

N.D. METAL
INDUSTRIES LIMITED

www.ndmil.com

28th Annual Report

Financial Year 2012-2013
Assessment Year 2013-2014

NOTICE

NOTICE is hereby given that the **28th Annual General Meeting** of **N. D. METAL INDUSTRIES LIMITED** will be held on Friday, the 28th September, 2013 at the Registered Office of the Company at 10.00 A.M. to transact the following business:

ORDINARY BUSINESS:

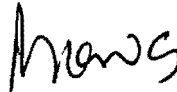
1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2013, Profit and Loss Account for the year ended on that date and the Reports of the Directors and the Auditors thereon.
2. To Re-appoint Harsh Rekha Garg, a Director of the Company who retires by rotation and being eligible, offers herself for reappointment.
3. To declare dividend on equity share.
4. To appoint Auditors 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 fix their remuneration.

Place: Mumbai.

Dated: 2nd September, 2013.

Registered Office:
417, Maker Chamber V,
Nariman Point,
Mumbai - 400 021.

BY ORDER OF THE BOARD OF DIRECTORS



AJAY KUMAR GARG
(Chairman & Managing Director)

Encl.: Notes.

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.
2. Proxies in order to be effective should be duly completed and signed and must be deposited at the Registered Office of the Company not less than 48 hours before the meeting.
3. The Register of Members and Share Transfer Books of the Company remained closed from 20st September, 2013 to 28th September, 2013 (both days inclusive).

DIRECTOR'S REPORT

To The Members of
N. D. METAL INDUSTRIES LTD.

Your Directors have the pleasure in presenting their 28th Annual Report together with Audited Accounts of the Company for the year ended 31st March, 2013.

FINANCIAL RESULTS:

Particulars	2012-2013 ₹	2011-2012 ₹
Net Sales & Other Income	2,32,39,708	22,05,12,027
Profit before Depreciation & Taxes	58,85,686	(32,26,275)
Depreciation	32,02,132	31,94,367
Provision for Taxation & Fringe Benefit Tax	2,51,303	4,75,000
Deferred Tax Assets(+)/Liability(-)	-	-
Profit after tax	24,32,251	(68,95,642)
Profit/(Loss) brought forward from Previous Year	38,04,601	1,07,55,403
Profit available for appropriation	62,36,852	38,59,761

1) LISTING

The Equity Shares of the Company are listed on the Mumbai, Stock Exchange and all the applicable listing fees have been paid upto date.

2) DIVIDEND

The boards of directors do not recommend any dividend for the year.

3) PUBLIC DEPOSIT [Section 58-A]:

The Company has not accepted any deposits from the public within the meaning of Section 58-A of the Companies Act, 1956 in the year under review.

4) PERSONNEL:

During the year, none of the employees was in receipt of remuneration exceeding ₹ 24,00,000 per annum or ₹ 2,00,000 per month and accordingly, the Company has no information to report to the Members under Section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of employees) Rules, 1975, as amended from time to time.

5) PARTICULARS OF DIRECTORS:

Harsh Rekha Garg retiring by rotation at the forth-coming Annual General Meeting and being eligible, offer herself for re-appointment.

6) CORPORATE GOVERNANCE:

The guidelines on Corporate Governance were not applicable to our Company during the Financial Year 2012-13 as our paid up capital is less than 3 Crore.

7) DEMATERIALISATION:

As per the SEBI directives, your Company's shares have been included in the compulsory demat list for trading for all investors w.e.f. 06th May'2001.

8) 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.

- (i) That in the preparation of the accounts for the financial year ended 31st March, 2013, the applicable accounting standards have been followed
- (ii) That 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 the year under review;
- (iii) That the Directors have taken proper and sufficient care for the maintenance of the 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) That the Directors have prepared the accounts for the financial year ended 31st March, 2013 on going concern basis.

9) AUDITOR'S AND THEIR REPORT:

During the year under review M/s. Chaturvedi Sohan & Co., Chartered Accountants, Mumbai tendered their resignation as Statutory Auditors of the Company vide their letter dated April 12, 2013.

M/s. Sudesh & Associates, Chartered Accountants, Mumbai, were appointed as a Statutory Auditor by members in the Extraordinary General Meeting held on April 17, 2013. M/s. Sudesh & Associates, Chartered Accountants, Mumbai, will retire as Statutory Auditors of the Company at the ensuing Annual General Meeting and have given their consent for re-appointment. In terms of the provisions of Section 225 of the Companies Act, 1956, the appointment of Auditors of the Company requires the approval of the shareholders by way of an ordinary resolution. An appropriate resolution has been included in the Notice of the Your Company has received the eligibility certificate under section 224(1B) of the Companies Act, 1956 from M/s. Sudesh & Associates, Chartered Accountants, Mumbai.

The notes to the accounts referred to in Auditors Report are self-explanatory and, therefore, do not call for any further comments.

10) CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGOINGS [Section 217 (e):

Additional information on Conservation of Energy, Technology Absorption, Foreign exchange earnings and outgoings as required to be disclose terms of Section 217(1)(e) of the Companies Act, 1956, is given in the Annexure forming part of this report.

11) ACKNOWLEDGEMENTS:

The Directors thank all those who have contributed their best to the present success of the Company, all the Employees, Customers, Suppliers, Shareholders and Bankers for their sustained support.

FOR AND ON BEHALF OF THE BOARD OF DIRECTOR



**AJAY KUMAR GARG
(Chairman & Managing Director)**

Place: Mumbai.

Date: 2nd September, 2013

ANNEXURE 'A' TO THE DIRECTOR'S REPORT FOR PARTICULARS REQUIRED UNDER THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF THE BOARD OF DIRECTORS) RULES, 1999.

Disclosure of Particulars with respect to Conservation of Energy			
PARTICULARS		2012-2013	2011-2012
A. POWER & FUEL CONSUMPTION AT FACTORY			
1.	Electricity		
	(a) Purchases (Units)	64,970	1,39,209
	Total Amount (₹)	2,18,952	4,69,134
	Rate per Unit (₹/Unit)	3.37	3.37
	(b) Own Generation (Through Diesel Generator)		
	Units in KW	-	-
	Total Amount (₹)	-	-
	Rate per KW (₹/KW)	-	-
2.	Furnace Oil		
	Quantity (In Liters)	-	-
	Total Amount (₹)	-	-
	Average Rate (₹/Liter)	-	-
B. CONSUMPTION PER TONNE OF PRODUCTION			
1.	Electricity (Units)	2924.73	692.67
2.	L.D.O./F.O. (Liter)	0	0

C. TECHNOLOGY ABSORPTION

The Company does not require any additional imported or indigenous technology.

D. RESEARCH & DEVELOPMENT

There is no expenditure under this head nor any benefit accrued there under as no Research & Development work has been carried out during the year under review. There is no immediate plan for Research & Development.

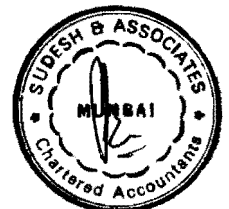
E. FOREIGN EXCHANGE EARNINGS AND OUTGOINGS

	<u>2012-2013</u>	<u>2011-2012</u>
Foreign Exchange Payments		
I) Purchase of Raw Material (In ₹)	Nil	Nil
II) Foreign Travelling & Training Exps (In ₹)	3,10,253	1,08,162

AUDITOR'S REPORT

To,
The Member's of
N.D.METAL INDUSTRIES LIMITED

1. We have audited the attached Balance Sheet of N.D.METAL INDUSTRIES LIMITED as at 31st March, 2013 and also the Statement of Profit & Loss and Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurances about whether the financial statements are free of material misstatements. An audit includes examining, on test basis, evidence supporting the amounts and disclosure in the financial statements. An audit also includes assessing the accounting principle used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003, issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said order to the extent applicable.
4. Further to our comments in the Annexure referred to in paragraph 3 above, 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. In our opinion proper books of Account as required by the law have been kept by the Company so far as appear from our examination of such books.
 - b) The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this report are in agreement with the books of Accounts.
 - (c) In our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in Section 211(3C) of Companies Act, 1956, except
 - *Accounting Standard 15 (Employee benefits) provision of gratuity is not made in accordance with accounting standard 15(revised)*
 - (d) *Note 25 relating to one time settlement (OTS) made with lender, resulting in waiver of disputed interest for the year, whose benefit has been credited by the Company to the profit and loss account prior to the fulfilment of the condition of settlement. Taking of such credit which has not yet accrued to the Company, has reduced the loss by Rs 3,85,35,669/- and its equivalent effect on the reserve and surplus of the Company.*
 - (e) On the basis of the written representation received from the directors, and taken on record by the Board of Directors, we report that none of the Directors are disqualified as on 31st March, 2013 from being appointed as a director in the terms of clause (g) of sub section (1) of section 274 of the Companies Act, 1956;



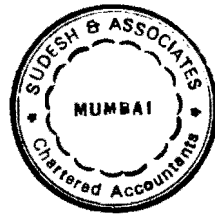
(f) We draw your attention to Note no. 1 (Significant Accounting policies) of clause 5 to 9 forming part of Notes to Accounts as we are unable to comments on the same and Subject to above in our opinion and to the best of our information and according to the explanations given to us, the said accounts read with significant accounting policies and other notes thereon, give the information as required by the Companies Act, 1956 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 Balance Sheet, of the State of Affairs of the Company as at 31st March 2013 and
- ii. In the case of Statement of Profit and Loss, of the profit for the year ended on that date and
- iii. In case of Cash Flow Statement, of the cash flows for the year ended on that date.

For SUDESH & ASSOCIATES
Chartered Accountants
Firm Regn.No.131970W



CA. Sudesh R. Shetty
(Proprietor)
M.No. 103550



Place: Mumbai

Date: 2nd September,2013.

ANNEXURES TO AUDIT REPORT

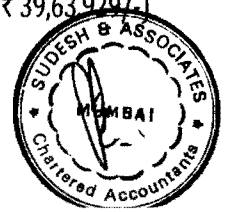
N.D.METAL INDUSTRIES LIMITED

Annexure referred to in paragraph 3 of our report to the members of M/S. **N.D.METAL INDUSTRIES LIMITED as at 31st March, 2013**, as required by The Companies (Auditor's Report) Order, 2003 and amendments thereto and according to the information and explanations given to us during the course of audit & on the basis of such checks of the books & records as were considered appropriate, we report that;

- i) In respect of its fixed assets:
- (a) The Company has maintained proper records showing full particulars including quantitative details and situation of Fixed Assets.
 - (b) As informed to us the management has physically verified the fixed assets during the year in accordance with a program of verification, which in our opinion provides for physical verification of the fixed assets at reasonable intervals. According to the information and explanations given to us no material discrepancies were noticed on such verification.
 - (c) In our opinion and according to the information and explanations given to us, the company has not made any substantial disposals during the year.
- ii) In respect of its inventories:
- (a) The inventory has been physically verified by management during the year. In our opinion the frequency of verification is reasonable.
 - (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management were reasonable and adequate in relation to the size of the Company and the nature of its business.
 - (c) In our opinion and according to the information and explanations given to us, the Company has maintained proper records of its inventories and no material discrepancies were noticed on physical verification.
- iii) In respect of loans, secured or unsecured granted or taken by the Company to /from companies firm or other parties covered in the register, maintained u/s. 301 of the Companies Act 1956:

During the year under audit, company has granted loan to company covered under register maintained u/s. 301 of the Companies act 1956 in the respect of which maximum balance outstanding is ₹ 4,98,10,152/- (previous year ₹ 4,98,10,152/-) and year-end balance is ₹ 4,98,10,152/- (previous year ₹ 4,98,10,152/-)

- (a) In our opinion and according to the information and explanation given to us, the terms and conditions are not prima facie prejudicial to the interest of the company however we are unable to comment on the same.
- (b) As per the information and explanations given to us, the above loans are repayable on demand and there is no repayment schedule.
- (c) The company has taken loans from parties covered under register maintained u/s. 301 of the Companies act 1956 in respect of which maximum balance outstanding is ₹ 39,63,929 /- (previous year ₹ 39,63,929/-) year end balance is ₹ 39,63,929 /- (previous year ₹ 39,63,929/-).



- (d) In our opinion and according to the information and explanation given to us, the terms and conditions are not prima facie prejudicial to the interest of the company.
- (e) As per the information and explanations given to us, the above loans are repayable on demand and there is no repayment schedule.
- iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and nature of its business with regards to purchase of inventory, fixed assets & sales of goods.
- v) In respect of transactions entered in the register maintained in pursuance of section 301 of the companies Act, 1956;
- (a) To the best of our knowledge and belief and according to the information and explanations given to us, transactions that needed to be entered into the register have been so entered.
- (b) Transactions made in pursuance of contracts or arrangements entered into the register maintained under section 301 and exceeding the value of five lacs rupees in respect of any party during the year, these in our opinion and according to the information and explanations given to us, have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.
- vi) The company has not accepted any deposits from the public. Therefore, the provisions of section 58A and 58AA of the companies act, 1956, and rules framed there under and the directives issued by the Reserve Bank of India are not applicable.
- vii) *In our opinion and according to the information and explanations given to us, the Company does not have internal audit system commensurate with the size and the nature of its business.*
- viii) *We have reviewed on test check basis and it has been informed that company under process of maintaining of cost records prescribed by the Central Government under Section 209(1) (d) of the Companies Act, 1956.*
- ix) According to the information and explanations given to us, the provisions of the Provident Fund Act and Employees State Insurance Act are not applicable to the Company. Our reporting is limited to the amount of the deduction and the payment of the same.
- (a) The Company has been generally regular in depositing undisputed statutory dues, including Investor Education and Protection Fund, Income Tax, Sales Tax, Wealth-Tax, Service Tax, Customs Duty, Excise Duty and any other statutory dues with the appropriate authorities during the year *except TDS which has not been deposited regularly with appropriate authorities and there were significant delays in large nos. of cases.*
- (b) There are no undisputed amount payable in respect of Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and any other statutory dues outstanding at the year-end for a period of more than six months from the date they became payable as at 31st March, 2013 *except the following, details are as under.*

Sr. No.	Particulars	2012-13	2011-12
		₹	₹
01	Central Sales Tax	-	18,579
02	DVAT	-	31,55,293
03	Service Tax on Rent	-	2,47,500
	Total	-	34,21,072

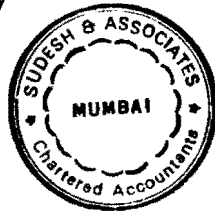


- x) The company does not have accumulated losses at 31st March 2013 (Previous Year ₹ Nil/-) and the Company has not incurred cash losses during the year under Audit but has incurred cash loss in the immediately preceding year.
- xi) According to the information and explanations given to us, the Company has not given any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- xii) In our opinion and according to the explanation given to us, the nature of activities of the company does not attract any special statute applicable to Chit fund and Nidhi / Mutual benefit fund/ Societies.
- xiii) The Company is not dealing or trading in shares, Securities, debentures and other Investment, Accordingly, the provisions clause 4(xiv) of paragraph 4 of the companies (Audited report) Order, 2003 are not applicable to the company.
- xiv) According to the information and explanations given by management, the Company is not dealing or trading in shares, securities, debentures and other investments.
- xv) According to the information and explanations given to us, the company has not given any guarantee for loans taken by others from bank or financial institutions.
- xvi) In our opinion, and according to the information and explanations given to us, and on overall basis, the Term Loans has been applied for the purpose for which it is obtained.
- xvii) According to the information and explanation given to us on the basis of overall examination of the books of the company, we are of the opinion that the Company has not utilized short term funds for Long term Investments.
- xviii) The Company has not made preferential allotment to the parties and Companies Covered in the register maintained u/s 301.
- xix) The Company has not issued any debentures during the year. Therefore the provision of clause (xix) of paragraph of the companies (Auditor's Reports) Order, 2003 is not applicable to the company.
- xx) The Company has not raised any money by public issue during the year. Therefore the provision of clause (xx) of paragraph of the companies (Auditor's Reports) Order, 2003 is not applicable to the company.
- xxi) To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the Company was noticed or reported during the year ended 31st March, 2013.

For SUDESH & ASSOCIATES
Chartered Accountants
Firm Regn.No.131970W



CA. Sudesh R. Shetty
(Proprietor)
M.No. 103550



Place: Mumbai
Date: 2nd September,2013.

N.D. METAL INDUSTRIES LTD

Balance Sheet as at 31st March, 2013

Particulars	Notes	March-2013	March-2012
		₹	₹
I. EQUITY AND LIABILITIES			
1) Shareholders Fund			
a) Share Capital	2	24,800,000	24,800,000
b) Reserves & Surplus	3	11,336,854	8,904,601
2) Non-current Liabilities			
a) Long Term Borrowings	4	4,963,929	4,963,929
b) Long-Term Liabilities	5	6,100,000	6,100,000
3) Current Liabilities			
a) Short Term Borrowings	6	245,051,141	236,158,354
b) Trade Payable	7	191,620,516	217,425,994
c) Other Current Liabilities	8	15,500,989	23,860,466
Total		499,373,429	522,213,344
II. ASSETS			
1) Non-current assets			
a) Fixed Assets			
i) Tangible assets	9	44,433,766	47,297,459
iii) Capital Work-in-progress	9	461,284	461,284
b) Non-Current Investments	10	1,020,000	1,020,000
c) Long-Term Loans and Advances	11	134,555,882	136,245,339
d) Other Non- Current Assets	12	2,503,129	2,176,594
e) Deferred Tax Assets (Net)		8,441,721	8,441,721
2) Current assets			
a) Current Investment	13	16,871,384	20,750,428
b) Inventories	14	100,922,367	100,009,064
c) Trade Receivable	15	97,202,182	133,399,369
d) Cash and Bank Balance	16	640,173	1,943,945
e) Short-Term Loans and Advances	17	92,319,038	70,455,078
f) Other Current Assets	18	2,503	13,063
Total		499,373,429	522,213,344

As per our attached report of even date

For SUDESH & ASSOCIATES

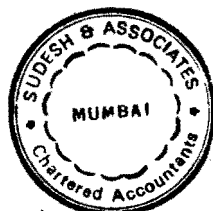
Chartered Accountants

Firm Regn. No. 131970W

CA. Sudesh R. Shetty

(Proprietor)

Membership No. 103550



For and on behalf of the Board of Directors

Ajay Kumar Garg
Director

Harsh Rekha Garg
Director

Place: Mumbai

Date: 2nd September, 2013

N.D. METAL INDUSTRIES LTD

Statement of Profit and Loss for the year ended 31st March 2013

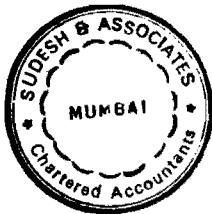
Particulars	Notes	March 2012-13	March 2011-12
		₹	₹
I. Revenue from operations			
Sales	19	18,196,300	205,172,967
Less : Duties and Taxes		523,927	1,907,105
		17,672,373	203,265,862
II. Other Income	20	5,567,335	17,246,165
III. Profit From Patnership		138,956	18,156
III. Total Revenue (I + II)		23,378,664	220,530,183
IV. Expenses:			
Cost of Materials Consumed	21	70,973	696,106
Purchases of Stock-in-Trade	22	13,963,556	111,380,973
Changes in inventories of finished goods, work-in-progress and Stock-in-trade	23	(598,068)	73,109,681
Employee benefits expenses	24	952,200	1,404,194
Finance Cost	25	1,322,425	32,396,173
Depreciation and amortization expenses	9	3,202,132	3,249,527
Loss on Sales of Assets		-	77,534
Other expenses	26	1,781,890	4,691,797
Total		20,695,108	227,005,985
V. Profit before tax (VI-VII)		2,683,556	(6,475,802)
VI. Tax Expenses:			
1) Current tax			475,000
2) Short / Excess Provision		251,303	
X. Profit / (Loss) for the period		2,432,253	(6,950,802)
XI. Earnings per equity share:			
1) Basic		0.10	(0.28)
2) Diluted		0.10	(0.28)

As per our attached report of even date

For SUDESH & ASSOCIATES

Chartered Accountants
Firm Regn. No. 131970W

S R Shetty
CA. Sudesh R. Shetty
(Proprietor)
Membership No. 103550



For and on behalf of the Board of Directors

MKS
Ajay Kumar Garg
Director

H Garg
Harsh Rekha Garg
Director

Place: Mumbai

Date: 2nd September, 2013

N.D. METAL INDUSTRIES LTD
NOTES FORMING PART OF THE ACCOUNTS AS AT 31ST MARCH, 2013

Note 2 Share Capital

Particulars	As at 31st Dec, 2013		As at 31st March 2012	
	Nos.	₹	Nos.	₹
Authorised				
Equity shares of 10 each	10,000,000	100,000,000	10,000,000	100,000,000
Issued, Subscribed & Paid up				
Equity shares of 10 each fully paid	2,480,000	24,800,000	2,480,000	24,800,000
Total	2,480,000	24,800,000	2,480,000	24,800,000

Terms/Right attached to Equity Shares

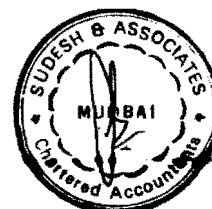
- 1) The Company has only one class of Equity Shares having a par value of ₹ 10 per share. Each holder of Equity Shares is entitled to one vote per share.
- 2) They are also entitled to dividend if proposed by the Board of Directors and approved by the shareholders in the ensuing Annual General Meeting except in case of interim dividend.
- 3) In the event of liquidation, the equity shareholders are entitled to receive the remaining assets of the Company after distribution of all preferential amount, in proportion to their share holding.

a) Reconciliation of Shares

Particulars	As at 31st March 2013		As at 31st March 2012	
	Nos.	₹	Nos.	₹
Share outstanding at the beginning of the year	2,480,000	24,800,000	2,480,000	24,800,000
Share Issued during the year	-	-	-	-
Share bought back during the year	-	-	-	-
Share outstanding at the end of the year	2,480,000	24,800,000	2,480,000	24,800,000

b) Details of Shareholding in excess of 5%

Name of Shareholder	As at 31st March 2013		As at 31st March 2012	
	No.s of shares held	% of Holding	No.s of shares held	% of Holding
N.D. Fiscal Services Pvt Ltd	523,140	21.09%	523,140	21.09%
Ajay Kumar Garg HUF	475,000	19.15%	475,000	19.15%
Harsh Rekha Garg	180,000	7.26%	180,000	7.26%
Ajay Kumar Garg	150,000	6.05%	150,000	6.05%



N.D. METAL INDUSTRIES LTD

NOTES FORMING PART OF THE ACCOUNTS AS AT 31ST MARCH, 2013

Note 3 Reserve & Surplus

Particulars	As at 31st March 2013	As at 31st March 2012
	₹	₹
a) Securities Premium Account		
Closing Balance	2,000,000	2,000,000
b) General Reserve		
Opening Balance	3,100,000	3,100,000
Closing Balance	3,100,000	3,100,000
c) Surplus in Profit and Loss Account		
Opening Balance	3,804,601	10,755,403
Add: Net Profit / (Loss) for the current year	2,432,253	(6,950,802)
Closing Balance	6,236,854	3,804,601
Closing Balance (a+b+c)	11,336,854	8,904,601

Non-Current Liabilities

Note 4 Long term Borrowings

Particulars	As at 31st March 2013	As at 31st March 2012
	₹	₹
Unsecured		
a) From from Related parties	4,963,929	4,963,929
Grand Total	4,963,929	4,963,929

A) Advance/ loans received from related parties include the body corporate in which Shareholder(s), Directors of the company are interested and such loan is repayable after twelve months from Reporting date and the next repayment may fall due on : 31st March 2014. Loan received from related party is considered as interest free loan. Refer to Note No. 30

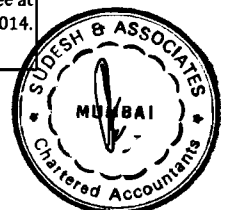
Note 5 Long -term Liabilities

Particulars	As at 31st March 2013	As at 31st March 2012
	₹	₹
Security Deposit repayble to related parties	4,500,000	4,500,000
Security Deposit repayble to Others	1,600,000	1,600,000
Total	6,100,000	6,100,000

Note :1 Security deposit of ₹ 16,00,000 (P.Y. ₹ 16,00,000) received against the Daman property which given on lease , as pe the agreement , lessor received interest free deposit and repay to the lessee at the time of handling over the peaceful possession of the property. The Initial agreement is mentioned , lease period is upto 14th May 2015.

Note :2 Security deposit of ₹ 5,00,000 (P.Y. ₹ 5,00,000) received against the Daman property which given on lease , as pe the agreement , lessor received interest free deposit and repay to the lessee at the time of handling over the peaceful possession of the property. The Initial agreement is mentioned , lease period is upto 2nd April 2027. Refer to Note No. 30

Note :3 Security deposit of ₹ 40,00,000 (P.Y. ₹ 40,00,000) received against the Daman property which given on lease from body corporate in which directors / shareholders of the company is interested , as pe the agreement , lessor received interest free deposit and repay to the lessee at the time of handling over the peaceful possession of the property. The Initial agreement is mentioned , lease period is upto 31st March 2014. Refer to Note No. 30



N.D. METAL INDUSTRIES LTD

NOTES FORMING PART OF THE ACCOUNTS AS AT 31ST MARCH, 2013

Current Liabilities

Note 6 Short Term Borrowings

Particulars	As at 31st March 2013	As at 31st March 2012
	₹	₹
Secured Loan :		
a) Working Capital Term Loan	59,499,579	50,664,118
b) Loan from bank on a/c of DPN	185,551,562	155,802,189
c) Term loan from Bank	-	29,692,047
Total	245,051,141	236,158,354

a) Working Capital Loan and Demand Promissory note (DPN) is from Bank and secured against Hypothecation of /stock of Raw Material , Stock in process, store and spares, all book debts , receivable etc , whether present or future and equitable mortgage of factory land, building and plant & Machinery and guaranteed by a director, and further personal property of director / Shareholders is provided as collateral security. The rate of interest on working capital is BPLR + 1.75% and taxes and other lavies as applicable

b) Term Loan from Bank : Term loan from scheduled banks are secured against hyphothecation of plant & machinery, property situated at Mathura , personal guarantee of directors /shareholders and corporate guarantee of associates concern M/s.N.D. Realtors & Builders Pvt. Ltd.

c) During the F.Y. 2011-12, Company has received letter (Ref No. LVB/147/ GEN/846/ 2011-12) from bank regarding one time settledment of loan. As per the letter , Term loan account of the Bank is closed on 28th March 2013.

d) Bank letter dated : 10th January 2011 having reference no. CR/312/36/2011 NRS , bank is classified working Capital loan and Demand promissory note bank a/c as Non-Performing assets w.e.f 30th July 2010 and now the company has received proposal from the bank vide letter (Ref No. CR/312/459/2013) for One Time Settlement of account by payment of Rs.1615.00 lakhs on or before 26.04.2014 .The company has accepted the proposal and requested the bank for the waiver of interest of Rs. 385.36 lakhs which is under dispute.

e) Bank letter dated : 29th February 2012, having term loan with the bank , permitting to enter in to a compromise settledment i.e one time settledment with the bank and as per the letter, term loan account is to be closed on 31st December 2012. Hence term loan has been considered as short -term borrowing for preparing financial statement as on 31st March 2012.

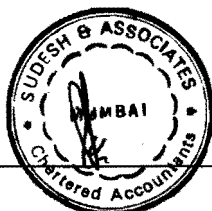
Note 7 Trade Payble

Particulars	As at 31st March 2013	As at 31st March 2012
	₹	₹
Trade Payable	191,620,516	217,425,994
Total	191,620,516	217,425,994

As at 31st March 2013, there are no Small Scale Industrial undertakings to which the Comapany owes a sum for more than thirty days. The Comapany has not received any intimation from "suppliers" regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosure, if any relating to amounts unpaid as at the year together with interest paid/payable as required under the said Act have not been given.

Note 8 Other Current liabilities

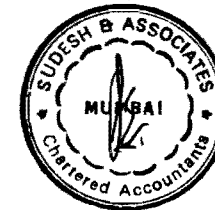
Particulars	As at 31st March 2013	As at 31st March 2012
	₹	₹
Books Over drawn (due to reconciliation)	3,871,070	3,987,493
Statutory Dues	10,469,238	16,240,310
Security Deposit repayable on demand	75,875	75,875
Unclaimed Dividend	64,649	64,649
Expenses Payable	1,020,157	3,492,139
Total	15,500,989	23,860,466



N.D. METAL INDUSTRIES LTD
NOTES FORMING PART OF THE ACCOUNTS AS AT 31ST MARCH 2013

Note : 9

											Amount in ₹	
SR NO	NAME OF THE ASSET	RATE %	01/04/2012 OPENING	ADDITIONS	SOLD / TRANSFER / CAPITAL RECEIPT	TOTAL	01/04/2012 OPENING CUMM DEP	CURRENT DEP	ADJUSTMENT ON A/C OF SALE	CLOSING CUMM DEP/ W/off	31/03/13 CLOSING WDV	31/03/2012 CLOSING WDV
1	Tangible Assets											
	LAND		6,435,434			6,435,434	-		-		6,435,434	6,435,434
	BUILDING (FLAT)	1.63	124,931			124,931	36,144	2,036		38,180	86,751	88,787
	FACTORY BUILDING	3.34%	38,546,011	-	-	38,546,011	15,120,019	1,287,437	-	16,407,456	22,138,555	23,425,992
	PLANT & MACHINERY	4.75%	31,999,768	338,439	-	32,338,207	17,360,013	1,535,362	-	18,895,375	13,442,832	14,639,755
	ELECTRICAL INSTALLATION	4.75%	321,496			321,496	120,787	15,271		136,058	185,438	200,709
	OFFICE EQUIPMENT	4.75%	968,579	-	-	968,579	560,457	45,387	-	605,844	362,735	408,122
	FURNITURE & FIXTURE	6.33%	503,694			503,694	338,607	26,686		365,293	138,401	165,087
	VEHICLES	9.50%	4,144,039	-	-	4,144,039	2,210,467	289,953	-	2,500,420	1,643,619	1,933,572
	COMPUTERS	16.21%	831,524	-	-	831,524	831,523	-	-	831,523	1	1
	Total		83,875,476	338,439	-	84,213,915	36,578,017	3,202,132	-	39,780,149	44,433,766	47,297,459
	Previous Year's Total		88,783,404	64,168	4,972,096	83,875,476	33,722,996	3,249,527	394,506	36,578,017	47,297,459	55,060,408
3	Capital Work In Progress											
	C.W.I.P.-VAPI.	0.00%	461,284	-	-	461,284	-	-	-	-	461,284	461,284
	Total		461,284	-	-	461,284	-	-	-	-	461,284	461,284
	Previous Year's Total		461,284	-	-	461,284	-	-	-	-	461,284	461,284
	Grand Total		84,336,760	338,439	-	84,675,199	36,578,017	3,202,132	-	39,780,149	44,895,050	47,758,743



N.D. METAL INDUSTRIES LTD

NOTES FORMING PART OF THE ACCOUNTS AS AT 31ST MARCH, 2013

Note 10 NON-CURRENT INVESTMENTS

Particulars	As at 31st March 2013	As at 31st March 2012
	₹	₹
Trade Investment		
Investments in partnership firms	1,020,000	1,020,000
Total	1,020,000	1,020,000

Note :

Particular	Profit Sharing Ratio	Total Capital of the firm
Investments in partnership firms : Wind Industries	90.00%	1,030,000

Non-Current Assets

Note 11 Long-term loans and advances

Particulars	As at 31st March 2013	As at 31st March 2012
	₹	₹
a) Deposits		
Deposit - Daman Property	16,000,000	15,000,000
Deposit - against Flat	5,500,000	5,500,000
Deposit - as Security	293,004	303,004
Deposit - with Government Authority	1,427,105	1,427,105
Long-term loans & Advances		
Government Authority	60,266,344	61,032,096
Advance Taxes (Net of Provision)	1,105,977	859,682
Other Advances receivable in cash or kinds or for the value to be received	153,300	2,313,300
Loans to related parties	49,810,152	49,810,152
Total	134,555,882	136,245,339

Note : Deposit of Daman Property and Flat given to the person who is relative of the director(s) / shareholder(s)

Note : Loan to related parties include body corporate in which Directors / Shareholders of the company interested . The management has considered it as long -term loan and advances but no interest charged during the financial year.

Note: Loan and Advances considered as good and subject to confirmation.

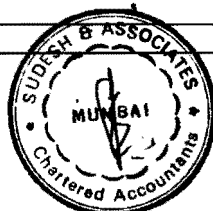
Note : Loan to Related parties : Bandra Merchandisers Pvt Ltd.

Note 12 Other Non- Current Assets

Particulars	As at 31st March 2013	As at 31st March 2012
	₹	₹
Non-current portion of the Fixed deposit (Secured against Margin money)	2,503,129	2,176,594
Total	2,503,129	2,176,594

Note 13 Current Investment

Particulars	As at 31st March 2013	As at 31st March 2012
	₹	₹
Current Account with Partnership Business	16,871,384	20,750,428
Total	16,871,384	20,750,428



N.D. METAL INDUSTRIES LTD

NOTES FORMING PART OF THE ACCOUNTS AS AT 31ST MARCH, 2013

Current Assets

Note 14 Inventories

Particulars	As at 31st March 2013	As at 31st March 2012
	₹	₹
Raw Material	3,682,616	1,101,626
Finished Goods	97,072,689	98,710,583
Consumable	167,062	196,855
Total	100,922,367	100,009,064

(* Values are certified by the Management)

Refer Significant Accounting Policies No. 5

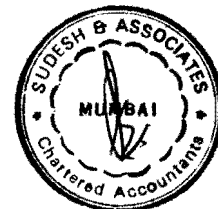
Note 15 Trade Receivables

Particulars	As at 31st March 2013	As at 31st March 2012
	₹	₹
Unsecured Considered Good and subject to Confirmation		
Debtors Outstanding over six months	46,901,791	49,252,259
Other debts	50,300,391	84,147,110
Total	97,202,182	133,399,369

Note 16 Cash and Bank Balances

Particulars	As at 31st March 2013	As at 31st March 2012
	₹	₹
Cash & Cash Equivalents :		
a) Cash on Hands	502,284	812,713
b) Balance with Banks		
In Current Account	137,889	1,131,232
c) Other Bank Balances		
Fixed Deposit more than three months but less than twelve months	-	-
Fixed Deposit more than twelve months	2,503,129	2,176,594
Less: Non-current portion of Fixed deposit transferred to Other Non- Current Assets	2,503,129	2,176,594
Total	640,173	1,943,945

Note : The Margin Money Deposit has original maturity more than 3 months.



N.D. METAL INDUSTRIES LTD

NOTES FORMING PART OF THE ACCOUNTS AS AT 31ST MARCH, 2013

Note 17 Short-term loans and advances

Particulars	As at 31st March 2013	As at 31st March 2012
	₹	₹
a) Advance paid to Suppliers	44,786,629	53,379,579
b) Loans and Advances given to : Employee' Loan	87,600	75,100
c) Other Advances receivable in cash or kinds	47,444,809	17,000,399
Total	92,319,038	70,455,078

Note : Advaces paid to Supplier include , advances given of ₹ 44,786,629/- (Previous Year : ₹ 4,54,46,629/-) to Body corporate in which Company Directors , Shareholders are interested.

Note : Advances to Supplier include business advance given to the related party : Samyak Commercial Pvt Ltd , and Spring Merchandisers Pvt Ltd. for company business purpose

Note : Other Advances receivable in cash or kinds include ₹ 1,195,038/- as rebate on custom duty which has been received before reporting date.

Note : Other Advances receivable in cash or kinds include ₹ 3,85,35,669/- as interest receivable from bank as disputed bank interest , refer note no. 25

Note 18 Other Current Assets

Particulars	As at 31st March 2013	As at 31st March 2012
	₹	₹
Prepaid Expenses	2,503	13,063
Total	2,503	13,063



N.D. METAL INDUSTRIES LTD
NOTES FORMING PART OF THE ACCOUNTS AS AT 31ST MARCH, 2013

Note 19 Revenue from operations

Particulars	For the Year ended 31st March 2013	For the Year ended 31st March 2012
	₹	₹
Sales :		
<u>Manufacturing Sales</u>		
Local Sales	2,159,366	4,643,006
<u>Trading Sales</u>		
Local Sales	16,036,934	200,529,961
	18,196,300	205,172,967

Note 1.1 : Details of products sold :
 Sale of Non -ferrous Metals

Note 20 Other Income

Particulars	For the Year ended 31st March 2013	For the Year ended 31st March 2012
	₹	₹
Interest on FDR	200,796	183,618
Interest on Loan	-	6,758,000
Sundry Balance W/back	-	3,519
Rent Income	4,800,000	4,800,000
Profit On Sale Of Land	-	5,497,444
SAD Refund	-	3,000
Brokerage	-	584
Foreign Exchange Profit	566,539	-
Total	5,567,335	17,246,165

Note 21 Cost of Materials Consumed

Particulars	For the Year ended 31st March 2013	For the Year ended 31st March 2012
	₹	₹
Opening Stock	969,576	1,180,942
Add: Purchases	386,208	484,740
Add : Transfer from Finish goods for further Processing	2,265,755	-
Less: Closing Stock	3,550,566	969,576
Total	70,973	696,106



N.D. METAL INDUSTRIES LTD
NOTES FORMING PART OF THE ACCOUNTS AS AT 31ST MARCH, 2013

Note 22 Purchase of Stock-In-Trade

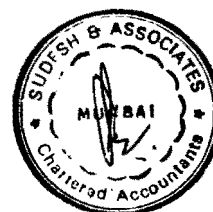
Particulars	For the Year ended 31st March 2013	For the Year ended 31st March 2012
	₹	₹
Purchase	13,963,556	111,380,973
	13,963,556	111,380,973

Note 23 Change in Inventories of Finished Stock and W-I-P

WIP		
Opening Stock	132,050	1,089,926
Less: Closing Stock	132,050	132,050
		(957,876)
Finished Stock		
Opening Stock	98,710,583	170,529,988
Less Transfer for further processing	2,265,755	-
Less: Closing Stock	97,072,689	98,710,583
	627,861	(71,819,405)
Consumable		
Opening Stock	196,855	529,255
Less: Closing Stock	167,062	196,855
	(29,793)	(332,400)
Total	598,068	(73,109,681)

Note 24 Employee Benefits Expenses

Particulars	For the Year ended 31st March 2013	For the Year ended 31st March 2012
	₹	₹
Salary and Wages	574,200	1,013,173
Director's Remuneration	378,000	378,000
Staff Welfare	-	13,021
Total	952,200	1,404,194



N.D. METAL INDUSTRIES LTD
NOTES FORMING PART OF THE ACCOUNTS AS AT 31ST MARCH, 2013

Note 25 Finance Cost

Particulars	For the Year ended 31st March 2013	For the Year ended 31st March 2012
	₹	₹
Bank Charges & Interest	17,360	41,904
Interest Charged on :-		
Bank Interest on Working Capital Term Loan	8,835,461	8,247,533
Bank Interest on Bank Overdraft Account	29,700,208	25,538,378
Bank Interest on Term Loan from Laxmi Vilas Bank	1,305,065	6,568,358
Disputed Bank Interest Receivable	(38,535,669)	(8,000,000)
Total	1,322,425	32,396,173

Note :.The company has booked disputed bank interest receivable from scheduled Banks for ₹ 385.36 lakhs on the basis of letter and proposal dated 2nd May 2013 , given to banks and the same is netted off against Interest and financial charges. Also refer note no. 6 (d).



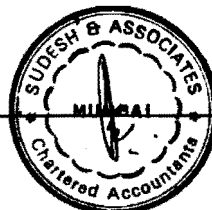
N.D. METAL INDUSTRIES LTD
NOTES FORMING PART OF THE ACCOUNTS AS AT 31ST MARCH, 2013

Note 26 Other Expenses

Particulars	For the Year ended 31st March 2013	For the Year ended 31st March 2012
	₹	₹
Manufacturing Expenses		
Consumption of Stores	75,085	1,457,342
Power and Fuel	218,952	485,535
Repairs - Others	123,016	155,811
Insurance Charges	69,501	48,760
Labour Charges	48,561	100,488
Sorting and Unloading Charges	13,271	106,483
Transport. Octroi & Freight Charges	31,880	388,870
Total	580,266	2,743,289
Administrative Expenses		
Remuneration to Auditors	50,000	50,562
Professional & Legal Fees	208,899	119,771
Rent, Rates & Taxes	84,000	84,000
Travelling & Conveyance	344,200	428,026
Donation	100,000	-
Office Electricity Charges	-	56,470
Printing and Stationery	5,965	26,338
Communication Expenses	30,715	176,773
General & Office Expenses	21,250	27,476
Total	845,029	969,416
Selling & Distribution Expenses :		
Rebate & Discounts	34,011	20,843
Sales Promotion	259,758	524,290
Brokerage & Commission	-	40,000
Transport. Octroi & Freight Charges	5,000	288,863
Total	298,769	873,996
Miscellaneous Expenses	57,826	105,096
Grand Total	1,781,890	4,691,797

Payment to auditors

Particulars	For the Year ended 31st March 2013	For the Year ended 31st March 2012
	₹	₹
As Auditor		
Audit fees	35,000	35,000
Tax Audit fees	15,000	10,000
Reimbursement of Service Tax	-	5,562
Total	50,000	50,562



N.D. METAL INDUSTRIES LTD

NOTES FORMING PART OF THE ACCOUNTS AS AT 31ST MARCH, 2013

Note: 27 Particulars of Holding, Subsidiaries and Associate

Particulars	Country of Incorp.	% of Voting Powers as at 31st March 2013	% of Voting Powers as at 31st March 2012
N.D.Metal Industries Limited is associates with N.D. Fiscal Services Pvt Ltd	India	21.09%	21.09%

Note : 28 Earnings per share (EPS)

The following reflects their profit and share data used in the basic and diluted EPS computation :

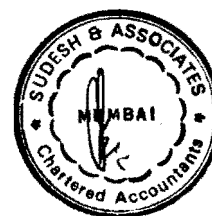
Particulars	31st March 2013	31st March 2012
	₹	₹
Profit/ (loss) after tax	2,432,253	(6,950,802)
No of Shares [Basic]	24,800,000	2,480,000
No of Shares [Diluted]	24,800,000	2,480,000
EPS (Basic)	0.10	-2.80
EPS (Diluted)	0.10	-2.80

Note : 28(a)

Company does not have any Shares with Dilutive effect and thus, Diluted Shares equals to Basic Shares.

Note : 29 CIF Value and Expenditure in Foreign Currencies

	31st March 2013	31st March 2012
	₹	₹
CIF value Raw Material	NIL	NIL
CIF value Foreign Exchange used for Importing of goods	NIL	NIL
	NIL	NIL
Expenditure in Foreign Currencies		
	31st March 2013	31st March 2012
	₹	₹
Foreign Travelling	310,253	108,162
	310,253	108,162
Earning in foreign currency		
	31st March 2013	31st March 2012
	₹	₹
FOB value of Export	NIL	NIL
	NIL	NIL



N.D. METAL INDUSTRIES LTD

NOTES FORMING PART OF THE ACCOUNTS AS AT 31ST MARCH, 2013

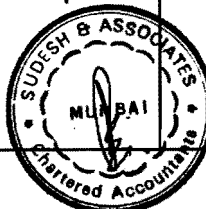
Note : 30 (a) Disclosure of Transactions with Related Parties as required by Accounting Standard 18 :

List of Related Parties and Relationship

Nature of Relationship	Party
Category A : Enterprises under common control and Enterprises in which Key Management Personnel and their relatives are able to exercise significant influence (Other Related Parties)	Bhagyodaya Sales Ltd Spring Merchandisers Pvt Ltd Matsun Castings Pvt Ltd Samyak Commercial Pvt Ltd Ace Merchandisers Pvt Ltd Bandra Merchandisers Pvt Ltd Garg Industries First Sir Exports Pvt Ltd.
Category B : Key Management Personnel	Ajay Kumar Garg Harsh Rekha Garg Raj Kumar Pathak
Category C : Relatives of Key Management Personnel	Gaurav Garg Anirudh Garg
Category D : Proprietary Concern/Firm/Company in which Individuals referred to in Category B and Category C is Proprietor/Partner/Director	Ajay Kumar Garg HUF Wind Industries Neelkamal Builder

Note : 30 (b) Following transaction were carried out with related parties during the period ended 31.03.2013

Sr.No.	Transaction	Year ended	Category A	Category B	Category C	Category D	Total
			₹	₹	₹	₹	₹
1	Sale of Goods	31.03.2013	16,036,934				16,036,934
		31.03.2012	160,921,612				160,921,612
2	Purchase of Goods / Services	31.03.2013	15,095,678				15,095,678
		31.03.2012	91,211,289				91,211,289
3	Security Deposit Taken	31.03.2013	4,500,000				4,500,000
		31.03.2012	4,500,000				4,500,000
4	Security Deposit Given	31.03.2013		5,500,000	2,500,000	12,500,000	20,500,000
		31.03.2012		1,200,000	2,500,000	12,500,000	16,200,000
5	Amount received towards Loans	31.03.2013		1,845,500			1,845,500
		31.03.2012	3,963,929	1,981,770	70,000		6,015,699
6	Amount repaid towards Loans	31.03.2013		1,845,500			1,845,500
		31.03.2012		1,981,000	70,000		2,051,000
7	Amount Paid towards Loans	31.03.2013	1,089,300				1,089,300
		31.03.2012	51,658,152			1,330,000	52,988,152
8	Amount Received towards Loans	31.03.2013	89,300				89,300
		31.03.2012	1,848,000			1,330,000	3,178,000
9	Amount Paid towards Business Advances	31.03.2013	39,500,000				39,500,000
		31.03.2012	39,500,000				39,500,000
10	Credit Balance in Loans	31.03.2013	4,963,929				4,963,929
		31.03.2012	3,963,929				3,963,929
11	Debit Balance in Loan	31.03.2013	20,810,152				20,810,152
		31.03.2012	89,310,152				89,310,152
12	Outstanding receivable	31.03.2013	50,300,391				50,300,391
		31.03.2012	72,166,665				72,166,665
13	Investment in Partnership Firm	31.03.2013				16,871,384	16,871,384
		31.03.2012				20,750,428	20,750,428
14	Profit / Loss from partnership	31.03.2013				138,956	138,956
		31.03.2012				18,156	18,156
15	Interest Received	31.03.2013					
		31.03.2012	6,753,945				6,753,945
16	Director Remuneration	31.03.2013		378,000			378,000
		31.03.2012		378,000			378,000
17	Outstanding Payable	31.03.2013					
		31.03.2012	15,330,000				15,330,000
18	Reburment of Expenses	31.03.2013	515,000				515,000
		31.03.2012	4,162,522				4,162,522
19	Salary & Other Emolument	31.03.2013					
		31.03.2012			121,000		121,000
20	Rent Paid	31.03.2013	18,000		60,000	6,000	84,000
		31.03.2012	18,000		60,000	6,000	84,000



N.D. METAL INDUSTRIES LTD

NOTES FORMING PART OF THE ACCOUNTS AS AT 31ST MARCH, 2013

Note : 31 Contingent Liabilities

	31st March 2013 ₹	31st March 2012 ₹
Bank Guarantee	2,500,000	2,500,000
	2,500,000	2,500,000

Note : 32 Deferred Tax Assets / Liability :

As per paragraph 17 of Accounting Standard(AS) 22, 'Accounting for Taxes on Income', Company carrying unabsorbed depreciation and carried forward losses under tax laws, deferred tax assets should be recognised only to the extent company having virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets realised, hence during the financial year considering prudence principle, company does not recognise any deferred tax assets.

Note : 33 Segment Reporting :

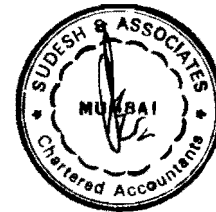
The Company has segment of activities namely Trading & Manufacturing of Non-ferrous metal and majority of the capital of the company employed in the Trading & Manufacturing activity. However, Company has deployed its temporary funds in the various investment for earning rent and sharing of profit. Hence income of such investment has not been considered as separate segment for reporting purpose.

Note : 34 During the year the Company has adjusted the advances of Rs. 77,82,950/- given to suppliers for material against the amount payable to them towards purchase of material.

Note : 35 In respect of Old outstanding the necessary approval has been sought from the authorised dealers.

Note : 36 In the Opinion of the management the Current assets, Loan and Advances are of the same value as stated in the Balance Sheet if realized in the normal course of business.

Note : 37 Sundry Debtors, Loans and Advances and Sundry Creditors are subject to reconciliation and confirmation from parties.



N.D.METAL INDUSTRIES LIMITED

Note 1:

A. SIGNIFICANT ACCOUNTING POLICIES:

1. Basis of Preparation of financial Statements:

- a. The Financial Statements are prepared under the historical cost convention in accordance with the generally accepted accounting principles and the provisions of the Companies Act, 1956 as adopted consistently by the Company.
- b. The Company generally follows mercantile system of accounting and recognizes significant items of Income and Expenditure on accrual basis.

2. Use of Estimates:

The preparation of financial statements in conformity with generally accepted accounting principles requires that the management of the company makes estimates and assumptions that affect the reported amounts of income and expenses of the year, the reported balances of assets and liabilities and the disclosures relating to contingent liabilities as of the date of the financial statements. Examples of such estimates include the useful lives of fixed assets, provision for doubtful debts / advances, future obligations in respect of retirement benefit plans etc. Actual results could differ from these estimates.

3. Fixed Assets:

Tangible Assets are stated at Cost less accumulated depreciation and net of impairment, if any. The Cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working conditions for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price. All direct cost attributable to acquisition / Installation of Assets are capitalized. Borrowing Cost if any during the construction period shall be added to the cost of eligible tangible assets.

4. Depreciation:

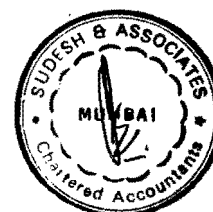
The Company is providing depreciation on Fixed Assets on Straight Line Method at the rates and in the manner prescribed in Schedule XIV to the Companies Act, 1956.

Depreciation on addition is charged proportionally from the date of acquisition / installation of Assets.

5. Inventories:

Inventories is mentioned and valued on FIFO basis as follows:

- a) Finished Goods :- at cost or Net realizable value whichever is lower, after Providing for the value of excise duty payable.
- b) Raw Material :- at cost
- c) Stock In Transit :- at cost.
- d) Stores & Spares :- at cost.
- e) Ash & Dust :- at Realizable Value



6. Revenue Recognition :

- a. Sales are recognized on accrual basis and recorded net of Goods Return, Sales Tax, Excise Duty and sales incentive.
- b. Interest Income on Fixed Deposits Receipt and Rent Income is recognized on accrual basis.

7. Foreign Exchange Transactions:

- Transactions denominated in foreign currencies are normally recorded at the exchange rate prevailing at the time of the transaction.
- Monetary items denominated in foreign currencies at the year-end and not covered by forward exchange contracts are translated at the year end rates, and those covered by forward exchange contracts are translated at the rate ruling at the date of transaction as increased or decreased by the proportionate difference between the forward rate and exchange rate on the date of transaction, such difference have been recognized over the life of the contract.
- Any income or expense on account of exchange difference either on settlement or on translation is recognized in the profit or loss account net of recoverable amount.

8. Impairment of Assets:

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. Recoverable amount is the higher of an asset's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of the asset and from its disposal at the end of its useful life. Net selling price is the amount obtainable from sale of the asset in an arm's length transaction between knowledgeable, willing parties less the cost of disposal. An impairment loss is charged to the profit and loss in the year in which an asset is identified as impaired.

9. Excise Duty:

The Company has provided for the Excise Duty payable on the finished goods as stated in the Accounting Standard/Guidance notes issued by the Institute of Chartered Accountant of India.

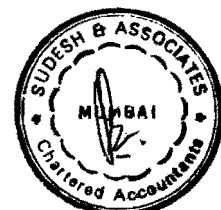
10. Purchases:

Purchases are accounted at the time of receipt of material.

11. Taxes On Income:

(i) Current Taxation

Taxes are accounted for in accordance with Accounting Standard – 22 "Accounting for taxes on income" Current tax are determined as the amount of tax payable in respect of taxable income for the year. A provision is made for income tax annually based on the tax liability computed, after considering tax allowances and exemptions. Provisions are recorded when it is estimated that a liability due to disallowances or other matters is probable.



(ii) Deferred Taxation

Deferred tax assets and liabilities are recognized, subject to prudence, on timing differences, being the difference between taxable incomes and accounting income, that originates in one period and is capable of reversal in one or more subsequent periods and quantified using the tax rates and laws enacted or substantively enacted by the reporting date. Deferred tax assets are recognized only if there is reasonable or virtual certainty that they will be realized and are reviewed for the appropriateness of their respective carrying values at each balance sheet date.

12. Employees Benefit:

A) Provident Fund and ESIC Contribution:

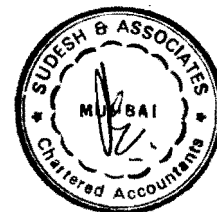
Provident fund and ESIC is a defined contribution scheme and the contribution as required by the statute is not applicable to the company. Hence the same is not debited to the profit & loss account.

B) Gratuity:

Gratuity for the eligible employees is considered as defined benefits obligation and provided for on the basis of calculation as per Payment of Gratuity Act, 1972; however actuarial valuation is not done for the same.

13. Provisions, Contingent Liabilities and contingent assets:

Provision involving substantial degree of estimation in measurement is recognized when there is a present obligation as a result of past event and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the notes. Contingent assets are neither recognized nor disclosed in the financial statements.



N.D. METAL INDUSTRIES LTD

Cash Flow Statement for the year ended 31st March 2013

Particulars	Figures as at the end of current reporting period		Figures as at the end of previous reporting period	
	₹	₹	₹	₹
A. Cash Flow from Operating Activity				
Profit before tax		2,683,556		(6,475,802)
Add: Depreciation and amortisation	3,202,132		3,249,527	
loss on sale / write off of assets	-		77,534	
Profit on sale of assets	-		(5,497,444)	
Loss/ (profit) from Patnership firm	(138,956)		(18,156)	
Interest Income	(200,796)		(6,941,618)	
Finance costs	1,305,065	4,167,445	32,354,269	23,224,112
Changes in working capital:				
<i>Adjustments for (increase) / decrease in operating assets:</i>				
Inventories	(913,303)		73,321,047	
Trade receivables	36,197,187		(71,691,384)	
Short-term loans and advances	(21,863,960)		(18,832,658)	
Long-term Liabilities				
Other non-current assets	10,560		(9,017)	
Long-term loans and advances	1,689,457	15,119,941	(29,391,674)	(46,603,686)
<i>Adjustments for increase / (decrease) in operating liabilities:</i>				
Trade payables	(25,805,479)		(25,759,780)	
Other current liabilities	(8,359,477)		(4,491,832)	
		(34,164,956)		(30,251,612)
Cash Flow from Extraordinary items				
Cash generated form Operating activities		(12,194,014)		(60,106,988)
Net income tax (paid) / Refund		(251,303)		(475,000)
Net Cash generated from Operating activities (A)		(12,445,317)		(60,581,988)
B. Cash flow from Investing activities				
Capital expenditure on fixed assets, including capital advances		(338,439)		(64,168)
Proceeds from sale of fixed assets				9,997,500
(Loss)/ Profit from Patnership firm		138,956		18,156
Current investments not considered as Cash and cash equivalents		3,879,044		4,317,844
Investments in bank deposits (having original maturity of more than three months)		(326,535)		(15,570)
Interest received		200,796		6,941,618
Net cash flow from / (used in) investing activities (B)		3,553,822		21,195,380
C. Cash flow from financing activities				
Proceeds from long-term borrowings				
Proceeds from Short-term borrowings		8,892,787		32,268,931
Finance cost		(1,305,065)		(32,354,269)
Net cash flow from / (used in) financing activities (C)		7,587,722		(85,338)
Net Cash and cash equivalents (A+B+C)		(1,303,772)		(39,471,946)
Cash and cash equivalents at the beginning of the year		1,943,945		41,415,890
Cash and cash equivalents at the end of the year		640,173		1,943,945
Reconciliation of Cash and cash equivalents with the Balance Sheet: Cash and cash equivalents at the end of the year *				
* Comprises:				
(a) Cash on hand		502,284		812,713
(i) In current accounts		137,889		1,131,232
(iii) In deposit accounts with original maturity of less than 3 months				

Notes:

- (i) The Cash Flow Statement reflects the combined cash flows pertaining to continuing and discounting operations.
(ii) These earmarked account balances with banks can be utilised only for the specific identified purposes.

See accompanying notes forming part of the financial statements

In terms of our report attached.

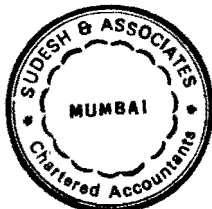
For and on behalf of the Board of Directors


For SUDESH & ASSOCIATES


Chartered Accountants,


CA. Sudesh K. Shetty
(Proprietor)

Membership No.: 103550
Firm Regn. No. 131970W
Place: Mumbai
Date: 2nd September, 2013




Ajay Kumar Garg
Director


Harsh Rakha Garg
Director