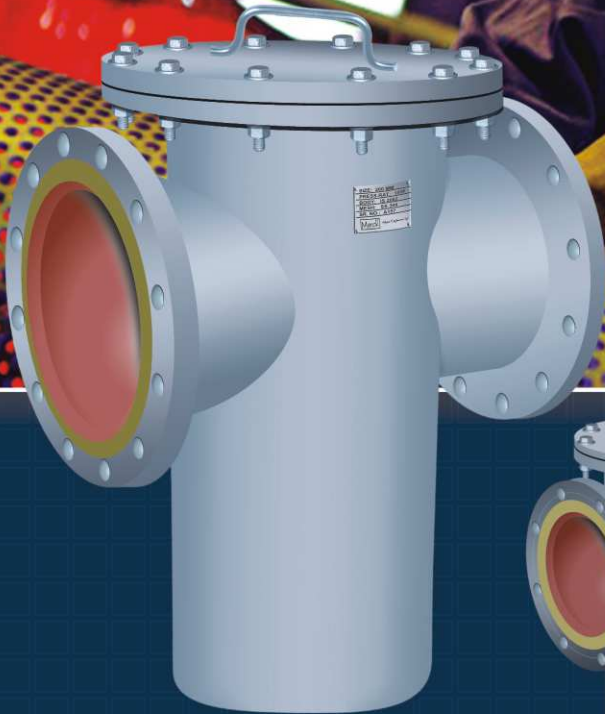


20TH
ANNUAL REPORT
2012 - 2013



**20th ANNUAL REPORT
2012-2013**

BOARD OF DIRECTORS

Aslam F. Kagdi	<i>Chairman & Managing Director</i>
Asad F. Kagdi	<i>Joint Managing Director</i>
Mohammed Khan Pathan	<i>Whole Time Director</i>
Shad M Ranginwala	<i>Director</i>
Sajid Mehboob bhai Sacha	<i>Director</i>
Mohamed Zakaria Asad kagdi	<i>Director</i>
Anas Habib Puthawala	<i>Director</i>
Anwar Ahmed Mohammed Javid Daruwala	<i>Director</i>

PRINCIPAL BANKERS

Canara Bank

Navrangpura, Ahmedabad.

The Karur Vysya Bank Ltd.

Ashram Road, Ahmedabad.

Bank of Baroda

Gita Mandir Road, Ahmedabad.

AUDITORS

Nawab Menon & Associates

Chartered Accountant

4195, Kothi Mohalla, Lal Darwaja,
Ahmedabad - 380 001.

COMPANY LAW CONSULTANT

M/S. CHIRAG SHAH & ASSOCIATES

Company Secretaries
Ahmedabad.

REGISTERED OFFICE

Behind Chandola Police Chowky,
Chandola, Ahmedabad - 380 028.

Tele : 079-25320781/82/83/86

Fax E-mail : helho@hawaengltd.com

Website : www.hawaengltd.com

<i>Contents</i>	<i>Page No.</i>
Notice	01
Directors' Report	05
Management Discussion and Analysis	08
Corporate Governance Report	10
Compliance Certificate	14
Independent Auditors' Report	17
Balance Sheet20	
Statement of Profit & Loss	21
Cash Flow Statement	22
Notes to the Financial Statements	24

NOTICE

**To,
The Shareholders,**

Notice is hereby given that the 20th Annual General Meeting of the shareholders of Hawa Engineers Ltd will be held on Monday, 30th September, 2013 at 3.00 p.m. at the Registered Office behind Chandola Police Chowky, Chandola, Ahmedabad-380028 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider, approve and adopt the audited Balance Sheet as at 31st March, 2013 and the Profit and Loss Account for the year ended on that date together with the Report of Board of Directors and Auditors thereon.
2. To re appoint M/s Nawab Memon & Associates, Chartered Accountants, Ahmadabad as Statutory Auditor of the Company and to Fix their remuneration.
3. To appoint a Director in place of Mr. Mohammed Khan Pathan who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr. Anwarahmed Mohammed Javid Daruwala who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

5. To consider and if thought fit, pass with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 257 and other applicable provisions (including any modification or re-enactment thereof), if any, of the Companies Act, 1956, and subject to the approval of shareholders in general meeting, Mr Mohamedzakaria Asad Kagdi who was appointed as an Additional Director in the meeting of the Board of Directors held on 15/02/2013 and whose term expires at the ensuing Annual General Meeting of the company and for the appointment of whom the Company has received a notice in writing proposing his candidature for the office of the Director be and is hereby appointed as a Director of the Company whose period of office will be liable to determination by retirement of directors by rotation.”

RESOLVED FURTHER THAT Board of Directors of the company be and is hereby authorized to do all such act, matters and things as may be considered necessary, appropriate, expedient or desirable to give effect to this resolution.”

6. To consider and if thought fit, pass with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 257 and other applicable provisions (including any modification or re-enactment thereof), if any, of the Companies Act, 1956, and subject to the approval of shareholders in general meeting, Mr. Anas Habib Puthawala who was appointed as an Additional Director in the meeting of the Board of Directors held on 15/02/2013 and whose term expires at the Annual General Meeting of the company and for the appointment of whom the Company has received a notice in writing proposing his candidature for the office of the Director be and is hereby appointed as a Director of the Company whose period of office will be liable to determination by retirement of directors by rotation.”

RESOLVED FURTHER THAT Board of Directors of the company be and is hereby to do all such act, matters and things as may be considered necessary, appropriate, expedient or desirable to give effect to this resolution.”

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

"RESOLVED THAT pursuant to the provisions of sections 198, 269, 309 and other applicable provisions, if any, read with Schedule XIII of the Companies Act, 1956, and/or any statutory modification or re-enactment thereof from time to time and in force, and subject to the prior approval of the Central Government (if applicable), the consent of the company be and is hereby accorded to the reappointment and payment of remuneration to Shri Asad f Kagdi as Joint Managing Director of the company for a period of 5 years with effect from 1st October 2012 on the terms and conditions as mentioned in the agreement between the company and Shri Asad F Kagdi ,which agreement is hereby specifically approved with powers to the Board of Directors (which term shall be deemed to include any "committee" thereof) to alter, amend, vary and modify the terms and conditions of the said re-appointment and remuneration payable from time to time as they deem fit in such manner as may be agreed upon by the Board of Directors within the limits prescribed under Schedule XIII to the said Act or any statutory amendment(s) and/or modification(s) thereto.

RESOLVED FURTHER THAT notwithstanding to the above, in the event of any loss or inadequacy of profits in any financial year of the company during the tenure of Shri Asad f Kagdi as managing director of the company , the remuneration payable to him shall be in accordance with the limits prescribed in section II Part II of Schedule XIII of the Companies Act, 1956 as amended from to time subject to the compliance of provisions thereof but in any event shall not exceed the remuneration payable as provided in the agreement aforesaid when the profits of the company are adequate.

RESOLVED FURTHER that the Board be and is hereby authorized at its discretion from time to time to fix the remuneration and/or perquisite of Shri Asad f Kagdi and revise such remuneration and/ or perquisite from time to time within the maximum limits specified in the aforesaid draft agreement. The Board be and is hereby further authorized to vary/modify/amend any of the aforesaid terms and conditions, provided such variation/modification/amendment is in conformity with the applicable provisions of the Act, as amended from time to time.

RESOLVED FURTHER that the Board be and is hereby authorised to do all such acts, deeds, matters or things as may be considered necessary, appropriate, expedient or desirable to give effect to this resolution.

Registered Office:

Behind Chandola Police Chowky,
Chandola,
Ahmedabad: 380028.
Date: 29-05-2013

**By order of the Board of Directors,
For Hawa Engineers Limited**

Sd/-
Aslam F. Kagdi
Chairman

Notes:

1. A Member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself/herself and the proxy need not be a Member of the company.
A proxy in order to be effective should be lodged at the Registered Office of the company not later than 48 hours before the commencement of the annual general meeting.
2. The Register of Members and the Share Transfer Books of the company shall remain closed from 25th September to 30th September, 2013 (both days inclusive).
3. As an austerity measure, copies of Annual Report will not be distributed at the Annual General Meeting. Members are requested to bring their copies to the Meeting.
4. Members holding shares in physical form are requested to notify immediately the change, if any, in their registered address. The members holding shares in demate mode may contact their Depository Participant for change in their registered address.
5. The equity shares of the company are available for dematerialization, as the Company has entered into agreement with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). Those shareholders who wish to hold shares in electronic form may approach their Depository Participant. The ISIN No. of the Equity Share is INE230IO1018

HAWA ENGINEERS LIMITED

6. The Company has appointed M/s. Big Share Securities Services Private Limited as registrar and transfer agent of the company during the year and the Investors are requested to make all the future correspondence to M/s. Big Share Securities Services Private Limited, E 2/3, Ansa Industrial Estate, Saki Vihar road, Sakinaka, Andheri (E) Mumbai-400072. Phone No.022-40430200, and Fax no.022-28475207

Explanatory Statement Pursuant to Section 173 (2) of the Companies Act, 1956.

Item No. 5

Mr. Mohamedzakaria Kagdi was appointed as an Additional Director by the Board of Director w.e.f. February 15, 2013 in accordance with the provisions of Section 260 of the Companies Act, 1956. Pursuant to Section 260 of the Companies Act, 1956 the above director holds office up to the date of the ensuing Annual General Meeting. In this regard the Company has received request in writing from a member of the company proposing his candidature for appointment as Director of the Company in accordance with the provisions of Section 257 and other applicable provisions of the Companies Act, 1956.

The Board feels that presence of Mr. Mohamedzakaria Kagdi on the Board is desirable and would be beneficial to the company and hence recommend resolution No.5 for adoption.

Mr. Asad Kagdi And Mr. Aslam Kagdi is concerned or interested in this resolution as they are the relative of Mr. Mohamedzakaria Kagdi.

The Board recommends resolutions under Item No.5 to be passed as an ordinary resolution.

Item No. 6

Mr. Anas Habib Puthawala was appointed as an Additional Director by the Board of Director w.e.f. February 15, 2013 in accordance with the provisions of Section 260 of the Companies Act, 1956. Pursuant to Section 260 of the Companies Act, 1956 the above director holds office up to the date of the ensuing Annual General Meeting. In this regard the Company has received a request in writing from a member of the company proposing his candidature for appointment as Director of the Company in accordance with the provisions of Section 257 and other applicable provisions of the Companies Act, 1956.

The Board feels that presence of Mr. Anas Habib Puthawala on the Board is desirable and would be beneficial to the company and hence recommend resolution No.6 for adoption.

None of the Directors, except Mr. Anas Habib Puthawala is concerned or interested in this resolution.

The Board recommends resolutions under Item No.6 to be passed as an ordinary resolution.

Item No. 7

The term of Joint Managing Director Mr. Asad F. Kagdi ends on the ensuing Annual General Meeting of the Company. He being eligible for re appointment offers himself for reappointment to the Board as Joint Managing Director of the company for further period of Five years. He has to his credit wide experience. He will be paid remuneration in the slab of Rs. 95,000-10,000-1,35,000 as approved by the remuneration committee. The appointment if made will be in accordance with Sections 198, 309, and other applicable provisions of the Act. This may be considered as an abstract u/s. 302 of the Companies Act, 1956.

Mr. Aslam Kagdi and Mr. Mohammad Zakaria Kagdi, being the relative of Mr. Asad F. Kagdi, is interested in the proposed resolution.

Registered Office:

Behind Chandola Police Chowky,
Chandola,
Ahmedabad: 380028.
Date: 29-05-2013

**By order of the Board of Directors,
For Hawa Engineers Limited**

Sd/-
Aslam F. Kagdi
Chairman

INFORMATIONS REQUIRED AS PER LISTING AGREEMENT FOR THE RETIRING DIRECTORS.

Name of Director : MR. MOHAMMED KHAN PATHAN

Date of Birth : 16/07/1976

Educational Qualification : B.E(Mechanical)

Mr. Mohammed Khan Pathan is the Director of the Company. The Company has been greatly benefited with his association as Director on the Board. Your Directors recommend to re-appoint him as Director of the company.

Name of Director : Mr. ANWARAHMED MOHAMMED JAVID DARUWALA

Date of Birth : 31/08/1987

Educational Qualification : B.com

Mr. Anwarahmed Mohammed Javid Daruwala is the Director of the Company. The Company is likely to be greatly benefited with his association as Director on the Board. Your Directors recommend to re-appoint him as Director of the company.

Name of Director : Mr. MOHAMED ZAKARIA ASAD KAGDI

Date of Birth : 16/01/1987

Educational Qualification : MBA

Mr. Mohamed Zakaria Asad Kagdi is Appointed as the Additional Director of the Company. The Company is likely to be greatly benefited with his association as Director on the Board. Your Directors recommend to-appoint him as Director of the company.

Name of Director : MR. ANAS HABIB PUTHAWALA

Date of Birth : 06/12/1985

Educational Qualification : BCA

Mr. Anas Habib Puthawala is Appointed as the Additional Director of the Company. The Company is likely to be greatly benefited with his association as Director on the Board. Your Directors recommend to-appoint him as Director of the company.

Name of Director : MR. ASAD F KAGDI

Date of Birth : 28/06/1962

Educational Qualification : B.com AND Post Graduation in Management

Mr. Asad F Kagdi is Appointed as the Managing Director of the Company. The Company is likely to be greatly benefited with his association as Director on the Board. Your Directors recommend to re- appoint him as Managing Director of the company.

Registered Office:

Behind Chandola Police Chowky,

Chandola,

Ahmedabad: 380028.

Date: 29-05-2013

**By order of the Board of Directors,
For Hawa Engineers Limited**

Sd/-

Aslam F. Kagdi

Chairman

DIRECTORS' REPORT

To,
The Members,
Hawa Engineers Limited,

Your Directors have pleasure in presenting the Twentieth Annual Report together with the Audited Statements of Accounts for the Year ended 31st March, 2013.

1. FINANCIAL HIGHLIGHTS:

Particulars	(Amount in Rs.)	
	Year Ended 31/03/2013	Year Ended 31/03/2012
Sales and other Income	585587818	458852742
Total Expenses before interest, Depreciation	555126390	434958596
Profit before Interest, Depreciation, Taxation.	30461428	23894152
Interest	4659498	3047971
Depreciation	6686821	3916792
Profit / (Loss) before tax	19115109	16929389
Provision for taxation and Deferred Tax	6431000	6249465
Profit/ (Loss) after tax	12684109	10679925

2. DIVIDEND:

The Company has made the profits during the year, but to conserve the resources, the Directors do not recommend the Dividend this year.

3. OPERATIONAL REVIEW:

Your Directors are happy to announce yet again another year which is witnessing the rise in the bottom-line.

The Profit before interest Depreciation and Taxation has reached to Rs.304 Lacs mark as against Rs. 238 Lacs in previous year. Which shows a growth of 27.73% during the period

The Company has achieved a Turnover of Rs. 5838 Lacs as against Rs. 4574 Lacs in the previous year, which is the growth of 27.63% over previous year.

The Company has earned a Profit of Rs. 191 Lacs compared to Rs. 169 Lacs previous year which shows a growth of 13.00% during the period.

This achievement is nothing but the dedicated effort of your management for always aiming the newer heights. Your Directors are hopeful of continuing the same performance in the coming year also.

4. HUMAN RESOURCES POLICY AND INDUSTRIAL RELATIONS:

The company has continued to maintain harmonious and cordial relations with its officers, supervisors and workers enabling the Company to maintain the pace of growth.

5. DEPOSITS:

The Company has not accepted during the year under review any deposit as defined under the Companies (Acceptance of Deposits) Rules, 1975.

6. DIRECTORS:

Mr. Mohammed Khan Pathan and Mr. Sajid Mehboob Bhai Sacha are retiring at the ensuing annual general meeting and being eligible offers themselves for re-appointment. Your Directors request for their appointment.

The term of Mr. Asad F Kagdi as a Managing director expires as on 1ST October, 2012. So, Board of Director of the company recommends his re appoint as managing director for further five years.

Mr. Khaliq Y Hawa resigned from the Board with effect from 12th December, 2012 and Mr. Anwar Ahmed Mohammed Javid Daruwala was appointed as a director to fill the casual vacancy caused by the resignation of Mr. Khaliq Y Hawa with effect from 12th December, 2012

Mr. Wasim Shaikh resigned from the Board with effect from 15th February, 2013 and Mr. Sajid Mehboob bhai Sacha was appointed as a director to fill the casual vacancy caused by the resignation of Mr. Wasim Shaikh with effect from 15th February, 2013

The Board wishes to Place on record their appreciation and acknowledgement for the valuable services rendered by the outgoing directors during their tenure with the company

7. CORPORATE GOVERNANCE:

The Company has implemented the Corporate Governance code in your Company and the report has been attached herewith.

8. DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to section 217 (2AA) of the Companies Act, 1956 the Board of Directors confirms that:

- (i) in the preparation of the Annual Accounts, the applicable accounting standards had been followed;
- (ii) appropriate accounting policies have been selected and applied consistently and judgments and estimates made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the Financial Year and the profit and Loss Account for the current financial year.
- (iii) 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;
- (iv) the Annual Accounts have been prepared on a going concern basis.

9. PARTICULARS OF EMPLOYEES:

No disclosure is required as there is no employee of the company who was in receipt of remuneration requiring disclosure under the provisions of the Companies (Particulars of Employees) Rules, 1975,

10. PARTICULARS OF ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUT GO:

The additional information regarding conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 217 (1) (e) of the Companies Act, 1956 are given as an Annexure-A to this report.

11. AUDITORS AND AUDITORS REPORT:

The Company's Auditors M/s. Nawab Memon & Associates, Chartered Accountants, Ahmadabad are retiring at the ensuing Annual general meeting. Your Directors recommend their appointment to hold the office from the end of the Annual general meeting till the end of next Annual general meeting. The Report of Auditors is attached herewith which is self explanatory and does not call for any explanation.

12. COMPLIANCE CERTIFICATE:

As per the Provision of section 383 of the Companies Act, 1956 the compliance certificate issued by M/s. Chirag Shah & Associates, Practicing company Secretary is attached with the Directors Report and it forms the part of the Report.

13. ACKNOWLEDGEMENTS:

Your Directors are grateful for the co-operation extended by the workers, staff and Executives of the Company, Company's Bankers, Auditors, Government bodies and customers and most importantly the shareholders for their whole hearted support to the Company and look forward to their continued support in the years to come.

FOR AND ON BEHALF OF THE BOARD,

Sd/-

Aslam F. Kagdi
Chairman

Place : Ahmedabad
Date : 29/05/2013

Particulars pursuant to Section 217 (1) (e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars of Directors) Rules, 1988:

A) CONSERVATION OF ENERGY:

Though the company is not a power intensive unit, it has always emphasized the importance of energy conservation at each stage of operation and is in the process of implementing all possible measures of minimizing power consumption.

B) TECHNOLOGY ABSORPTION:

Our Company has successfully introduced the Investment Casting Process in steel and Stainless steel of various grades in the manufacturing of Valves. The company's products have been modernized to confirm to international standards of API, BS and DIN.

C) FOREIGN EXCHANGE EARNINGS AND OUTGOING:

Particulars	2012-13	2011-12
Foreign Exchange Earned	2,18,56,736/-	1,51,10,678/-
Foreign Exchange Out go	32,57,893/-	34,98,901/-

FOR AND ON BEHALF OF THE BOARD,

Place : Ahmedabad
Date : 29/05/2013

Sd/-
Aslam F. Kagdi
Chairman

MANAGEMENT DISCUSSION AND ANALYSIS

Valve Industry Structure and Developments

Your Company's primary business is the design, manufacture and sale of Industrial valves, valve cores and accessories. The size of the Indian valve business is estimated at approximately Rs.10,000 crores in the organized sector in the period 2012-13.

At a macro-economic level, the Financial Year 2012-13 saw the Indian economy weakening further with the GDP growth rate slowing to an estimated range of 5.5-6.5%. The year was one of the toughest years for the Valve industry in the last decade. High interest rates and continuous increases in fuel prices diminished growth across all segments. Although there was an expectation from the valve industry of a policy stimulus, the government was unable to affect any significant policy initiatives to stimulate growth.

Pumps, Valves, and Compressors market in India to grow at a CAGR (Compound Annual Growth Rate) of 15.60% over the period 2012-2016. One of the key factors contributing to this market growth is increasing demand from process manufacturing industries. The Pumps, Valves, and Compressors market in India has also been witnessing the development of next-generation valves and pumps. However, the increasing raw material prices could pose a challenge to the growth of this market.

The market earned revenues of around INR 3,880.50 crore in 2011, which is estimated to cross INR 5,757.10 crore by 2016, owing to the demand from power and oil and gas industries. Further, the widening gap between demand and supply of power is compelling the Government to roll out initiatives to increase power generation capacity. Higher investments in power generation, city gas distribution (CGD), and pipeline as well as refining projects translate to higher sales of industrial valves. The industry as a whole experienced a year of stagnation and under-utilization of capacities as a result of the poor market conditions.

Opportunities and Threats

Although the general economic environment is not conducive for strong growth, your Company has a competitive advantage in the market due to its superior technology, large installed capacities in all product categories, high quality products, competitive pricing etc. The market scenario in India is likely to continue to be subdued in the year ahead. Under these circumstances, payments from some customers can tend to be delayed. This can adversely affect cash-flows and can put an additional interest burden on the Company due to increased utilization of working capital. The primary raw materials used in manufacturing valves are highly volatile commodities, namely brass which is a Carbon Steel, Alloy Steel & Stainless Steel. Continued volatility in the prices of these commodities can pose a threat to profitability.

The Company's continued emphasis on technology-based investments would enable the Company to meet the competitive environment by way of productivity enhancement and cost reduction measure.

Segment-wise Performance

There is no segment in the company

Outlook

The overall outlook for the Financial Year 2013-14 is subdued; the Indian valve industry is expected to grow at 7-8% per annum, while the exports are anticipated to rise from 10-12% per annum. As per the industry majors, the competitive aspect of the Indian markets against the manufacturers in Japan, Europe and USA is likely to be a major growth driver boosting the growth index. The Company expects to grow at a rate higher than that of the industry and has developed plans to achieve the same. The Company also expects to improve its operating profits by improving operating efficiencies and aggressive cost cutting.

Risks and Concerns

Apart from the normal business risk, no major risk is foreseen.

HAWA ENGINEERS LIMITED

Internal Control Systems and Their Adequacy

The Company has proper and adequate systems of internal controls. Internal audits and checks are carried out at regular intervals. An audit committee, headed by an Independent Director, reviews control systems and their adequacy.

Discussion on Financial Performance with respect to Operational Performance

The details of the financial performance of the Company appear in the Balance Sheet, Statement of Profit and Loss and other Financial Statements. Highlights for the year 2012 -13 are as under:

	(Rs. Thousand)	
Particulars	2012-2013	2011-2012
Sales Net	583816	457483
Other Income	1771	1369
Profit Before Tax	19115	16929

The financial performance of the Company has been explained in the Directors' Report of the Company for the year 2013 appearing separately.

Human Resources

Human Resources are a key focus area of the Company. The Company endeavors to attract and develop the best talent available in each area of its operations. The Company's policy is to create a conducive environment for nurturing talent and developing the requisite skills needed to keep pace with the ever-changing needs of the market. Training is imparted to employees at all levels and covers both technical and behavioral aspects.

The Industrial Relations scenario during the year under review was smooth. The Company has an excellent track record in this regard and has maintained cordial relationships with all its employees.

Cautionary Statement

Certain statements in the Management Discussion and Analysis describing the Company's views about the industry, expectations, objectives, etc ... may be forward looking within the meaning of applicable laws and regulations. Actual results may differ materially from those expressed in the statement. Factors like supply and demand situations, input prices and their availability, changes in Government regulations, economic developments, etc. may influence the Company's operations or performance.

CORPORATE GOVERNANCE

1. Company's Philosophy on Corporate Governance:

The Company's essential character revolves around values based on transparency, integrity, professionalism and accountability. At the highest level, the Company continuously endeavors to improve upon these aspects on an ongoing basis and adopts innovative approaches for leveraging resources, converting opportunities into achievements through proper empowerment and motivation, fostering a healthy growth and development of human resources to take the Company forward.

2. Board of Directors:

(a) Composition and Category:

Board of Directors consists of 8 Directors. Out of 8, 4 are executive Directors and 4 are non executive independent Directors holding responsible position with vast and varied experience

The constitution of Board is given below:

Director	Executive/ Non Executive / Independent.	No. of other Directorship	Membership of other Board Committees.
Aslam F. Kagdi	Chairman, & Managing Director - Executive	1	2
Asad F. Kagdi	Jt. Managing Director, Executive	1	—
Mr. AnwarAhmed Mohammed Javid Daruwala	Director – Independent	—	—
Mr. Mohammed Khan Pathan	Whole Time Director – Executive	—	1
Mr. Sajid Mehboob bhai Sacha	Director – Independent	1	—
Mr. Shad Md Afzal Ranginwala	Director – Independent	—	2
Mr. Mohamed Zakari Asad Kadgi	Director – Executive	1	—
Mr. Anas Habib Puthawala	Director – Independent	—	—

(b) Attendance of Directors at Board Meeting and Annual General Meeting.

The Board of the company met seven times during the last financial year, on the following dates: 25.05.2012,31.05.2012,31.07.2012,31.10.2012,12.12.2012,31.01.2013,15.02.2013.

The company placed before the Board the annual operating plans, budgets, and various other information including those specified under Annexure of Listing Agreement. The attendance at the Board Meeting and Annual General Meeting were as under:

Name of Director	Attendance Board Meeting	AGM
Aslam F. Kagdi	7	Yes
Asad F. Kagdi	7	Yes
Sajid Mehboob bhai Sacha	0	No
Mr. Mohammed Khan Pathan	7	Yes
Mr. Anwarahmed Mohammed Javid Daruwala	2	No
Mr. Shad Md Afzal Ranginwala	7	Yes
Mr. Mohamed Zakari Asad Kagdi	0	No
Mr. Anas Habib Puthawala	0	No
Mr. Khaliq Hawa*	0	No
Mr. Wasim Shaikh**	0	No

(*) Mr. khaliq Hawa has Resigned from the Board on 12th December,2012

(**) Mr. Wasim Shaikh has Resigned from the Board on 15th February,2013

HAWA ENGINEERS LIMITED

3. (a) Audit Committee:

The Company has an Audit Committee at Board level. During the year, five meeting were held one of which was before finalization of accounts. The date of which the said meetings were held are as follows:

25.05.2012, 30.05.2012, 30.07.2012, 30.10.2012, 30.01.2013,

The constitution of committee and the attendance of each member of the committee is given below:

Name	Designation	Non Executive/ Independent	Committee Meeting attended.
Sajid Mehboob bhai Sacha	Chairman	Independent	0
Aslam F. Kagdi	Member	Executive Director	5
Mohammed Khan Pathan	Member	Executive Director	5
Shad Md Afzal Ranginwala	Member	Independent	5

The terms of reference of the Audit Committee include the following:

- To hold periodic discussions with the Statutory Auditors and Internal Auditors of the company concerning the accounts of the company, internal control systems, scope of audit and observations of the Auditors/ Internal Auditors.
- To review compliance with internal control system.
- To review the quarterly, half yearly and annual financial results of the company before submission to the Board.
- To investigate into any matter in relation to items specified in Section 292A of the Companies Act, 1956 or as may be referred to it by the Board and for this purpose to seek any relevant information contained in the records of the company and also seek external professional advice, if necessary.
- To make recommendations to the Board on any matter relating to the financial management of the company, including the Audit Report.

(b) Investor Grievance Committee:

The company has shareholder grievance committee consisting of Non-Executive Directors & senior executives of the company. Mr. Sajid Mehboob bhai Sacha is the Chairman of the committee. Mr. Aslam F. Kagdi is the compliance officer.

(c) Remuneration Committee:

The company has set up remuneration committee. This committee comprises of three independent Directors. The names of members are as follows:

- Mr. Sajid Mehboob bhai Sacha
- Mr. Shad MD Afzal Ranginwala
- Mr. Anwarahmed Mohammed Javid Daruwala

This committee reviews and makes recommendations on annual salaries, performance commission, perquisites and other employment conditions of Executive Directors.

(d) General Body Meeting:

The location and time of the Annual general meeting held during the last 3 years is as follows:

Annual General Meeting (AGM)	Date	Time	Venue	No. of Special resolution passed.
17 th AGM	29th September, 2010	3.00 p.m.	Behind Chandola Police Chowky ChandolaAhmedabad 380 028	—
18 th AGM	30th September, 2011	3.00 p.m.	Behind Chandola Police Chowky ChandolaAhmedabad 380 028	—
19 th AGM	29th September, 2012	3.00 p.m.	Behind Chandola Police Chowky ChandolaAhmedabad 380 028	1

20th Annual General Meeting to be held on 30th September, 2013 at Behind Chandola Police Chowky, Chandola, Ahmedabad-380028

No Special Resolution was put through postal ballot last year. Postal Ballot rules will be complied with when required.

Disclosure

There were no transactions of a materially significant nature with the promoters, the Directors or the Management, their subsidiaries or relatives that may have potential conflict with the interest of the company at large.

Related party transactions are disclosed in the Notes Forming parts of Accounts in this Annual Report.

There are no non-compliance by the Company on any matter related to capital markets, during the last three years. Similarly, there are no penalties or strictures imposed by Stock Exchange, SEBI or any statutory authority on any matter related to capital markets during the last three years

The company has implemented the Whistle Blower policy and the same has been reviewed by the Audit Committee. No complaint has been received under the policy.

Code of Conduct for Board of Directors were circulated and approved by the Board and same is implemented for one level below the Board and for the Board of Directors.

CEO/CFD certification has been received by the Company for financial statement and the same forms part of this Report.

The Board receives on a quarterly basis, certificates of compliance with the provisions of all applicable laws from the Managing Director and Compliance Officer, which are taken on record by the Board.

Hawa Engineers Limited has complied with mandatory requirements of Corporate Governance Code. Practicing company secretary's certificate regarding compliance of Corporate Governance Code for the financial year 2012-13 is annexed to this report.

Share Transfer System:

The Company has appointed M/s. Big Share Securities Services Private Limited as registrar and transfer agent of the company during the year and the Investors are requested to make all the future correspondence to M/s. Big Share Securities Services Private Limited, E 2/3, Ansa Industrial Estate, Saki Vihar road, Sakinaka, Andheri (E) Mumbai-400072. Phone No.022-40430200, and Fax no.022-28475207

Means of communication:

The company publishes unaudited quarterly/ half yearly and annual audited financial results in newspaper. The stock Exchanges are kept informed periodically of various developments.

General Shareholder Information:**a) Annual General Meeting.**

- Date and Time : 30th September, 2013
- Venue : Behind Chandola Police Chowky Chandola Ahmedabad :380 028.

b) Financial Calendar:

Financial Reporting for

- Quarter ending June 30, 2013 : End of July, 2013
- Half year ending September 30, 2013 : End of October, 2013
- Quarter ending December 31, 2013 : End of January, 2014
- Year ending March 31, 2014 : End of April, 2014

c) Date of Book closure : 25th September to 30th September, 2013.**d) Registered office : 307 Behind Chandola Police-Chowki, Opp. F K Textile, Danilimda, Ahmedabad-380028.****e) Listing of Equity Shares : Ahmadabad Stock Exchange (Code 23783) Madras Stock Exchange****f) Stock Market Data : There was no trading of shares at any of the stock exchange during the period 01/04/2012 to 31/03/2013**

HAWA ENGINEERS LIMITED

CERTIFICATE OF CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER

We have reviewed the financial statements and the cash flow statements for the year 2012-13 and that to the best of our knowledge and belief:

1. These statement do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
2. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
3. There are to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
4. We accept responsibility for establishing and maintaining internal control system and that we have evaluated the effectiveness of the internal control system of the Company and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal control system, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
5. We further certify that we have indicated to the auditors and the Audit Committee:
 - a. There have been no significant changes in internal control system during the year.
 - b. There have been no significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - c. There have been no instances of significant fraud, of which we have become aware, involving management or an employee having a significant role in the Company's internal control system.

Place : Ahmedabad
Date : 29th May, 2013

Sd/-
Asad F. Kagdi
Chief Executive Officer

CERTIFICATE ON CORPORATE GOVERNANCE

We have examined the compliance of conditions of Corporate Governance procedures implemented by Hawa Engineers Ltd for the year ended 31st March, 2013, as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchange in India.

The Compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to a review of procedures and implementation thereof, adopted by the company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the company.

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

On the basis of our review and according to the information and explanations given to us, the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement (s) with the Stock Exchange have been generally complied with read together with clause 2 (b) and 3 (c) herein above in all material respect by the Company and that no investor grievance (s) is/are pending for the period exceeding one month against the Company as per the records maintained by the Company.

SAMDANI SHAH & ASSOCIATES
Company Secretaries

Sd/-
Chirag Shah
Partner
CP No. 3498

Place : Ahmedabad.
Date : 29th May, 2013

COMPLIANCE CERTIFICATE

Registration No. of the Company: CIN No.L29120GJ1993PLC019199 Nominal Capital: Rs. 40,000,000.00

To,
The Members,
HAWA ENGINEERS LTD
Ahmedabad

We have examined the registers, records, books and papers of **HAWA ENGINEERS LTD** (the Company) as required to be maintained under the Companies Act, 1956 (the Act) and the rules made there under and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on 31/03/2013. In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished to us by the Company, its officers and agents and certificate of the management, we certify that in respect of the aforesaid financial year:

1. The Company has kept and maintained registers as stated in **Annexure 'A'** to this Certificate, as per the provisions and the rules made there under and all entries have been duly recorded.
2. The Company has filed the forms and returns as stated in **Annexure 'B'** to this Certificate, with the Registrar of Companies, Regional Director, Central Government, Company Law Board or other authorities.
3. The Company being a public company comments are not required.
4. The meetings of the Board of Directors of the Company has been held as per the requirement of the Act and the proceedings were properly recorded and signed including the circular resolutions passed in the Minutes Book maintained for the purpose.
5. The Company has closed its Register of Members, and/ or Debenture holders in terms of Section 154 of the Act during the year. However, no advertisement was published in the Newspaper.
6. The Annual General Meeting for the financial year ended on 31/03/2012 was held on 29/09/2012 after giving due notice to the members of the Company and the resolutions passed thereat were duly recorded in Minutes Book maintained for the purpose.
7. No extra ordinary general meeting was held during the financial year.
8. The Company has not advanced any loan to its directors and / or persons or firms or companies referred in the Section 295 of the Act.
9. The Company has entered into contracts in which Directors were interested. However, as per Information and explanations given to us all these transactions were carried out at the Market rate and on cash basis.
10. The Company has made necessary entries in the Register maintained under Section 301 of the Act.
11. As there were no instances falling within the purview of Section 314 of the Act, the Company has not obtained any approvals from the Board of Directors, members or the Central Government, as the case may be.
12. The Company has not issued any duplicate share certificates.
13. the Company has:
 - a. dematerialized its securities and the work of transfer as per SEBI's order being handled by the Registrar and Transfer Agent. Wherever the physical share certificates were issued, they were in compliance with Act.
 - b. Deposited the amount of dividend declared in a separate Bank Account which is within five days from the date of declaration of such dividend. - **Not Applicable**
 - c. paid / posted warrants for dividends to all the members within a period of 30 (Thirty) days from the date of declaration and that all unclaimed / unpaid dividend has been transferred to Unpaid Dividend Account of the Company with _____ (Bank) on _____ - **Not Applicable.**

HAWA ENGINEERS LIMITED

- d. transferred the amounts in unpaid dividend account, application money due for refund, matured deposits, matured debentures and the interest accrued thereon which have remained unclaimed or unpaid for a period of seven years to Investor Education and Protection Fund – **Not Applicable**.
 - e. Duly complied with the requirements of Section 217 of the Act.
- 14. The Board of directors of the company is duly constituted.
 - 15. The Company being a Public limited company it has appointed the Managing Director / Whole-time Director in the Company as per the provisions of the Schedule XIII of the Companies Act, 1956 and duly filed the returns in this regard.
 - 16. The Company has not appointed any sole-selling agents under the provisions of the Act.
 - 17. As per the information and Explanation provided to us the company was not required to obtain approvals of the Central Government, Company Law Board, Regional Director, Registrar and/or such authorities prescribed under the various provision of the Act.
 - 18. The Directors have disclosed their interest in other firms / companies to the Board of Directors pursuant to the provisions of the Act and the rules made there under.
 - 19. The Company has not issued any shares during the financial year.
 - 20. The Company has not bought back shares during the financial year ending 31/03/2013.
 - 21. The Company has not redeemed preference shares / debentures during the year.
 - 22. There were no transactions necessitating the Company to keep in abeyance rights to dividend, right shares and bonus shares pending registration of transfer of shares in compliance with the provisions of the Act.
 - 23. the Company has not accepted any deposits in terms of the provisions of Section 58A and 58AA read with Companies (Acceptance of Deposit) Rules, 1975 / the applicable directions issued by the Reserve Bank of India / any other authority .
 - 24. The amount borrowed by the Company from directors, members, public, financial institution, banks and others during the financial year ending is within the borrowing limit of the company and therefore no resolution as per section 293(1)(d) has been passed.
 - 25. the Company has not made any loans and investments, or given guarantees or provided securities to other bodies corporate
 - 26. The Company has not altered the provisions of the Memorandum with respect to situation of the Company's registered office from one state to another during the year under scrutiny.
 - 27. The Company has not altered the provisions of the Memorandum with respect to the objects of the Company during the year under scrutiny.
 - 28. The Company has not altered the provisions of the Memorandum with respect to name of the Company during the year under scrutiny.
 - 29. The Company has not altered the provisions of the Memorandum with respect to share capital of the Company during the year under scrutiny.
 - 30. The Company has not altered its Articles of Association during the year under scrutiny
 - 31. There is no prosecution initiated against or show cause notices received by the Company for any offences under the Act.
 - 32. The Company has not received any security deposit from its employees during the year under certification.
 - 33. The Company has deposited both employee's and employer's contribution to provident fund with prescribed authorities pursuant to Section 418 of the Act.

Place : Ahmedabad
Date : 29/05/2013

Signature : Sd/-
Name of Company Secretary : Chirag Shah
C. P. No. : 3498

Annexure 'A'

Registers maintained by the Company:

1. Register of Application & Allotment of shares.
2. Register of Directors, Managing Director, etc. u/s. 303.
3. Register of Directors' Shareholding u/s. 307.
4. Register of Transfer u/s. 108 - maintained Electronically
5. Register of Members u/s. 150 - maintained Electronically
6. Index of Members u/s. 151 - maintained Electronically
7. Register of Charges u/s 150
8. Register of Contract, Companies and Firms in which Director of the Company are interested u/s 301
9. Minutes of the meetings of the Board of Directors and there committees.
10. Minutes of the General meetings.

The Shares are in DMAT Mode so, Register of Members and Register of Share Transfer is maintained by RTA.

Annexure 'B'

Forms and Returns as filed by the Company with the Registrar of Companies, Regional Director, Central Government or other authorities during the financial year ending on 31/03/2013:

Form Filed	Date of filing	Particular	Filed Within Time
FORM-66	28/10/2012	For submission of compliance certificate for FY 2012-13 to the registrar.	YES
FORM-32	22/12/2012	Appointment of Director	YES
FORM-23	22/12/2012	Appointment of Mr. Mohammad Khan Pathan as whole time director	NO
FORM-20B	28/12/2012	For filing annual return for FY 2010-11	NO
FORM-20B	28/12/2012	For filing annual return for FY 2011-12	NO
FORM-23ACA XBRL	09/02/2013	For filing Statement of Profit and Loss for FY 2011-12	YES
FORM-23AC XBRL	09/02/2013	For filing Balance-Sheet and Profit & Loss account for FY 2011-12	YES

Place : Ahmedabad
Date : 29/05/2013

Signature : Sd/-
Name of Company Secretary : Chirag Shah
C. P. No. : 3498

INDEPENDENT AUDITORS' REPORT

To,
The Members of
HAWA ENGINEERS LIMITED
AHMEDABAD

Report on the Financial Statements :

We have audited the accompanying financial statements of **HAWA ENGINEERS LIMITED** ("the company") which comprise the Balance Sheet as at **31st March 2013**, the Statement of Profit & Loss and Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information, which we have signed under reference to this report.

Management's Responsibility for the Financial Statements :

The Company's 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 principles generally accepted in India including Accounting Standards referred to in Section 211 (3C) of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statement that gives 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 misstatements.

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. 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 aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India.

- a. In the case of the Balance Sheet of the state of affairs of the Company as at March 31, 2013;
- b. In the case of the Statement of Profit and Loss of the profit for the year ended on that date ; and
- c. 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' issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act (hereinafter referred to as the "Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the 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, 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 Section 211 (3C) of the Act;
- e. On the basis of the written representations received from the directors as on March 31, 2013, taken on record by the Board of Directors none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of Section 274(1) (g) of the Act.

For NAWAB-MEMON & ASSOCIATES

Chartered Accountants
(Registration No.: 129819W)

M. A. MEMAN

Partner

Place : Ahmedabad

Date : 29th May, 2013

M. No. : 136525

ANNEXURE TO INDEPENDENT AUDITOR'S REPORT

Referred to in paragraph 1 of the Independent Auditor's Report of even date to the members of the **HAWA ENGINEERS LIMITED** on the financial statements as of and for the year ended March 31, 2013.

- 1. In respect of its fixed assets :
 - (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets on the basis of available information.
 - (b) As explained to us, all the fixed assets have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.
 - (c) In our opinion, and according to the information and explanation given to us, a substantial part of its fixed assets has not been disposed off by the Company during the year and the going concern status of the Company is not affected.
- 2. In respect of its inventories :
 - (a) The inventories have been physically verified by the Management during the year. In our opinion, the frequency of verification is reasonable.
 - (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
 - (c) On the basis of our examination of inventory records, in our opinion, the company is maintaining proper records of inventory. There was no material discrepancies noticed on physical verification of inventories as compared to the book records.
- 3. The Company has not granted/taken any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under Section 301 of the Act. Therefore, the provisions of Clause 4(iii) [(b), (c) and (d)/(f) and (g)] of the said Order are not applicable to the Company.
- 4. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchases of inventory, fixed assets and with regard to the sale of goods. During the course of our audit, we have neither come across, nor have been informed of, any continuing failure to correct major weaknesses in the aforesaid internal control system.
- 5. In respect of the contracts or arrangements referred to in Section 301 of the Companies Act, 1956:
 - (a) In our opinion and according to the information and explanation given to us, the transactions made in pursuance of contracts or arrangements that need to be entered in the register maintained under Section 301 of the Companies Act, 1956 have been so entered.
 - (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the Register maintained under section 301 of the Companies Act, 1956 and exceeding the value of rupees five Lacs in respect of each party during the year have been made at prices which appear reasonable as per information available with the Company.
- 6. According to the information and explanations given to us, the Company has not accepted any deposit from the public within the meaning of Sections 58A and 58AA of the act and the rules framed there under

HAWA ENGINEERS LIMITED

7. In our opinion, the company has an internal audit system commensurate with the size and nature of its business.
8. We have broadly reviewed the cost records maintained by the Company in respect of products where, pursuant to the rules made by the Central Government of India, the maintenance of cost records has been prescribed under clause (d) of sub-section (1) of the Act, 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 the records with a view to determine whether they are accurate or complete.
9. According to the information and explanations given to us and records of the Company examined by us, in our opinion the company is generally regular in depositing undisputed statutory dues in respect of provident fund, employees' state insurance, income-tax, sales-tax, and other statutory dues applicable to it and no undisputed amounts payable were outstanding as at 31st March, 2013 for a period of more than six months from the date they became payable. However on account of dispute of Rs. 11,68,010/- (A. Y. 2009-2010) that have not been deposited as the dispute pending before income tax appellate authority.
10. The Company has no accumulated losses at the end of financial year. And it has not incurred any cash losses in the financial year ended on that date or in the immediately preceding financial year.
11. Based on our examination and according to the information and explanations given to us, we are of the opinion that the company has not defaulted in repayment of dues to financial institutions and bank.
12. The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities, therefore the provisions of Clause 4(xi) of the order are not applicable to the company.
13. As the provisions of any special statute applicable to the chit fund / nidhi / mutual benefit fund / societies are not applicable to the company, the provisions of clause 4 (xiii) of the Order are not application to the Company.
14. In our opinion the company is not dealing or trading in shares, securities, debentures & Other Investments during the year. All shares and other investments are held by the Company in its own name. Accordingly, the provisions of Clause 4(xiv) of the order are not applicable to the company.
15. In our opinion, and according the information and explanations given to us, the Company has not given any guarantee for loans taken by others from bank of financial institutions during the year. Accordingly, the provisions of Clauses 4(xv) of the order are not applicable to the company.
16. In our opinion and according to the information and explanations given to us, term loans have been applied for the purpose for which they were raised.
17. According to the information and explanation given to us and on an overall examination of the balance sheet of the company, we report that the funds raised on short-term basis have not been used for long-term investment and vice versa;
18. 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. Accordingly, the provisions of Clause 4(xviii) of the order are not applicable to the company.
19. The Company has not issued any debentures during the year and at the yearend or in past years. Accordingly, the provision of Clause 4(xix) of the order is not applicable to the company.
20. The Company has not raised any money by public issues during the year. Accordingly, the provisions of Clause 4(xx) of the order are not applicable to the company.
21. During the course of our examination of the books and records of the company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud on or by the company, noticed or reported during the year, nor have we been informed of any such case by the management.

For NAWAB-MEMON & ASSOCIATES

Chartered Accountants
(Registration No.: 129819W)

M. A. MEMAN
Partner

Place : Ahmedabad
Date : 29th May, 2013

M. No. : 136525

BALANCE SHEET AS AT 31ST MARCH, 2013

Particulars	Note	As at 31st March, 2013	As at 31st March, 2012
I EQUITY AND LIABILITIES :			
1 SHAREHOLDERS' FUNDS :			
Share Capital	3	35264000	35264000
Reserves and Surplus	4	52064089	38961439
		87328089	74225439
2 NON-CURRENT LIABILITIES :			
Long-Term Borrowings	5	5230697	2388855
Deferred Tax Liabilities (Net)	6	6523166	5592166
Other Long-Term Liabilities	7	71701339	78890455
Long-Term Provisions	8	3688021	2996021
		87143223	89867497
3 CURRENT LIABILITIES :			
Short-Term Borrowings	9	35897014	21740386
Trade Payables	10	80903110	87894172
Other Current Liabilities		0	0
Short-Term Provisions	11	9249899	8642170
		126050023	118276728
TOTAL EQUITY AND LIABILITIES		300521335	282369664
II ASSETS :			
1 NON-CURRENT ASSETS :			
Fixed Assets	12	63172640	57338151
Non-Current Investments	13	600	600
Long Term Loans and Advances		0	0
		63173240	57338751
2 CURRENT ASSETS :			
Inventories	14	42485357	47031555
Trade Receivables	15	152941589	147872232
Cash and Bank Balances	16	25772724	13563870
Short Term Loans and Advances	17	13786388	9517373
Other Current Assets	18	2362038	7045884
		237348095	225030914
TOTAL ASSETS		300521335	282369664

(Significant Accounting Policies & Notes
forming Part of the Financial Statements) 1 & 2

As per our Report of even date
For NAWAB MEMON & ASSOCIATES
Chartered Accountants
 (FRN.: 129819W)
M. A. MEMAN
Partner
Membership No. : 136525
AHMEDABAD
MAY 29, 2013

For and on behalf of the Board of Directors

ASLAM F. KAGDI

Chairman & M. D.

ASAD F. KAGDI

Jt. Managing Director

HAWA ENGINEERS LIMITED**STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2013**

Particulars	Note	Year ended 31.03.2013	Year ended 31.03.2012
I Revenue From Operations (Gross)	19	646240034	496397728
Less : Excise Duty		62423505	38914042
Revenues From Operations (Net)		583816529	457483686
II Other Income	20	1771289	1369056
III Total Revenues (I+II)		585587818	458852742
IV Expenses :			
Cost of Materials Consumed	21	450710879	345078821
Purchases of Stock-in-Trade		10090938	13933211
Change in Inventories of Finished Goods	22	732386	(917,526)
Employee Benefits & Expense	23	14989554	13007843
Finance Costs	24	8419372	4490423
Depreciation & Impairment of Assets	12	6686821	3916792
Other Expenses	25	74842759	62413788
Total Expenses		566472709	441923352
V Profit Before Tax (III-IV)		19115109	16929390
VI Tax Expenses :			
Current Tax		5500000	5500000
Deferred Tax		931000	749465
VII Profit for the year (V-VI)		12684109	10679925
VIII Earnings per equity share of face value of Rs. 10 each Basic and Diluted (in Rs.)		3.60	3.03
(Significant Accounting Policies & Notes forming Part of the Financial Statements)	1 & 2		

As per our Report of even date
For NAWAB MEMON & ASSOCIATES
Chartered Accountants
(FRN.: 129819W)
M. A. MEMAN
Partner
Membership No. : 136525
AHMEDABAD
MAY 29, 2013

For and on behalf of the Board of Directors

ASLAM F. KAGDI

Chairman & M. D.

ASAD F. KAGDI

Jt. Managing Director

STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31ST MARCH, 2013

Particulars	Year Ended 31.03.2013 (Rupees)	Year Ended 31.03.2012 (Rupees)
A CASH FLOW FROM OPERATING ACTIVITIES :		
Net Profit before tax as per statement of Profit and Loss	19115109	16929390
Add :		
Depreciation	6686821	3916792
Loss on Sale of Assets (net)	4290	499254
Finance Costs	8419372	4490423
	<u>15110483</u>	<u>8906469</u>
Less :		
Interest Income	<u>1771289</u>	<u>1369056</u>
	<u>1771289</u>	<u>1369056</u>
Operating Profit before Working Capital Changes	32454303	24466803
Adjusted for :		
Trade and Other Receivables	(385,510)	(37,267,408)
Inventories	4,546,198	(23,936,057)
Movement in Loans and Advances	(8,101,507)	696213
Trade and Other Payables	<u>12880450</u>	<u>47023790</u>
	<u>8,939,630</u>	<u>(13,483,462)</u>
Cash Generated from Operations	41393933	10983341
Income Tax (Net)	<u>5081458</u>	<u>3280357</u>
Net Cash from Operating Activities (A)	36312475	7702984
B CASH FLOW FROM INVESTING ACTIVITIES :		
Sale of Fixed Assets	75000	1130000
Interest Income	<u>1771289</u>	<u>1369056</u>
	<u>1846289</u>	<u>2499056</u>
Less :		
Purchase of Fixed Assets	<u>12593101</u>	<u>11750757</u>
	<u>12593101</u>	<u>11750757</u>
Net Cash (used in) Investing Activities (B)	(10,746,812)	(9,251,701)

HAWA ENGINEERS LIMITED

Particulars	Year Ended 31.03.2013 (Rupees)	Year Ended 31.03.2012 (Rupees)
C CASH FLOW FROM FINANCING ACTIVITIES :		
Proceeds from Issue of Share Capital	0	0
Proceeds from Long Term Borrowings	(7,619,553)	(6,969,033)
Repayment of Long Term Borrowings	0	0
Short Term Borrowings (net)	(14,156,628)	(557,295)
Finance Costs	8419372	4490423
Net Cash (used in) / from Financing Activities (C)	(13,356,809)	(3,035,905)
Net Increase in Cash and Cash Equivalents (A+B+C)	12208854	(4,584,622)
Opening Balance of Cash and Cash Equivalents	13563870	18148492
Closing Balance of Cash and Cash Equivalents	25772724	13563870

As per our Report of even date
For NAWAB MEMON & ASSOCIATES
Chartered Accountants
(FRN.: 129819W)
M. A. MEMAN
Partner
Membership No. : 136525
AHMEDABAD
MAY 29, 2013

For and on behalf of the Board of Directors

ASLAM F. KAGDI

Chairman & M. D.

ASAD F. KAGDI

Jt. Managing Director

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2013**1. CORPORATE INFORMATION :**

Hawa Engineers Limited is in business of Manufacturing of Industrial Valves, etc. The Company was incorporated in 1993 and it is situated at Ahmedabad, Gujarat.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES :**I. Basis of Preparation of Financial Statements :**

These financial statements have been prepared in accordance with the generally accepted accounting principles in India (GAAP) under the historical cost convention on an accrual basis. These financial statements have been prepared to comply in all material aspects with the accounting standards notified under section 211 (3C) [Companies (Accounting Standards) Rules, 2006, as amended] and other relevant provisions of the Companies Act, 1956.

All assets and liabilities have been classified as current and non-current as per the company's normal operating cycle and other criteria set out in the schedule VI to the Companies Act, 1956.

The Accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

II. Use of Estimates :

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities at the end of the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known / materialized.

III. Tangible Assets :

Fixed assets are stated at their original cost of acquisition/revalued cost wherever applicable less accumulated depreciation and impairment losses.

Cost comprises of all costs incurred to bring the asset to their location and working condition. Net of CENVAT / VAT credit is capitalized to the cost of asset.

Exchange differences relating to acquisition of fixed assets are adjusted in the cost of assets.

IV. Depreciation :

Depreciation on fixed assets is provided on straight-line method at the rates provided by Schedule XIV to the Companies Act, 1956. Depreciation on assets disposed off during the year is charged up to the disposal.

V. Valuation of Inventories :

Raw materials and stores and spares are valued at lower of cost and net realizable value. Cost is determined on moving weighted average method and includes freight, taxes and duties net of CENVAT/VAT credits, wherever applicable.

Finished goods and work-in-process are valued at lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of overheads based on normal operating capacity. Cost of finished goods include excise duty and are determined on a weighted average basis.

VI. Investments :

Long term investments are stated at cost less permanent diminution in value, if any.

VII. Sales :

Sales of goods are recognized on dispatch to customer, Sales exclude excise duty and state / central sales tax recovered on sales, wherever applicable and stand net of rate differences, sales returns etc.

VIII. Impairment of Assets :

An asset is considered as impaired in accordance with Accounting Standard 28 on Impairment of Asset when at balance sheet date there are indications of impairment and the carrying amount of asset exceeds its recoverable amount. The carrying amount is reduced to the recoverable amount and the reduction is recognized as an impairment loss in the statement of Profit and Loss Account.

Assessment is also done at each Balance Sheet date as to whether there is any indication that an impairment loss recognized for an asset in prior accounting periods may no longer exist or may have decreased.

IX. Employee Benefits :

Short-term Employee Benefits (i.e. benefits payable within one year) are recognized in the period in which employee services are rendered.

Contributions towards Provident Funds are recognized as expenses. Provident Fund contributions in respect of employees are made to Central Government under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952.

Liability towards gratuity, covering eligible employees, is provided on the basis of year end estimation.

Contribution to Central Government administered Employees' State Insurance Scheme for eligible employees are recognized as charge.

X. Excise Duty :

Excise duty on the goods manufactured is accounted for at the time of their clearance. No provision is therefore made for duty on finished goods, lying unsold and not cleared from the factory at the end of the year.

XI. Taxation :

Tax expense consists of both current as well as deferred tax. The current charge for income tax is calculated in accordance with the relevant tax regulations applicable to the company.

Deferred tax assets and liabilities are recognized for future tax consequences attributable to timing differences that result between the profit offered for income tax and the profit as per the financial statements. Deferred tax assets and liabilities are measured as per the tax rates / laws that have been enacted by or substantially enacted as on the Balance Sheet date.

XII. Cenvat Benefit :

The value of eligible cenvat benefit is being reduced from the cost of raw materials / Fixed Assets.

XIII. Provisions and Contingencies :

Provisions involving a substantial degree of estimation are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources.

Contingent liabilities are recognized but are disclosed in the accounts by way of notes.

XIV. Foreign Currency Transactions :

Transactions denominated in foreign currency are accounted for at the exchange rate prevailing on the date of transactions.

Any income or expense on account of exchange difference either on settlement or on translation is recognized in the Profit & Loss Statement.

- XV.** The cost of land has been stated as per banakhat executed and includes expenses for registration of banakhat and lawyer's fees.
- XVI.** Investments held by the Company are long-term investments.
- XVII.** In the opinion of the Board, the current assets, loans and advances and other receivables are approximately of the value stated if realized in the ordinary course of business and all known liabilities have been adequately provided for.
- XVIII.** The Company has been accounting liability for Excise Duty on finished goods as and when cleared. The liability for Excise Duty on finished goods lying in stock at the close of the year, estimated at Rs. 11,31,390/- has not been provided for in the accounts and the same has also not been included in valuation of inventory of such goods. However, the said liability if accounted would have no effect on the profit for the year.
- XIX.** The disclosures as required by AS-15 (Revised) on Employees Benefits are as under :
- Details of expenses incurred for defined contribution plans during the year:

Particulars	31.03.2013	31.03.2012
Provident Fund & Other Funds	13,09,361/-	10,16,501/-
Gratuity	6,92,000/-	5,27,552/-

In respect of employees who have completed five years continuous service as on 31st March 2013, Provision for gratuity payable in respect of them is made on the basis of the calculation made in accordance with the provision of payment of Gratuity Act up to 31st March 2013 Rs. 36,88,021/- (Previous year Rs. 29,96,021/-)

XX. CONSUMPTION OF INDIGENOUS GOODS (IN-VALUE) :

ITEM	VALUE	PERCENTAGE	TOTAL VALUE
RAW-MATERIALS	45,07,10,879/- (34,50,78,821)	100% (100%)	45,07,10,879/- (34,50,78,821)
STORES & PACKING MATERIALS	66,63,819/- (57,68,376)	100% (100%)	66,63,819/- (57,68,376)

XXI. RELATED PARTY INFORMATION :

In accordance with the Accounting Standard 18 (AS-18) 'Related Party Disclosure' issued by the Institute of Chartered Accountants of India, the disclosures are as under :

A. Subsidiary Company : Nil

B. Partnership Firms / Proprietary Concern /Associates Companies:

Hydint Valve Automation, Orbit Engineers, Aira Controls, Marck & Care Engineers, Hawa Control Enterprises, Hawa Control International, Hawa & Marck Engineers, Steel-Mac Controls P Ltd., Care Alloy Cast, Luft Techno Cast Limited, Aira Automation Engineers, Airmax Controls, Marck & Aira Engineers, Hydint Pneumatics, Flange-N-Flange, A. S. Engineers, Aira Euro Automation Pvt. Ltd., Marck & Aira Trading, Suzhik Techno Cast Pvt. Ltd.

C. KEY MANAGEMENT PERSONNEL :

Chairman & Managing Director : Aslam F. Kagdi

Jt. Managing Director : Asad F. Kagdi

Wholte Time Director : Mohammed Khan Pathan

HAWA ENGINEERS LIMITED**D. TRANSACTIONS WITH RELATED PARTIES DURING THE YEAR 2012-13 :**

NATURE OF TRANSACTIONS	ASSOCIATE COMPANY	FIRMS COMPANIES	KEY MANAGEMENT
Purchase	12,66,54,207/-	6,84,60,712/-	
Previous Year	9,01,56,117/-	5,63,43,551/-	
Sales	43,82,078/-	15,91,82,839/-	
Previous Year	38,60,915/-	10,20,38,098/-	
Managerial Remuneration /Seating Fees/Other Benefits	-----		28,27,417/-
Previous year	-----		25,88,500/-
OUTSTANDINGS :			
- Payables	6,66,85,806/-	35,12,686/-	
Previous Year	3,82,60,433/-	4,20,30,622/-	
- Receivables	3,84,759/-	5,82,91,336/-	
Previous Year	20,06,420/-	4,36,68,050/-	

XXII. DEFERRED TAX :

The components of Deferred Tax Liability (net) are as follows :

Particulars	As at March 31, 2012	For the year	As at March 31, 2013
Tax effect of items constituting Deferred Tax liability :			
On difference between book balance and Tax balance of fixed assets	55,92,166/-	9,31,000/-	65,23,166/-

XXIII. EARNINGS PER SHARE :

In accordance with the Accounting Standard 20 (AS-20) 'Earnings Per Share' issued by the Institute of Chartered Accountants of India, the earnings per share is computed as under :

Particulars	31.03.2013	31.03.2012
1. Net Profit after tax	1,26,84,109/-	1,06,79,925/-
2. Number of Equity Shares	35,26,400	35,26,400
3. Nominal Value of Shares (Rs.)	10/-	10/-
4. Earnings Per Share (Rs.)	3.60	3.03

XXIV. SEGMENT REPORTING :

Considering the nature of company's business & operations there are no separate reportable segments. In accordance with the Accounting Standard 17 (AS-17) 'Segment Reporting' issued by the Institute of Chartered Accountants of India.

XXV. Under the Micro, Small and Medium Enterprises Development Act, 2006, certain disclosures are required to be made relating to Micro, Small and Medium Enterprises. The Company is in the process of compiling relevant information from its suppliers about their coverage under the

said Act. Since the relevant information is not readily available, no separate disclosures have been made in the accounts.

XXVI. CONTINGENT LIABILITIES NOT PROVIDED FOR :

Counter Guarantees, against Bank Guarantees given by the bankers Rs.2,44,14,202/- (Rs. 3,27,07,148/- Less : 100% Margin Rs. 82,92,946/-) (Previous year Rs. 1,36,17,623/-)

XXVII. Balance of Trade receivable, Trade Payable, Deposits & Advances to Suppliers are subject to confirmation and adjustments, if any.

XXVIII. Remuneration to Directors (including Chairman & Managing Director):

Particulars	31.03.2013	31.03.2012
Salary, Allowances & Benefits	28,27,417/-	25,88,500/-

XXIX. Expenditure in foreign currency (on accrual basis) :

Particulars	31.03.2013	31.03.2012
A P I Expenses	8,11,115/-	3,22,400/-
Import Purchase	24,46,778/-	31,76,501/-

XXX. Details of Auditors Remuneration :

Particulars	31.03.2013	31.03.2012
Statutory Audit Fees	50,000/-	50,000/-
Tax Audit Fees	17,000/-	17,000/-
Internal Audit Fees	65,000/-	65,000/-
Total Rs.	1,32,000/-	1,32,000/-

XXXI. Income earned in foreign exchange :

Particulars	31.03.2013	31.03.2012
Export of own products FOB	2,18,56,736/-	1,51,10,678/-

XXXII. Previous year's figures have been regrouped / reclassified wherever necessary to make them comparable with the current year's classification / disclosure.

HAWA ENGINEERS LIMITED

Particulars	As at 31st March, 2013	As at 31st March, 2012
NOTE : 3 : SHARE CAPITAL		
1 AUTHORIZED :		
40,00,000 Equity Shares of Rs. 10/- each	40000000	40000000
2 ISSUED, SUBSCRIBED AND PAID UP :		
35,26,400/- Equity Shares of Rs. 10/- each fully paid up	35264000	35264000
TOTAL	35264000	35264000
Reconciliation of the Shares outstanding at the beginning and at the end of the reporting period:		
Number of shares at the beginning	3526400	3526400
Number of shares at the end	3526400	3526400
Amount of Share Capital at the beginning	35264000	35264000
Amount of Share Capital at the end	35264000	35264000
Details of Share holders holding more than 5% equity shares :		
Jameela F. Kagdi (5.95%)	209700	209700
Terms / Rights attached to Shares :		
The Company has only one class of shares referred to as equity shares having a par value of Rs. 10/- per Share. Each holder of equity shares is entitled to one vote per share.		
NOTE : 4 : RESERVES AND SURPLUS		
1 GENERAL RESERVE :		
As per last Balance Sheet	37390000	27390000
Add : Transferred from Profit & Loss Account	10000000	10000000
	47390000	37390000
2 SURPLUS IN THE STATEMENT OF PROFIT & LOSS :		
As per last Balance Sheet	1571439	478092
Add : Short Provision for Tax	418542	413422
Profit for the year	12684109	10679925
	14674089	11571439
Less : Appropriations :		
Transferred to General Reserve	10000000	10000000
	4674089	1571439
TOTAL	52064089	38961439

ANNUAL REPORT 2012-2013

Particulars	As at 31st March, 2013	As at 31st March, 2012
NOTE : 5 : LONG-TERM BORROWINGS		
1 FROM BANK : (Secured)		
Term Loan from - Canara Bank	639198	466470
Term Loan from - HDFC Bank	0	738698
	<u>639198</u>	<u>1205168</u>
2 FROM OTHER PARTIES : (Unsecured)		
Bajaj Finance Ltd.	259255	1183687
Kotak Mahindra Prime Ltd.	3733446	0
Tata Capital Ltd.	598798	0
	<u>4591499</u>	<u>1183687</u>
TOTAL	<u><u>5230697</u></u>	<u><u>2388855</u></u>
1 Term loan from Canara Bank gross interest @ canara bank base rate p.a. The loan is secured by hypothecation of specific movable Plant & Machinery. The loan has been guaranted by the personal guarantee of three Directors. The loan is repayable in monthly installments along with the interest @ Canara Bank base rate payable in 5 Years.		
2 Vehicle loan from HDFC Bank @ 19.00% p. a. The loan is secured by hypothecation of specific vehicle. The loan is repayable in monthly equaled installments in 3 Years along with interest.		
Particulars	As at 31st March, 2013	As at 31st March, 2012
NOTE : 6 : DEFERRED TAX LIABILITIES		
1 DERERRED TAX LIABILITIES		
Related to Fixed Assets (Note No. 2.1 {XXII})	6523166	5592166
TOTAL	<u><u>6523166</u></u>	<u><u>5592166</u></u>
NOTE : 7 : OTHER LONG-TERM LIABILITIES		
1 Trade Advances	55261602	70206359
2 Trade Security Deposit	525000	525000
3 Advances from Customers	9693732	4416744
4 Others	6221005	3742352
TOTAL	<u><u>71701339</u></u>	<u><u>78890455</u></u>
NOTE : 8 : LONG-TERM PROVISIONS		
1 PROVISION FOR EMPLOYEE BENEFIT :		
Provision for Gratuity	3688021	2996021
TOTAL	<u><u>3688021</u></u>	<u><u>2996021</u></u>

HAWA ENGINEERS LIMITED

Particulars	As at 31st March, 2013	As at 31st March, 2012
NOTE : 9 : SHORT-TERM BORROWINGS		
1 FROM BANK : (Secured)		
Canara Bank - Cash Credit	29314738	17147580
Canara Bank - Term Loan (Note No. 5)	682000	1572000
HDFC Bank - Term Loan (Note No. 5)	0	1328735
	<u>29996738</u>	<u>20048315</u>
2 FROM OTHER PARTIES : (Unsecured)		
Bajaj Finance Ltd.	894217	767484
Kotak Mahindra Prime Ltd.	3908867	0
Tata Capital Ltd.	1097192	924587
	<u>5900276</u>	<u>1692071</u>
TOTAL	<u>35897014</u>	<u>21740386</u>
Cash Credit from Canara Bank @ Canara Bank base rate. The loan is secured by hypothecation of inventories, book debts and other receivables, both present and future and by way of a first charge on the Company's movable properties. Personal guarantee of three directors. The Cash Credit is repayable on demand.		
NOTE : 10 : TRADE PAYABLES		
1 Micro, Small and Medium Enterprises & Others (Note No. 2.1 {XXVI})		
	80903110	87894172
TOTAL	<u>80903110</u>	<u>87894172</u>
NOTE : 11 : SHORT-TERM PROVISIONS		
1 PROVISION FOR EMPLOYEE BENEFIT :		
Provision for Bonus	1129122	1117635
Provision for other Employee Benefit	1559671	915292
	<u>2688793</u>	<u>2032927</u>
2 PROVISION OTHERS :		
Provision for Income Tax	6245318	6229648
Provision for Expenses	315788	379595
	<u>6561106</u>	<u>6609243</u>
TOTAL	<u>9249899</u>	<u>8642170</u>

NOTE : 12 : FIXED ASSETS

Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 01.04.2012	Addition	Impair- ment	Deduction	As at 31.03.2013	As at 01.04.2012	For the year	Deduction Upto 31.03.2013	As at 31.03.2013	As at 31.03.2012
TANGIBLE ASSETS :										
(OWN ASSETS)										
Freehold Land	84215	0	0	0	84215	0	0	0	84215	84215
Buildings	17559768	483664	0	0	18043432	3699419	550618	0	4250037	13793395
Plant & Machinery	51340058	8094164	829750	60000	58544472	16378118	2933845	0	19311963	39232509
Electric Installation	1962253	442983	0	0	2405236	854277	109636	0	963913	1441323
Furniture & Fittings	3997537	3514190	1346500	0	6165227	1753406	332468	0	2085874	4079353
Veichcles	6180651	58100	0	37057	6201694	1101112	584004	25267	1659849	4541845
TOTAL	81124482	12593101	2176250	97057	91444276	23786332	4510571	25267	28271636	57338150

Particulars	As at 31st March, 2013	As at 31st March, 2012
-------------	---------------------------	---------------------------

NOTE : 13 : NON CURRENT INVESTMENTS**1 IN EQUITY SHARES - UNQUOTED FULLY PAID UP :**

60 Shares of the Bombay Mercantile
Co-Operative Bank Ltd. Of Rs. 10/- each

	600	600
TOTAL	600	600

NOTE : 14 : INVENTORIES

1 Raw Materials	32074070	35787177
2 Finished Goods	9153610	9885996
3 Stores and Spares	798988	802617
4 Packing Materials	458689	555765
TOTAL	42485357	47031555

NOTE : 15 : TRADE RECEIVABLES**A Outstanding for a period exceeding six months
from the date they are due for payment**

(Unsecured Considered Good) 11474464 6793538

B Others

(Unsecured Considered Good) 141467125 141078694

TOTAL	152941589	147872232
--------------	------------------	------------------

NOTE : 16 : CASH AND BANK BALANCES**CASH AND CASH EQUIVALENTS :****1 Balances with Banks**

In Current Accounts 1993396 1091311

2 Cash on hand

466083 40431

3 OTHER BANK BALANCES :

Fixed Deposit (Under Lien) 5394817 4134603

Fixed Deposit (Margin Money Deposit) 14943428 7422525

Recurring Deposit 2975000 875000

23313245 12432128

TOTAL	25772724	13563870
--------------	-----------------	-----------------

HAWA ENGINEERS LIMITED

Particulars	As at 31st March, 2013	As at 31st March, 2012
NOTE : 17 : SHORT TERM LOANS AND ADVANCES		
1 Deposit (Given as Security)	1076343	1092343
2 LOANS AND ADVANCES TO EMPLOYEES :		
(Unsecured, considered good)	15000	25000
3 BALANCES WITH GOVERNMENT AUTHORITIES :		
(Unsecured, considered good)		
CENVAT credit receivable	7915012	3296969
VAT credit receivable	4378313	4764603
	<u>12293325</u>	<u>8061572</u>
4 ADVANCE INCOME TAX & TDS :		
(Unsecured, considered good)	401720	338458
TOTAL	<u>13786388</u>	<u>9517373</u>
NOTE : 18 : OTHER CURRENT ASSETS		
1 Advance to Suppliers	139661	5807458
2 Interest accrued but not received on deposits to Banks & Service providers	2222377	1238426
TOTAL	<u>2362038</u>	<u>7045884</u>
NOTE : 19 : REVENUE FROM OPERATIONS		
1 Sale of Products :		
Domestic Sales	623759623	480730833
Export Sales	21856736	15110678
	<u>645616359</u>	<u>495841511</u>
2 Other Operating Revenues :		
Sale of Scrape	623675	556217
	646240034	496397728
Less : Excise Duty	62423505	38914042
Revenue From Operations (Net)	<u>583816529</u>	<u>457483686</u>
NOTE : 20 : OTHER INCOME		
1 Interest	1491252	911917
2 Other Non Operating Income	280037	457139
TOTAL	<u>1771289</u>	<u>1369056</u>
NOTE : 21 : COST OF MATERIALS CONSUMED		
1 Opening Stock	35787177	13378253
Add : Purchases	446997772	367487745
	<u>482784949</u>	<u>380865998</u>
Less : Closing Stock	32074070	35787177
TOTAL	<u>450710879</u>	<u>345078821</u>

ANNUAL REPORT 2012-2013

Particulars	As at 31st March, 2013	As at 31st March, 2012
NOTE : 22 : CHANGES IN INVENTORIES OF FINISHED GOODS :		
1 Inventories at the beginning of the year		
Finished Goods	9885996	8968470
2 Inventories at the end of the year		
Finished Goods	9153610	9885996
(Increase) in Inventories	732386	(917,526)
NOTE : 23 : EMPLOYEE BENEFITS & EXPENSE		
1 Salaries and Wages	11376558	9568650
2 Contribution to Provident and Other Funds (Note No. 2.1 {XIX})	1309361	1016501
3 Staff Welfare Expenses	1364218	1526640
4 Gratuity (Note No. 2.1 {VIII})	692000	527552
5 Other Benefits	247417	368500
TOTAL	14989554	13007843
NOTE : 24 : FINANCE COSTS		
1 Interest	4659498	2731071
2 Bank Charges	3528757	1450489
3 Hire Purchase Charges	231117	308863
TOTAL	8419372	4490423
NOTE : 25 : OTHER EXPENSES		
1 Manufacturing Expenses :		
Labour Expenses	8113082	11267520
Transport Inward	12659	304074
Consumption of Stores and Packing Materials	6663819	5768376
Electric Power	4431934	3479381
Gas Charges	22659	45878
Repairs to Building	156233	144771
Repairs to Machinery	794188	1268192
	20194574	22278192
2 Selling and Distribution Expenses :		
Excise, Income Tax & Vat Assessment	(197,042)	1625679
Other Selling and Distribution Expenses	33679784	24489800
	33482742	26115479
3 Establishment Expenses :		
Professional Fees	367367	390752
General Expenses	14052437	6366987
Insurance	126183	67349
Rates & Taxes	330286	285346
Other Reapirs	4166320	4303313
Travelling & Conveyance Expenses	1983560	1959616
Payment to Auditors	132000	132000
Loss on Sale of Fixed Assets	4290	499254
Donation	3000	15500
	21165443	14020117
TOTAL	74842759	62413788

HAWA ENGINEERS LIMITED

Registered Office : Behind Chandola Police Chowky, Chandola, Ahmedabad-380028

ATTENDANCE SLIP

I hereby record my presence at the **20th Annual General Meeting** of the Company at **Regd. Office** of the Company on Monday the 30th Day of September, 2013 at 3.00 p.m.

Name of the Shareholder

Signature

Folio No. _____

(Full Name of Proxy)

Note: Shareholders attending the meeting in person or by proxy are requested to complete the attendance slip and hand it over at the entrance of the meeting hall.

No Duplicate Attendance Slip will be issued at the meeting hall. You are requested to bring your copy of Annual Report to the Meeting.

HAWA ENGINEERS LIMITED

Registered Office : Behind Chandola Police Chowky, Chandola, Ahmedabad-380028

PROXYFORM

I/We _____ of _____

in the district of _____ being a Member/Members of the

above named Company, hereby appoint _____

of _____ in the district of _____

or failing him _____ of

_____ in the district of _____ as
my / our proxy to vote for me/us on my our behalf at the 20th **ANNUAL GENERAL MEETING** of the Company
to be held at **Regd. Office** of the Company, on Monday the 30th Day of September, 2013, and at any
adjournment thereof.

Signed this _____ days of _____ 2013.

Signature _____

Revenue
Stamp

Note: This form in order to be effective should be duly stamped, completed and signed and must be deposited at the Registered Office of the Company, not less than 48 hours before the meeting.

Book - Post

If undelivered please return to :

HAWA ENGINEERS LIMITED

Registered Office :

Behind Chandola Police Chowky, Chandola, Ahmedabad-380028