




# DRILLCO METAL CARBIDES LTD.

301, Navkar Plaza, 3rd Floor, Bajaj Road, Vile Parle (W), Mumbai - 400 056.  
Tel : 26202299 / 3399 / 3434 / 1166, 6456 8600 Fax : 022 - 26240540  
Email : latimlifestyle@gmail.com Website : www.latimlifestyle.com

## FORM A

### **Covering Letter of the Annual Audit Report to Be Filed With the Stock Exchanges Pursuant To Clause 31(a) of Listing Agreement**

1.	Name of the Company	Drillco Metal Carbides Limited.
2.	Annual financial statements for the year ended	31 <sup>st</sup> March, 2013.
3.	Type of Observation	Un-Qualified.
4.	Frequency of Observation	Not Applicable.
5.	Signed By- Mr. Rahul Timbadia Chairman	

**Place: Mumbai**

**Date: August 8, 2013**

**37TH ANNUAL REPORT  
2012-2013**



**DRILLCO METAL CARBIDES LIMITED**



## COMPANY INFORMATION

### BOARD OF DIRECTORS

Mr. Rahul Timbadia	Chairman
Mr. Kartik Timbadia	Director
Mr. Parth Timbadia	Director
Mr. Ramesh Khanna	Director
Mr. Ashok Kumar Deorah	Independent Director
Mr. Praful Vora	Independent Director

### STATUTORY AUDITORS

#### **Ravi Seth & Co.**

1st Floor, Nirant, Opp. Jollyvilla, 19th Road, Khar (West), Mumbai - 400 052.  
Tel.: 022-6597 7800 • E-mail: office@caraviseth.com

### PRACTISING COMPANY SECRETARY

#### **Kothari H. & Associates**

208, 2nd Floor, BSE Building, Dalal Street, Fort, Mumbai - 400 001.  
Tel.: 022- 6555 1120 • E-mail: hiteshkotharics@yahoo.co.in

### REGISTRAR AND TRANSFER AGENTS

#### **Satellite Corporate Services Private Limited**

B-302, Sony Apartment, Opp. St. Jude's High School, Andheri-Kurla Road, Jarimari, Sakinaka, Mumbai - 400 072.  
Tel.: 022-2852 0461/62 • Fax.: 022-2851 1809 • E-mail: service@satellitecorporate.com

### REGISTERED OFFICE

301-302, Navkar Plaza, Bajaj Road, Vile Parle (West), Mumbai - 400 056.  
Tel.: 022-2620 3399/3434 • Fax.: 022-2624 0540 • E-mail: accounts@drillcometal.com • Website: www.drillcometal.com

### FACTORY

E-3, M.I.D.C. Indl. Area, Pune-Manmad Road, Ahmednagar - 414 111

### BANKERS

The Union Bank Of India

### SHARES LISTED AT BSE LIMITED

Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001. Tel.: 91-22-2272 1233/4 • Fax.: 91-22-2272 1919

**NOTICE**

Notice is hereby given that the Thirty Seventh Annual General Meeting of the members of the Company will be held on Friday, the 6th day of September, 2013 at the registered office of the company at 301-302, Navkar Plaza, Bajaj Road, Vile Parle (West), Mumbai-400 056 at 11:00 a.m. to transact the following business:

**ORDINARY BUSINESS**

1. To receive, consider and adopt the Audited Profit & Loss Account for the year ended 31st March, 2013 and the Balance Sheet as at that date, together with Report of the Board of Directors and Auditors thereon.
2. To re-appoint M/s. Ravi Seth & Co., Chartered Accountants, having Firm Registration No. 108757W, as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company and to authorize the Board to fix their remuneration.
3. To re-appoint a Director in place of Mr. Ramesh Khanna, who retires by rotation and is eligible for re-appointment.

**SPECIAL BUSINESS**

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

**"RESOLVED THAT** Mr. Ashok Kumar Deorah, who was appointed as an Additional Director of the Company by the Board of Directors with effect from 11th April, 2013 pursuant to Section 260 of The Companies Act, 1956 and who holds office up to the date of this Annual

General Meeting be and is hereby appointed as a Director of the Company, liable to retire by rotation."

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

**"RESOLVED THAT** Mr. Praful Vora, who was appointed as an Additional Director of the Company by the Board of Directors with effect from 11th April, 2013 pursuant to Section 260 of The Companies Act, 1956 and who holds office up to the date of this Annual General Meeting be and is hereby appointed as a Director of the Company, liable to retire by rotation."

By Order of the Board of Directors  
**For Drillco Metal Carbides Limited**

**Rahul Timbadia**  
Chairman

Place: Mumbai  
Date: 8th July, 2013

### NOTES

#### 1. **Appointment of Proxy:**

A member entitled to attend and vote at the Annual General 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. The proxies in order to be effective must be received by the company not less than 48 hours before the meeting.

#### 2. **Appointment of Representative:**

Corporate members intending to send their authorised representatives to attend the meeting are requested to send certified copy of Board resolution authorizing their representative to attend and vote on their behalf at the meeting.

#### 3. **Attendance Slip:**

Members/Proxy holders are requested to bring their copy of Annual Report and Attendance Slip sent herewith duly filled in for attending the Annual General Meeting.

#### 4. **Closure of Register of Shareholders:**

The Register of Members and the Share Transfer Books of the Company will remain closed from Saturday, 31st August, 2013 to Friday, 6th September, 2013. (both days inclusive).

#### 5. **Request to Members:**

- i. Members holding shares in electronic form are requested to intimate immediately any change in their address to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to advise any change in their address to Satellite Corporate Services Private Limited.

- ii. 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 their 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 Satellite Corporate Services Private Limited.

- iii. Members holding shares in single name and physical form are advised to make nomination in respect of their shareholding in the Company.

- iv. Members who have not registered their e-mail addresses so far are requested to register their e-mail address so that they can receive the Annual Report and other communication from the Company electronically.

### EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956

#### ITEM NO. 4

Mr. Ashok Kumar Deorah, was appointed as an Additional Director of the Company by the Board of Directors with effect from 11th April, 2013. In terms of the provisions of the Articles of Association of the Company read with Section 260 of The Companies Act, 1956, Mr. Ashok Kumar Deorah holds office up to the date of the forthcoming Annual General Meeting.

Mr. Ashok Kumar Deorah, aged 61 years, appointed as Additional Director on the Board of the Company on 11th April, 2013. He is a consultant and currently he is holding the position of directorship in Sinodeen (India) Private Limited and JustChalo Technologies Private Limited.

notice pursuant to Section 257 of The Companies Act, 1956 has been received from a member, signifying his intention to propose the appointment of Mr. Ashok Kumar Deorah. This may also be treated as an individual notice to the members of his candidature, pursuant to Section 257(1A) of The Companies Act, 1956.

Your Directors recommend the resolution set out in the notice for your approval.

None of the Directors other than Mr. Ashok Kumar Deorah are in any way, concerned or interested in the resolution.

**ITEM NO. 5**

Mr. Praful Vora, was appointed as an Additional Director of the Company by the Board of Directors with effect from 11th April, 2013. In terms of the provisions of the Articles of Association of the Company read with Section 260 of The Companies Act, 1956, Mr. Praful Vora, holds office up to the

date of the forthcoming Annual General Meeting.

Mr. Praful Vora, aged 63 years, appointed as Additional Director on the Board of the Company on 11th April, 2013. Mr. Vora is a Science graduate. He is President of Vile Parle Taluka (Mumbai Board), Human Rights Movement of India.

A notice pursuant to Section 257 of The Companies Act, 1956 has been received from a member, signifying his intention to propose the appointment of Mr. Praful Vora. This may also be treated as an individual notice to the members of his candidature, pursuant to Section 257(1A) of The Companies Act, 1956.

Your Directors recommend the resolution set out in the notice for your approval.

None of the Directors other than Mr. Praful Vora are in any way, concerned or interested in the resolution.

By Order of the Board of Directors  
**For Drillco Metal Carbides Limited**

**Rahul Timbadia**  
Chairman

**Registered Office:**

301/302, Navkar Plaza,  
Bajaj Road, Vile-Parle (West),  
Mumbai-400 056.

## DIRECTORS REPORT

Dear Shareholders,

Your Directors have pleasure in presenting the Thirty Seventh Annual Report and the Audited Annual Accounts for the financial year ended 31st March, 2013.

### 1. Financial Performance:

During the year, there was no business carried on by the company. Your Directors are hopeful and are striving hard for revival of functions of the company and achieving better results in the coming year.

### 2. Dividend:

Since there are no profits, directors do not recommend dividend for the year.

### 3. Fixed Deposits:

Your company has not accepted any fixed deposit from public.

### 4. Directors:

At the ensuring Annual General Meeting, Mr. Ramesh Khanna, is liable to retire by rotation.

There has been change in Directorship of the company during the financial year, Mr. Ashok kumar Deorah and Mr. Praful Vora were appointed as Additional Directors having Independent status with effect from 11th April, 2013. At the ensuring Annual General Meeting they will be confirmed as Directors of the company.

Mr. Rahul Timbadia, Mr. Kartik Timbadia and Mr. Parth Timbadia will continue to remain as the Directors of the company.

### 5. Directors Responsibility Statement:

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956, with

respect to Directors Responsibility Statement, it is hereby confirmed that:

- i. in the preparation of the annual accounts for the year ended 31st March, 2013 the applicable accounting standards read with requirements set out under Schedule VI to the Companies Act, 1956, have been followed and there are no material departures from the same;
  - ii. the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2013 and of the profit of the Company for the year ended on that date;
  - iii. the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
  - iv. the Directors have prepared the annual accounts of the Company on a 'going concern' basis.
- 6. Particulars of Employees:**  
No employee of the company draws remuneration in excess of limit prescribed under section 217(2A) of The Companies Act, 1956 read with The Companies (Particulars of Employees) Rules, 1975.
- 7. Energy Conservation Measures, Technology Absorption and R & D Efforts and Foreign Exchange Earnings and Outgo:**  
Your Company is not carrying any activity and hence the particulars required to be furnished

under Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosures of Particulars in the Report of Board of Directors) Rules, 1988 regarding conservation of energy and technology absorption and R & D efforts are not applicable to the company.

During the period under review the Company has no earnings and outgo of Foreign Exchange.

**8. Compliance Certificate:**

A Compliance Certificate under Section 383A of the Companies Act, 1956, from the whole time practicing Company Secretary M/s. Kothari H. & Associates in respect of financial year ended 31st March, 2013 is enclosed.

**9. Listing:**

At present the Company's Equity Shares are listed at BSE Limited and the Company has paid Listing Fees to the above Stock Exchange for the year 2012-13.

**10. Dematerialization:**

The Shareholders who are holding shares in physical mode may convert their holdings in dematerialized form, for which they may contact their respective Depository Participant, where they maintain their respective de-mat account. The Company's ISIN is INE501N01012.

**11. Acknowledgement:**

Your Directors would like to express their sincere appreciation of the co-operation and assistance received from shareholders, bankers, regulatory bodies and other business constituents during the year under review.

Your Directors also wish to place on record their deep sense of appreciation for the commitment displayed by all executives, officers and staff, resulting in successful performance of the company during the year.

By Order of the Board of Directors  
**For Drillco Metal Carbides Limited**

**Rahul Timbadia**  
Chairman

Place: Mumbai  
Date: 30th May, 2013



## COMPLIANCE CERTIFICATE

To,  
The Members,  
**DRILLCO METAL CARBIDES LIMITED,**  
301-302, Navkar Plaza, Bajaj Road,  
Vile Parle (W), Mumbai- 400056.

We have examined the registers, records, books and papers of **DRILLCO METAL CARBIDES LIMITED** (the Company) as particularly 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 **31st March, 2013** (the financial year). 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, we certify that in respect of the aforesaid financial year:

1. The Company has kept and maintained all registers as stated in **Annexure 'A'** to this certificate, as per the provisions of the Act and the rules made there under and all entries therein have been 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 within the time prescribed under the Act and the rules made there under.
3. The Company being a Public Limited Company has maintained the minimum prescribed paid-up capital criteria.
4. The Board of Directors met on 28th May, 2012, 13th August, 2012, 7th November, 2012 and 12th February, 2013 for every meeting notices were given and the proceedings were 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 from Thursday, 20th September, 2012 to Tuesday, 25th September, 2012 (inclusive of both days) during the financial year.
6. The Annual General Meeting for the financial year ended on 31st March 2012 was held on Tuesday, 25th September, 2012 after giving due notice to the members of the Company and the resolutions passed thereat were recorded in Minutes Book maintained for the purpose.
7. No Extra Ordinary General Meeting was held during the Year.
8. As per explanation and information, the Company has not given any loan under Section 295 of the Act.
9. As per records & explanations given to us, the Company has not entered into contracts, which are falling within the purview of Section 297 of the Act.
10. The Company has made the necessary entries in the register maintained under Section 301 of the Act.
11. As there was no instance falling within the purview of Section 314 of the Act, the Company was not required to obtain any approval from the Board of directors and members for this purpose.
12. The Company has not issued any duplicate certificates during the financial year.
13. During the financial year;

- a. The Company has duly issued/ endorsed share certificates after transfer of shares. However, there was no allotment/transmission of securities during the year.
- b. The Company has not deposited any amount in a separate bank account as no dividend was declared.
- c. The Company was not required to post warrants to any member of the Company as no dividend was declared during the year. There were no unpaid dividends in the company.
- d. There was no amounts in unpaid dividend account, application money due for refund, matured deposits, matured debentures and the interest accrued which have remained unclaimed or unpaid for a period of seven years be transferred to Investor Education and Protection Fund.
- e. The Company has complied with the requirements of Section 217 of the Act.
14. The Board of Directors of the Company is properly constituted during the year. There was no appointment of Additional Directors, Alternate Directors and Directors to fill casual vacancy during the financial year.
15. Since the paid up capital of the Company is less than Rs. 5 crore, the Company is not required to appoint any Managing Director/ Whole Time Director/ under Section 269 of the Act.
16. The Company has not appointed any sole selling agents during the financial year.
17. The Company is not required to obtain any approval from the Central Government, Company Law Board, Regional Director, Registrar of Companies and/or such authorities prescribed under the various provisions 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 allotted any securities during the financial year.
20. The Company has not bought back any shares during the financial year.
21. There was no redemption of preference shares or debentures during the financial year.
22. There were no transactions necessitating the Company to keep in abeyance the rights to dividend, rights shares and bonus shares pending registration of transfer of shares.
23. According to the information and explanation given, the Company has not accepted any deposit under section 58A of the Companies Act, 1956 during the financial year.
24. The Company has not made any borrowings during the financial year in respect of provisions of Section 293(1) (d) of the Act.
25. There was no instance falling under Section 372A of the Act with regard to loans given, investment made or guarantee given or securities provided to other body corporate during the financial year.
26. The Company has not altered the provisions of the Memorandum of Association 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 of Association with respect to the objects of the Company during the year under scrutiny.



28. The Company has not altered the provisions of the Memorandum of Association with respect to name of the Company during the year under scrutiny.
29. The Company has not altered the provisions of the Memorandum of Association with respect to share capital of the Company during the year under scrutiny.
30. The Company has not altered the provisions of Articles of Association of the Company during the year under scrutiny.
31. There was no prosecution initiated against or show cause notices received by the Company, during the financial year for offences under the Act.
32. The Company has not received any money as security from its employees during the financial year.
33. The Company has not deducted any contribution towards Provident Fund during the financial year in terms of Section 418 of the Act as the said Section is not applicable to the Company.

**For Kothari H. & Associates**  
Company Secretaries

**Hitesh Kothari**  
Proprietor  
C. P. No. 5502

Place: Mumbai  
Date: 30th May, 2013

**Annexure – A**

Registers as maintained by the Company

1. Register of members under Section 150.
2. Register of Share Transfers.
3. Register of particulars of contracts in which directors are interested under Section 301.
4. Register of directors, managing director, manager and secretary under Section 303.
5. Register of director's shareholding under Section 307.
6. Minutes book of General Meetings and Board Meetings under Section 193.
7. Register of Director's Attendance.
8. Register of Inter-corporate Investment, Loans & Guarantee under Section 372A.

**For Kothari H. & Associates**  
Company Secretaries

**Hitesh Kothari**  
Proprietor  
C. P. No. 5502

Place: Mumbai  
Date: 30th May, 2013

**Annexure – B**

Forms and Returns as filed by the Company with Registrar of Companies, Regional Director, Central Government or other authorities during the financial year ended 31st March 2013 :

Sr. No.	Form No./ Return	Filed under Section	For	Date of filing	Whether filed within prescribed time Yes/ No	If delay in filing whether requisite additional fee paid Yes/ No
1.	Form 66	383A	Compliance Certificate	16/10/2012	Yes	No
2.	Form 23AC & ACA Xbrl	220	Balance Sheet & Profit & Loss Account	12/12/2012	Yes	No
3.	Form 20B	159	Annual Return	24/11/2012	Yes	No

**For Kothari H. & Associates**  
Company Secretaries

**Hitesh Kothari**  
Proprietor  
C. P. No. 5502

Place: Mumbai  
Date: 30th May, 2013

## INFORMATION TO SHAREHOLDERS

### BOARD OF DIRECTORS

#### Board Strength and representation:

The Company's policy is to maintain optimum as of 31st March 2013; the Board consisted of four directors. The Composition and the category of Directors on the Board of the Company as at 31st March 2013 were as under :

Category	Name of Directors
Chairman	Mr. Rahul Timbadia
Director	Mr. Kartik Timbadia
Director	Mr. Parth Timbadia
Director	Mr. Ramesh Khanna

#### Board Procedure

The Directors of the Company are informed about the Agenda of the Board Meetings and Committee Meetings, containing relevant information / supporting data, as required well in advance, to enable the Board to take informed decisions. Statutory Auditor is also requested to attend the Board Meeting as and when required.

Matters discussed at Board Meeting generally relate to Company's performance, quarterly results of the Company, approval of related-party transactions and general notice of interest of Directors. Compliance of any regulatory, statutory or listing requirements, etc.

#### Number of Board Meetings

During the Financial year 2012-2013, four Board Meetings were held. These were on:

- 28th May, 2012,
- 13th August, 2012,
- 7th November, 2012 and
- 12th February, 2013

### DIRECTORS DETAILS SEEKING RE-APPOINTMENT & APPOINTMENT

#### (i) Mr. Ramesh Khanna

Mr. Ramesh Khanna, at the ensuring Annual General Meeting is liable to retire by rotation and being eligible offers himself for re-appointment.

Mr. Ramesh Khanna aged 72 years. He is a Chartered Accountant by profession. Currently he holds the position of Directorship in Film Waves Combine Private Limited and Jalaram Hotels Private Limited.

**(ii) Mr. Ashok Kumar Deorah**

Mr. Ashok Kumar Deorah, was appointed as an Additional Director of the Company by the Board of Directors with effect from 11th April, 2013.

Mr. Ashok Kumar Deorah, aged 61 years, is a consultant. Currently is holding the position of directorship in Sinodeen (India) Private Limited and JustChalo Technologies Private Limited.

**(iii) Mr. Praful Vora**

Mr. Praful Vora was appointed as an Additional Director of the Company by the Board of Directors with effect from 11th April, 2013.

Mr. Praful Vora, aged 63 years is a Science graduate. He is expertise in the area of export. He is President of Vile Parle Taluka (Mumbai Board), Human Rights Movement of India.

By Order of the Board of Directors  
**For Drillco Metal Carbides Limited**

**Rahul Timbadia**  
Chairman

**Registered Office:**  
301/302, Navkar Plaza,  
Bajaj Road, Vile-Parle (West),  
Mumbai-400 056.

### Auditor's Report

To the members of  
**DRILLCO METAL CARBIDES LIMITED**

#### Report on the Financial Statements

1. We have audited the accompanying financial statements of Drillco Metal Carbides Limited ("the Company"), which comprises of the Balance Sheet as at 31st March 2013, the Statement of Profit and Loss and Cash Flow Statement for the year ended and a summary of significant accounting policies and other explanatory information.

#### Management's Responsibility for the Financial Statements

2. 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 statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

#### Auditors Responsibility

3. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with

ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

#### Opinion

6. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give in the prescribed manner the information required by the Act 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 31st March 2013;

- b) In the case of the Statement of Profit and Loss, of the Loss for the year ended on that date.
- 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**

- 7. As required by the Companies (Auditors' Report) Order, 2003 issued by the Central Government of India in terms of section 227(4A) of the Companies Act, 1956 of India (the Act) and on the basis of such checks as we considered appropriate and according to the information and explanations given to us, we set out in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said order.
- 8. Further to our comments in the Annexure referred to in paragraph 7 above, we report that:
  - a) The operations of the company were stand still since August 2001. In view of change of management, the Company may commence in operation in foreseeable future. Hence, the accounts have been prepared on going concern basis.
  - b) Subject to the above we have obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purpose of our audit.
  - c) 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.

- d) 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 accounts.
- e) In our opinion, the Balance Sheet, the Statement of Profit & Loss and Cash Flow Statement dealt with by this report have been prepared in compliance with the applicable accounting standards referred to in sub section (3C) of section 211 of the Act.
- f) On the basis of written representations received from the director as on 31st March 2013 and taken on record by the Board of Directors of the Company, none of the directors is disqualified as on 31st March 2013 from being appointed as a director in terms of clause (g) of sub section (1) of section 274 of the Act.

**For Ravi Seth & Co.**  
**(Chartered Accountants)**  
(Firm No. 108757W)

**R. K. Seth**  
**Proprietor**  
Membership No. 016808

Place: Mumbai  
Date: 30th May 2013





**ANNEXURE REFERRED TO IN PARAGRAPH 7  
OF THE REPORT OF THE AUDITORS FOR THE  
YEAR ENDED 31ST MARCH 2013**

To The members of

**Drillco Metal Carbides Limited**

1. a. During the year under audit, no record was provided regarding maintenance of the fixed assets. Hence, we are unable to comment on its verification, its frequency, material discrepancy (if any).
- b. The management has physically not verified the Tangible Fixed assets of the Company.
- c. In our opinion and according to the information and explanations given to us, the company has not disposed off a substantial part of fixed assets during the year thereby affecting the going concern.
2. During the year under audit the company has not done any business due to which no inventory stock record was presented to us. In view of above, we are unable to comment about:
  - a. Physical verification of inventories by the management.
  - b. Dealing with discrepancies notified on Physical verification.
  - c. Valuation of inventories
  - d. Its adherence to Accounting standard and normally accept accounting principals.
3. A) The company has not granted any

secured or unsecured loans to companies, firms or other parties listed in the Register maintained under section 301 of the companies Act, 1956.

- B) The company has taken unsecured loans, from companies, firms or other parties listed in the Register maintained under section 301 of the companies Act, 1956. In our Opinion and according to the information and explanations given to us, the rate of interest and other terms and conditions of the loans given by the company, are not prima facie prejudicial to the interest of the Company.
4. In our opinion and according to the information and explanations given to us, there are no internal control procedures in the company with regard to purchase of material, fixed assets and with regard to the sale of goods.
5. a. Accordingly to the information and explanations given to us, we are of the opinion that there are no transactions, other than the loans as referred to in Para 3 above, that need to be entered into the register maintained under section 301 of the companies Act, 1956.
- b. In our opinion and according to the information and explanations given to us, there are no transactions of purchase or sale made in pursuance of contracts or arrangements entered in the registers maintained under section 301 and exceeding the valued of five Lakhs rupees in respect of any party during the

- year.
6. The company has not accepted any deposits from the public within the meaning of sections 58A and 58AA of the Act and the rules framed there under.
  7. In our opinion, the company does not have an internal audit system commensurate with the size and nature of its business.
  8. The Central Government has not prescribed maintenance of cost records under section 209(1)(d) of the Companies Act, 1956 for any of the activities of the company.
  9. As per the information and explanations given and records produced before us the salaries and wages have not been paid since March 1998 and are in arrears except for some advances paid in account/ Provident Fund contributions have accordingly neither been deducted not paid.
  10. According to the records of the company and information and explanations given to us there were no undisputed amounts payable in respect of Wealth Tax, Customs Duty and Excise Duty outstanding as 31st March, 2013 for a period of more than 6 months from the date they became payable. The Company is in appeal before the Maharashtra State Sales Tax Tribunal for the disputed demand of Rs. 833397 under Bombay Sales Tax Act, 1959 and Rs. 14550577 under the Central Sales Tax Act, 1956.
  11. As per the information and explanations given and records produced before us, the company is an S.S.I. unit and is, therefore, not a sick industrial company within the meaning of clause (O) of sub section (1) of section 3 of the Sick industrial companies (Special Provisions) Act, 1985.
  12. Based on our audit procedures and on the information and explanations given by the management, in our opinion, the company has defaulted in repayment of due to banks.
  13. The company has not granted any loans and advances on the basis of Security by way of pledge of shares, debentures and other securities.
  14. In our opinion, the company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore the provisions of paragraph 4(xiii) of the said order relating to compliance with the provisions of special statute are not relevant to the company.
  15. In our opinion and according to the information and explanations given to us, the company is not a dealer or trader in securities.
  16. Based on the information and explanations given to us, the company has not given any guarantee for loans taken by others from banks or financial institutions.
  17. The company has not obtained any term loans during the year.
  18. Based on the information and explanations given to us and on an Overall examination of the balance sheet of the company. In our opinion, there are no funds raised on a short term basis which have been used for long



- term investment, and vice versa.
19. The company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under section 301 of the Companies Act, 1956 during the year.
  20. According to the information and examinations given to us, during the period covered by our audit report, the company has not issued any debentures.
  21. According to the information and examinations given to us, the company has not made any public issue during the year and accordingly paragraph 4(xx) of the said order relating to end use of money raised is not applicable.
  22. During the course of our examination of the books of accounts 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 fraud on or by the company, notices or reported during the year, nor have we been informed of such case by the management.

**For Ravi Seth & Co.**  
**(Chartered Accountants)**  
(Firm No. 108757W)

**R. K. Seth**  
**Proprietor**  
Membership No. 016808

Place: Mumbai  
Date: 30th May 2013



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<b>DRILLCO METAL CARBIDES LIMITED</b>					
<b>Balance Sheet as at 31st March 2013</b>					
	Note No.	2013 Rs. In Lakhs	2013 Rs. In Lakhs	2012 Rs. In Lakhs	2012 Rs. In Lakhs
<b>I. EQUITY AND LIABILITIES</b>					
<b>1 Shareholders' Funds</b>					
(A) Share Capital	1	219.44		219.44	
(B) Reserves And Surplus	2	(463.11)	(243.67)	(407.01)	(187.57)
<b>2 Current Liabilities</b>					
(A) Short Term Borrowings	3	374.99		313.63	
(C) Other Current Liabilities	4	102.87	477.86	182.10	495.73
<b>TOTAL</b>			234.19		308.16
<b>II. ASSETS</b>					
<b>1 NON-CURRENT ASSETS</b>					
<b>(A) Fixed Assets</b>					
(i) Tangible Assets	5	227.72		227.53	
(ii) Intangible Assets		0.10	227.82	0.17	227.70
<b>2 CURRENT ASSETS</b>					
(A) Trade Receivables	6	0.00		70.95	
(B) Cash And Cash Equivalents	7	0.46		0.02	
(c) Other Current Assets	8	5.91	6.37	9.49	80.46
<b>TOTAL</b>			234.19		308.16
Notes To Accounts	12				
As per our Report of event date					
For Ravi Seth & Co. (Chartered Accountants) (Firm No. 108757W)			For and on behalf of the Board		
R. K. Seth (Proprietor) Membership No.016808			Rahul Timbadia Director	Kartik Timbadia Director	
Place: Mumbai Date: 30th May 2013					

<b>DRILLCO METAL CARBIDES LIMITED</b>					
Profit & Loss Account for the period ended 31st March 2013					
	Note No.	2013 Rs. In Lakhs	2013 Rs. In Lakhs	2012 Rs. In Lakhs	2012 Rs. In Lakhs
<b>OPERATIONS</b>					
1 Revenue From Operations			0.00		0.00
2 Other Income			0.00		0.00
<b>Total Revenue</b>			0.00		0.00
<b>EXPENSES</b>					
(A) Employee Benefits Expense	9	1.57		0.00	
(B) Finance Costs	10	33.57		21.48	
(C) Depreciation	5	0.10		0.04	
(D) Other Expenses	11	9.33	44.57	12.31	33.83
<b>PROFIT / (LOSS) BEFORE EXCEPTIONAL ITEMS</b>			(44.57)		(33.83)
<b>EXCEPTIONAL ITEMS</b>			11.53		0.00
<b>PROFIT / (LOSS) FOR THE YEAR</b>			(56.10)		(33.83)
Notes To Accounts	12				
As per our Report of event date					
For Ravi Seth & Co. (Chartered Accountants) (Firm No. 108757W)			For and on behalf of the Board		
R. K. Seth (Proprietor) Membership No.016808			Rahul Timbadia Director	Kartik Timbadia Director	
Place: Mumbai Date: 30th May 2013					

<b>DRILLCO METAL CARBIDES LIMITED</b>			
<b>Notes Forming Part of The Financial Statements</b>			
	<b>2013</b>		<b>2012</b>
	<b>Rs. In</b>		<b>Rs. In</b>
	<b>Lakhs</b>		<b>Lakhs</b>
<b>NOTE 1</b>			
<b>SHARE CAPITAL</b>			
<b>A) AUTHORISED -</b>			
4500000 Equity Shares of Rs. 10 each	450.00		450.00
500000 (Previous Year Nil) Redeemable Preference Shares of Rs.10 each	50.00		50.00
	<b>500.00</b>		<b>500.00</b>
<b>B) ISSUED, SUBSCRIBED AND PAID UP</b>			
(2194375 Equity Shares of Rs.10/- each) fully paid up	<b>219.44</b>		<b>219.44</b>
<b>Details of Shareholders holding more than 5% shares :</b>			
Name of the Shareholder	<b>No of shares</b>	<b>%</b>	<b>No of shares</b>
			<b>%</b>
1) Rahul Maganlal Timbadia	<b>738250</b>	<b>33.64</b>	738250
			33.64
2) Bank of Maharashtra	-	-	118800
			5.41
3) Avinash Purushottam Karachiwala	<b>146160</b>	<b>6.66</b>	
4) Vikram Parmeshwar Karachiwala	<b>146160</b>	<b>6.66</b>	
5) Prabhudas Rijumal Karachiwala	<b>146110</b>	<b>6.66</b>	
6) Jogeshwar Rijumal Karachiwala	<b>146110</b>	<b>6.66</b>	
7) NCM International Pvt. Ltd.	<b>115300</b>	<b>5.25</b>	
<b>NOTE 2</b>			
<b>RESERVES AND SURPLUS</b>			
(a) Capital reserve	0.09		0.09
As per Last Balance Sheet			
(b) Securities premium account	0.18		0.18
As per Last Balance Sheet			
(c) Revaluation reserve	170.12		170.12
As per Last Balance Sheet			
(d) General reserve	13.81		13.81
As per Last Balance Sheet			
(e) Surplus/(Deficit) in Statement of Profit and Loss	(591.21)		(557.38)
As per Last Balance Sheet	(56.10)		(33.83)
Add: Profit/(Loss) for the year			
<b>CLOSING BALANCE</b>	<b>(647.31)</b>		<b>(591.21)</b>
<b>TOTAL</b>	<b>(463.11)</b>		<b>(407.01)</b>

<b>DRILLCO METAL CARBIDES LIMITED</b>		
<b>Notes Forming Part of The Financial Statements</b>		
	<b>2013 Rs. In Lakhs</b>	<b>2012 Rs. In Lakhs</b>
<b>NOTE 3</b>		
<b>SHORT TERM BORROWINGS</b>		
Unsecured		
Other Loans		
From Others	314.46	288.50
From Related Parties	60.53	25.13
	<b>374.99</b>	<b>313.63</b>
<b>NOTE 4</b>		
<b>OTHER CURRENT LIABILITIES</b>		
Current Maturities of Long-Term Debt #		
Other Payables*	81.67	81.67
	21.20	100.43
	<b>102.87</b>	<b>182.10</b>
# (The company is not in possession of the repayment schedule of the loan availed under Sales Tax Deferral Scheme, accordingly the period of default and the Interest for the same cannot be determined.)		
* (Includes Statutory Dues Payable)		



<b>DRILLCO METAL CARBIDES LIMITED</b> Notes Forming Part of The Financial Statements Note 5 : FIXED ASSETS									
Particular of Assets	GROSS BLOCK			DEPRECIATION			NET BLOCK		
	AS AT 01.04.2012	ADDITIONS 31.03.2013	AS AT 31.03.2013	UP TO 31.03.2012	FOR THE YEAR	UP TO 31.03.2013	AS AT 31.03.2013	AS AT 31.03.2012	
<b><u>TANGIBLE ASSETS</u></b>									
Freehold Land	19.95	—	19.95	—	—	—	19.95	19.95	—
Buildings	256.22	—	256.22	48.64	—	48.64	207.58	207.58	—
Computer	—	0.22	0.22	—	0.03	0.03	0.19	—	—
	<b>276.17</b>	<b>0.22</b>	<b>276.39</b>	<b>48.64</b>	<b>0.03</b>	<b>48.67</b>	<b>227.72</b>	<b>227.53</b>	<b>—</b>
<b><u>INTANGIBLE ASSETS</u></b>									
Website	0.21	—	0.21	0.04	0.07	0.11	0.10	0.17	—
<b>TOTAL RS.</b>	<b>276.38</b>	<b>0.22</b>	<b>276.60</b>	<b>48.68</b>	<b>0.10</b>	<b>48.78</b>	<b>227.82</b>	<b>227.70</b>	<b>—</b>
<b>PREVIOUS YEAR</b>	<b>276.17</b>	<b>0.21</b>	<b>276.38</b>	<b>48.64</b>	<b>0.04</b>	<b>48.68</b>	<b>227.70</b>	<b>227.53</b>	<b>—</b>

<b>DRILLCO METAL CARBIDES LIMITED</b>		
<b>Notes Forming Part of The Financial Statements</b>		
	<b>2013 Rs. In Lakhs</b>	<b>2012 Rs. In Lakhs</b>
<b>Note 6</b>		
<b>TRADE RECEIVABLES</b>		
<u>More Than 6 Months Old</u>		
Considered Good	0.00	70.95
Doubtful	0.00	18.40
	<b>0.00</b>	<b>89.35</b>
Less: Provision For Doubtful Debts	0.00	18.40
	<b>0.00</b>	<b>70.95</b>
<b>Note 7</b>		
<b>CASH &amp; CASH EQUIVALENTS</b>		
(a) Cash On Hand	0.02	0.02
(b) Balance In Current Account With Scheduled Banks	0.44	0.00
	<b>0.46</b>	<b>0.02</b>
<b>Note 8</b>		
<b>OTHER CURRENT ASSETS</b>		
Others*	5.91	9.49
(* Matured Value Of Deposits And Investments.)	<b>5.91</b>	<b>9.49</b>
<b>Note 9</b>		
<b>EMPLOYEE BENEFITS EXPENSE</b>		
Salaries And Wages	1.57	0.00
	<b>1.57</b>	<b>0.00</b>
<b>Note 10</b>		
<b>FINANCE COSTS</b>		
Interest Expense On Borrowings	33.57	21.48
	<b>33.57</b>	<b>21.48</b>
<b>Note 11</b>		
<b>OTHER EXPENSES</b>		
Travelling And Conveyance	0.45	0.13
Repair & Maintenance	2.18	0.00
Printing & Stationery	0.30	0.17
Legal & Professional Fees	5.08	4.41
Advertising Charges	0.52	0.64
Postage & Courier Charges	0.03	0.14
Auditors Remuneration		
Audit Fees	0.28	0.17
Bank Charges	0.04	0.03
Subscription & Fees	0.41	6.62
Other Expenses	0.05	0.00
	<b>9.33</b>	<b>12.31</b>

<b>DRILLCO METAL CARBIDES LIMITED</b>				
<b>Cash Flow Statement for the year ended 31st March 2013</b>				
	<b>2013 Rs. In Lakhs</b>	<b>2013 Rs. In Lakhs</b>	<b>2012 Rs. In Lakhs</b>	<b>2012 Rs. In Lakhs</b>
<b>(A) CASH FLOW FROM OPERATING ACTIVITIES:</b>				
LOSS BEFORE TAX		(56.10)		(33.83)
Adjustment for Depreciation				
Depreciation	0.10		0.04	
Interest Paid	33.57	33.67	21.48	21.52
Operating Profit before working capital changes		(22.43)		(12.31)
<b>(B) Adjustments for :</b>				
Trade Payables	(79.23)		(8.70)	
Trade Receivable	70.95			
Other Assets	3.57			
Other Liabilities	0.00	(4.71)	2.74	(5.96)
<b>NET CASH FLOW FROM OPERATION</b>		(27.14)		(18.27)
<b>(C) CASH FLOW FROM INVESTING ACTIVITES</b>				
Purchase of Fixed Assets		(0.22)		(0.21)
		(0.22)		(0.21)
<b>(D) CASH FLOW FROM FINANCING ACTIVITES</b>				
Proceeds from Short Term Borrowing	61.37		39.92	
Interest Paid	(33.57)	27.80	(21.48)	18.44
<b>NET CASH FROM FINANCING ACTIVITIES</b>		27.80		18.44
<b>NET INCREASE / (DECREASE) IN CASH &amp; CASH EQUIVALENTS</b>		0.44		(0.04)
<b>CASH &amp; CASH EQUIVALENTS AS AT 1ST April 2012 (Opening Balance)</b>		0.02		0.06
<b>CASH &amp; CASH EQUIVALENTS AS AT 31.03.2013 (CLOSING)</b>		0.46		0.02
		0.44		(0.04)
As per our Report of event date				
For Ravi Seth & Co. (Chartered Accountants) (Firm No. 108757W)		For and on behalf of the Board		
R. K. Seth (Proprietor) Membership No.016808		Rahul Timbadia Director	Kartik Timbadia Director	
Place: Mumbai Date: 30th May 2013				

## DRILLCO METAL CARBIDES LIMITED

### Notes Forming Part of The Financial Statements For The Year Ended 31st March 2013

As per Accounting Standard 18, the disclosures of transactions with the related parties are given below.

**(A) List of related parties where control exists and related parties with whom transactions have taken place and relationships.**

Sr No.	Name of Related Party	Relationship
1	Latim Investments & Finance Co.	Enterprise over which Key Managerial Personnel are able to exercise significant influence.
2	Latim Lifestyle & Resorts Ltd.	Enterprise over which Key Managerial Personnel are able to exercise significant influence.
3	Ramesh Khanna	Key Managerial Personnel
4	Rahul Timbadia	Key Managerial Personnel
5	Parth Timbadia	Key Managerial Personnel
6	Kartik Timbadia	Key Managerial Personnel

**(B) Transactions during the year with Related Parties.**

(Rs in Lakhs)

Sr No.	Nature of Transaction	Key Managerial Personnel	Others	Total
1	Loans and Advances Taken	2 (1.50)	35.90 (17.98)	37.90 (19.48)
2	Loans and Advances Repaid	0 (28.76)	2.5 (239.30)	2.50 (268.06)
3	Interest Paid	-	4.72 -	4.72 -
	<b>Balance as on 31st March 2013</b>	<b>2</b> -	<b>58.53</b> (25.13)	<b>60.53</b> (25.13)

Figures in the brackets are the corresponding figures in respect of the previous year.



DRILLCO METAL CARBIDES LIMITED

NOTE "12"

Notes On Accounts

1. The Company did not carry out any business activity during the year.
2. The Financial Statements are prepared under the historical cost convention, except for certain fixed assets which are revalued in accordance with the generally accepted accounting principles in India and the provisions of the Companies Act, 1956.
3. Fixed Assets are stated at cost net of recoverable taxes and includes amounts added on revaluation, less accumulated depreciation and impairment loss, if any.
4. Intangible Assets are stated at cost of acquisition net of recoverable taxes less accumulated amortization/depletion.
5. Depreciation on Fixed Assets is provided to the extent of depreciable amount on written down value method (WDV) at the rates and in the manner prescribed in Schedule XIV of the Companies Act, 1956.
6. The company due to the prevailing circumstances about its business activities has not formulated accounting policies, except stated above.
7. Contingent Liabilities – Disputed Sales Tax Liability – Rs.153.84 Lakhs.
8. Exceptional items shown in the Financial Statements pertains to Re-instatement fees paid to Bombay Stock Exchange Ltd. towards revocation of suspension in Trading of its Equity Shares.

Signature to Notes 1 to 12  
As per our Report of event date

**For Ravi Seth & Co.**  
**(Chartered Accountants)**  
(Firm No. 108757W)

For and on behalf of the Board

**R. K. Seth**  
**(Proprietor )**  
Membership No.016808

**Rahul Timbadia**  
**Director**

**Kartik Timbadia**  
**Director**

Place: Mumbai  
Date: 30th May 2013



**DRILLCO METAL CARBIDES LIMITED**

301-302, Navkar Plaza, Bajaj Road, Vile Parle (West), Mumbai - 400 056.

Tel.: 022-2620 3399/3434 • Fax.: 022-2624 0540 • E-mail: accounts@drillcometal.com • Website: www.drillcometal.com

**ATTENDANCE SLIP**

Shareholders attending the Meeting in person or by proxy are requested to complete the attendance and hand it over at the entrance of the Meeting Hall.

Name & The Address of The Shareholder	L. F. No.

I hereby record my presence at the THIRTY SEVENTH ANNUAL GENERAL MEETING of the Company, held at 301-302, Navkar Plaza, Bajaj Road, Vile Parle (West), Mumbai - 400 056., on Friday, 6th September, 2013 at 11.00 a.m. As a shareholder / Proxy

If Shareholder, please sign here	If Proxy, please sign here

Note : The Copy of Annual Report may please be brought to the meeting hall

**DRILLCO METAL CARBIDES LIMITED**

Regd. Office: 301-302, Navkar Plaza, Bajaj Road, Vile Parle (West), Mumbai - 400 056.

Folio No.: \_\_\_\_\_

I/We \_\_\_\_\_ of \_\_\_\_\_ name being member of above Company, hereby appoint Shri/Smt./Kum. \_\_\_\_\_ of \_\_\_\_\_ In the district of \_\_\_\_\_ or failing him/her Shri/Smt./Kum \_\_\_\_\_ In the district of \_\_\_\_\_ for me/ us on my/ our behalf at the **THIRTY SEVENTH ANNUAL GENERAL MEETING** of the Company, to be held on **Friday, 6th September, 2013 at 11.00 a.m.** and any adjournment thereof.

Signed this \_\_\_\_\_ Day of \_\_\_\_\_ 2013

Affix a  
1 Rupees  
Revenue  
Stamp

Signature of the Share Holder

Note: This proxy form duly completed must be received at the Company's Registered Office at least 48 Hours before meeting



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