) notify immediately any change in their recorded address, along with pin code numbers, to the Company.
9. The shareholders are requested to forward shares for transfer and related communication to the Share Transfer Agent or to the Registered Office of the Company.
10. Under Sections 205A (5) and 205 C of the erstwhile Companies Act, 1956 the unclaimed and unpaid dividend amount for a period of seven years from the due date is required to be transferred to the Investor Education and Protection Fund (IEPF), constituted by the Central Government. Accordingly, during the year the Company had transferred amount of ₹6,21,325/- pertaining to the unpaid and unclaimed annual dividend for the year 2005-2006 to the IEPF.
11. The Ministry of Corporate Affairs has taken a corporate “Green Initiative in the Corporate Governance” by allowing paperless compliance by companies. Accordingly, the Notice of the Annual General Meeting along with Annual Report for the year 2013-2014 is being sent by electronic mode to those members whose e-mail addresses are registered with the Company/ Depositories, unless any member has specifically requested for a physical copy of the same. In order to support the “Green Initiative”, the Members who have not yet registered their e-mail addresses are requested to register the same with R&T Agent/ Depositories.
12. In compliance with the provisions of Section 108 of the Companies Act, 2013 and rules framed thereunder alongwith with revised clause 35B of the SEBI Listing Agreement, the Members are provided with the facility to cast their vote electronically, through e-voting services provided by Central Depository Services Limited (CDSL), on all resolutions set forth in this Notice.

The instructions for e-voting are as under –

(A) In case of members receiving e-mail:

- (i) Log on to the e-voting website www.evotingindia.com
- (ii) Click on “Shareholders” tab.
- (iii) Now, select the “COMPANY NAME” from the drop down menu and click on “SUBMIT”.
- (iv) Now Enter your User ID
 - For CDSL: 16 digits beneficiary ID,
 - For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

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

- (viii) After entering these details appropriately, click on “SUBMIT” tab.
- (ix) Members holding shares in physical form will then reach directly the company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for <SAVITA OIL TECHNOLOGIES LIMITED> to choose to vote.
- (xii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.

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

Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to www.evotingindia.com and register themselves as Corporates.

- They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cDSLindia.com
- After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
- The list of accounts should be mailed to helpdesk.evoting@cDSLindia.com and on approval of the accounts they would be able to cast their vote.
- They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

(B) In case of members receiving the physical copy:

- (i) Please follow all steps from sr. no. (i) to sr. no. (xvii) above to cast their vote.
- (ii) The voting period begins on Friday, 29th August 2014 (9.00 a.m. IST) and ends on Sunday, 31st August 2014 (6.00 p.m. IST). During this period, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (Record Date) of Friday, 1st August 2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (iii) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cDSLindia.com

(C) Other instructions:

- (i) The Notice for e-voting shall be sent to all the shareholders of the Company by electronic mail and/or by speed post/courier on or before 10th August 2014. The e-voting period will commence on Friday, 29th August 2014 (9.00 a.m. IST) and will end on Sunday, 31st August 2014 (6.00 p.m. IST). The e-voting module shall be disabled thereafter.
- (ii) Once the vote on a resolution is cast by the member, he/she shall not be allowed to change it subsequently.
- (iii) The voting rights of Members shall be in proportion to their shares of the paid up equity share capital of the Company as on the Record Date, Friday, 1st August 2014.
- (iv) Mehta & Mehta, Practising Company Secretaries have been appointed as "the Scrutinizer" to scrutinize the e-voting process in a fair and transparent manner.
- (v) The Scrutinizer shall, within a period not exceeding 3 (three) working days from the conclusion of the e-voting period, unblock the votes in the presence of at least two witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, as the case may be, and submit the same to the Chairman of the Company.
- (vi) The results declared along with the Scrutinizer's Report shall be displayed on the website of the Company www.savita.com and on the website of CDSL www.evotingindia.com within two days from the passing of the resolutions at the 53rd Annual General Meeting of the Company to be held on Saturday, 6th September 2014 at 11.00 A.M. and shall be communicated to the stock exchanges, where the shares of the Company are listed.

By Order of the Board

Mumbai
21st July 2014

U. C. Rege
Company Secretary & Executive VP - Legal

EXPLANATORY STATEMENT AS REQUIRED BY SECTION 102 OF THE COMPANIES ACT, 2013

Item Nos. 5 to 7

The Board of Directors in its meeting held on 29th May 2014 has appointed Mr. Sanjeev R. Pandit, Mr. Ninad B. Karpe and Mr. Harit A. Nagpal as Independent Directors pursuant to Section 149 read with Schedule IV of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and Clause 49 of the Listing Agreement (including any statutory amendments or re-enactments thereof for the time being in force) for a period of 5 years upto 31st March 2019, subject to the approval of shareholders.

As per the provisions of Schedule IV of the Companies Act, 2013, appointments of these Independent Directors are set out in items 5 to 7 of the Notice for approval of shareholders. All the Independent Directors have furnished their declaration of independence to the Company, as required pursuant to Section 149(7) of the Companies Act, 2013, confirming that they meet the prescribed criteria of independence as provided under Section 149 (6) of the Companies Act, 2013.

In the opinion of the Board, all the appointee Independent Directors are persons of integrity, possess relevant experience and expertise required to conduct the Company's business and it would be fruitful for the Company to continue their association with the Company as Directors.

The Company has received notices in writing from the Members along with the requisite amount of deposit under Section 160 of the Companies Act, 2013 proposing their candidatures for the office of Directors of the Company.

The Board is also of the opinion that the proposed appointment of Independent Directors fulfills the requirements of the Companies Act, 2013, the Companies (Appointment and Qualification of Directors) Rules, 2014, Clause 49 of the Listing Agreement and other applicable provisions, if any, of the Companies Act, 2013 and Rules made there under for the proposed appointment of Independent Directors on the Board of the Company.

Detailed profiles of the Independent Directors are given below –

1. Mr. Sanjeev R. Pandit

Mr. Sanjeev R. Pandit was born on 7th September 1957. He is a commerce graduate and is also a member of the Institute of Chartered Accountants of India. He has experience of over 33 years in the profession of Chartered Accountancy.

He is a Director of India SME Asset Reconstruction Company Limited.

Committee positions in the Company:

- Chairman of Audit Committee
- Member of Shareholders' Grievance Committee
- Member of Corporate Social Responsibility Committee
- Member of Nomination and Remuneration Committee

Shareholding in Company: Nil

2. Mr. Ninad B. Karpe

Mr. Ninad B. Karpe was born on 4th March 1961. He is a commerce graduate, has completed LL. B. (Gen.) and is also a member of the Institute of Chartered Accountants of India. He has experience of over 16 years in profession of Chartered Accountancy and over 15 years in employment. He has authored books on taxation while in profession and he was also a part-time lecturer at H. R. College, Mumbai and a Guest lecturer at Jamnalal Bajaj College of Management Studies, Mumbai.

He is currently the Managing Director and CEO of Aptech Limited. His other Directorships are as under –

1. Maya Entertainment Limited
2. BNP Paribas Asset Management India Pvt. Ltd.
3. India SME Asset Reconstruction Co. Ltd.
4. BJB Career Education Co. Ltd.
5. Aptech Venture Limited
6. Aptech Investment Enhancers
7. Aptech Global Investment
8. Franchising Association of India

9. EDC Limited

10. IDBI Bank

Committee positions in the Company:

- Chairman of Shareholders' Grievance Committee
- Chairman of Stakeholders' Relationship Committee
- Member of Audit Committee
- Member of Nomination and Remuneration Committee

Shareholding in Company: Nil

3. Mr. Harit A. Nagpal

Mr. Harit A. Nagpal was born on 2nd November 1961. He is a Chemical Engineer from Punjab University, Chandigarh (1983) and has also completed an MBA from Faculty of Management Studies, University of Delhi in 1985. He has over three decades of experience in the industry. He is currently the President of DTH Operators Association of India. He has previously worked for reputed brands like Lakme, Marico, Pepsi, Shoppers' Stop and Vodafone.

He is currently the Managing Director and CEO of Tata Sky Limited. His other Directorships are as under –

1. OnMobile Global Limited
2. Vox Mobili
3. OnMobile SA
4. Onmobile Global for Telecommunication Services

Committee positions in the Company:

- Chairman of Nomination and Remuneration Committee
- Member of Audit Committee

Shareholding in Company: Nil

The terms and conditions of appointment of Independent Directors shall be open for inspection to the Members at the Registered Office of the Company during business hours on any working day up to and including the date of the Annual General Meeting or any adjournments thereof.

Save and except the above, none of the other Directors/Key Managerial Personnel of the Company/their relatives are concerned or interested, in any way, in the resolutions set out respectively at Item Nos.5 to 7 of the Notice.

Your Directors recommend these Ordinary Resolutions for your approval.

Item No. 8

The Board of Directors in its meeting held on 29th May 2014 re-appointed Mr. C. V. Alexander (DIN: 00253736), as the Whole-time Director of the Company from 1st October 2014 up to 30th September 2015, subject to the approval of the Members by Special Resolution at the ensuing Annual General Meeting. Separate Agreement in this regard has been executed between the Company and Mr. C. V. Alexander on 21st July 2014 and the same has been approved by the Nomination and Remuneration Committee.

The appointment of Mr. C. V. Alexander is subject to the provisions of Sections 196, 197, 203 and other applicable provisions, if any, of the Companies Act, 2013 read with Schedule V to the Act and the Companies (Appointment and Remuneration of Managerial personnel) Rules, 2014 (including any amendments thereto).

The remuneration and terms and conditions as contained in the Agreement executed with **Mr. C. V. Alexander** are as under:

1. Basic Salary of ₹ 1,28,400/- (Rupees One Lakh Twenty Eight Thousand Four Hundred only) per month.
2. House Rent Allowance at the rate of 25% of the Basic Salary.
3. Education Allowance and Special Allowance of ₹ 100/- and ₹ 13,440/- per month respectively.
4. Reimbursement of medical expenses incurred on himself and his family subject to a ceiling of 5% of the salary.
5. Leave Travel Allowance for himself and his family once in a year in accordance with the Rules of the Company for the time being in force.

6. Bonus as per the Rules of the Company.
7. Ex-gratia/Performance Linked Incentive as per the Policy of the Company.
8. Medical/Accident Insurance for himself and his spouse in accordance with the Rules of the Company.
9. Contribution to Provident Fund as per the Company's Rules applicable from time to time to the extent that this is not taxable under the Income Tax Act.
10. Gratuity as per the Company Rules.
11. Leave entitlement as per Company Rules. He shall be permitted to encash unavailed leave.
12. Provision of car with reimbursement of salary for driver as per the Company's Policy for Company's business and personal use.
13. Provision of telephone facility(ies) subject to he being billed for personal long distance calls.

Where in any financial year, the Company has no profits or its profits are inadequate, the Company will pay to the Whole-time Director, minimum remuneration as provided in Section II of Part II of Schedule V to the Companies Act, 2013 as notified from time to time.

This Notice along with Explanatory Statement be treated as Abstract of the terms of re-appointment of Mr. C. V. Alexander as the Whole-time Director of the Company as required under Section 196 of the Companies Act, 2013.

The appointment and remuneration of the Whole-time Director are required to be approved by the shareholders in the ensuing General Body Meeting and accordingly this resolution is placed before the Members of the Company.

The Agreement entered into between the Company and Mr. C. V. Alexander as well as the copy of the Memorandum and Articles of Association are available for inspection to the Members at the Registered Office of the Company during business hours on any working day up to and including the date of the Annual General Meeting or any adjournments thereof.

Mr. C. V. Alexander has worked in the Company for nearly five decades and the Company has always benefited by his foresight and guidance in managing the affairs of the Company. He has over 50 years of experience in the fields of taxation, corporate law and finance. The Company believes that his presence on the Board will be beneficial to the Company and will prove as a guiding force for the Company.

None of the Directors of your Company/Key Managerial Personnel of the Company/their relatives are concerned or interested, in any way, except Mr. C. V. Alexander in this Special Resolution.

Your Directors recommend this Special Resolution for your approval.

Item No.9

The Board, on the recommendation of the Audit Committee, has approved the appointment of Sevekari, Khare & Associates, Cost Accountants, A4 Hari Niwas, L. J. Road, Mumbai 400028 as Cost Auditors to conduct the audit of the cost records of the Company for the year ending 31st March 2015 on a remuneration of ₹2,30,000/- (Rupees Two Lakh Thirty Thousand Only) plus service tax.

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the shareholders of the Company.

Accordingly, consent of the Members has been sought for passing an Ordinary Resolution as set out at Item No.9 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending 31st March 2015.

None of the Directors/Key Managerial Personnel of the Company/their relatives are concerned or interested, in any way, in the resolution set out at Item No.9 of the Notice.

Your Directors recommend this Ordinary Resolution for your approval.

Mumbai
21st July 2014

By Order of the Board
U. C. Rege
Company Secretary & Executive VP - Legal

Report of the Directors to the Members

Your Directors have pleasure in presenting the **Fifty-third Annual Report**, together with the Audited Accounts for the year ended 31st March 2014.

1. FINANCIAL RESULTS

	Year ended 31.3.2014	Year ended 31.3.2013
	(₹ in lacs)	
Total Income	2,08,968	2,01,248
Profit before Depreciation & Tax	10,470	11,919
Depreciation	2,998	2,514
Exceptional Income	5,791	5,650
Profit before Tax	13,263	15,055
Provision for Taxation:		
Current	4,450	3,115
Deferred	(160)	1,607
Profit for the year after Tax	8,974	10,332
Balance brought forward from previous year	35,348	29,055
Profit available for appropriation	44,321	39,387
Appropriations:		
Proposed Dividend	2,555	2,555
Tax on Dividend	434	434
General Reserve	900	1,050
Balance carried to Balance Sheet	40,432	35,348

2. DIVIDEND

Your Directors are pleased to recommend a dividend of 175% (₹17.50 per equity share of ₹ 10/- each) for the year ended 31st March 2014, same as for the previous year on the paid up Equity Share Capital of ₹1,460 lacs, resulting in an outgo of ₹ 2,990 lacs inclusive of dividend tax.

3. OPERATIONS

Your Company's sales turnover during the year 2013-14 touched a new high of ₹ 2,29,675 lacs against ₹ 2,21,789 lacs in the year 2012-13, resulting in a growth of about 3.56 %. The sales volume was more or less the same at 2,72,805 KLS/MTs during 2013-14 as against 2,71,521 KLS/MTs achieved in 2012-13. The net profit of the Company however declined to ₹ 8,974 lacs as against ₹ 10,332 lacs for the previous year, recording a decrease of 13%. The net profit during the year was lower due to extreme foreign exchange volatility. This profit included the compensation received from Idemitsu Lube India Pvt. Ltd. on account of premature termination of the Technical Collaboration Agreement for Idemitsu Genuine Products during the year.

During the Financial Year 2013-14, your Company's Wind Power Plants situated in the states of Maharashtra, Karnataka and Tamil Nadu generated a total of 93.06 MU against 94.81 MU generated in the previous year. During the year under review, your Company installed 4 new wind mills in the state of Maharashtra. As a result, the total installed capacity in Wind Power sector of your Company has increased from 48.15 MW to 54.15 MW.

Your Company commissioned the new green field manufacturing facility at Silli in Silvassa, in the Union Territory of Dadra & Nagar Haveli during the year under review. This ultra modern sophisticated plant is now fully operational with an annual licensed production capacity of 1,50,000 MT for manufacture of petroleum specialty products.

4. FIXED DEPOSITS

The Company has no overdue / unpaid fixed deposits.

5. RESEARCH AND DEVELOPMENT

A note on the R & D activities and Technology Absorption is given in Form 'B' by way of an Annexure to this Report.

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

Information pursuant to Section 217(1) (e) of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in

the Report of Board of Directors) Rules, 1988 relating to Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo is furnished by way of Annexure to this Report.

7. DIRECTORS

Your Company's Whole-time Director, Mr. C. V. Alexander (DIN: 00253736) retires by rotation under Section 152 of the Companies Act, 2013 and being eligible, offers himself for re-appointment.

In the meeting held on 29th May 2014, your Directors re-appointed Mr. C. V. Alexander as the Whole-time Director of the Company. His re-appointment as the Whole-time Director of the Company is subject to the approval of the Members at the ensuing Annual General Meeting. Item No. 8 of the Notice along with the Explanatory Statement be treated as an Abstract of the terms and conditions of Mr. C. V. Alexander's appointment under Section 196 of the Companies Act, 2013.

In the meeting held on 29th May 2014, your Directors also appointed Mr. Sanjeev R. Pandit, Mr. Ninad B. Karpe and Mr. Harit A. Nagpal as Independent Directors pursuant to Section 149 read with Schedule IV of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and Clause 49 of the Listing Agreement for a period of 5 years upto 31st March 2019, subject to approval of the shareholders.

Your Board of Directors recommends re-appointment of Mr. C. V. Alexander as Whole-time Director and appointments of Mr. Sanjeev R. Pandit, Mr. Ninad B. Karpe and Mr. Harit A. Nagpal as Independent Directors of the Company.

8. CORPORATE GOVERNANCE & MANAGEMENT DISCUSSION AND ANALYSIS

A statement on Corporate Governance along with the Auditors' Certificate regarding its compliance and Management Discussion and Analysis are given separately as part of the Annual Report.

9. CORPORATE SOCIAL RESPONSIBILITY

Your Company in the Board Meeting held on 29th May 2014 has constituted the Corporate Social Responsibility Committee comprising Mr. G. N. Mehra as the Chairman and Mr. C. V. Alexander and Mr. S. R. Pandit as the other members.

The said Committee has been entrusted with the responsibility of formulating and recommending to the Board, a Corporate Social responsibility Policy indicating the activities to be undertaken by the Company, monitoring the implementation of the framework of the Policy and recommending the amount to be spent on the CSR activities from time to time.

10. TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND

During the year, your Company has transferred a sum of ₹ 6.21 lacs to the Investor Education and Protection Fund, which was the dividend amount due and payable for the year 2005-06 and remained unclaimed and unpaid for a period of 7 years, as provided in Section 205A(5) of the Companies Act, 1956.

11. RISK ASSESSMENT AND MANAGEMENT

Your Company has been on a continuous basis reviewing and streamlining its various operational and business risks involved in its business. Your Company also takes all efforts to train its manpower from time to time to handle and minimise these risks.

12. DIRECTORS' RESPONSIBILITY STATEMENT

In accordance with the requirements of Section 217 (2AA) of the Companies (Amendment) Act, 2000, the Directors of the Company hereby confirm that:

- (i) in the preparation of the Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (ii) the 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 as at 31st March 2014 and profit for the year ended on that date;
- (iii) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- (iv) the Directors have prepared the Annual Accounts on a 'going concern' basis.

13. AUDITORS

M/s. G. M. Kapadia & Co., Chartered Accountants, retire at the conclusion of this Annual General Meeting and are eligible for re-appointment. Your Directors, pursuant to the provisions of Section 139 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder, have appointed them as Auditors of the Company to hold office from the conclusion

of the ensuing Annual General Meeting until the conclusion of the 56th Annual General Meeting of the Company, subject to ratification by shareholders at each Annual General Meeting.

14. COST AUDITOR

Pursuant to directions from the Ministry of Corporate Affairs, your Directors, on the recommendation of the Audit Committee, had appointed M/s Sevekari, Khare & Associates, Cost Accountants, A-4 Hari Niwas, L. J. Road, Mumbai 400028 as Cost Auditors for the applicable products of the Company for the year ending 31st March 2015.

15. PARTICULARS OF EMPLOYEES

The information required to be published under the provisions of Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975 as amended is given in the Annexure to this Report.

16. LISTING

Your Company's shares continue to be listed on BSE Limited and National Stock Exchange of India Limited. The Listing Fees to these two Stock Exchanges for the year 2014-15 have been paid by your Company on time.

17. ACKNOWLEDGEMENTS

Your Directors are grateful to your Company's bankers, financial institutions, agents and business associates as well as employees at all levels for their valuable support and co-operation extended at all times. Your Directors also appreciate the confidence and faith reposed in them by the shareholders.

For and on behalf of the Board

Mumbai
21st July 2014

Gautam N. Mehra
Chairman & Managing Director

Annexure to the Directors' Report

PARTICULARS REQUIRED UNDER THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF THE BOARD OF DIRECTORS) RULES, 1988

A. CONSERVATION OF ENERGY:

a) Energy Conservation Measures Taken -

Electrical unit consumption reduced by:

- Fixing transparent polycarbonate roof sheets wherever possible in factory godowns for better natural day light, resulting in reduced electricity consumption for lighting purposes.
- Replacing 40 HP Blending Pump's Motor with new Pump-Motor of 7.5 HP for some of the Oil Tanks.
- Maintaining Power Factor all the time at unity and availed cash incentive from MSEB.
- Installing 100KVA voltage stabilizer for Plant & street lighting load, which reduced lighting power consumption by 12%.

b) Impact of the above Measures

The above energy conservation measures have helped to reduce the overall energy consumption and fuel usage for the Company.

c) Additional Investments and Proposal for reduction in Consumption of Energy

Plan to replace 25 HP Pump-Motors with new 7.5 HP Pump Motors for some of the Oil Tanks.

d) Total Energy Consumption and Energy consumption per unit of Production

Form 'A' enclosed.

B. TECHNOLOGY ABSORPTION

Efforts made for technology absorption are detailed in Form 'B'.

C. ACTIVITIES RELATING TO EXPORTS

Your Company clocked an export turnover (FOB value) of ₹ 39,637 lacs in the year 2013-14 as against ₹ 34,257 lacs in the year 2012-13 resulting in a growth of 15.70%. This was possible for your Company because of continuous efforts in exploring new overseas markets in addition to strengthening its position in existing markets.

D. TOTAL FOREIGN EXCHANGE USED AND EARNED

	₹ in lacs
(i) CIF Value of Imports	1,61,937
(ii) Expenditure in Foreign Currency	1,248
(iii) Foreign Exchange earned	40,863

E. PARTICULARS OF EMPLOYEES

Statement of particulars of employees as required under Section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975 and forming part of the Directors' Report for the year ended 31st March 2014:

No.	Name of Employee	Age	Designation	Gross Remuneration (₹)	Qualification	Exp. (in years)	Date of joining	Previous Employment/ Position held
1	Mr. Gautam N. Mehra	52	Chairman & Managing Director	2,31,16,127	B.E. (Chem), M.B.A., Univ. of California (Berkeley)	31	1.12.1983	Marketing Executive – Mehra Trading & Investment Company Pvt. Ltd.
2	Mr. M. K. Wazir	65	President - Marketing	73,49,560	B.Sc., Chief Engineer (Marine)	41	1.6.1994	Senior Manager (Marketing) Pennzoil India Limited

Notes:

1. Remuneration includes basic salary, allowances, commission paid, Company's contribution to Provident Fund and other perquisites valued in accordance with the Income Tax Rules, 1961.
2. The Company has contributed an appropriate amount to the Gratuity Fund on actuarial valuation. As the employee-wise break-up of contribution is not available, the same is not included above.
3. Experience includes number of years' service elsewhere.
4. The nature of employment is contractual and is governed by the rules and regulations of the Company in force from time to time.
5. None of the above persons are related to each other in any way.

FORM - A

DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY

Particulars	2013-14	2012-13
A. Power & Fuel Consumption		
1. Electricity		
a. Purchased units (million)	2,769	2,432
Total amount (₹ in lacs)	166.40	151.75
Average rate/unit (₹)	6.01	6.24
b. Own Generation		
i) Through Diesel Generation	37,903	24,371
Units per litre of diesel oil	2.81	2.73
Average cost/ unit (₹)	20.31	17.38
ii) Through Steam Turbine Generators	–	–
iii) Through Wind Turbines		
Units (million)	–	–
Total amount (₹ lacs)	–	–
Average rate/unit (₹)	–	–
2. Coal	–	–
3. Furnace Oil		
Quantity (KL)	29	26
Total amount (₹ in lacs)	15.01	12.51
Average rate (₹ per KL)	51,639	48,660
4. Others	–	–

B. Consumption Per Unit of Production

Particulars	Year	Transformer Oil	Liquid Paraffins	Lubricating Oils	Others
Electricity (KWH)	2013-14	5	15	7	5
	2012-13	5	15	7	5
Furnace Oil (in litres)	2013-14	–	–	–	–
	2012-13	–	–	–	–

FORM - B

DISCLOSURE OF PARTICULARS WITH RESPECT TO TECHNOLOGY ABSORPTION, RESEARCH AND DEVELOPMENT

1. SPECIFIC AREAS IN WHICH R & D CARRIED OUT

R & D carried out work to establish new formulations and products for transformer fluids used in High Voltage Transformers. R & D also initiated work on new and alternative fluids which are biodegradable and environmentally friendly. R & D work on White Oil is focused on developing Heavy Liquid formulations for Specialty applications.

2. BENEFITS DERIVED

The work benefitted the Company in terms of stabilizing supplies of High Performance fluids to prestigious customers like Power Grid Corporation of India Limited. The work on White Oils resulted in improvement in quality of products for higher-end applications.

3. FUTURE PLAN OF ACTION

R & D will continue its work on alternative fluids which are environmentally friendly.

4. EXPENDITURE ON RESEARCH AND DEVELOPMENT

	₹ in lacs
a) Capital	21.09
b) Recurring	133.28
Total	<u>154.37</u>

Total R & D expenditure as % of turnover	0.07
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5. TECHNOLOGY ABSORPTION

The R & D work has immensely benefitted the Company in consolidating its position with the existing customers and exploring business opportunities with potential customers.

For and on behalf of the Board

Mumbai
21st July 2014

Gautam N. Mehra
Chairman & Managing Director

Corporate Governance

Report on Corporate Governance for the year 2013-14 is as under-

1. Philosophy on Corporate Governance

The Directors and the Management of the Company are committed to maintain high standards of corporate governance in conducting its business and ensure that an effective self regulatory mechanism exists to protect the interest of all the stakeholders. The Corporate Governance standards for listed companies in India are regulated by the Securities and Exchange Board of India (SEBI) through Clause 49 of the Listing Agreements with the Stock Exchanges.

The Company has complied with the requirements of the Corporate Governance in terms of Clause 49 of the Listing Agreements executed with The National Stock Exchange of India Limited and BSE Limited.

2. Board of Directors

The Company's Board consists of Directors who are experienced professionals with a Managing Director heading the business, one non-promoter Executive Director and three non-promoter non-executive Independent Directors.

All the Directors on the Company's Board are adequately experienced and have expertise and skills necessary to manage the affairs of the Company in the most efficient manner.

The composition and category of the Directors on the Board of the Company are:

Director	Category	No. of outside Directorships	No. of outside Committee Memberships
Mr. G. N. Mehra	Executive-CMD/Promoter	9	-
Mr. C. V. Alexander	Non-Promoter-Executive	2	-
Mr. N. B. Karpe	Non-Promoter Non-Executive-Independent	12	-
Mr. S. R. Pandit	Non-Promoter Non-Executive-Independent	1	1
Mr. H. A. Nagpal	Non-Promoter Non-Executive-Independent	5	-

Particulars of Director seeking re-appointment are given below-

Director	Mr. C. V. Alexander
Date of Birth	29.5.1935
Qualification	M.A., LL.B.
Experience	Over 50 years in service
Other Directorships	1 Savita Polymers Ltd. 2 Kurla Investment & Trading Co. Pvt. Ltd.

Number of Board Meetings with dates

During the period 1st April 2013 to 31st March 2014, the Board met 4 times. The Board Meetings were held on 18th May 2013, 26th July 2013, 13th November 2013 and 1st February 2014.

Attendance of Directors at the Board Meetings held during 2013-14 and the last Annual General Meeting

Name of the Director	Attendance		Last AGM attended
	No. of meetings held during the tenure of Directors		
	Held	Attended	
Mr. G. N. Mehra	4	4	Yes
Mr. N. B. Karpe	4	4	Yes
Mr. S. R. Pandit	4	4	Yes
Mr. C. V. Alexander	4	3	Yes
Mr. H. A. Nagpal	4	3	Yes

Details of remuneration paid/to be paid (₹ in lacs) to the Directors for the year 2013-14

Director	All elements of remuneration package taken together	Sitting fees	Commission*
<u>Managing Director</u>			
Mr. G. N. Mehra			
Salary	43.10		
Perquisites	36.64		
Contribution to PF	4.57		132.32
Mr. C. V. Alexander			
Salary	13.80		
Perquisites	12.56		
Contribution to PF	1.66		
<u>Non-executive Directors</u>			
Mr. N. B. Karpe	-	0.80	3.00
Mr. S. R. Pandit	-	0.80	3.00
Mr. H. A. Nagpal	-	0.60	3.00

*Subject to approval of shareholders.

Gist of Contract executed with Mr. C. V. Alexander, Whole-time Director

The Board of Directors at its meeting held on 29th May 2014, re-appointed Mr. C. V. Alexander as the Whole-time Director of the Company for a period from 1st October 2014 to 30th September 2015, subject to the approval of the shareholders at the ensuing Annual General Meeting. The terms and conditions and the remuneration payable to Mr. C. V. Alexander have been detailed in the Notice and Explanatory Statements thereto.

Information placed before the Board

- Minutes of Audit Committee meetings.
- Minutes of Shareholders' Grievances Committee meetings.
- Labour Relations.
- Major investments and projects to be taken up.
- Disclosures of materially significant related party transactions, if any.
- Compliance with regulatory and statutory requirements including listing requirements and shareholders' services.
- Details of show cause, demand, prosecution and penalty notices, if any, which are material in nature.
- Material default, if any, in financial obligation to and by the Company and substantial non-payment of goods sold by the Company.
- Sale of significant investments and assets.

3. Committees of the Board

In terms of the SEBI Code, the Board of the Company has constituted the following Committees:

Audit Committee

The Audit Committee consists of the following Directors –

Mr. S. R. Pandit	-	Chairman
Mr. N. B. Karpe	-	Member
Mr. Harit A. Nagpal	-	Member

The broad terms of reference of Audit Committee are as under:

- Overseeing the Company's financial reporting process and disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.

- Recommending the appointment/re-appointment of external/internal auditors, tax auditors, fixation of audit fees, etc.
- Review of annual financial statements.
- Review of quarterly/half yearly un-audited financial results.
- Review of adequacy of internal control system and the internal audit programme.
- Reviewing the Company's financial and risk management policies.

The Audit Committee met four times (18th May 2013, 26th July 2013, 13th November 2013 and 1st February 2014) during the year 2013-14.

Attendance of Director Members at the Audit Committee Meetings

Names of Director Members	Attended
Mr. S. R. Pandit	4
Mr. N. B. Karpe	4
Mr. H. A. Nagpal	3

Shareholders' Grievances Committee

The following are the members of this Committee:

- Mr. N. B. Karpe - Chairman (Non-Executive Independent Director)
 Mr. S. R. Pandit - Member (Non-Executive Independent Director)
 Mr. G. N. Mehra - Member (Managing Director)

The Committee met four times (18th May 2013, 26th July 2013, 13th November 2013 and 1st February 2014) during the year 2013-14.

Attendance of Director Members at the Meetings

Names of Director Members	Attended
Mr. N. B. Karpe	4
Mr. S. R. Pandit	4
Mr. G. N. Mehra	4

Details of Shareholders' Grievances and their redressal

Sr. No.	Type	Received	Cleared
1.	Transfers/Transmissions/Name Correction	29	29
2.	Non-receipt of Dividend Warrants	32	32
3.	De-materialisation	01	01
4.	Others	55	55

The Company has resolved most of the Shareholders' grievances/correspondences within a period of 15/30 days from the date of receipt of the same during the year 2013-14 except in cases which are constrained by disputes and legal impediments.

4. General Body Meetings

Location and time where General Body Meetings held in the last three years are given below:-

Year	AGM/EGM	Location	Date	Time
2012-13	AGM	M. C. Ghia Hall, Mumbai	24.8.2013	11.00 AM
2011-12	AGM	M. C. Ghia Hall, Mumbai	18.8.2012	11.00 AM
2010-11	AGM	M. C. Ghia Hall, Mumbai	17.9.2011	11.00 AM

5. Disclosure on materially significant Related Party Transactions (With Promoters, Directors, Management, their Subsidiaries or relatives etc.) which may have potential conflict with the interest of the Company at large

There were no such transactions having material significance during the year.

6. Non-Compliance by the Company, penalties, strictures imposed on the Company by Stock Exchanges/SEBI, in the last three years

None

7. Means Of Communications

This is being done through quarterly results, which are published in national English (Business Standard all editions and Free Press Journal Mumbai edition) and Marathi (Navshakti - Mumbai) daily newspapers.

The financial results are also displayed on the Company's Website www.savita.com

8. General Shareholder Information

A.	Date of Book closure	:	01.09.2014 to 06.09.2014
B.	Date and venue of AGM	:	06.09.2014 at 11.00 a.m. at M. C. Ghia Hall, Bhogilal Hargovindas Building, 4 th Floor, 18/20, Kaikhushru Dubash Marg, Mumbai 400 001
C.	Dividend Payment (Equity)	:	175% on Equity shares. Warrants for final dividend will be dispatched before 05.10.2014 if the Dividend is approved at the Annual General Meeting.
D.	Listing on Stock Exchanges in India	:	BSE Limited Phiroze Jeejeebhoy Towers, Dalal street, Mumbai – 400 001 Stock Code: 524667 National Stock Exchange of India Limited Exchange Plaza, 5 th Floor, Plot No. C/1, G Block, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051 Stock Code: SOTL – EQ
E.	Status of Listing Fees	:	Paid to BSE Limited and National Stock Exchange of India Limited for 2014-15
F.	Registered office	:	66/67, Nariman Bhavan, Nariman Point, Mumbai – 400 021 Tel. No.: 91-22-6624 6200 / 6624 6228 Fax: 91-22-2202 9364
G.	Works	:	17/17A, Thane Belapur Road, Turbhe, Navi Mumbai – 400 703 Tel: 91-22-2768 1521 / 6768 3500 Fax: 91-22-2768 2024 Survey No.10/2 Kharadpada, Post Naroli, Silvassa, Dadra and Nagar Haveli – 396 230 Tel: 0260-320 4003 Fax: 0260-265 0182 Survey No.140/1, Village Kuvapada, Silli, P.O. Kilwani, Silvassa, Dadra and Nagar Haveli - 396 230 Tel: 0260-301 3199
H.	Depositories	:	National Securities Depository Ltd. 4 th Floor, Trade World, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai-400 013 Central Depository Services (India) Ltd. Phiroze Jeejeebhoy Towers, 20 th Floor, Dalal Street, Mumbai-400 001

9. Share Transfer in physical form and other communication regarding share certificates, dividends and change of address etc. to be sent either to -

Savita Oil Technologies Limited
66/67 Nariman Bhavan,
Nariman Point,
Mumbai – 400 021
Tel. No.: 91-22-6624 6200 / 6624 6228
Fax: 91-22-2202 9364
E-mail: legal@savita.com

OR
Sharepro Services (India) Pvt. Ltd.
13 AB, Samhita Warehousing Complex,
Near Sakinaka Telephone Exchange,
Andheri-Kurla Road,
Sakinaka, Andheri (East),
Mumbai – 400 072
Tel: 91-22-6772 0300/677 20400
Fax: 91-22-2859 1568
E-mail: sharepro@shareproservices.com

10. Share Transfer System

Transfer of Shares in physical form is generally registered and certificates are returned within a period of 15 days from the date of receipt of the documents clear in all respects. Similarly the dematerialisation requests are also processed within a period of 15 days. The Shareholders' Grievances Committee meets as often as required. The total number of shares transferred in physical and dematerialised form during the year 2013-14 are as follows:

Category	Requests received	Requests attended	Shares received	Shares processed and settled
Physical	12	11	1,844	1,678
Dematerialised	53	49	7,445	6,930

11. Distribution of Shareholdings as on 31st March 2014

No. of Equity Shares held	No. of Share Holders	% of Share Holders	No. of Shares	% of Share Holding
Up to 500	8,682	94.349	9,37,419	6.420
501-1,000	271	2.945	2,07,916	1.424
1,001-2,000	142	1.543	2,13,379	1.461
2,001-3,000	26	0.283	66,266	0.454
3,001-4,000	17	0.185	58,885	0.403
4,001-5,000	9	0.098	40,842	0.280
5,001-10,000	22	0.239	1,55,171	1.063
10,001-Above	33	0.359	1,29,22,205	88.496
Total	9,202	100.00	1,46,02,083	100.00

12. Categories of Shareholdings as on 31st March 2014

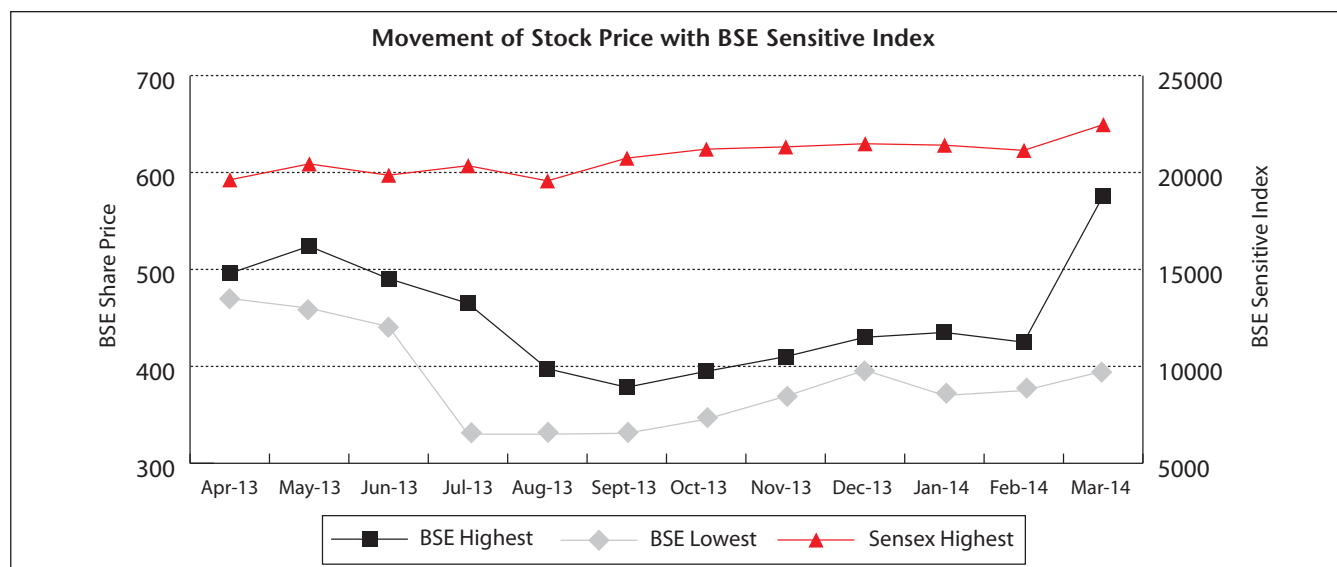
Category	No. of Share Holders	Voting Strength %	No. of Shares held
Overseas Corporate Bodies	-	-	-
Non-resident Individuals			
On non-repatriable basis	33	0.1218	17,787
On repatriable basis	132	0.1770	25,845
FII's	2	4.7550	6,94,332
Promoters, Directors	23	71.5717	1,04,50,965
Banks/Mutual Funds/Public Financial Institutions/Trusts/ Other Bodies Corporate	365	11.4534	16,72,426
Resident Individuals	8,647	11.9211	17,40,728
Total	9,202	100.00	1,46,02,083

13. Dematerialisation of Shares

The Company's shares are compulsorily traded in dematerialised form as per SEBI guidelines. As on 31st March 2014, 1,43,35,545 shares aggregating to 98.17% of equity shares of the Company have been dematerialised. The Company's ISIN is **INE035D01012**.

14. Stock Market Prices

Month	BSE		NSE		BSE SENSEX	
	Highest (₹)	Lowest (₹)	Highest (₹)	Lowest (₹)	Highest	Lowest
April 2013	495.90	470.00	494.80	461.00	19622	18144
May 2013	523.95	460.00	525.80	465.00	20443	19451
June 2013	490.50	441.00	488.95	445.00	19860	18467
July 2013	465.00	330.00	473.70	330.00	20351	19126
August 2013	397.55	330.00	390.00	330.00	19569	17448
September 2013	378.40	331.00	399.95	330.00	20739	18166
October 2013	394.85	345.45	397.30	353.00	21205	19264
November 2013	410.00	369.10	407.55	373.00	21321	20137
December 2013	430.00	396.05	436.00	400.00	21483	20568
January 2014	435.00	370.00	435.00	356.50	21409	20343
February 2014	424.95	375.00	414.70	376.40	21140	19963
March 2014	576.00	395.00	577.70	395.00	22467	20920



15. Financial Calender 2014-15

Financial Reporting for the first quarter ending June 30, 2014 - last week of July, 2014.

Financial Reporting for the second quarter and half year ending September 30, 2014 - last week of October 2014.

Financial Reporting for the third quarter ending December 31, 2014 - last week of January, 2015.

Financial Reporting for the fourth quarter ending March 31, 2015 - last week of April, 2015.

Audited Accounts for the year ending March 31, 2015 - last week of May, 2015.

Annual General Meeting for the year ending March, 2015 – first/second week of August/ September, 2015.

The website of the Company is www.savita.com

For and on behalf of the Board

Mumbai
21st July 2014

Gautam N. Mehra
Chairman & Managing Director

Certification by the Chairman & Managing Director and the Group Chief Financial Officer (CFO)

We, Gautam N. Mehra, Chairman & Managing Director and Suhas M. Dixit, Group Chief Financial Officer of Savita Oil Technologies Limited certify to the best of our knowledge and belief that –

1. We have reviewed the Balance Sheet and Statement of Profit and Loss along with Notes to the Accounts, Cash Flow Statements and the Directors' Report for the FY 2013-14;
2. These statements do not contain any untrue statement of a material fact or any omission to state a material fact on the statements made;
3. The financial statements and other financial information contained thereon in this Report present a true and fair view of the Company's affairs, the financial condition, results of operations and cash flows of the Company as of, and for, the period ending 31st March 2014. These statements and other information presented in the Report are in compliance with the existing accounting standards and applicable laws and regulations as on the closing date;
4. No transactions entered into by the Company during the year are in contravention with the applicable laws and regulations, fraudulent, or in breach of the Company's Code of Conduct;
5. We are responsible for establishing and maintaining controls and procedures on disclosure as well as internal control over financial reporting for the Company, and we have:
 - a) designed such controls and procedures so as to ensure the material information relating to the Company is made available to us by others during the period in which this Report is being prepared;
 - b) designed such internal control over financial reporting with a view to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purpose in accordance with generally accepted accounting principles;
 - c) evaluated the effectiveness of the Company's disclosure, controls and procedures;
6. All Board Members and Senior Managerial Personnel have affirmed compliance with the Code of Conduct for the current year.

Mumbai
21st July 2014

S. M. Dixit
Group Chief Financial Officer

Gautam N. Mehra
Chairman & Managing Director

Corporate Governance Compliance Certificate

To the Members of Savita Oil Technologies Limited,

We have examined the compliance of conditions of Corporate Governance by Savita Oil Technologies Limited ("the Company") for the year ended 31st March 2014 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 implementations 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 state that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned clause of the Listing Agreement.

We state that no Investor grievance is pending for a period exceeding one month against the Company as per the records maintained by the Shareholders Grievance Committee except in cases which are constrained by disputes and legal impediments.

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

For **G. M. Kapadia & Co.**
Chartered Accountants
Firm Registration No : 104767W
Atul Shah
Partner
Membership No. 039569

Mumbai
21st July 2014

Management Discussion and Analysis

Pursuant to Clause 49 of the Listing Agreement, Management Discussion and Analysis covering segment-wise performance and outlook is given below:

A. INDUSTRY STRUCTURE AND DEVELOPMENT

I. Petroleum Products:

Transformer Oils, Liquid Paraffins / White Oils and Lubricating Oils are the three categories that form this segment for your Company. Various types of Base Oils are the main raw material for all of these product groups. These Base Oils, which are basically refined fractions derived from Crude Oils, are mainly imported from various parts of the world with a small portion of the total requirement sourced domestically.

The demand for Transformer Oils is mainly dependent on the development, growth and expansion of the power generation and transmission infrastructure in the country, whereas that for Liquid Paraffins and White Oils is decided by the demand for cosmetics, pharmaceuticals and personal care products.

Automotive, Industrial and Marine sectors are the three sectors that constitute the Lubricant Products business. The demand for this sector is decided by the general industrial and economic conditions in the country. The personal and commercial transportation and agricultural equipment categories of the automobile sector decide the demand for the automotive lubricants, whereas the demand for industrial & marine lubricants is decided by the extent of industrial activity and general economic environment.

Host of domestic and multinational companies are fiercely competing in this segment in India.

II. Wind Power:

The power sector is one of the crucial inputs to the growth of industrial sectors and overall economic growth of India. It has been rightly awarded the status of an infrastructure sector. Renewable energy which is no longer "alternate energy" plays an immense role to fulfill this need. These sources will not only enhance independency of energy but also help in many ways such as mitigation of climate change, swift development of rural areas, improved health status and is the best way to move towards sustainable development. Therefore, it is Country's desire to move towards a better future with cleaner power in order to bridge the growing gap between power demand and supply. Wind power being a mature technology hedges against future fuel price increases and helps to reduce nation's dependence on conventional power based on fossil fuels.

During the year, India has added wind power installed capacity of 2.1 GW against 1.7 GW capacity additions during the previous year. This increase in capacity addition can be attributed to the reintroduction of the Generation Based Incentive (GBI) scheme and the revision of preferential tariffs in few states. As on 31.03.2014, the cumulative installed capacity for wind energy in India stood at 21.1 GW out of the total renewable energy installed capacity of 31.71 GW. Wind Energy accounts for 67% of the total renewable energy installed capacity.

B. OPPORTUNITIES AND THREATS

I. Petroleum Products:

Considering that India had two years of low GDP growth, an almost static industrial growth, a moderate increase in indirect taxes, a large subsidy burden and not so encouraging tax buoyancy, the target of 4.1 per cent fiscal deficit set by the Government looks very daunting. The ongoing crisis in Iraq is leaving an impact on oil prices and the situation in the Middle-east continues to be volatile. Monsoon this year appears more unpredictable while inflation has remained at elevated levels relative to what is perceived as acceptable. Faced with these adversities, the Government will have no option but to undertake some bold steps in order to enhance economic activity and spur growth in the economy. Bringing stability to the currency rates is another area that still remains very challenging.

II. Wind Power:

The World Institute for Sustainable Energy, India (WISE) considers that with larger turbines, greater land availability and expanded resource exploration, the potential in India could be as big as 100 GW. The sustainable and steady market growth of wind energy in India has attracted all leading Original Equipment Manufacturers (OEMs) from all over the world to establish their manufacturing footprint in India. These Wind Turbine Manufacturers are coming out with MW series turbines with greater hub heights in order to tap the low wind sites to generate maximum output. This along with increase in Feed in Tariff (FIT) by various State Electricity Regulatory Commissions, Generation Based Incentive (@ ₹ 0.50/unit) scheme by Govt and sectoral finance is making the wind sector market attractive.

In spite of these opportunities, there are many issues and challenges faced by the sector. The major impediments to wind power sector are poor financial health of state DISCOMs, delays in land acquisition and forest land approvals, right of way issues, weak RPO enforcement, resistance to Open Access by State Electricity Boards, lack of adequate transmission infrastructure and land availability for projects.

C. SEGMENT WISE PERFORMANCE

I. Petroleum Products:

On the backdrop of various challenges faced by the Indian economy and the resultant sluggish demand, the sales volume of Petroleum Products of your Company could not take off the way it should have and remained more or less the same at 2,72,805 KLS/MTs during 2013-14 as against 2,71,521 KLS/MTs achieved in 2012-13.

II. Wind Power:

During the year, your Company added 6 MW wind power project to its portfolio. Four Turbines each having a capacity of 1500 KW were commissioned in the state of Maharashtra under the GBI scheme. With this the total installed capacity in Wind Power Division of your Company now stands at 54.15 MW.

During the Year 2013-14, your Company's Wind Power Plants situated in the states of Maharashtra, Karnataka and Tamil Nadu generated 93.06 MU against 94.81 MU generated in the previous year. The generation during the year was affected largely due to poor grid availability in the state of Tamil Nadu.

During the year, National Load Despatch Centre (NLDC), the central nodal agency for the Renewable Energy Certificate (REC) scheme issued 12,712 RECs to your Company's 8 MW capacity Wind Power Projects in Maharashtra and Tamil Nadu. The RECs are traded on the IEX (Indian Energy Exchange) and PXIL (Power Exchange India Limited) Power Exchanges.

During the year, 41,531 VERs (Verified Emission Reductions) were traded on CTX (Carbon Trade Exchange) trading platform.

D. FUTURE OUTLOOK

I. Petroleum Products:

Considering that power is one of the thrust areas of the Government, the demand for Transformer Oil in the year 2014-15 is expected to show growth. The volatility in crude oil prices and currency rates coupled with growth in the automotive sector going forward will decide the demand for the Lubricant Products. The discretionary spending capacity of the general masses resulting out of the budgetary concessions is likely to show growth for personal care products, which in turn could result in growth potential for Liquid Paraffins and White Oils.

II. Wind Power:

The paralysis that currently plagues the renewable energy sector, resulting in the stop/start policy situation which has hampered market growth over the past two years, will hopefully come to an end with the new Government. The Finance Minister is likely to reinstate Accelerated Depreciation (AD) and also extended the sunset clause (80IA) of tax holiday upto March 2017. Both these benefits will attract investors to the sector who backed out due to withdrawal of AD in 2012. With the global economy trending towards recovery and several new policies being introduced to encourage the use of renewable energy in India, the industry seems to be poised for significant growth.

The sector is expected to witness significant capacity installation in 2014-15 on account of the above mentioned favourable developments in addition to GBI scheme and improvement of preferential tariffs by various states. The Government is implementing the Green Energy Corridors project, which aims to strengthen the power evacuation infrastructure in the country to facilitate renewable energy integration. The project is expected to give a further boost to investments in the sector.

Ministry of New & Renewable Energy (MNRE) plans to launch National Wind Energy Mission (NWEM) during the year 2014 which aims to streamline the policy and regulatory difficulties to instill new hope and enthusiasm in the sector. This mission intends to address various issues and challenges faced by wind energy sector which include adequate evacuation and transmission infrastructure, facilitating finance, charting the offshore roadmap, etc.

E. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has 3 levels of financial controlling mechanism to ensure due compliance with the applicable statutory laws and regulations as also internal policies. The Company has an Internal Audit Department (1st level) which carries out extensive audits round the year with the help of an outside auditing firm, covering various facets of the Company's business. The 2nd level is formed by the Audit Committee of the Company which scrutinises the regular reporting of the Internal Audit Department and the Internal Auditors in addition to considering the reports of the Statutory Auditors of the Company. The Audit Committee in turn reports to the Board of Directors of the Company (3rd and top level) at regular intervals in order to ensure accuracy, reliability and consistency of records, systems and procedures. All the plants of the Company are linked and operating on SAP ERP since many years which helps to further strengthen the overall control and supervision process.

F. MATERIAL DEVELOPMENTS IN HUMAN RESOURCES/INDUSTRIAL RELATIONS

The Company enjoyed peace and harmony in the industrial relations area during the year. The employees at all levels were encouraged to attend outside training and related events round the year. The Company also conducted regular division-wise meetings to discuss past performances and future plans. All these efforts of the Company resulted in successfully maintaining cordial and peaceful relations with its employees at all levels during the year under review.

For and on behalf of the Board

Mumbai
21st July 2014

Gautam N. Mehra
Chairman & Managing Director

Auditor's Report

To the Members of **Savita Oil Technologies Limited**

Report on the Financial Statements

We have audited the accompanying financial statements of **Savita Oil Technologies Limited** which comprise the Balance sheet as at March 31, 2014, the Statement of Profit and Loss and 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

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

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

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

1. in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
2. in the case of the Statement of Profit and Loss, of the profits for the year ended on that date; and
3. in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 as amended by the Companies (Auditor's Report) (Amendment) Order 2004 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said order.
2. As required by section 227(3) of the Act, we report that:
 - (a) We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - (c) The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this report are in agreement with the books of account;

- (d) In our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this report comply with the Accounting Standards notified under the Companies Act, 1956 read with the General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013;
- (e) On the basis of written representations received from the directors as on March 31, 2014 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

For G. M. Kapadia & Co.
Chartered Accountants
Firm's Registration No: 104767W

Place : Mumbai
Dated : May 29, 2014

Atul Shah
Partner
Membership No: 039569

Annexure To The Auditors' Report

On the basis of the information and explanations furnished to us and the books and records examined by us in the normal course of audit and to the best of our knowledge and belief in our opinion, we further report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) As informed to us, the fixed assets have been physically verified by the management during the year according to a phased programme. In our opinion, such programme is reasonable having regard to the size of the Company and the nature of its assets. We have been further informed that no material discrepancies were noticed on such verification by the management between the book records and physical verification.
 - (c) During the year, the Company has not disposed off any substantial part of fixed assets.
- (ii) (a) The inventory have been physically verified at reasonable intervals by the management during the year.
 - (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of such inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business;
 - (c) In our opinion, and according to the information and explanations given to us, the Company has maintained proper records of its inventory. No material discrepancies were noticed on physical verification between the physical stocks and the book records.
- (iii) The Company has not taken or granted loans, secured or unsecured, to Companies, firms or other parties covered in the register maintained under Section 301 of the Act. Hence, the question of reporting under sub clauses (a) to (g) of the clause 4(iii) of the Order does not arise.
- (iv) In our opinion and according to the information and explanations given to us, the Company has an adequate internal control procedure 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 major weakness in such internal control.
- (v) (a) According to the information and explanations given to us, we are of the opinion that the transactions that need to be entered into the register in pursuance of Section 301 of the Act have been so entered.
 - (b) In our opinion and according to the information and explanations given to us, transactions made in pursuance of such contracts or arrangements entered in the register maintained under Section 301 of the Act and exceeding the value of Rupees Five lakhs in respect of each party during the year, have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
- (vi) In our opinion and according to the information and explanation given to us, the Company has not accepted deposits from the public and accordingly the provisions contained in sections 58A and 58AA of the Act and Rules there under are not applicable to the Company in this regards.
- (vii) In our opinion, the Company has an adequate internal audit system commensurate with its size and nature of its business.

- (viii) We have broadly reviewed accounts and records maintained by the Company pursuant to rules made by the Central Government for the maintenance of cost records under Section 209(1) (d) of the Act, in respect of Company's products to which the said rules are made applicable and are of the opinion that prima facie the prescribed accounts and records have been made and maintained. We have, however, not made a detailed examination of records with a view to determine whether they are accurate.
- (ix) (a) According to the information and explanations given to us and according to the records of the Company examined by us, in our opinion, the Company is generally regular in depositing with the appropriate authorities undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Value Added Tax, Service Tax, Custom Duty, Excise Duty, Cess and any other statutory dues, wherever applicable. According to the information and explanations given to us, no undisputed amounts payable in respect of aforesaid dues were outstanding as at March 31, 2014 for a period of more than 6 months from the date they became payable.
- (b) The particulars of statutory dues that have not been deposited on account of disputes are given in **Annexure A**.
- (x) The Company does not have any accumulated losses as at March 31, 2014. The Company has not incurred any cash losses in the financial year ended on that date or in the immediately preceding financial year.
- (xi) We have been informed that the Company has not defaulted in repayment of dues to financial institutions and banks. The Company has not raised any funds through debentures.
- (xii) The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion and according to the information and explanations given to us the Company is not a chit fund or a nidhi/ mutual benefit fund / society. Therefore, the provisions of this clause are not applicable to the Company.
- (xiv) In our opinion and according to the information and explanations given to us, the Company is not a dealer or trader in securities. The Company has invested surplus funds in marketable securities and mutual funds. According to the information and explanations given to us, proper records have been maintained of the transactions and contracts and timely entries have been made therein. The investments in marketable securities and mutual funds have been held by the Company in its own name.
- (xv) The Company has not given any guarantee for loans taken by others from banks or financial institutions.
- (xvi) According to the information and explanations given to us and on the basis of the records examined by us, we have to state that the Company has prima facie applied the term loan for the purpose for which it was obtained.
- (xvii) According to the Cash Flow Statement and other records examined by us and the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that no funds raised on short-term basis have been utilized for long-term investment.
- (xviii) The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Act during the year. Hence, the question of reporting under clause 4(xviii) of the Order regarding whether the price at which shares have been issued is prejudicial to the interest of the Company does not arise.
- (xix) The Company has not issued any debentures, hence the question of reporting under clause 4(xix) of the Order regarding creation of securities or charge does not arise.
- (xx) The Company has not raised any monies by way of public issues during the year.
- (xxi) 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, no fraud (i.e. intentional material misstatements resulting from fraudulent financial reporting and misappropriation of assets) on or by the company has been noticed or reported during the year by the Company.

For G. M. Kapadia & Co.
Chartered Accountants
Firm's Registration No: 104767W

Place : Mumbai
Dated : May 29, 2014

Atul Shah
Partner
Membership No: 039569

Annexure A

Re : Savita Oil Technologies Limited

Sr. No.	Name of the Statute	Nature of the dues	Forum where dispute is pending	Period to which the amount relates	Amount (₹ in Lacs)
1	Central Excise Act, 1944	Excise Duty	Commissioner of Central Excise	April 2001 to December 2001	4.60
				August 2005 to July 2007	23.75
				January 2002 to June 2002	3.51
				January 2000 to March 2000	6.58
				July 2002 to May 2003	12.37
				July 1999 to September 1999	0.74
				November 2004 to March 2009	122.81
				April 2006 to December 2010	38.31
				2006-2007 to 2010-2011	55.88
				January 2011 to October 2011	10.36
			April 2007 to March 2008	33.01	
			2011-2012	7.74	
			Deputy and Assistant Commissioner of Central Excise	April 2002 to March 2003	2.26
				April 2003 to March 2004	1.56
				April 2005 to March 2006	0.08
				July 2004 to March 2005	0.10
				April 1999 to April 2003	7.24
				April 2006 to March 2007	0.06
				January 2008 to November 2008	0.02
			Additional and Joint Commissioner of Central Excise	24th December, 2008	0.67
				June 2010	6.34
				June 2010	21.47
				October 2010 to April 2011	18.69
				June 2011 to February 2012	47.37
				October 2011 to June 2012	38.92
				2008-09 to December 2012	9.43
				2008 - 2009 to 2012 - 2013	8.77
				February 2011 to March 2011	17.05
				January 2004 to August 2004	12.28
			Appellate Tribunal	June 2003 to December 2003	8.55
				January 2013 to August 2013	22.53
				2008-2009	37.34
				April 1998 to March 2003	2.50
				July 2000 to March 2002	4.99
				July 2005 to March 2006	6.45
				April 1999 To March 2002	46.94
				July 2000 to March 2002	132.75
				July 2001 to August 2001	42.72
				April 2008 to June 2011	10.35
			April 2003 to December 2003	0.05	
			April 2006 TO December 2010	46.70	
April 2005 to March 2006	0.25				
April 2009 to January 2010	21.05				
April 2006 to December 2006	0.50				
February 2010 to April 2010	9.75				
November 2001 to May 2004	1.08				
October 2004 to March 2005	0.20				
April 2006 to December 2010	6.78				
May 2006 to March 2010	4.19				
2008-2009 to 2009-2010	3.93				
May 2010	3.44				
October 2010 to December 2010	10.53				
May 2010 to September 2010	16.83				
January 2011 To March 2011	11.76				

Sr. No.	Name of the Statute	Nature of the dues	Forum where dispute is pending	Period to which the amount relates	Amount (₹ in Lacs)
				October 2008 to February 2011	9.64
				January 2011 to October 2011	1.11
				December 2008 to February 2011	1.06
				April 2011 to September 2011	21.87
2	Finance Act, 1994	Service Tax	Commissioner of Central Excise	October 2002 to January 2004	0.26
			Commissioner (Appeals) of Central Excise	2006-07 to 2010-11	20.16
			Additional and Joint Commissioner of Central Excise	October 2012 to August 2013	8.23
			Deputy and Assistant Commissioner of Central Excise	February 2013 to August 2013	7.96
			Commissioner of Central Excise	July 2012 to January 2013	1.77
			Commissioner of Central Excise	April 2009 to May 2013	1.32
				2009 - 2010 to 2012 - 2013	3.88
				October 2012 to August 2013	2.67
3	Central Sales Tax Act and Sales Tax Acts of various States	Sales Tax	Assistant Commissioner	2003-2004	0.09
			Deputy Commissioner (VAT)	2002-2003	184.61
				2003-2004	202.53
				2004-2005	207.02
				2005-2006	428.02
				2006-2007	95.29
				2007-2008	150.48
			Joint Commissioner (VAT)	2008-2009	3.09
				2010-2011	0.34
				2008-2009	0.44
				2010-2011	0.43
			Commercial Tax Officer (AA) Ernakulam	2005-2006	5.44
			Assistant Commissioner of Commercial Taxes	2010-2011	28.60
			Appellate Tribunal Ernakulam	1998-1999	0.50
			Commercial Tax Officer (AA)	2005-2006	0.10
			Additional Deputy Commissioner of Commercial Taxes	2000-2001	0.12
4	Customs Act, 1962	Custom Duty	Commissioner of Customs (Imports)	April 1992	3.58
				June 2006	399.05
5	Income Tax Act, 1961	Income tax	Income Tax Appellate Tribunal	2008-2009	557.02
				2003-2004	99.51
			Commissioner (Appeals) of Income Tax	2010-2011	227.00
				2011-2012	119.71
			Income Tax Department	2008-2009	67.19
				2009-2010	13.04
				2010-2011	16.86
				2011-2012	6.48
				2012-2013	9.24
				2013-2014	9.17
				2014-2015	13.73
6	Gram Panchayat, Satara	Gram Panchayat Tax	Sarpanch, Gram Panchayat	2008-2009	42.73
7	Electricity Duty & tax on Electricity Sale	Electricity Tax	Electrical Inspector, Pune	October 2001 to March 2006	8.76
				October 2001 to November 2005	35.35
				September 2002 to November 2005	11.45
8	Tamil Nadu Panchayat Act, 1994	House Tax	Thadichery Panchayat, Theni	2012 -2013	33.49
Total					4,024.49

Balance Sheet as at 31st March, 2014

	Notes	As at 31.3.2014		As at 31.3.2013	
		₹ in lacs	₹ in lacs	₹ in lacs	₹ in lacs
Equity and Liabilities					
1. Shareholders' Funds					
Share Capital	2	1,460.56		1,460.56	
Reserves and Surplus	3	<u>55,639.17</u>	<u>57,099.73</u>	<u>49,655.21</u>	51,115.77
2. Non-current Liabilities					
Long-term Borrowings	4	5,827.79		5,263.89	
Deferred Tax Liability (net)	5	3,291.56		3,451.72	
Other Long-term Liabilities	6	465.71		370.05	
Long-term Provisions	7	-	<u>9,585.06</u>	-	9,085.66
3. Current Liabilities					
Short-term Borrowings	8	1,518.49		571.62	
Trade Payables	9	73,751.82		42,884.96	
Other Current Liabilities	9	6,699.37		5,525.35	
Short-term Provisions	7	<u>4,868.18</u>	<u>86,837.86</u>	<u>3,764.39</u>	52,746.32
Total			<u><u>1,53,522.65</u></u>		<u><u>1,12,947.75</u></u>
Assets					
1. Non-current Assets					
Fixed Assets					
Tangible Assets	10	28,581.25		21,080.88	
Intangible Assets	10	99.69		33.08	
Capital Work-in-Progress		498.31		2,145.58	
Non-current Investments	11	201.01		1,073.10	
Long-term Loans and Advances	12	1,500.85		1,780.29	
Trade Receivables	13	226.55		377.15	
Other Non-current Assets	14	<u>24.04</u>	<u>31,131.70</u>	<u>38.61</u>	26,528.69
2. Current Assets					
Current Investments	15	1,021.05		2,167.05	
Inventories	16	62,262.30		32,072.34	
Trade Receivables	13	52,844.54		45,034.82	
Cash and Bank Balances	17	2,003.99		2,957.38	
Short-term Loans and Advances	12	4,256.95		4,182.17	
Other Current Assets	14	<u>2.12</u>	<u>1,22,390.95</u>	<u>5.30</u>	86,419.06
Total			<u><u>1,53,522.65</u></u>		<u><u>1,12,947.75</u></u>
Significant Accounting Policies	1				

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

As per our report of the even date.

For G. M. Kapadia & Co.
Chartered Accountants

Atul H. Shah
Partner

U. C. Rege
Company Secretary and
Executive VP - Legal

S. M. Dixit
Group Chief Financial Officer

Mumbai,
29th May, 2014

For and on behalf of the Board

G. N. Mehra
Chairman and
Managing Director

C. V. Alexander
N. B. Karpe
S. R. Pandit
Whole-time Director
Non-Executive Director
Non-Executive Director

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

	Notes	Year ended 31.3.2014 ₹ in lacs	Year ended 31.3.2013 ₹ in lacs
Income			
Revenue from Operations (gross)	18	2,31,939.19	2,23,573.24
Less: Excise Duty		<u>23,860.23</u>	<u>23,668.68</u>
Revenue from Operations (net)		2,08,078.96	1,99,904.56
Other Income	19	<u>888.63</u>	<u>1,343.40</u>
Total Revenue		<u><u>2,08,967.59</u></u>	<u><u>2,01,247.96</u></u>
Expenditure			
Cost of Materials Consumed	20	1,68,735.41	1,62,148.33
Purchase of Traded Goods	21	2,489.46	1,408.68
(Increase)/Decrease in Inventories	22	(1,861.44)	(98.61)
Employee Benefits Expense	23	3,159.85	2,844.35
Other Expenses	24	24,645.28	21,979.37
Depreciation and Amortisation	25	2,997.55	2,514.21
Finance Costs	26	1,328.69	1,047.40
Total Expenditure		<u><u>2,01,494.80</u></u>	<u><u>1,91,843.73</u></u>
Profit for the year before exceptional income and tax		7,472.79	9,404.23
Exceptional Income	27	5,790.65	5,650.28
Profit for the year before tax		13,263.44	15,054.51
Tax Expenses			
Current Tax		4,450.00	3,115.00
Deferred Tax		(160.16)	1,607.40
Total Tax Expenses		<u><u>4,289.84</u></u>	<u><u>4,722.40</u></u>
Profit for the year from continuing operations		8,973.60	10,332.11
Basic and Diluted earnings per share in ₹ (face value of ₹ 10 each)		61.45	70.76
Significant Accounting Policies	1		

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

As per our report of the even date.

For G. M. Kapadia & Co.
Chartered Accountants

Atul H. Shah
Partner

U. C. Rege
Company Secretary and
Executive VP - Legal

S. M. Dixit
Group Chief Financial Officer

Mumbai,
29th May, 2014

For and on behalf of the Board

G. N. Mehra Chairman and
Managing Director

C. V. Alexander Whole-time Director
N. B. Karpe Non-Executive Director
S. R. Pandit Non-Executive Director

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

	2013-2014 ₹ in lacs	2012-2013 ₹ in lacs
A. Cash Flow from Operating Activities :		
Profit before tax from continuing operations	13,263.44	15,054.51
Adjustments for —		
Depreciation on tangible assets	2,990.13	2,500.88
Amortisation on intangible assets	7.42	13.33
Finance Costs	1,328.69	1,047.40
(Profit) / loss on sale of tangible fixed assets (net)	(4.26)	(1.68)
Profit on sale of non-current investments (net)	(177.82)	(9.52)
Profit on sale of current investments (net)	(86.06)	(405.75)
Diminution in the value of non-current investments	0.07	-
Diminution in the value of current investments	-	6.58
Reversal of diminution in the value of current investments	(7.95)	-
Interest income	(109.39)	(115.57)
Dividend income	(15.12)	(23.02)
Bad debts, Provision for doubtful debts and advances	8.48	109.21
Provisions no longer required	-	(34.55)
Balance written off	1.10	0.68
Unrealised exchange loss / (gain) (net)	(1,774.96)	82.90
Operating profit before working capital changes	15,423.77	18,225.40
Changes in Working capital:		
Increase / (Decrease) in trade payables	32,906.10	(13,160.34)
Increase / (Decrease) in short-term provisions	(30.11)	141.52
Increase / (Decrease) in other long-term liabilities	95.66	28.74
Increase / (Decrease) in other current liabilities	871.33	(3,138.06)
(Increase) / Decrease in trade receivables	(7,920.37)	(1,105.04)
(Increase) / Decrease in inventories	(30,189.96)	11,340.22
(Increase) / Decrease in long-term loans and advances	279.64	(444.56)
(Increase) / Decrease in short-term loans and advances	(74.78)	43.08
Cash generated from operations	11,361.28	11,930.96
Interest received	80.61	67.04
Income tax paid	(3,751.68)	(4,223.61)
Net cash from operating activities	7,690.21	7,774.39
B. Cash Flow from Investing Activities :		
Additions to tangible assets and CWIP	(8,848.68)	(4,855.52)
Additions to intangible assets	(74.03)	(25.94)
Sale of tangible assets	9.71	6.07
Purchase of Non-current investments	-	(615.86)
Purchase of current investments	(57,238.93)	(88,938.19)
Sale of Non-current investments	1,049.84	167.32
Sale of current investments	58,478.94	88,832.42
Interest received	28.54	47.54
Dividend received	18.54	19.60
Net cash used in investing activities	(6,576.07)	(5,362.56)

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

	2013-2014 ₹ in lacs	2012-2013 ₹ in lacs
C. Cash Flow from Financing Activities:		
Proceeds from long-term Borrowings	2,788.00	2,564.50
Proceeds from short-term Borrowings	946.87	571.62
Repayment of long-term Borrowings	(1,947.66)	(2,252.33)
(Increase) / Decrease in earmarked bank balances (net)	(25.68)	(25.21)
Interest paid	(1,322.98)	(1,053.76)
Dividend paid	(2,546.33)	(2,189.85)
Net Cash used in Financing Activities	(2,107.78)	(2,385.03)
Net Increase / (Decrease) in Cash and Cash Equivalents	(993.64)	26.80
Cash and Cash Equivalents – Beginning of the year	2,827.41	2,800.61
Cash and Cash Equivalents – End of the year	1,833.77	2,827.41
Net Cash and Cash Equivalents	993.64	(26.80)

Previous year's figures have been regrouped / rearranged wherever necessary to make them comparable with those of current year.

As per our report of the even date.

For G. M. Kapadia & Co.
Chartered Accountants

Atul H. Shah
Partner

U. C. Rege
Company Secretary and
Executive VP - Legal

S. M. Dixit
Group Chief Financial Officer

Mumbai,
29th May, 2014

For and on behalf of the Board

G. N. Mehra
Chairman and
Managing Director

C. V. Alexander
N. B. Karpe
S. R. Pandit
Whole-time Director
Non-Executive Director
Non-Executive Director

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

1 Significant Accounting Policies:

(a) Basis of Accounting:

These financial statements have been prepared in accordance with the generally accepted accounting principles in India, on the accrual and going concern basis under the historical cost convention except revaluation of certain Fixed Assets. These financial statements comply, in all material aspects, with the provisions of the Companies Act, 1956 and the Companies Act, 2013 (to the extent applicable) and also accounting standards prescribed by the Companies (Accounting Standards) Rules, 2006, which continue to be applicable in respect of Section 133 of the Companies Act, 2013 in terms of General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs.

(b) Basis of preparation of financial statements:

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule VI to the Companies Act, 1956. For the above purposes, the Company has determined the operating cycle based on the nature of products and the time between the acquisition of inputs for manufacturing and their realisation in cash and cash equivalents.

(c) Use of Estimates:

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

(d) Fixed Assets, Capital Work-in-progress, Depreciation and Amortisation:

- i) Fixed Assets are shown at cost (net of Cenvat and Value Added Tax set off) or at revalued amount less accumulated depreciation. Projects under construction are carried at costs comprising of direct costs, related pre-operational incidental expenses and attributable interest.
- ii)
 - a) Leasehold land is amortised over the residual lease period.
 - b) Depreciation on tangible assets is provided as per written down value method at the rates prescribed under Schedule XIV to the Companies Act, 1956.
 - c) Intangible assets are amortised over the estimated period of future economic benefit of the asset or a period of ten years, whichever is lower.

(e) Borrowing Costs:

Borrowing costs are charged to Statement of Profit and Loss except to the extent attributable to acquisition/construction of qualifying assets.

(f) Impairment of Assets:

At each Balance Sheet date, the Company assesses whether there is any indication that the asset may be impaired. If any such indication exists, the Company estimates the recoverable amount. If the carrying amount of the asset exceeds its recoverable amount / value in use, an impairment loss is recognised in the Statement of Profit and Loss to the extent the carrying amount exceeds recoverable amount. In assessing the value in use, the estimated future cash flows are discounted at present value at the weighted average cost of capital.

(g) Investments:

Long-term Investments are stated at cost less provision for diminution other than temporary, if any, in value. Current investments are stated at lower of cost and net realisable value.

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

(h) Inventories:

Inventories are valued at lower of cost and net realisable value, on weighted average basis. The cost includes cost of conversion and other costs incurred in bringing them to present location and condition.

(i) Recognition of Income and Expenditure:

- i) Income and expenditure are accounted on accrual basis. Income in respect of insurance / other claims, interest, commission, etc. is recognised when it is reasonably certain that the ultimate collection will be made.
- ii) Domestic sales are accounted on dispatch of goods to customers. Export sales are accounted on the basis of date of bill of lading. Gross Sales include Excise duty but exclude Value Added Tax/ Central Sales Tax and are net of trade discounts.
- iii) Incentives for renewable energy generation are recognised as income on sale of such incentives.
- iv) Purchases are net of Value Added Tax set off and Cenvat wherever applicable, but include inward freight. Import purchases are accounted on the basis of date of bill of lading.

(j) Expenditure on Research and Development:

Revenue expenditure on Research and Development is charged to Statement of Profit and Loss under the appropriate heads of expenses. Capital expenditure is accounted as fixed assets.

(k) Foreign Currency Transactions:

- i) Foreign currency transactions are accounted at the exchange rate prevailing on the date of transaction. Monetary assets and liabilities are translated at year end rate of exchange. The difference on account of fluctuation in the rate of exchange is dealt within the Statement of Profit and Loss.
- ii) In case of forward contracts, the difference between the year end rate of exchange and the spot rate at the inception of these contracts is recognised as income or expenditure in the Statement of Profit and Loss. Net mark to market losses on outstanding option / derivative contracts are recognised in the Statement of Profit and Loss and gains, if any, are ignored. The premium / (discounts) on these contracts are accounted in the Statement of Profit and Loss over the life of the contracts.
- iii) Profit or loss arising on cancellation or renewal of forward/ option contracts is accounted as income or expenditure for the period.

(l) Employee benefits:

- i) Short-term employee benefits (benefits which are payable within twelve months after the end of the period in which employees render service) are measured at cost.
- ii) Long-term employee benefits (benefits which are payable after the end of twelve months in which employees render service) and post employment benefits (benefits which are payable on completion of employment) are measured on a discounted basis by the Projected Unit Credit Method on the basis of actuarial valuation annually.
- iii) Contributions to Provident Fund, a defined contribution plan, are made in accordance with the statute, and are recognised as an expense when employees have rendered service entitling them to the contributions.
- iv) The eligible employees can accumulate un-availed privilege leave and are entitled to encash the same either while in employment, on termination or on retirement in accordance with the Company's policy. The present value of such un-availed leave is measured using the Projected Unit Cost Method, with actuarial valuations being carried out at each Balance Sheet date.

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

- v) The cost of providing gratuity, a defined benefit plan, is determined using the Projected Unit Credit Method, on the basis of actuarial valuation at each Balance Sheet date. The gratuity benefit obligation recognised in Balance Sheet represents the present value of the obligation as reduced by the fair value of plan assets. Actuarial gains and losses are recognised in the Statement of Profit and Loss.

(m) Leases:

Leases where the lessor effectively retains substantially all the rights and benefits of ownership of the leased assets are classified as operating leases. Lease payments under operating leases are recognised as an expense in the Statement of Profit and Loss.

(n) Taxation:

- i) Current tax is determined as the amount of tax payable in respect of taxable income for the year.
- ii) Deferred tax is recognised on timing difference between accounting income and the taxable income for the year and quantified using tax rates and laws enacted or substantively enacted as at the Balance Sheet date. Deferred tax assets are recognised subject to consideration of prudence.

(o) Segment Reporting:

The Company prepares segment information in conformity with its accounting policies. Segment revenue and expenditure directly identifiable with / allocable to respective segments are considered for determining segment results. Income and expenditure not allocable to segments is reported under 'Other unallocated revenue / expenditure'. Segment assets and liabilities include those directly identifiable with the respective segments. Unallocable assets and liabilities are included under 'Unallocated capital employed'.

(p) Earnings Per Share:

Basic earnings per share is calculated by dividing the net profit or loss for the year after tax attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for events, if any, such as bonus issue, bonus elements in a rights issue to existing shareholders, shares split and reverse shares split (consolidation of shares). For the purpose of calculating diluted earnings per share, the net profit or loss for the year after tax attributable to equity shareholders and the weighted average number of equity shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

(q) Provisions:

Provisions are recognised when the Company has a present obligation as a result of past events, for which it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate of the amount can be made. Contingent liability is disclosed when a Company has a possible or a present obligation where it is not probable that an outflow of resources will be required to settle it. Contingent assets are neither recognised nor disclosed.

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

	As at 31.3.2014 ₹ in lacs	As at 31.3.2013 ₹ in lacs
2 Share Capital		
Authorised shares		
3,00,00,000 (Previous year 3,00,00,000) Equity shares of ₹ 10 each	<u>3,000.00</u>	<u>3,000.00</u>
Issued shares		
1,46,09,183 (Previous year 1,46,09,183) Equity shares of ₹ 10 each	<u>1,460.92</u>	<u>1,460.92</u>
Subscribed and fully paid-up shares		
1,46,02,083 (Previous year 1,46,02,083) Equity shares of ₹ 10 each	<u>1,460.21</u>	<u>1,460.21</u>
Forfeited shares		
7,100 (Previous year 7,100) Forfeited Shares	<u>0.35</u>	<u>0.35</u>
	<u><u>1,460.56</u></u>	<u><u>1,460.56</u></u>

a) Reconciliation of number of shares

	As at 31.3.2014		As at 31.3.2013	
	Nos.	₹ in lacs	Nos.	₹ in lacs
At the beginning of the year	1,46,02,083	1,460.21	1,46,02,083	1,460.21
Issued during the year	—	—	—	—
Outstanding at the end of the year	<u>1,46,02,083</u>	<u>1,460.21</u>	<u>1,46,02,083</u>	<u>1,460.21</u>

b) Rights, preferences and restrictions attached to equity shares (except forfeited shares)

The Company has only one class of equity shares having par value of ₹ 10 each. Each holder of equity shares is entitled to one vote per share. There are no restrictions on the distribution of dividend or repayment of capital. The Company declares dividend 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, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

c) Details of shareholder holding more than 5% of equity shares

	As at 31.3.2014		As at 31.3.2013	
	Nos.	% of holding	Nos.	% of holding
Gautam N. Mehra	95,10,156	65.13	88,86,743	60.86
HDFC Trustees Company Ltd.	13,29,732	9.11	13,29,732	9.11

As per the records of the Company, including its register of shareholders / members.

d) Forfeited equity shares

	As at 31.3.2014	As at 31.3.2013
No. of Shares forfeited	7,100	7,100
Amount of share capital forfeited (₹ in lacs)	0.35	0.35
Amount of share premium forfeited (₹ in lacs)	2.49	2.49

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

	As at 31.3.2014 ₹ in lacs	As at 31.3.2013 ₹ in lacs
3 Reserves and Surplus		
Capital Reserve		
As per last financial statements	118.87	118.87
Security Premium Account		
As per last financial statements	1,723.60	1,723.60
General Reserve		
As per last financial statements	12,465.00	11,415.00
Add: Transfer from surplus in the Statement of Profit and Loss	900.00	1,050.00
	<u>13,365.00</u>	<u>12,465.00</u>
Surplus in the Statement of Profit and Loss		
As per last financial statements	35,347.74	29,055.27
Add: Profit for the year	8,973.60	10,332.11
	<u>44,321.34</u>	<u>39,387.38</u>
Less: Appropriations		
Proposed Dividend	2,555.36	2,555.36
Tax on Dividend	434.28	434.28
Transfer to General Reserve	900.00	1,050.00
Total Appropriations	<u>3,889.64</u>	<u>4,039.64</u>
Net Surplus in the Statement of Profit and Loss	<u>40,431.70</u>	<u>35,347.74</u>
	<u>55,639.17</u>	<u>49,655.21</u>

4 Long-term Borrowings

	Non-current As at		Current As at	
	31.3.2014 ₹ in lacs	31.3.2013 ₹ in lacs	31.3.2014 ₹ in lacs	31.3.2013 ₹ in lacs
Term Loans from Banks - Secured				
Foreign Currency Loans *	4,685.38	3,924.01	2,026.62	1,793.24
	<u>4,685.38</u>	<u>3,924.01</u>	<u>2,026.62</u>	<u>1,793.24</u>
Deferred Payment Liability - Unsecured				
Sales Tax Deferment **	1,142.41	1,339.88	193.65	150.59
	<u>5,827.79</u>	<u>5,263.89</u>	<u>2,220.27</u>	<u>1,943.83</u>

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

	Details of Secured Loans and Securities	Date of loan	Tenure of loan	No. of instalments (post moratorium)
*	Foreign Currency Loans			
i)	₹ Nil (Previous year ₹ 609.94 lacs) secured by exclusive hypothecation of Wind Power Plants at District Theni, Tamilnadu.	5.3.2010	3.5 years	3 annual
ii)	₹ 476.79 lacs (Previous year ₹ 858.22 lacs) secured by exclusive hypothecation of Wind Power Plants at District Satara, Maharashtra.	6.4.2010	5 years	14 quarterly
iii)	₹ 1,203.28 lacs (Previous year ₹ 1,684.59 lacs) secured by exclusive hypothecation of Wind Power Plants at District Coimbtore, Tamilnadu.	25.8.2011	5 years	8 half yearly
iv)	₹ 2,243.93 lacs (Previous year ₹ 2,564.50 lacs) secured by exclusive hypothecation of all movable fixed assets at Silli, Silvassa and certain Wind Power Plants at District Sangli, Maharashtra.	30.8.2012	5 years	16 quarterly
v)	₹ 2,788.00 lacs (Previous year ₹ Nil) secured by exclusive hypothecation of certain Wind Power Plants at District Sangli, Maharashtra.	30.5.2013	5 years	16 quarterly

** Details of Deferred Payment Liability

Deferred payment liabilities amounting to ₹ 1,336.06 lacs (Previous year ₹ 1,490.47 lacs) are interest free sales tax deferments repayable in 5 equal instalments after 10 years from the respective year of availment.

Year of deferral	Deferral Amount ₹ in lacs as at	
	31.3.2014	31.3.2013
2000-2001	78.24	115.64
2001-2002	167.21	224.67
2002-2003	222.95	278.69
2003-2004	215.26	224.03
2004-2005	200.11	195.15
2005-2006	262.61	262.61
2006-2007	127.18	127.18
2007-2008	62.50	62.50
Total	1,336.06	1,490.47

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

	As at 31.3.2014 ₹ in lacs		As at 31.3.2013 ₹ in lacs	
5	Deferred Tax Liability (net)			
	Deferred Tax liability			
	Depreciation		4,102.08	
	Deferred Tax Assets			
	Provision for doubtful debts		603.75	
	Expenses allowable on payments basis		206.77	
			810.52	
	Net Deferred Tax liability		3,291.56	
6	Other Long-term Liabilities			
	Security deposits		465.71	
			370.05	
			465.71	
7	Provisions			
	Long-term		Short-term	
	As at		As at	
	31.3.2014	31.3.2013	31.3.2014	31.3.2013
	₹ in lacs	₹ in lacs	₹ in lacs	₹ in lacs
	Provisions in respect of employee benefits			
	Leave encashment		552.14	
	Gratuity (Refer Note 36)		40.36	
			592.50	
	Other Provisions			
	Taxation (net of income tax paid)		1,286.04	
	Proposed dividend		2,555.36	
	Tax on proposed dividend		434.28	
			4,275.68	
			4,868.18	
8	Short-term Borrowings (Secured)			
	Loans Repayable on Demand			
	Cash Credits from banks			
	Secured by ;		1,518.49	
	i) hypothecation of inventories, receivables and other current assets and			
	ii) first pari-passu charge by way of equitable mortgage by deposit of title deeds of the Company's certain immovable properties at Silvassa, Navi Mumbai and Mumbai.			
			1,518.49	
			571.62	
			1,518.49	

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

	As at 31.3.2014 ₹ in lacs	As at 31.3.2013 ₹ in lacs
9 Current Liabilities		
Trade payables (Refer Note 31 for details of dues to micro and small enterprises)	<u>73,751.82</u>	<u>42,884.96</u>
Other Current Liabilities		
Current maturities of long-term borrowings (Refer Note 4)	2,220.27	1,943.83
Interest accrued but not due on borrowings	60.13	54.42
Unpaid dividends	84.00	74.97
Income tax deducted at source	298.97	315.66
Duties and taxes	2,308.26	1,981.11
Advances from customers	276.36	284.27
Other payables	1,451.38	871.09
(Note:- There are no amounts due and outstanding in respect of Investor Education and Protection Fund as on 31 st March, 2014)		
	<u>6,699.37</u>	<u>5,525.35</u>

10 Fixed Assets

₹ in lacs

Particulars	Gross Block				Depreciation / Amortisation				Net Block	
	As at 1.4.2013	Additions during the year	Deductions during the year	As at 31.3.2014	As at 1.4.2013	For the year	Deductions during the year	As at 31.3.2014	As at 31.3.2014	As at 31.3.2013
Tangible Assets										
Freehold Land	1,751.69	349.28	-	2,100.97	-	-	-	2,100.97	2,100.97	1,751.69
Leasehold Land (Note a)	401.42	12.00	-	413.42	80.16	11.01	-	91.17	322.25	321.26
Buildings (Note b)	6,618.10	1,720.83	-	8,338.93	1,307.59	364.09	-	1,671.68	6,667.25	5,310.51
Wind Power Plants	24,828.37	3,700.50	-	28,528.87	13,399.21	1,866.20	-	15,265.41	13,263.46	11,429.16
Plant & Equipment	5,051.22	4,458.51	1.15	9,508.58	3,159.44	632.63	0.44	3,791.63	5,716.95	1,891.78
Furniture and Fixtures	266.86	96.09	-	362.95	141.99	37.88	-	179.87	183.08	124.87
Office Equipments	528.11	92.14	3.86	616.39	353.57	53.75	3.61	403.71	212.68	174.54
Vehicles	183.53	66.83	25.31	225.05	106.46	24.80	20.82	110.44	114.61	77.07
	39,629.30	10,496.18	30.32	50,095.16	18,548.42	2,990.36	24.87	21,513.91	28,581.25	21,080.88
Previous year	36,775.97	2,876.13	22.80	39,629.30	16,065.95	2,500.88	18.41	18,548.42		
Intangible Assets										
Computer Software	109.13	74.03	-	183.16	76.05	7.42	-	83.47	99.69	33.08
	109.13	74.03	-	183.16	76.05	7.42	-	83.47	99.69	33.08
Previous Year	83.19	25.94	-	109.13	62.72	13.33	-	76.05		
Grand Total	39,738.43	10,570.21	30.32	50,278.32	18,624.47	2,997.78	24.87	21,597.38	28,680.94	21,113.96
Previous Year	36,859.16	2,902.07	22.80	39,738.43	16,128.67	2,514.21	18.41	18,624.47		

- Lease deeds in respect of Leasehold Land amounting to ₹ 174 lacs (Previous year ₹ 174 lacs) have not yet been executed.
- Buildings include cost of shares amounting to ₹ 0.04 lac (Previous year ₹ 0.04 lac) in a co-operative housing society.
- Additions during the year include capital expenditure amounting to ₹ 21.09 lacs (Previous year ₹ 84.08 lacs) towards Research and Development.
- Depreciation for the year includes amount capitalised ₹ 0.23 lacs (Previous year ₹ Nil).

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

	Face Value ₹	As at 31.3.2014 Quantity Nos.	As at 31.3.2013 Quantity Nos.	As at 31.3.2014 ₹ in lacs	As at 31.3.2013 ₹ in lacs
11 Non - Current Investments (Non-trade, fully paid up)					
A. Investment in equity instruments					
Quoted					
Adani Ports & Special Economic Zone Ltd.	2	–	7,430	–	6.54
Central Bank of India	10	–	11,095	–	11.36
Global Offshore Services Ltd.	10	–	16,950	–	5.08
NHPC Ltd.	10	–	25,369	–	9.13
Power Grid Corporation of India Ltd.	10	–	4,897	–	2.55
Tata Consultancy Services Ltd.	1	–	1,228	–	2.61
					<u>37.27</u>
Unquoted					
Kavini Ispat Ltd.	10	1,06,100	1,06,100	–	–
[at cost less provision for other than temporary diminution in value ₹ 48.79 lacs (Previous year ₹ 48.79 lacs)]					
Savita Petro-Additives Ltd. } (Refer Note 37)	10	40	40	0.01	0.01
Savita Polymers Ltd.	10	10,000	10,000	1.00	1.00
				<u>1.01</u>	<u>1.01</u>
B. Investment in Government Securities (unquoted)					
National Savings Certificates (Deposited with Government departments as security)	1,000	–	7	–	0.07
					<u>0.07</u>
C. Investment in Mutual Funds					
Quoted					
Motilal Oswal Most Shares Nasdaq - 100 ETF	10	–	48,432	–	50.00
					<u>50.00</u>
Unquoted					
DSP BlackRock US Flexible Equity Fund - Regular Plan - Growth	10	–	11,83,602	–	125.00
FT India Feeder - Franklin US Opportunities Fund - Growth	10	–	10,86,414	–	125.00
HDFC Balanced Fund - Growth	10	–	1,60,327	–	98.86
HDFC Equity Fund - Dividend - Option - Payout	10	–	1,12,946	–	50.00
HDFC Prudence Fund - Dividend - Option - Payout	10	–	4,31,439	–	142.92
ICICI Prudential Equity Volatility Advantage Fund - Regular Plan - Growth	10	–	4,09,035	–	67.00
IDFC Premier Equity Fund - Dividend - (Regular Plan)	10	–	1,37,984	–	25.00
JPMorgan Asean Equity Off Shore Fund - Regular Plan - Growth	10	6,83,387	6,83,387	100.00	100.00
JPMorgan Greater China Equity Off Shore Fund - Regular Plan - Growth	10	6,98,714	6,98,714	100.00	100.00
Mirae Asset India - China Consumption Fund - Regular Growth Plan	10	–	2,50,000	–	25.00
Morgan Stanley A.C.E. Fund - Regular Dividend Plan	10	–	9,17,719	–	125.97
				<u>200.00</u>	<u>984.75</u>
				<u>201.01</u>	<u>1,073.10</u>
Aggregate amount of Quoted Investments (Market Value ₹ Nil) (Previous year ₹ 131.00 lacs)				–	87.27
Aggregate amount of Unquoted Investments - gross				249.80	1,034.62
Aggregate Provision for diminution in value of investments				48.79	48.79
Aggregate amount of Unquoted Investments - net				201.01	985.83

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

	Non-current		Current	
	As at		As at	
	31.3.2014	31.3.2013	31.3.2014	31.3.2013
	₹ in lacs	₹ in lacs	₹ in lacs	₹ in lacs
12 Loans and advances				
Unsecured, considered good				
Capital Advances	93.67	479.20	–	–
Security Deposits	578.05	554.97	14.25	110.46
Less:Provision for doubtful security deposits	–	30.00	–	–
	<u>578.05</u>	<u>524.97</u>	<u>14.25</u>	<u>110.46</u>
Income tax (net of provisions)	376.37	375.07	–	–
Cenvat balances	–	–	3,308.78	2,958.22
Advances to vendors	–	–	195.94	338.62
Duties and taxes refundable	389.71	333.68	283.80	185.51
Other loans and advances	63.05	67.37	454.18	589.36
	<u>829.13</u>	<u>776.12</u>	<u>4,242.70</u>	<u>4,071.71</u>
	<u>1,500.85</u>	<u>1,780.29</u>	<u>4,256.95</u>	<u>4,182.17</u>
13 Trade Receivables				
Trade Receivables - Unsecured				
Outstanding for a period exceeding six months				
Considered good	226.55	377.15	1,602.25	2,369.32
Considered doubtful	1,734.36	1,788.53	–	–
	<u>1,960.91</u>	<u>2,165.68</u>	<u>1,602.25</u>	<u>2,369.32</u>
Less: provision for bad and doubtful debts	1,734.36	1,788.53	–	–
	<u>226.55</u>	<u>377.15</u>	<u>1,602.25</u>	<u>2,369.32</u>
Others				
Considered good	–	–	51,242.29	42,665.50
Considered doubtful	–	21.45	41.90	–
	–	21.45	51,284.19	42,665.50
Less: provision for bad and doubtful debts	–	21.45	41.90	–
	–	–	<u>51,242.29</u>	<u>42,665.50</u>
	<u>226.55</u>	<u>377.15</u>	<u>52,844.54</u>	<u>45,034.82</u>
14 Other Assets				
Unsecured, considered good				
Non-current bank balances (Refer Note 17)	24.04	38.61	–	–
Interest accrued on fixed deposits / Other investments	–	–	2.12	1.88
Dividend receivable	–	–	–	3.42
	<u>24.04</u>	<u>38.61</u>	<u>2.12</u>	<u>5.30</u>

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

	Face Value ₹	As at 31.3.2014 Quantity Nos.	As at 31.3.2013 Quantity Nos.	As at 31.3.2014 ₹ in lacs	As at 31.3.2013 ₹ in lacs
15 Current Investments (Non-trade, fully paid up)					
Unquoted Mutual Funds					
DWS Cash Opportunities Fund Regular Plan - Annual Bonus	10	7,26,404	-	71.05	-
HDFC Liquid Fund - Growth	10	9,89,300	-	250.00	-
Kotak Liquid Scheme Plan A - Growth	1,000	15,409	21,033	400.00	500.00
Mirae Asset China Advantage Fund - Regular Plan Growth	10	-	8,38,223	-	92.05
[at cost less provision for temporary diminution in value ₹ Nil (Previous year ₹ 7.96 lacs)]					
Morgan Stanley Gilt Fund - Regular Growth Plan	10	-	10,00,000	-	100.00
Reliance Income Fund - Growth Plan - Bonus Option	10	-	20,56,915	-	225.00
SBI Magnum Insta Cash Fund Liquid Floater - Direct Plan - Growth	1,000	-	9,976	-	200.00
SBI Magnum Insta Cash Fund - Regular Plan - Cash	1,000	-	23,184	-	600.00
SBI Premier Liquid Fund - Regular Plan - Growth	1,000	14,904	-	300.00	-
Union KBC Liquid Fund - Growth	1,000	-	25,556	-	300.00
Union KBC Ultra Short Term Debt Fund - Growth	1,000	-	13,902	-	150.00
				1,021.05	2,167.05
Aggregate amount of Unquoted Investments - gross				1,021.05	2,175.01
Aggregate Provision for diminution in value of investments				-	7.96
Aggregate amount of Unquoted Investments - net				1,021.05	2,167.05
16 Inventories				As at 31.3.2014 ₹ in lacs	As at 31.3.2013 ₹ in lacs
Raw and Packing Material (Includes in transit ₹ 14,153.25 lacs (Previous year ₹ 5,025.84 lacs))				48,741.52	20,298.12
Work-in-Process				1,833.77	837.12
Finished Goods (Includes in transit ₹ 1,205.20 lacs (Previous year ₹ 906.61 lacs))				11,085.13	10,294.51
Traded Goods				457.08	382.91
Stores and Spares				144.80	259.68
				62,262.30	32,072.34

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

	Non-current		Current	
	As at		As at	
	31.3.2014	31.3.2013	31.3.2014	31.3.2013
	₹ in lacs	₹ in lacs	₹ in lacs	₹ in lacs
17 Cash and Bank Balances				
Cash and Cash Equivalents				
Balances with banks				
On Current accounts			1,818.61	2,464.42
Deposit accounts with less than 3 months maturity			–	350.00
Cash on hand			15.16	12.99
			<u>1,833.77</u>	<u>2,827.41</u>
Other bank balances				
Margin money deposits	24.04	38.61	86.22	55.00
Unpaid Dividend accounts	–	–	84.00	74.97
	<u>24.04</u>	<u>38.61</u>	<u>170.22</u>	<u>129.97</u>
Amount disclosed under non-current assets (Refer Note 14)	(24.04)	(38.61)	–	–
	<u>–</u>	<u>–</u>	<u>2,003.99</u>	<u>2,957.38</u>
18 Revenue from Operations			2013-2014	2012-2013
Sale of products			₹ in lacs	₹ in lacs
Finished and traded products			2,29,674.89	2,21,789.33
Other operating revenue				
Export incentives			2,130.98	1,697.35
Processing income			24.22	2.61
Incentives for renewable energy generation			109.10	83.95
Revenue from Operations (gross)			<u>2,31,939.19</u>	<u>2,23,573.24</u>
Less:Excise duty			23,860.23	23,668.68
Revenue from Operations (net)			<u>2,08,078.96</u>	<u>1,99,904.56</u>
Details of sale of products				
Transformer Oils / Liquid Paraffins and White Oils / Lubricating Oils /				
Greases and Other Specialities			2,24,819.98	2,18,231.94
Base Oils			1,121.06	42.08
Electricity (Wind Power)			3,632.29	3,442.14
Others			101.56	73.17
			<u>2,29,674.89</u>	<u>2,21,789.33</u>

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

	2013-2014 ₹ in lacs	2012-2013 ₹ in lacs
19 Other Income		
Interest income	109.39	115.57
Dividend income		
Long-term investments	15.12	23.02
Net gain on sale of investments		
Current	86.06	405.75
Long-term	177.82	9.52
Reversal of provision for diminution in value of current investments	7.95	-
Profit on sale of fixed assets (net)	4.26	1.68
Other non-operating income	488.03	787.86
	<u>888.63</u>	<u>1,343.40</u>
20 Cost of Materials Consumed		
Base oils	1,49,767.84	1,43,346.97
Process chemicals / solvents	10,041.19	10,121.70
Packing materials	8,446.50	8,154.95
Others	479.88	524.71
	<u>1,68,735.41</u>	<u>1,62,148.33</u>
21 Purchase of Traded Goods		
Base oils	1,049.12	32.95
Lubricating oils / Greases	1,400.16	1,363.79
Others	40.18	11.94
	<u>2,489.46</u>	<u>1,408.68</u>
22 (Increase) / Decrease in Inventories		
Inventories at the end of the year		
Finished Goods	11,085.13	10,294.51
Work-in-Process	1,833.77	837.12
Traded Goods	457.08	382.91
	<u>13,375.98</u>	<u>11,514.54</u>
Inventories at the beginning of the year		
Finished Goods	10,294.51	10,651.02
Work-in-Process	837.12	383.56
Traded Goods	382.91	381.35
	<u>11,514.54</u>	<u>11,415.93</u>
	<u>(1,861.44)</u>	<u>(98.61)</u>
23 Employee Benefits Expense (Refer Note 36)		
Salaries, Wages and Bonus	2,869.70	2,506.59
Contribution to employees' provident and other funds	207.70	245.01
Staff Welfare Expenses	82.45	92.75
	<u>3,159.85</u>	<u>2,844.35</u>

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

	2013-2014 ₹ in lacs	2012-2013 ₹ in lacs
24 Other Expenses		
Stores and spares consumed	151.99	154.84
Fuel and power	251.33	203.84
Rent	1,081.57	923.32
Freight	4,095.50	3,760.19
Rates, taxes and octroi	141.42	148.61
Insurance	376.92	348.82
Commission on sales	1,542.36	1,102.83
Donations	37.82	51.57
Repairs and maintenance:		
Buildings	39.33	21.60
Plant and Machinery	585.40	484.43
Others	85.42	75.17
Discounts	1,450.24	1,404.18
Royalty	7,353.35	7,510.65
Advertisement and sales promotion	1,287.02	898.78
Loss on Foreign Currency Transactions and Translation (net)	4,371.02	2,979.74
Bad debts	8.48	0.86
Provision for diminution in value of investments	-	6.58
Provision for doubtful debts & advances (net)	-	108.35
Excise duty	(5.98)	158.52
Miscellaneous expenses	1,792.09	1,636.49
	<u>24,645.28</u>	<u>21,979.37</u>
Payment to auditors		
a) Audit fees	12.50	12.50
b) Other Services	10.36	5.43
c) Out of pocket expenses	0.48	0.60
25 Depreciation / Amortisation (Refer Note 10)		
Depreciation on tangible assets	2,990.13	2,500.88
Amortisation of intangible assets	7.42	13.33
	<u>2,997.55</u>	<u>2,514.21</u>
26 Finance costs		
Interest	805.31	543.92
Other borrowing costs and bank charges	523.38	503.48
	<u>1,328.69</u>	<u>1,047.40</u>

27 In November 2006, the Company had entered into two separate Technical Collaboration Agreements with Idemitsu Lube India Pvt. Ltd. (ILI) for manufacturing and marketing of Idemitsu Products and Genuine Products. During the financial year 2013-14, agreement relating to Genuine Products was terminated by ILI and a consideration of ₹ 5,790.65 lacs was received by the Company. During the financial year 2012-13, the Company accounted consideration of ₹ 5,650.28 lacs towards termination of agreement relating to Idemitsu Products by ILI. These considerations, being exceptional in nature, have been disclosed as Exceptional Income in the Statement of Profit and Loss.

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

	2013-2014		2012-2013	
	₹ in lacs		₹ in lacs	
28 Value of Imports on CIF basis				
Raw Materials			1,61,349.84	1,16,743.76
Capital goods			587.37	42.75
			<u>1,61,937.21</u>	<u>1,16,786.51</u>
29 Value of imported and indigenous materials consumed				
a) Raw Materials				
Imported	1,43,346.14	89	1,37,447.66	89
Indigenous	16,942.77	11	16,546.17	11
	<u>1,60,288.91</u>	<u>100</u>	<u>1,53,993.83</u>	<u>100</u>
b) Packing Materials - Indigenous	<u>8,446.50</u>	<u>100</u>	<u>8,154.50</u>	<u>100</u>
c) Spare parts and components - Indigenous	<u>151.99</u>	<u>100</u>	<u>154.84</u>	<u>100</u>
30 Earnings and Expenditure in foreign currency				
Earnings				
Export Sales (FOB value)			39,636.52	34,257.11
Freight and insurance			1,200.83	1,224.63
Claims received and commission earned			2.85	39.56
Incentives for renewable energy generation			22.88	-
			<u>40,863.08</u>	<u>35,521.30</u>
Expenditure				
Commission			531.02	229.22
Finance Cost			584.76	524.14
Professional fees			40.23	70.55
Others			91.98	136.34
			<u>1,247.99</u>	<u>960.25</u>

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

	As at 31.3.2014 ₹ in lacs	As at 31.3.2013 ₹ in lacs
31 Disclosure pertaining to Micro, Small and Medium Enterprises (as per information available with the Company) (Refer Note 9)		
a) Principal amount due and outstanding	—	—
b) Interest due on (a) above and unpaid	—	—
c) Interest paid to the suppliers	—	—
d) Payments made to the suppliers beyond the appointed day during the year	—	—
e) Interest due and payable for the period of delay	—	—
f) Interest accrued and remaining unpaid	—	—
g) Amount of further interest remaining due and payable in succeeding year	—	—
32 Contingent Liabilities not provided for		
a) Letters of Credit	1,354.59	2,429.08
b) Guarantees/Bonds	2,145.53	2,242.95
c) Disputed demands		
i) Excise and Customs	1,446.67	1,921.24
ii) Sales Tax	1,307.10	1,364.06
iii) Income Tax	1,003.24	784.02
iv) Others	131.77	149.14
33 Commitments		
a) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) ₹ 99.01 lacs (Previous year ₹ 831.87 lacs).		
b) The Company has set up wind power projects in the states of Maharashtra, Karnataka and Tamilnadu. The Company, in case of specific projects, has entered into agreements for sale of power exclusively to the state utility companies in the respective states, for periods varying from 13 to 20 years.		
34 Leases		
The Company has entered into agreements for operating leases in respect of residential, office, plant and machinery and land taken/given on lease. All these leases are cancellable.		
a) The lease Expenditure/Income recognised in the Statement of Profit and Loss :		
Expenditure ₹ 1,065.50 lacs (Previous year ₹ 900.11 lacs)		
Income ₹ 81.87 lacs (Previous year ₹ 27.25 lacs)		
b) Under these agreements refundable interest free deposits are given/taken except in case of land.		
c) All these agreements have restriction on further leasing.		
d) Agreements for office, factory premises and land provide for revision in the rent.		
e) Cost, written down value and depreciation in respect of assets given on lease, being not material, have not been disclosed separately.		
35 Derivative instruments and unhedged foreign currency		
The Company is exposed to various financial risks which relate to changes in exchange rates and interest rates. The Company hedges risks of the aforesaid nature using forward and option contracts. The outstanding position and exposure is as under:		
i) As at 31 st March, 2014, the outstanding position in respect of the derivatives / forward contracts in US \$ is ₹ 18,160.42 lacs (Previous year ₹ 18,150.90 lacs) net payable.		
ii) As at 31 st March, 2014, unhedged foreign currency exposure in US \$ is ₹ 46,559.74 lacs (Previous year ₹ 17,641.07 lacs) net payable, in Euro ₹ 1,036.11 lacs (Previous year ₹ 323.38 lacs) net receivable, in UAE Dirham ₹ 18.36 lacs (Previous year ₹ 16.64 lacs) net payable.		

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

36 Employee Benefits: (Refer Notes 7 and 23)

i) Defined Contribution Plan:

Company's contribution to Provident Fund ₹ 150.54 lacs (Previous year ₹ 129.72 lacs).

ii) Defined Benefit Plan:

The following table sets out the funded status of the Gratuity Plan and the amounts recognised in the Company's financial statements :

	As at 31.3.2014	As at 31.3.2013	As at 31.3.2012	As at 31.3.2011	As at 31.3.2010
	₹ in lacs	₹ in lacs	₹ in lacs	₹ in lacs	₹ in lacs
a) Change in the obligation benefits:					
Projected benefit obligation at the beginning of the year	844.03	707.61	628.37	511.46	371.59
Service cost	49.29	42.32	46.83	39.24	28.52
Interest cost	67.52	60.14	51.84	42.20	30.25
Actuarial (gain) / loss	(21.92)	46.45	(13.47)	57.53	100.74
Benefits paid	(43.82)	(12.49)	(5.96)	(22.06)	(19.64)
Projected benefit obligation at the end of the year	895.10	844.03	707.61	628.37	511.46
b) Change in the plan assets:					
Fair value of the plan assets at the beginning of the year	744.60	668.45	492.44	394.35	392.39
Expected return on plan assets	64.78	57.48	39.39	31.55	31.00
Employer's contribution	94.43	39.16	135.93	96.32	5.00
Benefits paid	(43.82)	(12.49)	(5.96)	(22.06)	(19.63)
Actuarial gain / (loss) on plan assets	(5.25)	(8.00)	6.65	(7.72)	(14.41)
Fair value of the plan assets at the end of the year	854.74	744.60	668.45	492.44	394.35
Excess of (obligation over plan assets) / plan assets over obligation	(40.36)	(99.43)	(39.16)	(135.93)	(117.11)
c) Net Gratuity and other cost:					
Service cost	49.29	42.32	46.83	39.24	28.52
Interest on defined benefit obligation	67.52	60.14	51.84	42.20	30.25
Expected return on plan assets	(64.78)	(57.48)	(39.39)	(31.55)	(31.00)
Net actuarial (gain) / loss recognised in the year	(16.67)	54.45	(20.12)	65.25	115.12
Net Gratuity and other cost	35.36	99.43	39.16	115.14	142.89
Actual Return on plan assets	59.52	49.48	46.04	23.83	16.61
d) Category of Assets:					
Corporate Bonds	0.36	0.36	0.36	0.91	0.91
Special Deposits Scheme	43.66	43.66	43.66	43.66	43.66
Others	810.72	700.58	624.43	447.87	349.78
	854.74	744.60	668.45	492.44	394.35
e) Assumptions used in accounting for the Gratuity Plan:					
	%	%	%	%	%
Discount rate	9.35	8.00	8.50	8.25	8.25
Expected rate of return on plan assets	8.70	8.70	8.60	8.00	8.00

The estimates of future salary increases considered in actuarial valuation take into account the inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

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

37 Details of related party transactions in accordance with the Accounting Standard AS-18 'Related Party Disclosures'

Controlled by / Key Management Personnel: Mr. G.N.Mehra

Enterprises where key management personnel or relatives of key management personnel have control or significant influence:

Basant Lok Trading Co.	Chemi Pharmex Pvt. Ltd.	D.C.Mehra Public Charitable Trust
Khatri Investments Pvt. Ltd.	Kurla Investment & Trading Co. Pvt. Ltd.	Madhu Trust
Mansukhmal Investment Pvt. Ltd.	N. K. Mehra Trust	Naved Investment & Trading Co.Pvt. Ltd.
NKM Grand Children's Trust	Savita Petro-Additives Ltd.	Savita Polymers Ltd.

Relatives of key management personnel and relationship

Late Mrs. S.N.Mehra - Mother Mrs. R.G.Mehra - Wife Mr. S.G.Mehra - Son

Details of transactions during the year:

		2013-2014	2012-2013
		₹ in lacs	₹ in lacs
Enterprises:			
Sale of goods	- Savita Polymers Ltd.	238.92	177.06
Sale of fixed assets	- Savita Polymers Ltd.	1.48	-
Purchase of goods	- Savita Polymers Ltd.	194.79	229.85
Purchase of fixed assets	- Savita Polymers Ltd.	1.19	-
Dividend received	- Savita Polymers Ltd.	1.00	1.00
	Savita Petro-Additives Ltd.	0.01	0.01
Dividend paid	- Basant Lok Trading Co.	1.08	0.92
	Chemi Pharmex Pvt. Ltd.	0.18	0.15
	Khatri Investments Pvt. Ltd.	74.83	64.14
	Kurla Investment & Trading Co. Pvt. Ltd.	2.39	2.05
	Mansukhmal Investment Pvt. Ltd.	71.75	61.50
	Naved Investment & Trading Co. Pvt. Ltd.	1.65	1.28
Rent paid	- Chemi Pharmex Pvt. Ltd.	45.98	45.98
	Madhu Trust	-	8.09
Rent received	- Savita Polymers Ltd.	-	17.86
Car parking charges	- Basant Lok Trading Co.	0.15	0.15
	Chemi Pharmex Pvt. Ltd.	0.06	0.06
Donations	- D.C.Mehra Public Charitable Trust	10.00	20.00
	N.K.Mehra Trust	10.00	20.00

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

	2013-2014 ₹ in lacs	2012-2013 ₹ in lacs
Key management personnel:		
Dividend	1,640.13	1,405.83
Remuneration	216.63	214.86
Relatives of key management personnel:		
Dividend paid - Late Mrs. S.N.Mehra	29.40	25.20
Mrs. R.G.Mehra	5.85	5.01
Mr. S.G.Mehra	0.10	0.09

Balance outstanding :

	As at 31.3.2014 ₹ in lacs		As at 31.3.2013 ₹ in lacs	
	Debit	Credit	Debit	Credit
Enterprises:				
Basant Lok Trading Co.	3.50	–	3.50	–
Chemi Pharmex Pvt. Ltd.	1.00	–	1.00	–
Madhu Trust	–	–	1.00	–
Key management personnel:				
Mr. G.N.Mehra	–	132.32	–	148.86

	2013-2014 ₹ in lacs	2012-2013 ₹ in lacs
38 Details of Segment Reporting:		
a) Segment Revenue:		
Petroleum Products	2,04,814.82	1,97,242.59
Wind Power	3,744.19	3,526.09
Other unallocated revenue	408.58	479.28
Net Income from Operations	<u>2,08,967.59</u>	<u>2,01,247.96</u>
b) Segment Results:		
Profit / (Loss) before taxation and interest for each segment		
Petroleum Products (Refer Note iii)	14,504.22	15,742.89
Wind Power	1,220.60	1,088.80
	<u>15,724.82</u>	<u>16,831.69</u>
Less: i) Finance Costs	1,328.69	1,047.40
ii) Other unallocated expenditure	1,132.69	729.78
	<u>2,461.38</u>	<u>1,777.18</u>
Total profit before tax	<u>13,263.44</u>	<u>15,054.51</u>

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

	2013-2014 ₹ in lacs	2012-2013 ₹ in lacs
c) Capital Employed:		
Segment Assets - Segment Liabilities		
Petroleum Products	52,523.36	42,449.36
Wind Power	9,723.73	9,880.56
Unallocated capital employed	(5,147.36)	(1,214.15)
	<u>57,099.73</u>	<u>51,115.77</u>
d) Secondary Business Segment:		
Revenue by Geographical Segment		
Domestic	1,64,428.29	1,64,151.95
Exports	44,539.30	37,096.01
	<u>2,08,967.59</u>	<u>2,01,247.96</u>
i) The Primary Segments are determined based on the type of business / products.		
ii) Secondary Segments are determined based on geographical markets.		
iii) Segment results for the year ended 31 st March, 2014 in respect of petroleum products include exceptional income amounting to ₹ 5,790.65 lacs (Previous year ₹ 5,650.28 lacs) being compensation on termination of technical collaboration agreements (Refer Note 27).		

39 Basic and diluted earnings per share:

Profit for the year after tax (₹ in lacs)	8,973.60	10,332.11
Number of Ordinary Shares outstanding (Nos.)	1,46,02,083	1,46,02,083
Nominal value of the share ₹	10	10
Basic and Diluted earnings per share ₹	61.45	70.76

40 Previous year's figures have been regrouped / rearranged wherever necessary to conform to those of current year classification.

41 Figures in bracket indicate those for previous year.

As per our report of the even date.

For G. M. Kapadia & Co.
Chartered Accountants

Atul H. Shah
Partner

U. C. Rege
Company Secretary and
Executive VP - Legal

S. M. Dixit
Group Chief Financial Officer

Mumbai,
29th May, 2014

For and on behalf of the Board

G. N. Mehra
Chairman and
Managing Director

C. V. Alexander
N. B. Karpe
S. R. Pandit
Whole-time Director
Non-Executive Director
Non-Executive Director

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Attendance Slip

Please fill in Attendance Slip and hand it over at the entrance of the meeting hall.
Members are requested to bring their copy of the Annual Report to the Meeting.

Name of the Attending Member	Mr. / Ms.			
		(Surname)	(First Name)	(Middle Name)
Name of the proxy (To be filled in if the Proxy attends instead of the Member)	Mr. / Ms.			
		(Surname)	(First Name)	(Middle Name)
Folio No.	_____			
DP Id*	_____			
Client Id*	_____			
No. of Shares held	_____			

I/We hereby record my/our presence at the 53rd Annual General Meeting of the Company on Saturday, 6th September 2014 at 11.00 A.M. at M. C. Ghia Hall, Bhogilal Hargovindas Building, 4th Floor, 18/20, Kaikhushru Dubash Marg, Mumbai 400 001.

*Applicable if shares are held in dematerialized form.

Signature of the Member / Proxy

Proxy Form

I/We.....
ofbeing a member / members of Savita Oil Technologies Limited
hereby appoint
of or failing him/her
ofor failing him/her
ofon my/our behalf at the 53rd Annual
General Meeting of the Company to be held on Saturday, 6th September 2014 at 11.00 A.M. at M. C. Ghia Hall, Bhogilal Hargovindas
Building, 4th Floor, 18/20, Kaikhushru Dubash Marg, Mumbai 400 001 and at any adjournments thereof.

Signed thisday of 2014.

Signature

Affix 1 Rupee Revenue Stamp

For office use only	
Proxy No.	
Folio No.	
DP Id*	
Client Id*	
No. of shares	

*Applicable if shares are held in dematerialized form.

Notes :

- 1) The form should be signed across the stamp as per specimen signature.
- 2) The Proxy form duly completed, stamped and signed must be deposited at the Registered Office of the Company not less than 48 hours before the time of holding the meeting.

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

Sr. No.	Resolutions	Resolution Type	For	Against	Abstain
Ordinary Business -					
1	Consideration and adoption of Audited Balance Sheet, Statement of Profit and Loss, Cash Flow statement and the Directors' and Auditors Report thereon	Ordinary			
2	Declaration of dividend on equity shares	Ordinary			
3	Appointment of Director in place of Mr. C. V. Alexander, who retires by rotation, and being eligible, offers himself for re-appointment	Ordinary			
4	Appointment of Statutory Auditors and to fix their remuneration	Ordinary			
Special Business -					
5	Appointment of Mr. Sanjeev R. Pandit as an Independent Director	Ordinary			
6	Appointment of Mr. Ninad B. Karpe as an Independent Director	Ordinary			
7	Appointment of Mr. Harit A. Nagpal as an Independent Director	Ordinary			
8	Appointment of Mr. C. V. Alexander as the Whole-time Director of the Company and to fix his remuneration	Special			
9	Appointment of Cost Auditors and to fix their remuneration	Ordinary			

Signed this _____ day of _____, 2014.

Signature of the Member/Proxy

Affix
1 Rupee
Revenue
Stamp

Signature of first proxy holder

Signature of second proxy holder

Signature of third proxy holder

*This is only optional. Please put "X" in the appropriate column against the resolutions indicated in the box. If you leave the "For" or "Against" column blank or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.

Five Year Performance at a Glance

₹ in lacs

Particulars	2013-2014	2012-2013	2011-2012	2010-2011	2009-2010
A. Revenue And Appropriations					
Sales and Other Income	2,08,968	2,01,248	1,92,136	1,56,449	1,18,693
Profit Before Tax	13,263	15,055	10,025	16,038	12,850
Profit After Tax	8,974	10,332	6,803	10,933	8,639
Dividend %	175	175	150	200	150
B. Assets Employed					
Net Fixed Assets	29,179	23,259	20,897	20,229	18,905
Investments	1,222	3,240	2,277	4,907	4,614
Other Assets	36,285	33,702	27,380	23,149	18,509
Total	66,686	60,201	50,554	48,285	42,028
C. Financed By					
Equity Shares	1,461	1,461	1,461	1,461	1,461
Reserves	55,639	49,655	42,313	38,055	30,516
Other Liabilities	6,294	5,633	4,936	5,272	6,584
Deferred Tax	3,292	3,452	1,844	3,497	3,467
Total	66,686	60,201	50,554	48,285	42,028

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WORLD CLASS LUBRICANTS



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*Simply
The Best!*



Savita Oil Technologies Limited

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E-mail: legal@savita.com CIN-L24100MH1961PLC012066

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