

VIDYUT INVESTMENTS LIMITED

Head Office: 12th Floor, Devika Tower, Nehru Place, New Delhi-110 019
Phone No.- 011-26452666

REPORT OF THE DIRECTORS

Your Directors have pleasure in presenting 26th Annual Report of the Company and Audited Accounts for the fifteen months period ended March 31, 2014.

Operations

The Company is not carrying any business activity. During the year under review, the Company has earned an interest income of Rs.2,338,853 with a profit after tax of Rs.1,527,571. The Board of Directors have not recommended any dividend for the period.

Change in Financial year

The Board of Directors of the Company approved change in the financial year of the Company from January-December to April-March effective April 1, 2014. In view of this, the current financial year is for a period of 15 months i.e. January 1, 2013 to March 31, 2014.

Particulars with respect of Conservation of Energy/Technology Absorption and Foreign Exchange Earnings and Outgo.

There are no particulars to be furnished with regard to conservation of energy/technology absorption as required under the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988. Foreign exchange earnings and outgo was Nil, during the period.

Fixed Deposits

The Company has not invited/received any fixed deposits during the period under review.

Particulars of Employees

As the Company did not pay any remuneration during the period, there are no particulars to be furnished under Section 217 (2A) of the Companies Act, 1956, and the Rules made thereunder.

Directors' Responsibility Statement

In terms of provisions of Section 217(2AA) of the Companies Act, 1956, (Act) your Directors confirm as under:

- (i) In the preparation of the annual accounts, the applicable accounting standards have been followed alongwith proper explanation relating to material departures, wherever applicable
- (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

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fair view of the state of affairs of the Company as at the end of the accounting period and of the profit of the Company for that period;

- (iii) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) The Directors have prepared the annual accounts on a going concern basis.

Directors

In accordance with the Articles of Association of the Company, Mr. Maninder Singh, retires by rotation as a Director at the ensuing Annual General Meeting and is eligible for re-appointment.

Auditors

M/s. B S R & Co. LLP, Chartered Accountants, the retiring Auditors of the Company, holds office from the conclusion of the ensuing Annual General Meeting till the conclusion of sixth consecutive Annual General Meeting, subject to ratification by the shareholders at every Annual General Meeting. They confirmed their eligibility and willingness to accept the office of the Auditors, if re-appointed.

Audit Committee

The Company has an Audit Committee comprising of Mr. Sandeep Mehandroo, Mr. S. K. Patawari and Mr. Maninder Singh.

Acknowledgements

Your Directors wish to acknowledge with thanks all stakeholders for their valuable sustained support and encouragement.

On behalf of the Board of Directors

Place : Gurgaon
Dated: May 8, 2014

Sd/
(S.K.Patawari)
Director

Sd/-
(Sandeep Mehandroo)
Director

Sd/-
(Navneet Raghuvanshi)
Company Secretary

Vidyut Investments Limited

**Accounts for the fifteen months ended
31 March 2014**

B S R & Co. LLP

Chartered Accountants

Building No.10, 8th Floor, Tower-B
DLF Cyber City, Phase - II
Gurgaon - 122 002, India

Telephone: + 91 124 2549 191
Fax: + 91 124 2549 101

Independent Auditors' Report

To the Members of **Vidyut Investment Limited**

1. Report on the Financial Statements

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

2. Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act") read with the General Circular 15/2013 dated 13 September 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control relevant to the 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.

3. 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 auditors' judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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



4. 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:

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

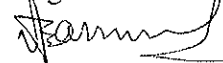
5. Report on Other Legal and Regulatory Requirements

- (i) As required by the Companies (Auditor's Report) Order, 2003 ("the Order"), as amended, issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
- (ii) As required by provisions of 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, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d. in our opinion, the Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement comply with the accounting standards referred to in sub-section (3C) of section 211 of the Act read with the General Circular 15/2013 dated 13 September 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 31 March 2014 and taken on record by the Board of Directors, none of the directors are disqualified as on 31 March 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Act.

For B S R & Co. LLP

Chartered Accountants

Registration No.: 101248W



Akhil Bansal

Partner

Membership No.: 090906

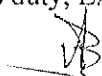
Place: Gurgaon, India

Date: 8 May 2014

Annexure referred to in paragraph 5 of the Independent Auditors' Report

The Annexure referred to in our report to the members of Vidyut Investment Limited ("the Company") for the fifteen months ended 31 March 2014. We report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of its fixed assets.
- (b) The Company has a regular programme of physical verification of its fixed assets by which all fixed assets are verified once a year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) No fixed assets have been disposed off during the current period.
- (ii) The Company does not hold any inventory. Accordingly, the provisions of clause 4(ii) of the Order is not applicable.
- (iii) The Company has neither granted nor taken any loans, secured or unsecured, to or from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956.
- (iv) The activities of the Company do not involve purchase of inventories and sale of goods and services. There was no purchase of fixed assets during the current period. Accordingly, the provisions of clause 4(iv) of the Order are not applicable.
- (v) In our opinion, and according to the information and explanations given to us, there are no contracts and arrangements the particulars of which need to be entered into the register maintained under section 301 of the Companies Act, 1956
- (vi) The Company has not accepted any deposits from the public..
- (vii) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (viii) The Central Government has not prescribed the maintenance of cost records under section 209(1)(d) of the Companies Act, 1956 for any of the activities carried out by the Company.
- (ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the company, amounts deducted/accrued in the books of account in respect of undisputed statutory dues of Income-tax have been regularly deposited during the current period by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of Investor Education and Protection Fund, Provident Fund, Employees' State Insurance, Sales-tax, Wealth tax, Service tax, Customs duty, Excise duty, Cess and other material statutory dues.



B S R & Co. LLP

According to the information and explanations given to us, no undisputed amounts payable in respect of Income tax were in arrears as at 31 March 2014 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us, there are no dues of Income tax, Sales tax, Wealth tax, Service tax, Customs duty, Excise duty and Cess which have not been deposited with the appropriate authorities on account of any dispute.
- (x) *The Company's accumulated losses at the end of the current period are more than fifty percent of its net worth.* Further, the Company has not incurred cash losses during the current period and in the immediately preceding financial year.
- (xi) The Company did not have any outstanding dues to any financial institution, banks or debenture holders during the current period.
- (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.
- (xiv) According to the information and explanations given to us, the Company is not dealing or trading in shares, securities, debentures and other investments.
- (xv) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
- (xvi) The Company did not have any term loans outstanding during the current period.
- (xvii) According to the information and explanations given to us and on an overall examination of the balance sheet of the company, we are of the opinion that the funds raised on short-term basis have not been used for long-term investment.
- (xviii) The Company has not made any preferential allotment of shares to companies/firms/parties covered in the register maintained under Section 301 of the Companies Act, 1956.
- (xix) The Company did not have any outstanding debentures during the current period.
- (xx) The Company has not raised any money by public issues.



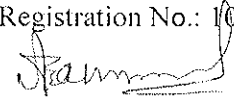
B S R & Co. LLP

- (xxi) According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the course of our audit.

For B S R & Co. LLP

Chartered Accountants

Registration No.: 101248W



Akhil Bansal

Partner

Membership No.: 090906

Place: Gurgaon, India

Date: 8 May 2014

Vidyut Investments Limited
Balance Sheet as at 31 March 2014

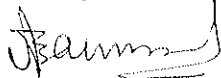
(All amounts are in Indian Rupees except share data, per share data and unless otherwise stated)

	Note	As at 31 March 2014	As at 31 December 2012
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	3	250,084,000	250,084,000
Reserves and surplus	4	(227,704,990)	(229,232,561)
		<u>22,379,010</u>	<u>20,851,439</u>
Current liabilities			
Trade payables	5	60,372	46,865
Other current liabilities	6	192,188	176,809
Short-term provisions	7	610,179	338,864
		<u>862,739</u>	<u>562,538</u>
TOTAL		<u><u>23,241,749</u></u>	<u><u>21,413,977</u></u>
ASSETS			
Non-current assets			
Fixed assets			
Tangible fixed assets	8	-	2,551
Intangible fixed assets	9	-	2,106
Long-term loan and advances	10	144,713	144,713
		<u>144,713</u>	<u>149,370</u>
Current assets			
Cash and bank balances	11	22,454,964	21,197,008
Other current assets	12	642,072	67,599
		<u>23,097,036</u>	<u>21,264,607</u>
TOTAL		<u><u>23,241,749</u></u>	<u><u>21,413,977</u></u>
Significant accounting policies	2		

The notes referred to above form an integral part of the financial statements

As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
Firm Registration No.: I01248W



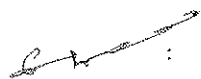
Akhil Bansal
Partner
Membership No.: 090906

Place: Gurgaon
Date: 8 May 2014

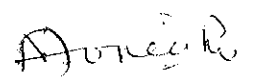
For and on behalf of the Board of Directors
Vidyut Investments Limited



S.K. Patawari
Director



Sandeep Mehandroo
Director



Navneet Raghuvanshi
Company Secretary

Place: Gurgaon
Date: 8 May 2014

Vidyut Investments Limited

Statement of Profit and Loss for the fifteen months ended 31 March 2014

(All amounts are in Indian Rupees except share data, per share data and unless otherwise stated)

	Note	For the fifteen months ended 31 March 2014	For the year ended 31 December 2012
Revenue			
Other income	13	2,338,853	1,759,516
Total revenue		2,338,853	1,759,516
Expenses			
Depreciation	8	2,551	4,721
Amortisation	9	2,106	3,890
Other expenses	14	100,425	89,301
Total expenses		105,082	97,912
Profit before tax		2,233,771	1,661,604
Current tax	15	706,200	655,325
Profit after tax		1,527,571	1,006,279
Earnings per equity share (Rs.)			
Basic and diluted - Par value of Rs. 10 per share	16	0.06	0.04

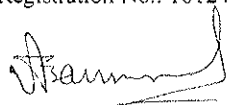
Significant accounting policies

2

The notes referred to above form an integral part of the financial statements

As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
Registration No.: 101248W



Akhil Bansal
Partner
Membership No.: 090906


Place: Gurgaon
Date: 8 May 2014

For and on behalf of the Board of Directors
Vidyut Investments Limited



S.K. Patawari
Director

Place: Gurgaon
Date: 8 May 2014



Sandeep Mehandroo
Director



Navneet Raghuvanshi
Company Secretary

Vidyut Investments Limited

Cash Flow Statement for fifteen months ended 31 March 2014

(All amounts are in Indian Rupees except share data, per share data and unless otherwise stated)

	For fifteen months ended 31 March 2014	For the year ended 31 December 2012
A. Cash flows from operating activities		
Net profit before tax	2,233,771	1,661,604
Adjustments :		
Depreciation	2,551	4,721
Amortisation	2,106	3,890
Interest income- others	(2,338,853)	(1,759,516)
Operating cashflow before working capital changes	(100,425)	(89,301)
Adjustments :		
Increase in trade payable and other liabilities	28,885	53
Net cash used in operating activities	(71,540)	(89,248)
B. Cash flows from investing activities		
Interest income- others	1,764,381	1,859,443
Income taxes (paid)/ refunded	(434,885)	(302,801)
Investment in fixed deposits	(43,200,000)	-
Fixed deposits matured during the period	21,200,000	19,600,000
Net cash (used in) / generated from investing activities	(20,670,504)	21,156,642
Net (decrease) / increase in cash and cash equivalents	(20,742,044)	21,067,394
Cash and cash equivalents as at the beginning of the period	21,197,008	129,614
Cash and cash equivalents as at the end of the period	454,964	21,197,008

Notes to Cash flow statement:

1. Components of cash and cash equivalents(Refer to note 11):

Balance with banks

- On current accounts

454,964

297,008

- Deposit accounts (having original maturity of three months or less)

-

20,900,000

Cash and cash equivalents at the end of the period

454,964

21,197,008

Add: other bank balances

Fixed deposits with original maturity of more than three months but remaining maturity of less than twelve months

22,000,000

-

Cash and bank balances at the end of the period

22,454,964

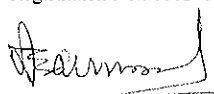
21,197,008

2. The Cash Flow Statement has been prepared in accordance with the 'Indirect Method' specified in Accounting Standard 3, Cash Flow Statement, notified by Central Government in the Companies (Accounting Standard) Rules, 2006.

The notes referred to above form an integral part of the financial statements

As per our report of even date attached

For B S R & Co. LLP
Chartered Accountants
Registration No.: 101248W



Akhil Bansal
Partner
Membership No.: 090906

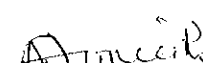
For and on behalf of the Board of Directors
Vidyut Investments Limited



S.K. Patawari
Director



Sandeep Mehandroo
Director



Navneet Raghuvansh
Company Secretary

Place: Gurgaon
Date: 8 May 2014

Place: Gurgaon
Date: 8 May 2014

1 Company overview

Vidyut Investments Limited ('the Company') was set up in 1988 and registered as a Non Banking Financial Institution vide Certificate of Registration No. 06.00114 dated 8 May 1988 to carry on the business of hire purchase, general finance, housing finance, investment and leasing and to provide an advisory consultancy services for leasing, hire purchase, finance and investment. The Company voluntarily surrendered the Certificate of Registration and applied for the cancellation of Certificate of Registration vide letter dated 3 August 2007. The Reserve Bank of India vide its order dated 7 December 2007 had cancelled the certificate of registration.

2 Significant accounting policies

The accounting policies set out below have been applied consistently to the periods presented in these financial statements.

a) Basis of preparation of financial statements

These financial statements have been prepared and presented on the accrual basis of accounting and comply with the Accounting Standards prescribed in the Companies (Accounting Standards) Rules, 2006 issued by the Central Government, which as per a clarification issued by the Ministry of Corporate Affairs continue to apply under section 133 of the Companies Act, 2013 (which has superseded section 211(3C) of the Companies Act, 1956 w.e.f. 12 September 2013), the other relevant provisions of the Companies Act, 1956 (including the new notified sections under Companies Act, 2013, to the extent applicable), pronouncements of the Institute of Chartered Accountants of India and other accounting principles generally accepted in India, to the extent applicable. The financial statements are presented in Indian rupees rounded off to the nearest rupees. The financial statements have been prepared on a going concern basis since there are no plans to liquidate the Company or cease its operations in the foreseeable future.

The Board of Directors vide their resolution dated 14 November 2013 has approved the change of financial year of the Company from January-December to April-March effective 01 April 2014. In view of this, the current financial year is for a period of 15 months i.e. 01 January 2013 to 31 March 2014 (current period). Accordingly, the figures for the current period are not comparable with figures for the year ended 31 December 2012 ('previous year') presented in the Statement of Profit and Loss, Cash Flow Statement and related notes.

b) Use of estimates

The preparation of financial statements in conformity with Generally Accepted Accounting Principles (GAAP) requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses and the disclosure of contingent liabilities on the date of the financial statements. Actual results could differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Any revision to accounting estimates is recognised prospectively in current and future periods.

c) Current-non-current classification

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 Revised Schedule VI to the Companies Act, 1956.

Assets

An asset is classified as current when it satisfies any of the following criteria:

- it is expected to be realised in, or is intended for sale or consumption in, the Company's normal operating cycle;
- it is held primarily for the purpose of being traded;
- it is expected to be realised within 12 months after the reporting date; or
- it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

- it is expected to be settled in the Company's normal operating cycle;
- it is held primarily for the purpose of being traded;
- it is due to be settled within 12 months after the reporting date; or
- the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification

Current assets/ liabilities include the current portion of non-current financial assets/ liabilities respectively. All other assets/ liabilities are classified as non-current.

Operating cycle

Operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents.

d) Fixed assets and depreciation

Tangible fixed assets

Tangible fixed assets are carried at cost of acquisition less accumulated depreciation and impairment loss, if any. The cost of an item of tangible fixed asset comprises its purchase price, including import duties and other non-refundable taxes or levies and any directly attributable cost of bringing the asset to its working condition for its intended use; any trade discounts and rebates are deducted in arriving at the purchase price. Advances paid towards acquisition of tangible fixed assets outstanding at each Balance Sheet date, are shown under long-term loans and advances and cost of assets not ready for intended use before the period end, are shown as capital work-in-progress.

Depreciation on tangible fixed assets is provided using the straight-line method and at the rates specified in Schedule XIV to the Companies Act 1956, which are reflective of the estimated useful lives of the tangible fixed assets.

Depreciation is provided on a pro-rata basis i.e. from the date of acquisition/ installation. Tangible fixed assets, costing individually Rs. 5,000 or less, are depreciated at the rate of 100% p.a.

A tangible fixed asset is eliminated from the financial statements on disposal or when no further benefit is expected from its use and disposal. Assets retired from active use and held for disposal are stated at the lower of their net book value and net realisable value and shown under 'Other current assets'.

Losses arising from retirement or gains or losses arising from disposal of fixed assets which are carried at cost are recognised in the Statement of Profit and Loss.

Intangible fixed assets

Intangible fixed asset comprises computer software which are stated at cost less accumulated amortization and impairment losses, if any. The cost of an item of intangible fixed asset comprises its purchase price, including import duties and other non-refundable taxes or levies and any attributable costs of bringing the asset to its working condition for its intended use. Any trade discount and rebates are deducted in arriving at the purchase price. Advances paid towards acquisition of intangible fixed assets outstanding at each Balance Sheet date, are shown under long-term loans and advances and cost of assets not ready for intended use before the period end, are shown as intangible fixed assets under development.

Subsequent expenditure is capitalised only when it increases the future economic benefits from the specific asset to which it relates.

Software is amortised on the straight line method and at the rate of 16.21% per annum, which is reflective of the period over which the Company expects to derive future economic benefits from the use of the intangible asset.

Intangible assets are amortised in the Statement of Profit and Loss over their estimated useful lives, from the date that they are available for use based on the expected pattern of consumption of economic benefits of the asset. Presently, these are being amortised on a straight line basis.

An intangible asset is derecognised on disposal or when no future economic benefits are expected from its use and disposal. Losses arising from retirement and gains or losses arising from disposal of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss.



e) Impairment

Fixed assets (tangible and intangible) are reviewed at each reporting date to determine if there is any indication of impairment. For assets in respect of which any such indication exists and for intangible assets mandatorily tested annually for impairment, the asset's recoverable amount is estimated. An impairment loss is recognised if the carrying amount of an asset exceeds its recoverable amount.

For the purpose of impairment testing, assets are grouped together into the smallest group of assets (Cash Generating Unit or CGU) that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of an asset is the greater of its value in use and its net selling price. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Impairment losses are recognised in the Statement of Profit and Loss.

An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined net of depreciation or amortisation, if no impairment loss had been recognised.

f) Revenue recognition

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the interest rate applicable.

g) Cash and cash equivalents

Cash and cash equivalents comprise cash balances on hand, cash balance with bank, and highly liquid investments with original maturities, at the date of purchase/investment, of three months or less.

h) Income taxes

Income-tax expense comprises current tax (i.e. amount of tax for the period determined in accordance with the income tax law) and deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the period). Income tax expense is recognised in the Statement of Profit and Loss except that tax expense related to items recognised directly in reserves is also recognised in those reserves.

Current tax is measured at the amount expected to be paid to (recovered from) the taxation authorities, using the applicable tax rates and tax laws. Deferred tax is recognised in respect of timing differences between taxable income and accounting income i.e. differences that originate in one period and are capable of reversal in one or more subsequent periods. The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realised in future; however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognised only if there is a virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realised. Deferred tax assets are reviewed as at each balance sheet date and written down or written-up to reflect the amount that is reasonably/virtually certain (as the case may be) to be realised.

i) Earnings per share ('EPS')

Basic earnings/ (loss) per share are calculated by dividing the net profit/ (loss) for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events of bonus issue and share split. For the purpose of calculating diluted earnings/ (loss) per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares. The dilutive potential equity shares are deemed converted as of the beginning of the period, unless they have been issued at a later date.

j) Provisions

A provision is recognised if, as a result of a past event, the Company has a present obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are recognised at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date. The provisions are measured on an undiscounted basis.

k) Contingent liabilities and contingent assets

A contingent liability exists when there is a possible but not probable obligation, or a present obligation that may, but probably will not, require an outflow of resources, or a present obligation whose amount cannot be estimated reliably. Contingent liabilities do not warrant provisions, but are disclosed unless the possibility of outflow of resources is remote. Contingent assets are neither recognised nor disclosed in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the period in which the change occurs.



(This space has been intentionally left blank)

3 Share capital

	As at 31 March 2014	As at 31 December 2012
Authorised		
25,750,000 (previous year 25,750,000) equity shares of Rs. 10 each	257,500,000	257,500,000
25,000 (previous year 25,000) 10% Non-cumulative redeemable preference shares of Rs. 100 each	2,500,000	2,500,000
Issued, subscribed and fully paid up		
25,008,400 (previous year 25,008,400) equity shares of Rs. 10 each	250,084,000	250,084,000
	<u>250,084,000</u>	<u>250,084,000</u>

a. Reconciliation of shares outstanding at the beginning and at the end of the reporting period

	As at 31 March 2014		As at 31 December 2012	
	Number	Amount	Number	Amount
Equity shares				
At the commencement of the period	25,008,400	250,084,000	25,008,400	250,084,000
At the end of the period	<u>25,008,400</u>	<u>250,084,000</u>	<u>25,008,400</u>	<u>250,084,000</u>

b. Rights, preferences and restrictions attached to class of shares

Equity Shares

The Company has a single class of equity shares. Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets. The equity shares are entitled to receive dividend as declared from time to time. The voting rights of an equity shareholder on show of hand or through proxy shall be in proportion to his share of the paid-up equity capital of the Company. On winding up of the Company, the holders of equity shares will be entitled to receive the residual assets of the Company, remaining after distribution of all preferential amounts in proportion to the number of equity shares held.

Preference Shares

Preference shares carry a preferential right as to dividend over equity shareholders. Where dividend on non-cumulative preference shares is not declared for a financial year, the entitlement for that year lapses. However, a non-cumulative preference shareholder acquires voting rights on par with an equity shareholder if the dividend has remained unpaid for a period of not less than two years or for any three years during a period of six years ending with the financial year preceding the meeting. In the event of liquidation, preference shareholders have a preferential right over equity shareholders to be repaid to the extent of capital paid-up and dividend in arrears on such shares.

c. Shares held by holding/ ultimate holding company and/ or their subsidiaries/ associates

	As at 31 March 2014		As at 31 December 2012	
	Number	Amount	Number	Amount
Equity shares of Rs. 10 each fully paid up held by:				
Ranbaxy Laboratories Limited, the holding company, along with its nominees	25,008,400	250,084,000	25,008,400	250,084,000
	<u>25,008,400</u>	<u>250,084,000</u>	<u>25,008,400</u>	<u>250,084,000</u>

Note:

Daiichi Sankyo Co. Ltd., Japan is the ultimate holding company

d. Particulars of shareholders holding more than 5% shares of a class of shares

	As at 31 March 2014		As at 31 December 2012	
	Number	% of total shares in the class	Number	% of total shares in the class
Equity shares of Rs. 10 each fully paid up held by:				
Ranbaxy Laboratories Limited along with its nominees	25,008,400	100	25,008,400	100
	<u>25,008,400</u>	<u>100</u>	<u>25,008,400</u>	<u>100</u>

e. During the five years immediately preceding the current period and previous year, neither any bonus shares or shares issued for consideration other than cash that have been issued nor any shares that have been bought back.

4 Reserves and surplus

	As at 31 March 2014	As at 31 December 2012
(Deficit) in the Statement of Profit and Loss		
Balance at the beginning of the period	(229,232,561)	(230,238,840)
Add: Profit for the period	1,527,571	1,006,279
Balance at the end of the period	<u>(227,704,990)</u>	<u>(229,232,561)</u>

5 Trade payables

	As at 31 March 2014	As at 31 December 2012
Trade payables *	60,372	46,865
	<u>60,372</u>	<u>46,865</u>

* The Ministry of Micro, Small and Medium Enterprises has issued an Office Memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum. Based on the information available with the management, there are no overdue outstanding to micro and small enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006. Further, the Company has not received any claim for interest from any supplier under the said Act.

6 Other current liabilities

	As at 31 March 2014	As at 31 December 2012
Other payables		
Tax deducted at source payable	5,618	4,214
Others	186,570	172,595
	<u>192,188</u>	<u>176,809</u>

7 Provisions

	Long term		Short term	
	As at 31 March 2014	As at 31 December 2012	As at 31 March 2014	As at 31 December 2012
Provision for Income tax [Net of advance tax and tax deducted at source amounting to Rs 966,023 (Previous year Rs 531,138)]	-	-	610,179	338,864
	<u>-</u>	<u>-</u>	<u>610,179</u>	<u>338,864</u>



8 Tangible fixed assets

Particulars	Computer equipment
Gross block	
Balance as at 1 January 2012	29,120
Balance as at 31 December 2012	29,120
Balance as at 1 January 2013	29,120
Balance as at 31 March 2014	29,120
Depreciation	
Balance as at 1 January 2012	21,848
Depreciation for the year	4,721
Balance as at 31 December 2012	26,569
Balance as at 1 January 2013	26,569
Depreciation for the period	2,551
Balance as at 31 March 2014	29,120
Net block	
As at 31 December 2012	2,551
As at 31 March 2014	-

9 Intangible fixed assets

Particulars	Computer software
Gross block	
Balance as at 1 January 2012	24,000
Balance as at 31 December 2012	24,000
Balance as at 1 January 2013	24,000
Balance as at 31 March 2014	24,000
Amortisation	
Balance as at 1 January 2012	18,004
Amortisation for the year	3,890
Balance as at 31 December 2012	21,894
Balance as at 1 January 2013	21,894
Amortisation for the period	2,106
Balance as at 31 March 2014	24,000
Net block	
As at 31 December 2012	2,106
As at 31 March 2014	-

10 Long-term loans and advances
(Unsecured and considered good)

	Non-current portion		Current portion	
	As at 31 March 2014	As at 31 December 2012	As at 31 March 2014	As at 31 December 2012
To parties other than related parties				
Advance tax and tax deducted at source {net of provision for tax amounting to Rs. 458,700 (previous year Rs. 458,700)}	144,713	144,713	-	-
	144,713	144,713	-	-

11 Cash and bank balances

	As at 31 March 2014	As at 31 December 2012
Cash and cash equivalents		
- Balance with banks		
On current accounts@	454,964	297,008
On deposit accounts (with original maturity upto three months or less)@	-	20,900,000
- Other bank balances@	22,000,000	-
	22,454,964	21,197,008
@ Details of bank balances/ deposits		
Bank balances available on demand/ deposit with original maturity of three months or less included under 'Cash and cash equivalents'	454,964	21,197,008
Bank deposits due to mature within twelve months of the reporting date included under 'Other bank balances'	22,000,000	-
	22,454,964	21,197,008



12	Other current assets <i>(Unsecured and considered good)</i>	As at 31 March 2014	As at 31 December 2012
	Interest accrued but not due on deposit accounts	642,072	67,599
		642,072	67,599
13	Other income	For the fifteen months ended 31 March 2014	For the year ended 31 December 2012
	Interest income on Others- bank deposits	2,338,853	1,759,516
		2,338,853	1,759,516
14	Other expenses		
	Legal and professional*	84,550	84,178
	Rates and taxes	11,500	500
	Miscellaneous expenses	4,375	4,623
		100,425	89,301
	* Include payment to auditors (including service tax) As auditor		
	Statutory audit	42,135	42,135
	Tax audit	14,045	14,045
	Reimbursement of expenses	4,404	773
		57,584	56,953
15	Tax expense		
	Current tax	706,200	655,000
	Earlier year tax	-	325
		706,200	655,325
16	Earnings per equity share		
	Weighted average number of shares	25,008,400	25,008,400
	Net profit after tax attributable to equity shareholders	1,527,571	1,006,279
	Basic and diluted earnings per share	0.06	0.04
	Nominal value per equity share	10	10
17	Deferred tax assets (net)	As at 31 March 2014	As at 31 December 2012
	Deferred tax asset arising on account of :		
	Unabsorbed carry forward losses and unabsorbed depreciation	2,369,161	2,397,833
	Deferred tax liability arising on account of :		
	Excess of depreciation on fixed assets provided in accounts over depreciation under income-tax law	27	1,347
	Net deferred tax asset *	-	-

* In view of accumulated tax losses and in the absence of virtual certainty, deferred tax asset have been recognised only to the extent of deferred tax liability as on 31 March 2014 and 31 December 2012.

18 Segment Information

In the opinion of the management, there is only one segment as envisaged by Accounting Standard 17 Segment Reporting'. Accordingly, no disclosure for segment reporting has been made in the financial statements.

19 Related party disclosures

(a) Names of related parties

Related parties where control exists:

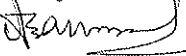
- Ultimate holding company Daiichi Sankyo Co. Ltd., Japan
- Holding company Ranbaxy Laboratories Limited

(b) There are no transactions with related parties during the current period and during the previous year.

20 Certain amounts, as detailed below, reported for previous year have been reclassified to conform to current year's presentation.

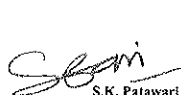
Particulars	Amount		Head in which the amount was disclosed in the previous year	Head in which the amount was disclosed in the current period
	Current period	previous year		
Other payables	186,570	172,595	Others long-term liabilities	Other current liabilities

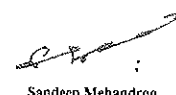
For BSR & Co. LLP
Chartered Accountants
Firm Registration No.: 101248W


Akhil Bansal
Partner
Membership No.: 090906

Place: Gurgaon
Date: 8 May 2014

For and on behalf of the Board of Directors of
Vidyut Investments Limited


S.K. Patwari
Director


Sandeep Mehandroo
Director

Place: Gurgaon
Date: 8 May 2014


Navneet Raghuvanshi
Company Secretary