

50th

*Annual Report
for the year ended
31st December, 2013*



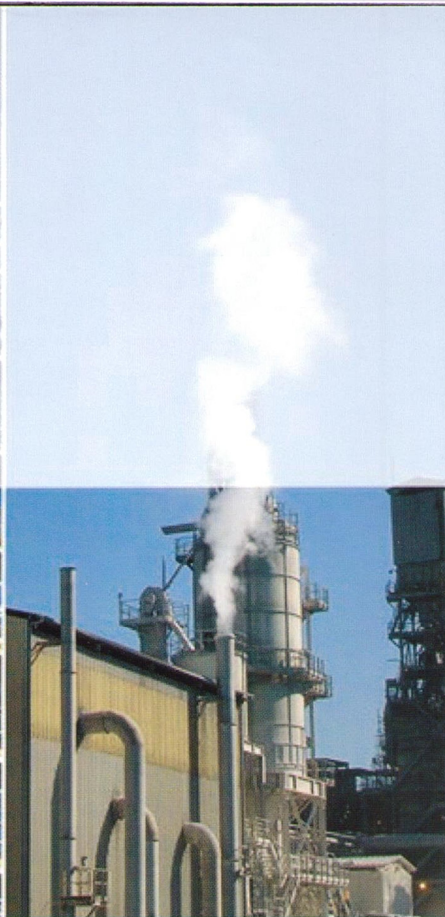
**VULCAN
ENGINEERS
LIMITED**

TERRUZZI FERCAIX GROUP

www.vulcanengineers.com



Lime Kilns



Hydrated Lime Plants - PCC



Gasification Plants

Freeze &



**VULCAN
ENGINEERS
LIMITED**

TERRUZZI FERCALX GROUP

www.vulcanengineers.com

REGISTERED OFFICE & HEADQUARTERS

**104, 105 & 106, Trade Centre, "C" Wing,
First Floor, North Main Road,
Koregaon Park, Pune - 411 001**

Tel. + 91 20 6645 0800

Fax + 91 20 6645 0801

E-mail: info.vel@vulcanengineers.com

Website: www.vulcanengineers.com

Corporate Identification Number: L12801PN1963PLC149701

BOARD OF DIRECTORS

- | | |
|--|--------------------------------|
| • Mr. Astorre Terruzzi, Chairman Emeritus (DIN 03173855) | – Promoter, Non Executive |
| • Dr. Daniele Terruzzi, Chairman (DIN 02975023) | – Promoter, Non Executive |
| • Ms. Paola Terruzzi, Vice Chairperson (DIN 02977596) | – Promoter, Non Executive |
| • Mr. Massimo Ferracci (DIN 03173812) | – Independent, Non Executive |
| • Mr. Ranganath Desai (DIN 05214436) | – Executive Director - Finance |
| • Mr. Anand Gadkari (DIN 06873220) | – Managing Director |
| • Mr. Massimiliano Altabella (DIN 03282553) | – Independent, Non Executive |
| • Mr. Claudio Del Bianco (DIN 03349485) | – Independent, Non Executive |
| • Mr. Roberto De Filippis Delfico (DIN 06873258) | – Independent, Non Executive |

REGISTERED OFFICE & HEADQUARTERS

104,105 & 106, Trade Centre,
 "C" Wing, First Floor, North Main Road,
 Koregaon Park, Pune - 411 001

STATUTORY AUDITORS & TAX CONSULTANTS

Suresh Surana & Associates LLP

Chartered Accountants
 13th Floor, Bakhtawar,
 229, Nariman Point,
 Mumbai - 400 021, India.

REGISTRAR & SHARE TRANSFER AGENTS

Link Intime India Pvt. Ltd.

C-13, Pannalal Silk Mills Compound,
 L. B. S. Marg, Bhandup (West),
 Mumbai - 400 078, India.

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NOTICE

Notice is hereby given that the Fiftieth Annual General Meeting of Vulcan Engineers Limited will be held on Monday, 30th June, 2014 at 3.00 p.m. at Courtyard by Marriott, "Tulip", Pune City Centre, CTS No. 37 & 37/1, Next to Jehangir Hospital, Bund Garden Road, Pune - 411001 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Balance Sheet of the Company as at 31st December, 2013, the Profit and Loss Account for the year ended on that date together with the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Dr. Daniele Terruzzi (holding DIN 02975023), who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Ms. Paola Terruzzi (holding DIN 02977596), who retires by rotation and being eligible, offers herself for re-appointment.
4. To appoint M/s. Suresh Surana & Associates LLP, Chartered Accountants as Statutory Auditors of the Company (ICAI Registration No. 121750W / W-100010) to hold office from the conclusion of this Annual General Meeting until the conclusion of next Annual General Meeting and to fix their remuneration.

SPECIAL BUSINESS:

5. 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 Sections 149, 150, 152, 160 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. Massimo Ferracci (holding DIN 03173812), Director of the Company who retires by rotation at the Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years from the conclusion of this Annual General Meeting, not liable to retire by rotation."

6. 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 Sections 149, 150, 152, 160 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. Claudio Del Bianco (holding DIN 03349485), Director of the Company who retires by rotation at the Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years from the conclusion of this Annual General Meeting, not liable to retire by rotation."

7. 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 Sections 149, 150, 152, 160 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. Massimiliano Altabella (holding DIN 03282553), Director of the Company whose period of office is liable to determination by retirement of directors by rotation and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years from the conclusion of this Annual General Meeting, not liable to retire by rotation."

8. 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 161(1) and all other applicable provisions, if any, of the Companies Act, 2013 (including any rules and notifications thereto for the time being in force), Mr. Roberto De

Filippis Delfico (holding DIN 06873258), who pursuant to Article 85 of the Articles of Association of the Company was appointed as an Additional Director designated as Independent Director of the Company on 16th May, 2014 and who holds office upto the date of this Annual General Meeting and being eligible offers himself for appointment as an Independent Director pursuant to the provisions of sections 149, 150, 152, 160 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, for a period of five consecutive years from the conclusion of this Annual General Meeting, and in respect of whom the Company has received a Notice in writing from a member, signifying his intention to propose the candidature of Mr. Roberto De Filippis Delfico, for the office of Director of the Company, be and is hereby appointed as a Director of the Company, not liable to retire by rotation."

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

"RESOLVED THAT pursuant to the provisions of sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013 approval of the Company be and is hereby accorded for the reappointment of Mr. Ranganath Desai (DIN 05214436) as whole time director to be designated as Executive Director - Finance, for a period commencing from 21st February, 2014 to 4th July, 2014 on the terms and conditions and remuneration as contained in the agreement to be entered into between the Company and Mr. Ranganath Desai, a draft of which is placed before the meeting and for the purpose of identification, initialed by the Chairman with liberty to the Directors/Remuneration Committee to alter and vary the terms and conditions of the said reappointment in such manner as may be agreed to by the Company and Mr. Ranganath Desai."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorised to do all such acts, deeds and things as may be necessary or expedient to give effect to the above resolution."

10. 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 161(1) of the Companies Act, 2013 and all other applicable provisions, if any, of the Companies Act, 2013 (including any rules and notifications thereto for the time being in force), Mr. Anand Gadkari (holding DIN 06873220), who pursuant to Article 85 of the Articles of Association of the Company was appointed as an Additional Director of the Company on 16th May, 2014 and who holds office to upto the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of the Director be and is hereby appointed as a Director of the Company whose period of office, shall be liable to determination by retirement of directors by rotation."

11. To consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013 and read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, approval of the Company be and is hereby accorded for the appointment of Mr. Anand Gadkari (holding DIN 06873220) as Managing Director of the Company for a period of 3 (three) years commencing from 16th May, 2014 to 15th May, 2017 on the terms and conditions and remuneration as contained in the agreement to be entered into between the Company and Mr. Anand Gadkari, a draft of which is placed before the meeting and initialed by the Chairman for purpose of identification which agreement is hereby specifically approved, with liberty to the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall be deemed to include any/committee of the Board) to alter and vary the terms and conditions of the said appointment in such manner as may be agreed to by the Company and Mr. Anand Gadkari."

"RESOLVED FURTHER THAT during the tenure of Mr. Anand Gadkari as Managing Director, he shall be a Key Managerial Personnel (KMP) of the Company, in terms of Section 203(1)(i) of the Companies Act, 2013."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorised to do all such acts, deeds and things as may be necessary or expedient to give effect to the above resolution."

12. To consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

"RESOLVED THAT in supersession of the Ordinary Resolution adopted at the Meeting held for announcement of the result of postal ballot on 16th December, 2010 and pursuant to Section 180(1)(c) and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and the Articles of Association of the Company, the consent of the members of the Company be and is hereby accorded to the Board of Directors for borrowing from time to time, at their discretion, for the purpose of the business of the Company, any sum or sums of money which together with moneys already borrowed by the Company (apart from the temporary loans obtained or to be obtained from the Company's bankers in the ordinary course of business) may exceed at any time, the aggregate of the Paid-up capital of the Company and its free reserves, that is to say reserves not set apart for any specific purpose, provided that the total amount so borrowed by the Board shall not at any time exceed the limit of Rs. 50 Crores (Rupees Fifty Crores only) and that the Board of Directors be and are hereby empowered and authorized to arrange or fix the terms and conditions of all such monies to be borrowed from time to time as to interest, repayment, security or otherwise as it may think fit."

"RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board and/or its duly constituted Committee be and are hereby authorised to finalize, settle and execute such documents/deeds/writings/papers/agreements as may be required and do all such acts, deeds, matters and things, as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise to give effect to this resolution and its decision shall be final and binding."

By Order of the Board

Place : Italy
Dated : 16th May, 2014

Dr. Daniele Terruzzi
Chairman

Registered Office:
104, 105 & 106, Trade Centre, "C" Wing,
First Floor, North Main Road, Koregaon Park,
Pune - 411 001

NOTES

- An Explanatory Statement pursuant to Section 102(2) of the Companies Act, 2013, relating to the Special Business in respect of item no. 5 to 12 mentioned above is annexed hereto.
- **Every member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself/herself and a proxy need not be a member. The instrument of proxy in order to be effective must be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.**
- A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights.
- Provided that a member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.
- The details of the Directors seeking appointment/re-appointment at the forthcoming Annual General Meeting as stipulated under Clause 49 of the Listing Agreement with the Bombay Stock Exchange are also annexed.
- The Register of Members and Share Transfer Books of the Company will remain closed from 23rd June, 2014 to 30th June, 2014 (both days inclusive).
- Link Intime India Private Limited, C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (West), Mumbai - 400 078 are the Registrars and Share Transfer Agents of the Company to handle share transfers, both in physical and electronic segments and other share related matters. Shareholders are requested to correspond with the Registrars at the above address.
- Shareholders are requested to promptly notify any change in their addresses or bank account particulars:
 - a) To the Registrar and Share Transfer Agents of the Company for the shares held in physical form; and
 - b) Directly to the respective Depository Participants with whom they are maintaining their demat accounts and not to the Company/Registrar and Share Transfer Agents, for the shares held in electronic form.
- Non-Resident Indian Members are requested to inform M/s. Link Intime India Private Limited, immediately of:
 - (i) Change of their residential status on return to India for permanent settlement.
 - (ii) Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.
- In all correspondences with the Company, members holding shares in physical form are requested to quote their Folio numbers and those holding shares in electronic form are requested to quote their DP ID number and Client ID number.
- Pursuant to the provisions of Section 124(5) of the Companies Act, 2013 (erstwhile Section 205A(5) of the Companies Act, 1956), all unclaimed dividends upto the financial year ended 31st March, 1994 have been transferred to the General Revenue Account of the Central Government. Shareholders who have not encashed their dividend warrants upto the said period are requested to claim the amount from the Registrar of Companies, Maharashtra. Pursuant to introduction of Section 205C by the Companies (Amendment) Act, 2000, the amount of dividend unpaid or unclaimed for a period of seven years from the date of payment is required to be transferred to the Investor Education and Protection Fund (IEPF) constituted by the Central Government. Accordingly, dividends for the financial years ended 31st March, 1995, 31st March, 1996 and 31st March, 1997 which remained unclaimed for 7 years from the date of declaration have been transferred to IEPF. Therefore, no claim shall lie against the Company or the Investor Education and Protection Fund after transfer of the dividends to IEPF.
- Corporate members intending to send their authorised representatives to attend the meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the meeting.
- The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are therefore, requested

to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company/Registrar & Share Transfer Agent i.e. Link Intime India Private Limited.

- Members holding shares in single name and physical form are advised to make nomination in respect of their shareholding in the Company.
- Members who hold shares in physical form in multiple folios in identical names are requested to send the share certificates to Link Intime India Private Limited immediately to enable consolidation of their holdings into one folio.
- Members/Proxy Holders are requested to produce at the entrance of hall, attendance slips duly completed and signed, in accordance with the specimen signature registered with the Company for admission to the Meeting Hall.
- Members desirous of obtaining any information concerning the accounts for the year ended 31st December, 2013 are requested to write to the Company Secretary at the Registered office of the Company atleast 10 days before the date of the meeting, to facilitate clarifications to the shareholders at the meeting.
- Electronic copy of the Annual Report for 2013 is being sent to all the members whose email IDs are registered with the Company/Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report for 2013 is being sent in the permitted mode.
- Electronic copy of the Notice of the 50th Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent to all the members whose email IDs are registered with the Company/Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Notice of the 50th Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode.
- Members may also note that the Notice of the 50th Annual General Meeting and the Annual Report for 2013 will also be available on the Company's website www.vulcanengineers.com for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office in Pune for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also send requests to the Company's investor email id: cs.vel@vulcanengineers.com

➤ **Voting through electronic means**

- I. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote at the 50th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by National Securities Depository Limited (NSDL):

The instructions for e-voting are as under:

- A. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/Depository Participants(s)]:
 - (i) Open email and open PDF file viz; "Vulcan Engineers e-Voting.pdf" with your Client ID (in case you are holding shares in demat mode) or Folio No. (in case you are holding shares in physical mode) as password, which contains your "User ID" and "Password/PIN for e-voting". Please note that the password is an initial password.
 - (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>
 - (iii) Click on Shareholder - Login
 - (iv) Put User ID and password as initial password/PIN noted in step (i) above. Click Login.
 - (v) Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- (vi) Home page of e-voting opens. Click on e-Voting: Active Voting Cycles.
- (vii) Select "EVEN" of Vulcan Engineers Limited. Members can cast their vote online from 23rd June, 2014 (9:00 am) till 25th June, 2014 (6:00 pm).

Note : e-Voting shall not be allowed beyond said time.

- (viii) Now you are ready for e-voting as Cast Vote page opens.
- (ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
- (x) Upon confirmation, the message "Vote cast successfully" will be displayed.
- (xi) Once you have voted on the resolution, you will not be allowed to modify your vote.
- (xii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to velscrutinizer@gmail.com with a copy marked to evoting@nsdl.co.in

B. In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company/Depository Participants(s) or requesting physical copy] :

- I. Initial password is provided as below/at the bottom of the Attendance Slip for the AGM :

EVEN (E Voting Event Number) **USER ID** **PASSWORD/PIN**

Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.

- II. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the Downloads section of www.evoting.nsdl.com
 - III. If you are already registered with NSDL for e-voting then you can use your existing user ID and password/PIN for casting your vote.
 - IV. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
 - V. The e-voting period commences on 23rd June, 2014 (9:00 am) and ends on 25th June, 2014 (6:00 pm). 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 17th May, 2014, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
 - VI. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date (record date) of 17th May, 2014 .
 - VII. Ms. Ratan Kapadia (Membership No. 1395) and Proprietor of M/s. Ratan Kapadia & Associates, Practicing Company Secretaries has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
 - VIII. The Scrutinizer shall within a period not exceeding three(3) working days from the conclusion of the e-voting period unblock the votes in the presence of atleast two(2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
 - IX. The Results shall be declared on the AGM of the Company. The Results declared alongwith the Scrutinizer's Report shall be placed on the Company's website www.vulcanengineers.com and on the website of NSDL within two(2) days of passing of the resolutions at the AGM of the Company and communicated to the BSE Limited.
- All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during normal business hours (9.30 a.m. to 6.30 p.m.) on all working days except Saturdays, upto and including the date of the Annual General Meeting of the Company.