

**TWENTY THIRD ANNUAL REPORT 2012-2013**  
**OF**  
**SEVEN HILL INDUSTRIES LIMITED**  
(Formally known as KOSIAN INDUSTRIES LIMITED)

**BOARD OF DIRECTOR**

VIPULBHAI SHANTILAL TRIVEDI	- DIRECTOR
KETANBHAI DINESHCHANDRA SORATHIYA	- DIRECTOR
GULAB AWADHPAL SINGH	- DIRECTOR

**AUDITOR**

M/S. Y. D. & CO.  
Chartered Accountants  
LUDHIANA

**SHARE TRANSFER AGENT**

**SHAREX DYNAMIC INDIA PRIVATE LIMITED**

Unit No. 1, Luthra Industrial Premises,  
1st Floor, 44-E, M, Vasanti Marg,  
Andheri-Kurla Road, Safed Pool,  
Mumbai-400072,  
Ph No: 22-2264 1376 / 2270 2485  
Fax No: 22-2264 1349

**REGISTERED OFFICE**

41, GROUND FLOOR, BALAJI TOWER, SHREE SHANTINIKETAN,  
SECTOR 30A, OPP. SANPADA RAILWAY STATION, VASHI (W),  
NAVI MUMBAI-400705  
MAHARASHTRA, INDIA

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**N O T I C E**

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**NOTICE** is hereby given that the **TWENTY THIRD ANNUAL GENERAL MEETING** of the Members of **SEVEN HILL INDUSTRIES LIMITED (Formally Known as KOSIAN INDUSTRIES LIMITED)** will be held at the Registered Office of the Company at **41, Ground Floor, Balaji Tower, Shree Shantiniketan, Sector 30A, Opp. Sanpada Railway Station, Vashi (W), Navi Mumbai-400705, Maharashtra, INDIA** on **Monday, 30th day of September, 2013 at 03:00 P. M.** to transact the following business:

**ORDINARY BUSINESS:**

1. To receive, consider and adopt Audited Balance Sheet as at **31st March, 2013** and the Profit & Loss Account for the year ended on that date and the reports of the Directors' and the Auditors' thereon.
2. To appoint a Director in place of **Mr. Vipulbhai Shantilal Trivedi** who retires by rotation and being eligible, offers him-self for re-appointment.
3. To appoint Auditor and to fix their remuneration.

**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. GULAB AWADHPAL SINGH** who was appointed as an Additional Director in the category of independent director of the Company w.e.f. 6th May, 2013 being the date of appointment and who holds office as such up to the date of the ensuing Annual General Meeting and in respect of whom notice under Section 257 of the Companies Act, 1956 has been received from a member signifying his intention to propose **MR. GULAB AWADHPAL SINGH** be and is hereby appointed as a Director, subject to retire by rotation.

**By Order of the Board  
For, SEVEN HILL INDUSTRIES LIMITED**

**PLACE: MUMBAI  
DATE: 30.08.2013**

**Sd/-  
(KETANBHAI SORATHIYA)  
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 AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. A PROXY IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY AT ITS REGISTERED OFFICE NOT LESS THAN 48 HOURS BEFORE THE TIME SCHEDULED FOR HOLDING THE MEETING.
2. Corporate members intending to send their authorised representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting.
3. Members are requested to notify the Company of any change in their address (in full) with the postal area pin code number, quoting their folio numbers.
4. The Register of Members and Share Transfer Register of the Company will remain closed from 23rd September, 2013 to 30th September, 2013 (Both Days Inclusive).
5. M/s. Sharex Dynamic India Private Limited having its registered office at Unit No. 1, Luthra Industrial Premises, 1st Floor, 44-E, M, Vasanti Marg, Andheri-Kurla Road, Safed Pool, Mumbai-400072 are Registrars and Share Transfer Agents for Company's shares in Demat and Physical Form. The members are requested to please ensure that their shares are converted into Demat Form.
6. The relevant Explanatory Statement pursuant to section 173 (2) of the Companies Act, 1956 is annexed hereto.

7. Additional information as required in terms of paragraph 3 of the Clause 49 of the Listing Agreement on Director seeking re-appointment at the ensuing Annual General Meeting is as under:

**MR. VIPUL SHANTILAL TRIVEDI** is Non-Executive Independent Director of the Company. He has rich experience in the field of Industrial activities. He has been associated with the Company w.e.f. 11th March, 2011. He is Member of the Audit Committee and Share Transfer and Grievances Committee of the Company. **MR. VIPUL SHANTILAL TRIVEDI** retires by rotation and being eligible offers himself for re-appointment.

## **ANNEXURE TO THE NOTICE**

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

#### **Item No.4**

In terms of provisions of section 260 of Companies Act 1956 and provisions of Articles of Association of company **MR. GULAB AWADHPAL SINGH**, who was appointed as an Additional Director in the meeting of the Board of Directors of the Company held on 6th May 2013 Who holds the office of Directors up to the date of the ensuing Annual General Meeting.

In Pursuant to section 257 of the Companies Act 1956 together with requisite deposit fee signifying his intention to propose the name of MR. GULAB AWADHPAL SINGH a director subject to retirement by rotation.

None of the Directors except MR. GULAB AWADHPAL SINGH is concerned or interested in this resolution. Your Directors recommend this resolution for your approval.

**PLACE: MUMBAI**  
**DATE: 30.08.2013**

**By Order of the Board**  
**For, SEVEN HILL INDUSTRIES LIMITED**

**Sd/-**  
**(KETANBHAI SORATHIYA)**  
**CHAIRMAN**

D I R E C T O R S ' R E P O R T

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**DEAR SHAREHOLDERS,**

Your Directors here by present the Twenty Third Annual Report on business and operations of the Company together with the Audited statements of Accounts for the financial year ended on **31st March 2013**.

**OPERATIONS REVIEW:**

During the year under review due to sluggish market condition and financial crisis company faces huge set back. So company not in position to generate any revenue from the operation but due to some fixed cost company posted Net Loss of Rs. 6,98,049/-.

The management has taken measures as part of its continuous improvements to strengthen operations and viability.

**DIVIDEND:**

Your Directors have not declared any dividend during the year under review due to loss incurred.

**FIXED DEPOSIT:**

The Company has not accepted any deposit from the public pursuant to the provisions of Section 58A of the Companies Act, 1956.

**DIRECTORS:**

MR. VIPUL SHANTILAL TRIVEDI Director of the Company is retires by rotation at the ensuing Annual General Meeting and being eligible, offer himself for reappointment.

MR GULAB AWADHPAL SINGH and MR. RANJAN TABAJI GOPALE were appointed as additional directors of the Company with effect from 06.05.2013 and are eligible for re-appointment as director of the Company at the forthcoming Annual General Meeting and whose period of office will be liable to retire by rotation.

MR. ANAND JIVANLAL PARDESHI and MR. RANJAN TABAJI GOPALE ware resigned as a Director of the Company with effect from 06.05.2013 and 19.08.2013 respectively.

**AUDITORS AND AUDITORS' REPORT:**

M/s. Y. D. & Co., Chartered Accountants, Ludhiana, Statutory Auditors of the Company, hold office until the conclusion of the ensuing Annual General Meeting and are eligible for reappointment. The observations made by the Auditors' in their Auditors' Report and the Notes on Accounts referred to in the Auditors' Report are self-explanatory and do not call for any further comments.

**MANAGEMENT DISCUSSION AND ANALYSIS:**

Management Discussion and Analysis forms part of the Annual Report to the shareholders and it includes discussion on matters as required under the provisions of Clause 49 of the listing agreement forming part of this report is annexed herewith. The Audit Committee of the Company has regularly reviewed internal Control System of the company.

**PARTICULARS OF EMPLOYEES:**

The statement showing particulars of employees under section 217(2A) of the Companies Act, 1956, read with the companies (Particulars of Employees) Rules, 1975, as amended, is not required to be given as there were no employees coming within the purview of this section.

**CORPORATE GOVERNANCE REPORT:**

Your Company has been complying with the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement. A separate report on Corporate Governance along with Auditors' Certificate on compliance with the Corporate Governance norms and stipulated in Clause 49 of the Listing Agreement, forming part of this report is [annexed](#) herewith.

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

The details of conservation of energy, technology absorption etc. as required to be given under Section 217(1)(e) of the Companies Act 1956, are not applicable to our Company, as our Company has not carried out in the manufacturing activities. The foreign exchange earning on account of the operation of the Company during the year was Rs. Nil.

**DIRECTORS' RESPONSIBILITY STATEMENT:**

Pursuant to the provisions of Section 217(2AA) of the Companies Act, 1956, the Directors of your Company confirm that:

- i) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- ii) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were 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 of the profit or loss of the Company for that period;
- iii) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- iv) Directors have prepared the accounts on a "going concern basis".

**ACKNOWLEDGEMENT:**

Your Directors would like to express their sincere appreciation for the assistance and co-operation received from the Banks, Government Authorities, Customers, and Shareholders during the year. Your directors also wish to take on record their deep sense of appreciation for the committed services of the employees at all levels, which has made our Company successful in the business.

**For and on Behalf of the Board  
For, SEVEN HILL INDUSTRIES LIMITED**

**PLACE: MUMBAI  
DATE: 30.08.2013**

**Sd/-  
(KETANBHAI SORATHIYA)  
CHAIRMAN**

**Annexure to Director's Report****MANAGEMENT DISCUSSION ANALYSIS REPORT****Outlook:**

The company is confident in spite of the possible recessionary conditions in the industry it will perform better in view of the strong fundamentals of the Indian companies and hope to improve its Turnover.

**Internal Controls Systems and their adequacy:**

The company has adequate internal control systems to ensure operational efficiency, protection and conservation of resources, accuracy and promptness in financial reporting and compliance of law and regulations. The internal control system is supported by the internal audit process. The Internal Auditor reviews and ensures that the audit observations are acted upon. The Audit Committee of the Board reviews the Internal Audit reports and the adequacy and effectiveness of internal controls.

**Human Resources**

The relationship with the employees continues to be cordial. The Company recognizes the importance and contribution of its employees for its growth and development and constantly endeavors to train nurture and groom its people. The Company puts emphasis on attracting and retaining the right talent. The company places emphasis on training and development of employees at all levels and has introduced methods and practices for Human Resource Development.

**Cautionary Statement:**

Statements in this Management Discussion and Analysis describing the company's objectives, projections, estimates and expectations may be forward looking statement within the meaning of applicable laws and regulations. Actual results might differ materially from those either expressed or implied.

**Annexure to Director's Report****REPORT ON CORPORATE GOVERNANCE FOR THE YEAR ENDED ON 31ST MARCH, 2013****1. THE CORPORATE GOVERNANCE PHILOSOPHY**

Corporate Governance at the Company is by the need to “enhance shareholder value, keeping in view the interests of other stakeholders”. This definition places emphasis on the need to strike a balance at all times between the need to enhance shareholders’ wealth whilst not being detrimental to other stakeholders’ interests. The imperative for Corporate Governance lies not merely in drafting a code of Corporate Governance, but in practicing it to achieve desired results.

**2. BOARD OF DIRECTORS**

The Board of Directors is having non-executive and independent directors as on 31st March, 2013. The Board of Directors is consisting of Three Directors. The Directors manages the day to day affairs of the Company. Non-executive and independent directors did not have any pecuniary relationship of transactions with the company during the period under review. There are no material transactions where they have had personal interests that conflict with that of the Company.

**Numbers of Board Meetings held and the dates on which such meetings were held:**

During the financial year 2012-13 the Board met 6 (Six) times on 23.05.2012, 31.07.2012, 03.08.2012, 03.11.2012, 28.01.2013, 19.03.2013. The maximum gap between two meetings was not more than 4 months.

**Attendance record of Directors attending the Board meetings and Annual General Meetings**

Name of the Director	No. of Board Meetings		Last AGM attended
	Held	Attended	
Mr. Vipul Shantilal Trivedi	6	6	Yes
Mr. Ketanbhai Dineshcnandra Sorathiya	6	6	Yes
*Mr. Anand Jivanlal Pardeshi	6	6	Yes
**Mr. Gulab Awadhpal Singh	6	--	No
#Mr. Ranjan Tabaji Gopale	6	--	No
* Resigned as on 06.05.2013 ** Appointed as on 06.05.2013 # Resigned as on 19.08.2013			
None of the Director is a member in more than 10 Companies and Act as Chairman in more than 5 Companies across all Companies in which he is a Director.			

**3. AUDIT COMMITTEE**

The Audit Committee of the Company presently comprises of three Directors being Mr. Gulab Awadhpal Singh, Mr. Vipul S. Trivedi and Mr. Ketanbhai D. Sorathiya.

**Mr. Vipul S. Trivedi is Chairman of the Committee.**

The role, terms of reference, authority and powers of the audit committee are in conformity with the requirement of Companies Act, 1956, and Listing Agreement.

**Role/ Functions of the Committee:**

- Reviewing with management the annual financial statements before submission to the Board.
- Recommending the appointment and removal of external auditors, fixation of audit fee and also approval for payment for any other services.
- Review of policies relating to risk management – operational and financial.
- Reviewing with the management, external auditors and the adequacy of the internal control system.

**Powers of the Committee:**

- To investigate any activity within its terms of reference.
- To secure attendance of and seek any information from any employee including representative of the prime shareholders (subject to their internal approvals).
- Compliance with accounting standards.
- To obtain outside legal or other professional advice, if necessary.
- To secure attendance of outsiders with relevant expertise, if it considers necessary.
- Compliance with Stock Exchange and legal requirements concerning financial statements.

**Attendance at the Audit Committee Meetings**

During the year the Audit Committee met 4 times on 23.05.2012, 03.08.2012, 03.11.2012, 28.01.2013 attendance of the members as under:

Name	No. of Meeting attended	
	Held	Attended
Mr. Vipul Shantilal Trivedi	4	4
Mr. Ketanbhai Dineshnandra Sorathiya	4	4
*Mr. Anand Jivanlal Pardeshi	4	4
**Mr. Gulab Awadhpal Singh	4	--
* Resigned as on 06.05.2013 ** Appointed as on 06.05.2013		

**4. REMUNERATION COMMITTEE**

As neither remuneration nor sitting fee paid to the director as no remuneration Committee has been set up.

**5. SHAREHOLDERS TRANSFER AND GRIEVANCES COMMITTEE**

This committee consists of three directors namely, **Mr. Gulab Awadhpal Singh, Mr. Vipul S. Trivedi and Mr. Ketanbhai D. Sorathiya.**

**Mr. Ketanbhai D. Sorathiya** is Chairman of the Committee. The committee was constituted to redress shareholders'/ investors' complaints etc. relating to delay in transfer of shares, non-receipt of annual accounts, delay in balance sheet, split-up share certificate, issue duplicate certificate, transmission of shares, dematerialization of shares etc. relating to the shares issued by the Company. **Mr. Ketanbhai D. Sorathiya**, Director of the Company has been authorized by the Board to approve such transfers within the time stipulated under the Listing Agreement. Further the complaints of the above nature are promptly attended by the Compliance Officer.

**Mr. Ketanbhai D. Sorathiya** has been appointed as the Compliance Officer of the Company by the Board of Directors.

There is no pending, unsolved complaint of Shareholders of the Company and no pending Share Transfer.

**6. GENERAL BODY MEETINGS**

Location and time for last 3 years Annual General Meetings:

Financial Year	Location	Date	Time A.M./ P.M.	Special Resolution
22nd 2011-12	202 /B, Gayatri Darshan, Thakur Complex, Kandivali (E), Mumbai.	31.08.2012	02.00 P.M.	-Change of the company
21st 2010-11	202 /B, Gayatri Darshan, Thakur Complex, Kandivali (E), Mumbai.	30.06.2011	12.30 P.M.	NA
20th 2009-10	Shivam Sundaram Hall, 1st Floor, Maruti Towers, Thakur Complex, Kandivali (E), Mumbai.	30.09.2010	11:00 A.M.	NA

No Extra Ordinary General Meeting held during the year. No resolution is proposed by postal ballot at the ensuing Annual general meeting.

**7. DISCLOSURES**

- There are no materially significant related partly transactions i.e. transactions of the Company of material natures, with its promoters, the directors or the managements, their subsidiaries or relatives etc., that may have potential conflict with interest of the Company at large.
- No penalties or strictures were imposed on the Company by the Stock Exchange or SEBI or any statutory authority, on any matter related to capital markers, during the last three years.
- The Company has complied with various rules and regulations prescribed by the Stock Exchange and SEBI during the last three years. No penalties or strictures have been imposed by them on the Company.

**8. CEO/CFO CERTIFICATION** under clause 41 and clause 49 of the Listing Agreement with Stock Exchanges have been submitted to the Board by the CEO and CFO.

**9. MEANS OF COMMUNICATION**

The Company has submitted its quarterly, half yearly and yearly financial results to the Stock Exchanges as well as website of the company immediately after its approval by the Board. The Company did not send the half yearly report to the Shareholders of the Company.

**10. GENERAL SHAREHOLDERS INFORMATION**

Financial Year	1st April to 31st March
Date and time of Annual General Meeting	Monday, 30th September, 2013 at 03:00 P.M.
Venue of Annual General Meeting	41,Ground Floor, Balaji Tower, Shree Shantiniketan, Sector 30A,Opp. Sanpada Railway Station, Vashi (W), Navi Mumbai-400705
Dates of Book Closure	23.09.2013 to 30.09.2013
Listing on Stock Exchange	BSE Limited, Mumbai
Stock Code and Scrip ID	511760 (BSE) and SEVENHILL (BSE)
Demat ISIN No.	INE518D01017
<b>Tentative Calendar for financial year ending 31st March, 2014:</b>	
<b>Quarterly Financial Results</b>	<b>Date of Board Meeting</b>
First Quarterly Results	Last week of July, 2013
Second Quarterly Results	Last week of October, 2013
Third Quarterly Results	Last week of January, 2014
Fourth Quarterly Results	Last week of April, 2014

**11. CATEGORIES OF SHAREOWNERS AS ON 31.03.2013**

Category	No. of Shares Held	Voting Strength (%)
Promoters	Nil	0.00
Resident Individuals	4318155	33.21
Financial Institutions/ Banks	475	0.00
Bodies Corporate	8673270	66.70
NRIs/ OCBs	11300	0.09
Directors Relatives	Nil	0.00
Others	Nil	0.00
<b>Total</b>	<b>13003200</b>	<b>100.00</b>

**12. DISTRIBUTION OF SHAREHOLDING AS ON 31.03.2013**

Share Balance	Holders	% of Total	Total Shares	% of Total
Up to- 5000	1740	78.48	318630	2.45
5001- 10000	184	8.30	153588	1.18
10001- 20000	102	4.60	157816	1.21
20001- 30000	51	2.30	127786	0.98
30001-40000	31	1.40	108025	0.83
40001- 50000	20	0.90	92150	0.71
50001- 100000	40	1.80	274566	2.11
100001 and above	49	2.22	11770639	90.53
<b>Total</b>	<b>2217</b>	<b>100.00</b>	<b>13003200</b>	<b>100</b>

**13. STOCK MARKET DATA**

The monthly movement of Equity Share prices on BSE during the year is summarized below:

Month	Highest (Rs)	Lowest (Rs)
April, 2012	6.19	4.41
May, 2012	6.90	5.99
June, 2012	5.88	5.70
July, 2012	6.52	5.42
August, 2012	6.48	5.06
September, 2012	6.45	5.29
October, 2012	5.60	3.48
November, 2012	4.44	2.76
December, 2012	6.43	4.61
Jan, 2013	7.28	6.02
Feb., 2013	6.32	5.71
March, 2013	5.43	4.09



**14. REGISTRAR AND SHARE TRANSFER AGENT**

M/s. Sharex Dynamic India Private Limited having its registered office at Unit No. 1, Luthra Industrial Premises, 1st Floor, 44-E, M, Vasanti Marg, Andheri-Kurla Road, Safed Pool, Mumbai-400072 is the Registrar & Share Transfer Agent for processing the transfer of securities issued by the Company.

**15. SHARE TRANSFER SYSTEM**

Transfer of Shares in Physical form are registered and dispatched within 3 weeks from the date of their receipts, subject to the documents being valid and complete in all respects. Transfer of shares are processed by the Share Transfer Agents and approved by the Share Transfer Committee called as "Investor / Shareholders Grievance Committee", which meets at frequent intervals. Share transfers are registered and returned within 15 days from the date of receipt, if the relevant documents are complete in all respect.

**16. DEMATERIALIZATION OF SHARES AND LIQUIDITY**

The Equity Shares of your company are traded in compulsory dematerialization form by all investors. The company has entered into agreements with both existing Depositories, National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) enabling the investors to hold shares of the company in electronic form through the depository of their choice.

**17. ADDRESS FOR CORRESPONDENCE:**

41, Ground Floor, Balaji Tower, Shree Shantiniketan, Sector 30A, Opp. Sanpada Railway Station, Vashi (W), Navi Mumbai-400705, Maharashtra, INDIA

**Investors Correspondence/ Complaints to be address to:**

MR. KETANBHAI SORATHIYA Director and Compliance Officer

E-mail: [kosianindustrieslimited@yahoo.com](mailto:kosianindustrieslimited@yahoo.com)

**18. DECLARATION:**

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**CERTIFICATE OF COMPLIANCE WITH THE CODE OF CONDUCT FOR BOARD OF DIRECTORS**

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To

The Members of SEVEN HILL INDUSTRIES LIMITED

This is to confirm that the Board has laid down a Code of Conduct for all Board members and Senior Management of the Company.

The Code of Conduct has also been posted on the website of the Company. It is further confirmed that all Directors and Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct of the Company for the year ended 31st March, 2013, as envisaged in Clause 49 of the Listing agreement with Stock Exchanges.

**For and on Behalf of the Board  
For, SEVEN HILL INDUSTRIES LIMITED**

**PLACE: MUMBAI  
DATE: 30.08.2013**

**Sd/-  
(KETANBHAI SORATHIYA)  
CHAIRMAN**

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**CERTIFICATION ON CORPORATE GOVERNANCE**

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**To the members of SEVEN HILL INDUSTRIES LIMITED:**

We have examined the compliance of conditions of Corporate Governance by **SEVEN HILL INDUSTRIES LIMITED (Formally Known as KOSIAN INDUSTRIES LIMITED)** for the year ended 31st March, 2013, as stipulated in Clause 49 of the Listing Agreement of the Company with the Stock Exchanges.

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

In our opinion and to the best of our information and according to the explanation given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We have been explained that no investor grievances are pending for a period exceeding one month against the Company as per the records maintained by the Company.

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

**PLACE: LUDHIANA  
DATE: 30.08.2013**

**For, Y. D. & Co  
CHARTERED ACCOUNTANTS  
FRN: 018846N**

**Sd/-  
CA RAKESH PURI  
PARTNER  
M. No.: 092728**

**Independent AUDITORS' REPORT TO THE MEMBERS OF SEVEN HILL INDUSTRIES LIMITED (Formally known as KOSIAN INDUSTRIES LIMITED)****Report on the Financial Statements**

We have audited the accompanying financial statements of **SEVEN HILL INDUSTRIES LIMITED (Formally Known as KOSIAN INDUSTRIES LIMITED)** which comprise the Balance Sheet as at 31 March 2013 & the Statement of Profit and Loss and for the year then ended, and a summary of significant accounting policies and other explanatory information.

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

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position & financial performance of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956. 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.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the 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 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:

- i) in the case of the balance sheet, of the state of affairs of the Company as at 31 March 2013;
- ii) in the case of the statement of profit and loss, of the profit for the year ended on that date;
- iii) In the case of 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, issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
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, Statement of Profit and Loss dealt with by this Report are in agreement with the books of account .
- d. in our opinion, the Balance Sheet & Statement of Profit and Loss comply with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956; and
- e. on the basis of written representations received from the directors as on 31 March 2013 and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2013 from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.
- f. Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Companies Act, 1956 nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.

**PLACE: LUDHIANA**  
**DATE: 30.08.2013**

**For, Y. D. & Co**  
**CHARTERED ACCOUNTANTS**  
**FRN: 018846N**

**Sd/-**  
**CA RAKESH PURI**  
**PARTNER**  
**M. No.: 092728**

**The Annexure referred to in paragraph 1 of the Our Report of even date to the members of SEVEN HILL INDUSTRIES LIMITED (Formally known KOSIAN INDUSTRIES LIMITED) on the accounts of the company for the year ended 31st March, 2013.**

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On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we report that:

1. (a) The company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.  
  
(b) As explained to us, fixed assets have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification.  
  
(c) In our opinion and according to the information and explanations given to us, no fixed asset has been disposed during the year and therefore does not affect the going concern assumption.
2. (a) The inventories have been physically verified by the management at reasonable intervals during the year.  
  
(b) The Procedures of physical verification followed by the Management as explained to us are, in our opinion, reasonable and adequate in relation to the size of the company and the nature of its business.  
  
(c) As per information and explanation given to us, the discrepancies noticed on physical verification of inventories have been properly dealt with in the books of accounts.
3. (a) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not granted any loans, secured or unsecured, to companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956. Consequently, the provisions of clauses iii (b), iii(c) and iii (d) of the order are not applicable to the Company.  
  
(b) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not taken loans from companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956. Thus sub clauses (f) & (g) are not applicable to the company.
4. In our opinion and according to the information and explanations given to us, there is generally an adequate internal control procedure commensurate with the size of the company and the nature of its business, for the purchase of inventories & fixed assets and payment for expenses & for sale of goods. During the course of our audit, no major instance of continuing failure to correct any weaknesses in the internal controls has been noticed.
5. a) Based on the audit procedures applied by us and according to the information and explanations provided by the management, the particulars of contracts or arrangements referred to in section 301 of the Act have been entered in the register required to be maintained under that section.  
  
b) As per information & explanations given to us and in our opinion, the transaction entered into by the company with parties covered u/s 301 of the Act does not exceed five lacs rupees in a financial year therefore requirement of reasonableness of transactions does not arise.
6. The Company has not accepted any deposits from the public covered under section 58A and 58AA of the Companies Act, 1956.
7. As per information & explanations given by the management, the Company has an internal audit system commensurate with its size and the nature of its business.
8. As informed to us the company is not required to maintain cost accounts and records as prescribed by Central Government under section 290 (1)(d) of the Companies Act 1956.
9. (a) According to the records of the company, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, cess to the extent applicable and any other statutory

dues have generally been regularly deposited with the appropriate authorities. According to the information and explanations given to us there were no outstanding statutory dues as on 31<sup>st</sup> of March, 2013 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there is no amounts payable in respect of income tax, wealth tax, service tax, sales tax, customs duty and excise duty which have not been deposited on account of any disputes.

10. The accumulated losses at the end of the financial year are not more than 50% of its net worth and it has incurred cash losses of Rs 463793/- during the financial year under report and it has also incurred cash losses in the immediately preceding financial year.
11. Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that, the Company has not defaulted in repayment of dues to a financial institution, bank or debenture holders.
12. According to the information and explanations given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. The Company is not a chit fund or a nidhi /mutual benefit fund/society. Therefore, the provision of this clause of the Companies (Auditor's Report) Order, 2003 (as amended) is not applicable to the Company.
14. According to information and explanations given to us, the Company is trading in Shares, Mutual funds & other Investments. Proper records & timely entries have been maintained in this regard & further investments specified are held in their own name.
15. According to the information and explanations given to us, the Company has not given any guarantees for loan taken by others from a bank or financial institution.
16. Based on our audit procedures and on the information given by the management, we report that the company has not raised any term loans during the year.
17. Based on the information and explanations given to us and on an overall examination of the Balance Sheet of the Company as at 31<sup>st</sup> March, 2013, we report that no funds raised on short-term basis have been used for long-term investment by the Company.
18. Based on the audit procedures performed and the information and explanations given to us by the management, we report that the Company has not made any preferential allotment of shares during the year.
19. The Company has no outstanding debentures during the period under audit.
20. The Company has not raised any money by public issue during the year.
21. Based on the audit procedures performed and the information and explanations given to us, we report that no fraud on or by the Company has been noticed or reported during the year, nor have we been informed of such case by the management.

**PLACE: LUDHIANA**  
**DATE: 30.08.2013**

**For, Y. D. & Co**  
**CHARTERED ACCOUNTANTS**  
**FRN: 018846N**

**Sd/-**  
**CA RAKESH PURI**  
**PARTNER**  
**M. No.: 092728**

<b>BALANCE SHEET AS AT 31ST MARCH 2013</b>			
(Amount in Rupees)			
Particulars	Notes	March 31, 2013	March 31, 2012
<b>I. EQUITY AND LIABILITIES</b>			
<b><u>(1) Shareholder's Funds</u></b>			
(a) Share Capital	2	130032000	130032000
(b) Reserves and Surplus	3	6335117	7033166
<b><u>(2) Share Application money pending allotment</u></b>		00	00
<b><u>(3) Non-Current Liabilities</u></b>			
Other Long Term Liabilities	4	00	303203
<b><u>(4) Current Liabilities</u></b>			
(a) Short-Term Borrowings	5	00	33750000
(b) Other Current Liabilities	6	4546	4546
(c) Short-Term Provisions	7	2728008	2718008
<b>Total Equity &amp; Liabilities</b>		<b>139099671</b>	<b>173850923</b>
<b>II. ASSETS</b>			
<b><u>(1) Non-Current Assets</u></b>			
(a) Fixed Asset	8		
(i) Gross block		3112370	3112370
(ii) Depreciation		3106290	3040506
(iii) Net block		6080	71864
(b) Non-current investments	9	21000000	21286160
(c) Deferred tax assets (net)		945075	945075
(d) Long term loans and advances	10	64931231	111468876
(e) Other non-current assets	11	12108721	12277194
<b><u>(2) Current Assets</u></b>			
(a) Current investments	12	20406200	8000000
(b) Inventories	13	16498420	16498420
(c) Cash and cash equivalents	14	102635	202025
(d) Short-term loans and advances	15	3101309	3101309
<b>Total Assets</b>		<b>139099671</b>	<b>173850923</b>
<b>Notes to Accounts</b> <span style="float: right;">1 to 30</span>			
Schedules referred to above and notes attached there to form an integral part of Balance Sheet			
This is the Balance Sheet referred to in our Report of even date.			
For Y. D. & Co.		FOR AND ON BEHALF OF THE BOARD	
CHARTERED ACCOUNTANTS			
Firm Reg. No. 018846 N			
Sd/-	Sd/-	Sd/-	
(CA RAKESH PURI)	KETAN SORATHIYA	VIPUL TRIVEDI	
PARTNER/ Membership No. 092728	(DIRECTOR)	(DIRECTOR)	
Place: Ludhiana	Place: Mumbai		
Date: 30.08.2013	Date: 30.08.2013		

PROFIT & LOSS STATEMENT FOR THE PERIOD ENDED ON 31ST MARCH, 2013				
(Amount in Rupees)				
Sr. No	Particulars	Notes	2012-13	2011-12
I	Revenue from operations		00	00
II	Other Income		(82000)	00
III	<b>III. Total Revenue (I + II)</b>		<b>(82000)</b>	<b>00</b>
IV	<b>Expenses:</b>			
	Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	16	00	00
	Employee Benefit Expense	17	177750	30000
	Financial Costs	18	828	386
	Depreciation and Amortization Expense	19	234256	400249
	Other Expenses	20	203215	189317
	<b>Total Expenses (IV)</b>		<b>616049</b>	<b>619952</b>
V	Profit before exceptional and extraordinary items and tax	(III - IV)	<b>(698049)</b>	<b>(619952)</b>
VI	Exceptional Items (Excess provision Added Back)		00	00
VII	Profit before extraordinary items and tax		<b>(698049)</b>	<b>(619952)</b>
VIII	Extraordinary Items		00	00
IX	Profit before tax (VII - VIII)		<b>(698049)</b>	<b>(619952)</b>
X	<b>Tax expense:</b>		00	00
XI	Profit(Loss) from the period from continuing operations	(IX-X)	<b>(698049)</b>	<b>(619952)</b>
XII	Profit/(Loss) from discontinuing operations		00	00
XIII	Tax expense of earlier period		00	00
XIV	Profit/(Loss) from Discontinuing operations	(XII - XIII)	<b>00</b>	<b>00</b>
XV	Profit/(Loss) for the period (XI + XIV)		<b>(698049)</b>	<b>(619952)</b>
XVI	Earning per equity share:			
	(1) Basic		(0.05)	(0.05)
	(2) Diluted		(0.05)	(0.05)
<b>Notes to Accounts</b> <span style="float: right;"><b>1 to 30</b></span>				
Notes referred to above and notes attached there to form an integral part of Profit & Loss Statement				
This is the Profit & Loss Statement referred to in our Report of even date.				
For Y. D. & Co.		FOR AND ON BEHALF OF THE BOARD		
CHARTERED ACCOUNTANTS				
Firm Reg. No. 018846 N				
Sd/-	Sd/-	Sd/-		
(CA RAKESH PURI)	KETAN SORATHIYA	VIPUL TRIVEDI		
PARTNER/ Membership No. 092728	(DIRECTOR)	(DIRECTOR)		
Place: Ludhiana	Place: Mumbai			
Date: 30.08.2013	Date: 30.08.2013			



<b>CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2013</b>		
( Amount in Rupees)		
	2012-13	2011-12
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit/(Loss) before Tax and Extra Ordinary Items	(698049)	(619952)
<b>Add:</b> Depreciation	65784	231777
Preliminary Exp. Written off	00	00
<b>Operating Profit before Working Capital Changes</b>	<b>(632265)</b>	<b>(388175)</b>
<b>Adjustment For</b>		
Changes in Non-Current Assets & Loan & Advances	46706118	(24777448)
Change in Provision	00	10000
Change in Trade payable	00	00
Net Changes in working capital	46706118	(24767448)
Tax paid	00	00
<b>Net cash from Operating Activities (A)</b>	<b>46073853</b>	<b>(25155623)</b>
<b>B CASH FLOWS FROM INVESTING ACTIVITIES :</b>		
Purchases/sale of Investment	(12120040)	(8000000)
<b>Net cash flow from Investing Activities (B)</b>	<b>(12120040)</b>	<b>(8000000)</b>
<b>C Cash Flow From Financing Activities</b>		
Taken/Repayment of borrowings	(33750000)	33250000
<b>Net Cash Received From Financing Activities (C)</b>	<b>(33750000)</b>	<b>33250000</b>
<b>Net Increase/(Decrease) in Cash &amp; Cash Equivalent(A+B+C)</b>	<b>203813</b>	<b>94377</b>
Opening cash & cash equivalent	107649	107649
Closing cash & cash equivalent	311462	202025
<b>Notes :</b>		
1. The Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Accounting Standard 3 "Cash flow Statements" Issued by the ICAI.		
2. Previous Year's figures have been reclassified to confirm with current year's presentation, where applicable		
This is the Cash Flow Statement referred to in our report of even date.		
<b>For Y. D. &amp; Co.</b>	<b>FOR AND ON BEHALF OF THE BOARD</b>	
<b>CHARTERED ACCOUNTANTS</b>		
<b>Firm Reg. No. 018846 N</b>		
<b>Sd/-</b>	<b>Sd/-</b>	<b>Sd/-</b>
<b>(CA RAKESH PURI)</b>	<b>KETAN SORATHIYA</b>	<b>VIPUL TRIVEDI</b>
<b>PARTNER/ Membership No. 092728</b>	<b>(DIRECTOR)</b>	<b>(DIRECTOR)</b>
<b>Place: Ludhiana</b>	<b>Place: Mumbai</b>	
<b>Date: 30.08.2013</b>	<b>Date: 30.08.2013</b>	

<b>Notes on Financial Statements for the year ended 31st March 2013</b>
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**Note: 1 SIGNIFICANT ACCOUNTING POLICIES:**

The Accounts are prepared on an accrual basis except otherwise stated and under the historical cost conventions, and are in line with the relevant laws as well as the guidelines prescribed by the Department of Company affairs and the Institute of Chartered Accountants of India.

- (A) **SYSTEM OF ACCOUNTING:** The Company has adopted the accrual basis of accounting in the Preparation of the books of accounts.
- (B) **REVENUE RECOGNITION:** The Company generally follows the mercantile system of accounting and recognizes income on an accrual basis except those with significant uncertainties.
- (C) **EXPENSES:** It is Company's policy to account of expenses on accrual basis.
- (D) **TAXATION & DEFERRED TAX ASSETS & LIABILITIES:**
- (1) Provision for current tax is made in the accounts on the basis of estimated tax liability as per the applicable provisions of the Income Tax Act, 1961.
  - (2) The deferred tax for the timing difference between the book profit and tax profit for the year is accounted for using the tax rates and laws that have been enacted or substantially enacted as of the extent there is virtual certainty that these would be realized in future and are reviewed for the appropriateness of there respective carrying values at each balance sheet date.
- (E) **FIXED ASSETS:** Fixed Assets are carried out at the cost of acquisition less accumulated depreciation. The cost of the fixed assets includes taxes & duties & freight and other incidental expenses related to the acquisition and installation of the respective assets. Borrowing cost directly attributable to acquisition or construction of those fixed assets which necessarily take the substantial period of the time to get ready for their intended use, are capitalized.
- (F) **DEPRECIATION & AMORTIZATION:** Depreciation on intangible assets is provided for on the Straight Line Method as per the rates prescribed under schedule XIV of the Companies Act, 1956. Depreciation is calculated on a pro rata basis from the date of installment/ acquisition till the date the assets are sold or disposed. Individual low cost assets (acquired for the less than Rs. 5000/-) are depreciated within a period of acquisition
- (G) **INVESTMENTS:** Long Term Investments are stated at Cost. Provision for diminution in the value of long term investments is made only if such decline is other than temporary in the opinion of the management.
- (H) **VALUATION OF INVENTORIES:** Traded Goods are valued at cost. Cost of inventories comprises all cost of Purchase, cost of conversion and other cost incurred in bringing the inventories to their present location and condition.

**Note : 2 Share Capital**

		Rs.	Rs.
Sr. No	Particulars	Current Year	Previous Year
1	<b><u>AUTHORIZED CAPITAL</u></b> 3,00,00,000 Equity Shares of Rs. 10/- each	300,000,000	300,000,000
		300,000,000	300,000,000
2	<b><u>ISSUED , SUBSCRIBED &amp; PAID UP CAPITAL</u></b> 30,03,200 Equity Shares of Rs 10/- each Add: During the year issued on preferential basis allotment of equity share capital	30,032,000	30,032,000
		100,000,000	100,000,000
	<b>Total in</b>	<b>130,032,000</b>	<b>130,032,000</b>

**Note : 3 Reserve & Surplus**

Sr. No	Particulars	Rs.	Rs,
		Current Year	Previous Year
1	Other Reserve (General Reserve)	10,012,800	10,012,800
2	Surplus (Profit & Loss Account)	(3677683)	(2,979,634)
	Balance brought forward from previous year	(2979634)	(2359682)
	Less: Tax on Regular Assessment Paid	00	00
	Add: Profit for the period	(698049)	(619952)
	<b>Total in</b>	<b>6335117</b>	<b>7033166</b>

**Note : 4 Other Long Term Liabilities:**

1	Deferred Payment Liabilities	00	00
2	Loans From Directors	00	00
3	Other Creditors	00	303,203
	<b>Total in `</b>	<b>00</b>	<b>303,203</b>

**Note : 5 Short Term Borrowings( Unsecured)**

1	Advances Received	00	33,750,000
	<b>Total in</b>	<b>00</b>	<b>33,750,000</b>

**Note: 6 Other Current Liabilities**

1	Advance From Customers Unclaimed Dividend (1994-1995)	4,546	4,546
	<b>Total in `</b>	<b>4,546</b>	<b>4,546</b>

**Note : 7 Short Term Provisions**

1	TDS Payable	(373)	(373)
2	Service Tax Payable	93,818	93,818
3	Provision for FBT	7,235	7,235
4	Provision for Taxation	2,536,453	2,536,453
5	CST Payable	70,875	70,875
6	Audit Fees Payable	20,000	20,000
	<b>Total in</b>	<b>2,728,008</b>	<b>2,728,008</b>

## Note : 8 Fixed Asset

## I. Fixed Assets

Sr. No	Particulars	Rate	Gross Block				Depreciaton				Net Block	
			Value at the beginning	Addition during the year	Deduction during the year	Value at the end	Value at the beginning	Addition during the year	Deduction during the year	Value at the end	WDV as on 31.03.2013	WDV as on 31.03.2012
<b>I</b>	<b><u>Tangible Assets</u></b>											
1	Furnitures & Fixtures	18.10%	536,964	--	--	536,964	500,891	33,988	--	534,879	2,085	36,073
2	Office Equipment	20.00%	418,251	--	--	418,251	391,619	22,637	--	414,256	3,995	26,632
3	Computer	40.00%	2,157,155	--	--	2,157,155	2,147,996	9,159	--	2,157,155	--	9,159
	<b>SUB TOTAL (A)</b>		<b>3,112,370</b>	<b>--</b>	<b>--</b>	<b>3,112,370</b>	<b>3,040,506</b>	<b>65,784</b>	<b>--</b>	<b>3,106,290</b>	<b>6,080</b>	<b>71,864</b>
	(Previous Year)		3,112,370	--	--	3,112,370	2,808,729	231,777	--	3,040,506	71,864	303,641

**Note : 9 Non Current Investment**

Sr. No	Particulars	Rs.	
		Current Year	Previous Year
1	Investment in Equity Instrument( At Cost)		
	<b>Quoted</b>	00	00
	<b>Unquoted</b>		
	Jiwarka Industries Private Limited	21,000,000	21,000,000
	Sai Flipped Coil Limited	00	286,160
	<b>Total in</b>	<b>21,000,000</b>	<b>21,286,160</b>

**Note : 10 Long Term Loans and Advances**

1	Other Loans & Advances	64,931,231	111,468,876
	<b>Total in `</b>	<b>64,931,231</b>	<b>111,468,876</b>

**Note : 11 Other Non Current Assets**

1	Long Term Trade Receivables		
	a) Secured, Considered Good :		
	b) Unsecured, Considered Good	11,266,361	11,266,362
2	Others	842,360	1,010,832
	<b>Total in</b>	<b>12,108,721</b>	<b>12,277,194</b>

**Note : 12 Current Investment**

1	Investment in Equity		
	-Quoted	00	00
	-Unquoted		
	Prakasuli Shares	7,500,000	00
	Pan Infosystem PLtd	406,200	00
	Gace Spining	12,500,000	00
	Madhur Knitcraft P.Ltd	00	5,000,000
	Varun Casting P.Ltd	00	3,000,000
		20,406,200	8,000,000
	<b>Total in</b>	<b>20,406,200</b>	<b>8,000,000</b>

**Note: 13 Inventories**

1	Closing Stock Of Shares & Securities (As taken, valued and certified by the Directors )	00	00
	Stock in Trade - Diamonds	14,183,600	14,183,600
	Stock in Trade - Securities	2,314,820	2,314,820
	<b>Total in `</b>	<b>16,498,420</b>	<b>16,498,420</b>

**Note: 14 Cash & Cash Equivalent**

1	<b>Cash-in-Hand</b>		
	Cash Balance	11,623	128,775
	<b>Sub Total (A)</b>	<b>11,623</b>	<b>128,775</b>
2	<b>Bank Balance</b>		
	Bank Of India	9,147	9,722
	HDFC Bank	18,337	00
	Icici Bank	16,810	16,810
	The Federal Bank	40,947	40,947
	The Federal Bank	5,771	5,771
		<b>91,012</b>	<b>73,250</b>
	<b>Sub Total (B)</b>	<b>102,635</b>	<b>202,025</b>

**Note : 15 Short Terms Loans and Advances**

Sr. No	Particulars	Rs.	
		Current Year	Previous Year
1	Others		
	Advance Recoverable in cash or in kind or for value to be considered good		
	Advance Income Tax/Refund Due	3,101,309	3,101,309
	Other Loans & Advances	-	-
	<b>Total in</b>	<b>3,101,309</b>	<b>3,101,309</b>

**Note : 16 Change in Inventories**

1	Opening Stock	16,498,420	16,498,420
2	Closing Stock	16,498,420	16,498,420
	<b>Total in `</b>	<b>00</b>	<b>00</b>

**Note : 17 Employment Benefit Expenses**

1	Salaries, Bonus, PF & ESIC	177,750	30,000
2	Staff Welfare	00	00
	<b>Total in</b>	<b>177,750</b>	<b>30,000</b>

**Note : 18 Financial Cost**

1	Bank Charges	828	386
	<b>Total in `</b>	<b>828</b>	<b>386</b>

**Note : 19 Depreciation & Amortised Cost**

1	Depreciation	65,784	231,777
2	Preliminary Expenses W/O	168,472	168,472
	<b>Total in `</b>	<b>234,256</b>	<b>400,249</b>

**Note : 20 Other Expenses**

1	Advertisement & Publicity	00	83,321
2	Annual Custody Fees	25,469	00
3	Auditors Remuneration	10,000	10,000
4	Electricity Expenses	00	18,000
5	Legal & Stamp Exp.	100,000	00
6	Listing Fees	27,575	12,214
7	Membership & Subscription	00	13,236
8	Misc. Expenses	5,200	14,134
9	Office Rent	00	60,000
10	Postage Telegram & Courier Charges	00	34,471
11	Printing And Stationery Exp.	2,573	73,842
12	Professional Charges	8,500	158,376
13	ROC Fees	00	6,000
14	Share Trans. & Connect. Exps.	10,000	33,773
15	Sitting Fees	00	8,000
	<b>Total in `</b>	<b>189,317</b>	<b>525,367</b>

**Note: 21** Basic and Diluted Earnings per share (EPS). Computed in accordance with Accounting Standard (AS) 20 "Earning per Share"

Particulars	31.03.2013	31.03.2012
Numerator - Profit / (Loss) after Tax Rs.	(648049)	(619952)
Denominator	13003200	13003200
Weighted average number of No Equity shares		
EPS (Basic & Diluted)	(0.05)	(0.40)

**Note: 22** Payment to Auditor's

	2012-13	2011-12
For Audit	10000	10000

**Note: 23** Loans and advances are subject to confirmation, reconciliation and adjustments, if any in the opinion of the Directors the Current Assets, Loans & Advances will realize the value stated in the Balance Sheet if realized in ordinary course of business.

**Note: 24** Cash on hand is as certified by the Management of the Company.

**Note: 25** We have verified the vouchers and documentary evidences wherever made available. Where no documentary evidences were available, we relied on the authentication, explanation, information given by the management.

**Note: 26** Figures have been rounded off in the nearest rupee.

**Note: 27** Previous year's figures have been regrouped or rearranged, wherever necessary to make them comparable with the current year.

**Note: 28** Financial Services activities are carried as a division in the name of Shivom Financial Services.

**Note: 29** Quantities details in pursuance to part II, schedule VI of the companies Act 1956.

Class of Shares/ Securities	Opening Stock		Purchases		Sales/ Return		Closing Stock		
	UNIT	QTY	VALUE	QTY	VALUE	QTY	VALUE	QTY	VALUE
	No		(Rs. in Lacs)						
Current Year	--	230600	23.14	--	--	--	--	230600	23.14
Prev. Year	--	(330600)	(33.05)	--	--	(100000)	(9.91)	(230600)	(23.14)
Diamond									
Current Year		1375	141.84	0	0	0	0	1375	141.84
Prev. Year		(1375)	(141.84)	(0)	(0)	(0)	(0)	(1375)	(141.84)

**Note: 30** Related Party Disclosure: No Related Party transaction as required by Accounting Standard 18 "Related Party Disclosure" issued by the ICAI.

As per our attached report even date

For Y. D. & Co.

CHARTERED ACCOUNTANTS

Firm Reg. No. 018846 N

Sd/-

(CA RAKESH PURI)

PARTNER/ Membership No. 092728

Place: Ludhiana

Date: 30.08.2013

FOR AND ON BEHALF OF THE BOARD

Sd/-

KETAN SORATHIYA

(DIRECTOR)

Place: Mumbai

Date: 30.08.2013

Sd/-

VIPUL TRIVEDI

(DIRECTOR)

## SEVEN HILL INDUSTRIES LIMITED

(Formally Known as KOSIAN INDUSTRIES LIMITED)

Reg. Office Address: 41, Ground Floor, Balaji Tower, Shree Shantiniketan, Sector 30a, Opp. Sanpada Railway Station,  
Vashi (W), Navi Mumbai-400705

## 23RD ANNUAL GENERAL MEETING

On 30.09.2013 at 03.00 p.m. at registered office of the company

DP. Id*		Name & address of the registered shareholder
Client Id*		
Regd. Folio No.		

\* Applicable for shareholding in electronic form.

I/We certify that I/We am/are a registered shareholder / proxy for the registered shareholder of the Company. I/We hereby record my/our presence at the 23rd Annual General Meeting of the Company

\_\_\_\_\_  
*Signature of Member/s/ Proxy***NOTE:** A member or his duly appointed Proxy willing to attend the meeting must fill-up this Admission Slip and hand over at the entrance.

✂-----Cut Here-----

## FORM OF PROXY

## SEVEN HILL INDUSTRIES LIMITED

(Formally Known as KOSIAN INDUSTRIES LIMITED)

Reg. Office Address: 41, Ground Floor, Balaji Tower, Shree Shantiniketan, Sector 30a, Opp. Sanpada Railway Station,  
Vashi (W), Navi Mumbai-400705

## 23RD ANNUAL GENERAL MEETING

On 30.09.2013 at 03.00 p.m. at registered office of the company

I/We .....

\of.....

Member / Members of SEVEN HILL INDUSTRIES LIMITED hereby  
appoint..... of .....of failing him/  
her..... of .....as my/

our Proxy to attend and vote for me/us on my/ our behalf at the 23rd Annual General Meeting of the Company to be held on 30.09.2013 at 03:00 p.m. at registered office of the company and at any adjournment thereof.

Signed on this .....day of .....2013.

Affix  
Revenue  
Stamp

Signature .....

Ref. Folio No		Demat Account No		D.P. ID No	
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**NOTE:**

1. The Proxy need NOT be a Member.
2. The Proxy Form must be deposited at the Registered Office not less than 48 hours before the scheduled time for holding the meeting.



# BOOK-POST



**If undelivered, please return to:**

**SEVEN HILL INDUSTRIES LIMITED**

**(Formally known as KOSIAN INDUSTRIES LIMITED)**

**Reg. Office Address: 41, Ground Floor, Balaji Tower, Shree Shantiniketan, Sector 30A, Opp. Sanpada Railway Station, Vashi (W),  
Navi Mumbai-400705**

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