



Empower India Limited

Annual Report
2013-14

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COMPANY INFORMATION

EMPOWER INDIA LIMITED

CIN: L51900MH1981PLC023931

Regd. Off: 25/25A, 2nd Floor, Nawab Building, D. N. Road, Fort, Mumbai- 400001.

Phone: 022- 2204505, 22045044 **Email:** info@empowerindia.in **Website:** www.empowerindia.in

The 32nd Annual General Meeting on Tuesday, September 30, 2014 At The Registered Office Of The Company
Situated at 25/25A, 2nd Floor, Nawab Building , D.N. Road, Fort, Mumbai- 400001 At 09:30 A.M.

BOARD OF DIRECTORS

Rajgopalan Iyengar

Vinod Shinde

Mangesh Gurav

Nikhil Pednekar

Kiran Thakore



AUDITORS

M/s Verma Mehta & Associates

Chartered Accountants

104, Creative Industries Premises,

Sunder Nagar, Kalina,

Santacruz (E), Mumbai- 400098.



BANKERS

Axix Bank

ING Vysya

Standard Chartered

Yes Bank



REGISTRAR AND SHARE TRANSFER AGENT

Purva Sharegistry (India) Private Limited

Unit No.9, Shiv Shakti Industrial Estate,

Ground Floor, J. R. Boricha Marg,

Lower Parel (E), Mumbai-400 011.

Phone: 022-23016761/8261.

Email: busicomp@vsnl.com

Website: www.purvashare.com



DIRECTORS REPORT

To
The Members,

Your directors are pleased to present before you the THIRTY SECOND ANNUAL REPORT together with Audited Annual Accounts of the Company for the financial year ended March 31, 2014.

FINANCIAL PERFORMANCE:

Amt. (in Rs.)

The operational performance of the company has been encouraging as compared to the previous financial year.

The top line of the Company has reduced to Rs. 87,13,30,504/- from Rs. 124,87,82,207/- a year ago.

However, the EBITA has seen tremendous growth. Your Company has made an operating profit of Rs. 984023/- as compared to a loss of Rs. 13790515.

Your company had to book losses in its investments in shares which has affected the overall profitability but the management is very hopeful of better days to come in the future. Your Company shall make every effort to turn profitable in the next financial year.

Particulars	31.03.2014	31.03.2013
Sales and other income (net)	871330504	1248782207
Profit/(Loss) before Finance cost & Depreciation	6751866	(4248162)
Finance cost	10437	5520
Depreciation	5757406	9536833
Profit/(Loss) before Exceptional Items and Tax	984023	(13790515)
Exceptional Items (Loss on sale of shares)	(495569426)	(53389705)
Profit/(Loss) before tax	(494585403)	(67180220)
Provision for Tax		
-Current	-	-
-Deferred	(1045069)	1474492
Profit/(Loss) after Tax	(493540334)	(68654712)

TRANSFER TO RESERVES:

During the year, the company has not transferred any amount to reserves.

DIVIDEND:

The overall performance of your Company has been satisfactory. The Company sees tremendous growth prospects and to capitalize on the opportunities the management has not recommended any dividend for the current financial year.

UNPAID /UNCLAIMED DIVIDEND:

Pursuant to section 205A of the Companies Act, 1956, unpaid/unclaimed dividend for the below mentioned dividends is transferred to Unpaid dividend account.

Members who have not encashed their dividend warrants may approach the Company/its Registrar, for obtaining payments thereof at the earliest.

Year	Type of Dividend	Dividend per share
2008	Final Dividend	0.05
2010	Interim Dividend	0.03

DIRECTORS:

1. In terms of the applicable provisions of the Companies Act, 2013 and the Articles of Association of the Company, Mr. Vinod Shinde Director of the Company, will retire by rotation at ensuing Annual General Meeting and being eligible, have offered himself for re-appointment.
Your Directors recommend his re-appointment.
2. In accordance with the provisions of Section 149 of the Companies Act, 2013, your Board of Directors seek appointment of Mr. Kiran Thakore , Mr. Nikhil Pednekar & Miss. Kaveeta Aanand as an Independent Directors for a term of 5 (five) consecutive years up to the conclusion of the 37th Annual General Meeting.

PARTICULARS OF EMPLOYEES:

Your directors particularly acknowledge the selfless untiring efforts, whole-hearted support and co-operation of the employees at all levels. Our relations continue to be cordial.

Information in accordance with the provisions of Section 217(2A) of the Companies Act, 1956, read with Companies (Particulars of Employees) Rules, 1975, as amended, is not applicable to the Company as none of the employee of the Company was paid remuneration of Rs. 60 lacs per annum or Rs. 5 lacs per month.

APPOINTMENT OF STATUTORY AUDITOR:

The Statutory Auditors, M/s Verma Mehta & Associates, Chartered Accountants, retire at the forthcoming Annual General Meeting and have confirmed their eligibility and willingness to accept office, if re-appointed. Their re-appointment as the Statutory Auditors for the Financial Year 2014-15, form part of the Notice of the said Annual General Meeting and the Resolution is recommended for your approval.

CORPORATE GOVERNANCE:

A separate section on Corporate Governance and a Certificate from the Auditors on the Corporate Governance requirements as stipulated in clause 49 of the Listing Agreement entered in to with the Stock Exchange, form part of this Annual Report.

MANAGEMENT DISCUSSION AND ANALYSIS:

As required by clause 49 of the Listing Agreement, a detailed review by the management of the operations, performance and future outlook of the Company and its business is presented in a separate section- Management Discussion and Analysis-forming part of this Annual Report.

DIRECTORS RESPONSIBILITY STATEMENT:

As required under section 217 (2AA) of the Companies Act, 1956, your Directors confirm that:

- In the preparation of the Annual Accounts for the year ended March 31, 2014, the applicable accounting standards have been followed;
- Appropriate accounting policies have been selected and applied consistently and such judgments and estimates have been made at reasonable and prudent so as to give a true and fair view of the affairs of the Company as at March 31, 2014 and of the loss of the Company for the year ended on that date;
- Proper and sufficient care has been taken 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;
- The Annual Accounts have been prepared on a going concern basis.

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

(i) Conservation of Energy:

The Company utilizes electricity for operation of computers and initiates all efforts to minimize the consumption. At all levels conservation of energy is stressed upon. Company also takes possible measures to reduce the consumption by deploying automation.

(ii) Technology absorption:

Every Business or Industry is subject to technological obsolescence. The Company is continuing its efforts to explore new technologies and products with an eye to expand the levels of automation in the industries its customers operate.

(iii) Foreign Exchange Earnings and Outgo:

Particulars	2013-14	2012-13
Foreign Exchange Earnings	Nil	Nil
Foreign Exchange Outgo	Nil	Nil

ACKNOWLEDGEMENTS:

Your Directors hereby put on record their sincere gratitude towards the continued assistance and co-operation extended to the Company by its Customers, Suppliers, Stakeholders, Banks, Financial Institutions and various Government Authorities towards the growth of the Company.

Your Directors also place on record their deep sense of appreciation for the dedicated services rendered by the employees of the Company.

**By Order of the Board
For Empower India Limited
Sd/-
Rajgopalan Iyengar
Chairman**

Date: September 03, 2014.

Place: Mumbai.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Global Setup:

In the year 2013-14, the global economy showed signs of revival after almost 4 years since the outset of the financial crises. The recovery this time was different as developed economies consolidated while most emerging markets faced challenges to reviving growth. In the process, the financial system has emerged stronger while fiscal balances in the developed world are improving. The synchronized efforts of central banks and governments continued with record low interest rates and monetary stimulus measures.

Worldwide 2014 portends to be much more encouraging than 2013, with forces driving the global economic recovery firmly entrenched. The IMF projects that global economic growth will rise from 3% in 2013 to 3.6% in 2014 and to 3.9% in 2015. This is largely due to a turn for the better in the developed economies- estimated to grow 2.5% in 2014. Continued fiscal easing, loose monetary policy in developed economies and stable commodity prices should boost the global recovery. Furthermore we must be prepared for unforeseen geopolitical developments which may have disruptive ripple effect on the global economy.

The Indian Story:

During 2013-14, amid slow growth and high inflation, the Indian economy had to contend with serious challenges to external stability emanating from unsustainably high current account (CAD), capital outflows and consequent exchange rate pressures. The steep depreciation of the Indian Rupee added to the problem. Having grown at high single digit over the past few years, India's GDP growth slowed to a decade's low of 4.4% in CY 2013. The RBI hiked the repo rate by 75bps over the past 8 months to contain the persistently high inflation.

Going forward, India's GDP is expected to grow at 5.4% in CY 2014 (Source: International Monetary Fund). A stable government, strong global growth, improving export competitiveness and implementation of recently approved investment projects are expected to be key contributing factors.

Industry Structure and Developments

IT Sector:

The Indian IT industry continued on its growth trajectory during FY2014, delivering value to customers, creating incremental employment in both India and abroad and expanding its offerings portfolio to include new technologies and capabilities. As per NASSCOM estimates, the Indian IT and related services industry expanded to US \$ 118 billion in FY2014.

NASSCOM maintains a positive outlook for the Indian IT Sector and expects it to continue to expand during FY 2015.

Food and Agri Sector:

The food processing industry has a huge potential in India, with India ranking 2nd in the world in production of fruits and vegetables but is at the lower rung of the value chain in terms of processing. The

availability of fruits and vegetables is varied due to diverse agro climatic conditions. Despite the large production of fruits and vegetables, it is estimated that only approximately 6 percent of the total agro output of India is currently processed as against up to 60-80 percent in some developed countries. India's share in the global food trade is only 1.5%. All of this implies that there is a great potential to grow this industry. An increase from 6% to 20% in terms of processing and increase in value addition from 20% to 30% will translate into quantum jump in size of the processed fruit and vegetable industry. The Company has made a strategic investment in Jharkhand Mega Food Park Private Limited to develop a Food Park in Jharkhand. Since then, the Company has taken various steps to establish its foothold in this sector. The Company is constantly scouting for opportunities that will consolidate its position in this fast growing sector.

Investment:

Your company believes in '**Buy Systematically, Buy Good**' approach. This approach helps to achieve our investments goals. The Company has made strategic investments in various sectors of the market in order gain maximum advantage and minimum risk. As stable government has come into force, the Country's economy looks to emerge from prolonged lean phase. This is, therefore, time for investors to make smart decisions to reap the benefits of a reviving economy. And your Company will take every possible step to make use of this emerging period of the economy in order to create more stability in the world market.

Opportunities and Threats:

Global companies are looking for low cost countries as a prime mode of innovation, in order to improve quality and productivity and marketing strategy to enter the emerging economies. Emerging economies being the new growth markets a lot of multinationals are now seeing outstanding destinations in different light. This provides good opportunity to India to grasp this market and cater this to growing niche space and demand.

Global companies can make use of favorable conditions available in India only if regulatory framework proactively supports the transfer of high skilled services and free access to labor movement from others countries to India. To mitigate such risks your company is planning to expand its roots in India, which will build new level of networks and fruitful profits for our company.

Outlook

It may not be possible to move from a flat growth structure to a phenomenal growth in a year. So for the current year as well, the outlook seems to be on a conservative mode. Much depends on the Government's ability to bring in robustness within the economy and particularly amongst the core sector industries. The Company on its part shall endeavour to maintain interest of all stakeholders.

Risk Management:

Our businesses and operations are subject to a variety of risks and uncertainties which are no different from any other company in general and our competitors in particular. Such risks are the result of both the business environment within which we operate and other factors over which we have little or no control.

These risks are categorized as operational, financial, environmental, health and safety, political, market related and strategic risks.

Empower has identified major focus areas for risk management to ensure organizational objectives are achieved and has a well-defined structure and proactive approach to assess, monitor and mitigate risks. Further, identification of risks and drawing up mitigation plan is a continuous process and closely linked to the company's business plans. These plans are subjected to continuous monitoring.

As a part of Enterprise Risk Management (ERM) process, a comprehensive Risk Management Policy has been framed and activated. Broadly risks are managed under the following categories:

- i) **Strategy-** These have the potential to impact the entity's mission which arises out of strategic decisions and its long term marketing, resource allocation, delivery models and other activities. These risks are generally non-routine in nature;
- ii) **Operational-** These have the potential to impact the efficiency and effectiveness of the operations;
- iii) **Information Risks-** These have the potential to impact information assets and information processing systems;
- iv) **Financial & Reporting-** These have the potential to impact on statutory financial statements and transmission of timely and accurate information to stakeholders.
- v) **Compliance-** these have potential to impact on the level of adherence to laws and regulations.

The Risk Management Process envisages:

- Setting risk management objectives
- Identifying, prioritizing and reporting risk events
- Identifying risk mitigation strategies and
- Risk management and reporting

While framing its Risk Management Policy the Company seeks to go beyond regulatory requirement and ensure exemplary Corporate Governance Practices.

Internal Control systems and their adequacy:

Your Company has proper and adequate system of internal control to ensure that all assets are safeguarded and protected against loss from unauthorized use or disposition and that transaction are authorized ,recorded and reported correctly .The Company has an extensive system of internal control which ensures:

- Compliance of the company with applicable statutes, policies procedures, listing requirements and management regulations.
- Transaction are being accurately recorded and verified.
- Adherence to applicable accounting standards and policies.

Human Resources

The Company strongly believes that employees are the most valuable resources and takes efforts to

Create a positive, vibrant and safe work environment. The Company has a well-defined work culture that is based on values like honesty, integrity, cooperation, empathy and progress.

Performance, productivity and training are the key focus areas as far as Human Resources Management is concerned. Similar to other industries, Manpower is one of the most dominating factor which would chart the Company's growth and development.

There has been a cordial relationship between the Company and its Employees.

Cautionary:

Statement in the Management Discussion and Analysis describing the company's objectives exceptions or predications may be forwards looking within the meaning of applicable securities, laws and regulations. Actual results may differ materially from those expressed in the statement. Several factors could make significant difference to the company's operation. These include climatic conditions and economic conditions affecting demand and supply, government regulations and taxation, natural calamities etc, which are beyond the control of the Company.

**By Order of the Board
For Empower India Limited
Sd/-
Rajgopalan Iyengar
Chairman**

Date: September 03, 2014.

Place: Mumbai.