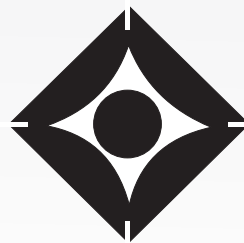


**35th ANNUAL REPORT
2012 - 2013**



D H O O T

INDUSTRIAL FINANCE LIMITED

For your requirements of

Caustic Soda Lye
Sulphuric Acid
Liquid Chlorine
Hydrochloric Acid
Carbon Di Sulphide
Compressed Hydrogen Gas
Chloro Sulphonic Acid
Oleum 65%
Oleum 23%
Sodium Sulphate
Sodium Hypochlorite

Contact

SAMPOORNA TRADERS

(A Divn. of Dhoot Industrial Finance Limited)

504, Raheja Centre, 214, Nariman Point, MUMBAI – 400 021.
Tel .: (022) 2284 5050/ (022) 2283 5152 Fax : 022 2287 1155
email : samptrade@gmail.com
website : www.dhootfinance.com

BOARD OF DIRECTORS

Shri Rajgopal Dhoot **Chairman**
Shri Rohit Kumar Dhoot **Managing Director**
Shri Abhay Firodia
Shri Girish C. Choksey
Shri Rajesh M. Loya

AUDITORS

Bansi S. Mehta & Co.
Chartered Accountants
Mumbai

BANKERS

Indian Overseas Bank
Axis Bank Limited

REGISTERED OFFICE

504, Raheja Centre,
214, Nariman Point,
Mumbai – 400 021.

Name and Address of Stock Exchanges on Which shares of the company are listed :

Bombay Stock Exchange Ltd.
Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001

Company had paid Annual Listing Fees for the 2013-2014. to Bombay Stock Exchange Ltd. ISIN No. - INE313G01016

Members are requested to send transfer and all the communications relating to notification of change in address, enquires regarding transfer of shares, dividend etc. to the shares Transfer Agents of the Company at the following address :

Sharepro Services (India) Pvt. Ltd.
13AB Samita Warehousing Complex,
2nd Floor, Near Sakinaka Telephone Exchange, Andheri –Kurla Road Sakinaka, Andheri (E), Mumbai-400 072.

Investors Complaint: diflic@gmail.com



MEMORANDUM ON GREEN INITIATIVE

Dear Members,

We would like to inform all the Members that the Ministry of Corporate Affairs (MCA) has come out with circular Nos. 17/2011 dtd.21-04-2011 and 18/2011 dtd. 29-04-2011 promulgating "Green Initiative" of paperless compliances by encouraging Corporate to serve documents through electronic mode to Members, who have registered their email addresses with their Depository Participant (DP) or with the Company to receive documents electronically.

Taking forward this green initiative of the MCA and to reduce impact of global warming by saving on cost of paper, we are proposing to send Annual Report for the financial year 2012-13 and other document/notice by emails to all Members.

To support this noble gesture, we request whole hearted support of all the Members to register their email with their DP or with the Share Transfer Agent of the company, to receive documents/ notices electronically from the Company in lieu of physical copies All future notices and disclosures required to be given to Bombay Stock Exchange Ltd. will be available for view on Company's website www.dhootfinance.com. Please note that, in case you have already registered your e-mail address, you are not required to re-register unless there is change in your e-mail address. Members who are holding share in physical form are requested to send e-mail at diffic@gmail.com to update their e-mail address. Members are also requested to convert their physical holding into demat and consolidate their multiple folios into single folio. Please quote your Folio No. or DPID and Client ID, as the case may be, in all your communication.

Considering the potential for saving in paper& printing, we are sure, that all of you will subscribe to this noble "Green Initiative"

For DHOOT INDUSTRIAL FINANCE LIMITED

**Rajgopal Dhoot
Chairman**

NOTICE

NOTICE is hereby given that the Thirty Fifth Annual General Meeting of the Members of Dhoot Industrial Finance Limited will be held on Friday, the 27th September 2013 at 4.30 P.M. at Mileage (1st floor), MALABAR HILL CLUB LTD., B.G.Kher Marg, Malabar Hill, Mumbai-400 006 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at 31st March, 2013 and Profit and Loss Account for the year ended on that date and the Reports of the Directors' and Auditor's thereon.
2. To appoint a Director in the place of Shri. Abhay Firodia, who retires by rotation and being eligible offers himself for re-appointment.
3. To re-appoint M/s. Bansi S. Mehta & Co., Chartered Accountants (Firm Reg. No. – 100991W) as the Statutory Auditors of the Company for the financial year 2013-2014 to hold office from the conclusion of this Annual General Meeting up to the conclusion of the next Annual General Meeting at a remuneration as may be fixed by the Board of Directors in consultation with them.

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF /HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.** The instrument appointing the proxy must be deposited at the registered office of the Company not less than 48 hours before the commencement of the meeting.
2. Under the Companies Act, 1956, **voting** is by a show of hands unless a poll is demanded by a member or members present in person, or by proxy, holding at least one-tenth of the total shares entitled to vote on the resolution or by those holding paid-up capital of at least Rs. 50,000.
3. The **Register of Member and Share Transfer Books** of the Company shall remain closed from Friday, the 20th September 2013 to Friday, the 27th September 2013, both days inclusive for taking a record of the Company's shareholders.
4. **Corporate Members** are requested to send to the Company, a duly certified copy of the Board Resolution authorizing their representative to attend and vote at the Annual General Meeting.
5. **Shareholders desiring any information** with regard to accounts, operations or Annual Report are requested to write to the Company at least 10 days in advance so as to enable the Company to provide the information at the Meeting.
6. Members /Proxies should bring duly-filled **Attendance Slips** sent herewith to attend the Meeting.

By Order of the Board
For **DHOOT INDUSTRIAL FINANCE LIMITED**

Rajgopal Dhoot
Chairman

Registered Office:
504, Raheja Centre,
214, Nariman Point,
Mumbai – 400 021

Place: Mumbai
Date: 30th May 2013

**Information about the Directors seeking re-appointment under clause 49 (IV) (G) of the Listing Agreement**

Sl. No.	Particulars	Information
1	Name of Director	Shri. Abhay Firodia
2	Brief Resume	Shri. Abhay Firodi, aged 68 years joined the Board on September 24, 1944. By qualification he is a B.A. and has been associated with the Company since 18 years.
3	Expertise in specific functional area/s	Industrialist
4	Names of Other Companies in which the person also holds the Directorship	Force Motors Limited, Jaya Hind Industries Ltd., Dhoot Compack Ltd., Bharat Hotels Ltd.
5	Names of Other Companies in which the person also holds the Membership of following Committees of the Board:	—
	a Audit Committee	—
	b Remuneration Committee	—
	c Shareholders / Investors Grievance Committee	—
6	Disclosure of Shareholding of non-executive directors as stated in Clause 49 (IV) (E) (v) i.e. both own or held by / for other persons on a beneficial basis in the Company prior to re-appointment	NIL
7	Disclosure of relationships between Directors inter-se	Not Applicable

DIRECTORS REPORT

Your Directors' have pleasure in presenting the Thirty Fifth Annual Report together with the Audited Statement of Accounts for the year ended 31st March, 2013.

1. FINANCIAL HIGHLIGHTS:

(₹. in Lacs)

Particular	Year ended March 31, 2013	Year ended March 31, 2012
Total Income	8646.48	9707.98
Profit before Depreciation and tax	218.23	240.11
Less : Depreciation	70.91	79.94
Profit Before Tax	147.32	160.17
Less: Provision for tax	(3.20)	(7.40)
Add : Deferred Tax (Net)	25.80	72.18
Add/(Less): Provision for earlier years	6.80	-
Profit After Tax	176.72	224.95
Add : Surplus Brought forward from previous years	2563.64	2338.69
Balance Carried to Balance Sheet	2740.36	2563.64

2. BUSINESS & PERFORMANCE:

During the year under review, total income is ₹.8646.48Lacs and the profit after tax is ₹.176.72Lacs, compared to ₹.9,707.98 Lacs and ₹.224.95 Lacs in last year respectively. The Windmill has generated 24.25 Lacs Units.

3. DIVIDEND:

The Board of Directors do not recommend any dividend for the financial year ended 31st March, 2013 with a view to conserve the resources for the future growth of the Company.

4. DIRECTOR'S RESPONSIBILITY STATEMENT:

Pursuant to Section 217(2AA) by the Companies Act, 1956, your Directors confirm:-

- (i) that in the preparation of the annual accounts for the financial year ended 31st March, 2013, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (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 had 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) that the directors had prepared the annual accounts for the year financial ended 31st March, 2013 on a 'going concern' basis.

5. DEPOSITS:

The Company did not accept any deposit as defined under the Companies (Acceptance of Deposits) Rules, 1975 during the year ended 31st March, 2013.

6. CORPORATE GOVERNANCE:

Your company has complied with the Corporate Governance regulations as laid down in Clause 49 of the listing agreement of the Bombay Stock Exchange. A detailed Compliance Report on Corporate Governance together with the Certificate from M/s. Banssi S. Mehta & Co., Chartered Accountants is enclosed with this Annual Report.

7. DIRECTORS:

The resignation of Mr. S. Venkatachalam from the Directorship of the Company due to his sad demise on September 9, 2012 was taken on record by the Board at its Meeting held on November 9, 2012. The Board expresses its gratitude for the services rendered by Mr. S. Venkatachalam to the Company.

In accordance with the Articles of Association of the Company and provisions of the Companies Act, 1956, Shri. Abhay Firodia retire by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment. Your Directors recommend their re-appointment.

8. STATUTORY AUDITORS:

M/s. Banssi S. Mehta & Co. Chartered Accountants - Statutory Auditors of the Company holds office up to the conclusion of the ensuing Annual General Meeting and sbeing eligible, offer themselves for re-appointment for the year 2013-2014. Your Directors' recommend their re-appointment until the conclusion of the next Annual General Meeting.

9. EMPLOYEES:

None of the employees of the Company fall within the purview of the provisions of Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975, i.e., No employee of the Company was in receipt of remuneration/ part thereof of INR Sixty lakhs p.a./ INR Five lakhs per month. Hence no information is required to be submitted.

10. CONSERVATIONS OF ENERGY, TECHNOLOGY ABSORBTION AND FOREIGN EXCHANGE EARNINGS & OUTGO:

As per the Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988:

	Particulars	Reporting for the year ended 31/03/2013
1	Conservation Of Energy	
a	energy conservation measures taken	Wherever possible, the Company strives to curtail the energy consumption on a continuous basis
b	additional investments and proposals, if any, being implemented for reduction of consumption of energy	Nil
c	impact of the measures at (a) and (b) above for reduction of energy consumption and consequent impact on the cost of production of goods	Not Applicable
d	Total energy consumption and energy consumption per unit of production as per 'Form A' of the Annexure in respect of industries specified in the Schedule to the Rules.	Not Applicable to the Company
2	Technology Absorption	
e	efforts made in technology absorption as per 'Form B' of the Annexure to the Rules.	Not Applicable to the Company
3	Foreign exchange earnings and outgo	
f	activities relating to exports; initiatives taken to increase exports; development of new export markets for products and services; and export plans	NIL
g	Total foreign exchange used and earned	Foreign exchange used: Travelling – INR ₹ 6.78 Lacs Foreign exchange earned: Nil Foreign Exchange Difference: Nil

11. ACKNOWLEDGEMENT:

The Board takes this opportunity to thank Customers, Bankers, Shareholders and Employees for the co-operation and assistance extended to the Company and they look forward to their continued support.

By Order of the Board
For **DHOOT INDUSTRIAL FINANCE LIMITED**

Rajgopal Dhoot
Chairman

Place: Mumbai
Date: 30th May 2013

**REPORT ON CORPORATE GOVERNANCE AS PER CLAUSE 49
(VI) OF THE LISTING AGREEMENT:****MANDATORY REQUIREMENTS:****1 A brief Statement on the company's philosophy on code of governance.**

DIFL's philosophy is to adhere to the values of good governance on a consistent basis aimed at creation of long term sustainable value for all its stakeholders, be it internal or external, while meeting its relevant obligations.

Your Company is fully committed to good corporate governance practices as laid down by SEBI, BSE and other Statutory Authorities. It envisages attainment of the Company's affairs transparency & accountability in the functioning of the Company and helps the management in the efficient conduct of the Company's affairs and in protecting the interest of various participants like shareholders, employees, lenders, clients and at the same time places due emphasis on compliance of various statutory laws.

2. Board of Directors:**(i) Composition and category of Directors**

The Board of Directors is constituted in compliance with the Companies Act, 1956 and listing agreement with Bombay Stock Exchange Ltd:-

Composition and Category of Directors			
Sr.No.	Name	Designation	Category
1.	Shri. Rajgopal R. Dhoot	Chairman	Non Executive, Promoter
2.	Shri. Rohit Kumar Dhoot	Managing Director	Executive, Promoter
3.	Shri. Abhay Firodia	Director	Non Executive, Independent
4.	Shri. Rajesh M. Loya	Director	Non Executive, Independent
5.	Shri. Girish C. Choksey	Director	Non Executive, Independent

(ii) Attendance of each Director at BoDs meetings and Last AGM

Name of Director	Board Meeting		Last AGM if Attended
	Held	Attended	
Shri. Rajgopal R. Dhoot	4	4	Yes
Shri. Rohit Kumar Dhoot	4	4	Yes
Shri. S. Venkatachalam*	4	0	No
Shri. Abhay Firodia	4	0	No
Shri. Rajesh M. Loya	4	4	Yes
Shri. Girish C. Choksey	4	4	No

***The resignation of Mr. S. Venkatachalam from the Directorship of the Company due to his sad demise on September 9, 2012 was taken on record by the Board at its Meeting held on November 9, 2012**

(iii) Number of other Boards or Board Committees he is a member or Chairman

Name of Director	Number of Directorships in other Companies*	Committee memberships**	Committees chairmanships**
Shri. Rajgopal R. Dhoot	3	-	-
Shri. Rohit Kumar Dhoot	6	-	-
Shri. S. Venkatachalam	2	-	-
Shri. Abhay Firodia	4	-	-
Shri. Rajesh M. Loya	1	-	-
Shri. Girish C. Choksey	5	1	-

***This excludes Directorships held in Indian Private Limited companies, Foreign Companies and Companies registered under Section 25 of the Companies Act, 1956.**

****Member/Chairman of Audit Committees and Shareholders' Grievance Committee.**

(iv) Number of Board of Directors meetings held, dates on which held:

Four Board Meetings were held in the year with a gap of less than four months between any two meetings. The meetings were held on May 31, 2012; August 13, 2012; November 9, 2012 and January 31, 2013.

3. Audit Committee:

(i) Brief Description of terms of reference:

The Company has constituted Audit Committee as per the provisions of Section 292A of the Companies Act, 1956 and Clause 49 of the listing agreement with Bombay Stock Exchange Ltd. on 21st April 2003.

The purpose of the Audit Committee is to provide independent and objective evaluation of financial reporting, accounting, functions, internal audit and controls, to assure the objectivity, credibility and correctness of the company's financial reporting process and disclosures of its financial information.

(ii) Composition, name of members and Chairman:

Sr.No.	Name of Director	Title	Status
1	Shri Rajesh M.Loya	Chairman	Independent , Non Executive Director
2	Shri. Girish C. Choksey	Member	Independent , Non Executive Director
3	Shri. Abhay Firodia	Member	Independent, Non Executive Director
4	Shri. Rajgopal R. Dhoot	Member	Non Executive Director

**(iii) Meetings and Attendance during the year:**

During the year under review four meetings of the Audit committee were held on May 31, 2012; August 13, 2012; November 9, 2012 and January 31, 2013.

Details of attendance:

Name of Director	Held	Attended
Shri. Rajesh M. Loya	4	4
Shri. Girish C. Choksey	4	4
Shri. Abhay Firodia	4	0
Shri. Rajgopal R. Dhoot	4	4

4. Remuneration Committee:**(i) Brief description of terms of reference:**

The Company has formed remuneration committee on 21st April, 2003 to determine and apply policy on behalf of the Board to the remuneration and benefits of Directors and to ensure compliance with best practice including reporting to shareholders.

(ii) Composition, name of members and Chairman of remuneration Committee:

Sr.No.	Name of Director	Title	Status
1	Shri Rajesh M. Loya	Chairman	Independent , Non Executive Director
2	Shri. Girish C. Choksey	Member	Independent , Non Executive Director
3	Shri. Abhay Firodia	Member	Independent, Non Executive Director
4	Shri. Rajgopal R. Dhoot	Member	Non Executive Director

(iii) Meetings and Attendance during the year:

During the year under review, no Meeting of the remuneration committee was held since there was no requirement.

(iv) Remuneration Policy:

At present Non-executive and Independent Directors are not paid any remuneration except sitting fees for attending Board Meetings. The Managing Director is paid remuneration as per the terms of his appointment.

(v) Details of remuneration paid to all the Directors for the year ended March 31, 2013:

Amount in INR

Name of Director	Salary	Contribution to Provident Fund and Superannuation Fund or annuity fund	Perquisites	Sitting Fees	Total
Shri. Rajgopal R. Dhoot	-	-	-	4,000	4,000
Shri. Rohit Kumar Dhoot	12,00,000	-	-	-	12,00,000
Shri. S. Venkatachalam	-	-	-	-	-
Shri. Abhay Firodia	-	-	-	-	-
Shri. Rajesh M. Loya	-	-	-	4,000	4,000
Shri. Girish C. Choksey	-	-	-	4,000	4,000

5. Shareholders / Investors Grievances Committee:

The Company has formed Shareholders / Investors Grievances committee on 21st April, 2003, to look into shareholders and investors grievances.

- (i) Name of Non-executive director heading the committee : Shri Rajesh M.Loya
- (ii) Name and Designation of Compliance officer : Mr.Bharat C Mistry
(Account Executive)
- (iii) Number of Shareholders complaints received so far : Nil
- (iv) Number not solved to the satisfaction of shareholders : Nil
- (v) Number of pending share transfers : Nil

During the year under review two meetings of the Shareholders' Grievance Committee were held on November 5, 2012 and January 15, 2013. Shri Rajesh M. Loya and Mr. Bharat C. Mistry were present at both the Meetings.

6. General Body Meetings:

(i) Location and time, where of last three AGMs held:

Date of AGM	Time of AGM	Location
September 17, 2010	4.30 p.m.	Mileage(1 st Floor),Malabar Hill Club Ltd., B.G.Kher Marg, Malabar Hill, Mumbai-400 006
September 23, 2011	2.30 p.m.	M.C. Ghai Hall, Bhogilal Hargovindas Building 18/20 Kaikhushru Dubash Marg, Mumbai – 400 001.
September 28, 2012	4:00 p.m.	Mileage(1 st Floor), Malabar Hill Club Ltd., B. G. Kher Marg, Malabar Hill, Mumbai-400 006

**(ii) Whether any special resolutions passed in the previous 3 AGMs: Yes.**

The Company in the Annual General Meeting held on September 23, 2011 passed a Special Resolution for the appointment of Shri R.K.Dhoot, as Managing Director of the Company for a period of 5 years with effect from 1st April 2011 to 31st March 2016.

(iii) Whether any special resolution passed last year through postal ballot: No**7. Disclosures:**

1. None of the transactions with any of the related parties were in conflict with the interest of the company at large. Transaction with related parties are disclosed in Note no. 28 of the financial Statement for the year ended 31st March, 2013.
2. There has been no non-compliance penalties/strictures imposed on the Company by Bombay Stock Exchange Ltd. or SEBI or any other statutory authority on any matter related to capital markets, during the last three years.

8. Means of Communication:

The quarterly results are published in "The Asian Age" an English daily and in "Mumbai Lakshdeep" a vernacular Marathi newspaper. The Financial results are also displayed on the website of the Company www.dhootfinance.com.

9. General Shareholder Information:

1. Annual General Meeting :	
Date	September 27 th , 2013
Time	4.30 p.m.
Venue	Mileage(1st Floor),Malabar Hill Club Ltd., B.G.Kher Marg, Malabar Hill, Mumbai-400006
2 Financial Calendar	
Financial reporting for:	April to March
Quarter ending June 30, 2013	By August 14, 2013
Quarter ending September 30, 2013	By November 15, 2013
Quarter ending December 31, 2013	By February 14, 2013
Quarter ending March 31, 2014	By May 30, 2014
3. Date of Book Closure	Friday, September 20 th , 2013 to Friday, September 27 th , 2013
4. Dividend Payment Date	Not applicable
5. Listing on Stock Exchange	Bombay Stock Exchange Ltd
6. Stock Code	
Bombay Stock Exchange Ltd	526971

7. Market Price Data :

Month	Open Price	High Price	Low Price	Close Price	No. of Shares	No. of Trades	Total Turnover (₹.)	* Spread (₹.)	
								H-L	C-O
Apr 12	11.41	13.00	11.24	11.78	2,767	24	33,367	1.76	0.37
May 12	11.20	11.20	9.02	9.50	4,268	53	41,467	2.18	-1.70
Jun 12	9.03	12.85	8.16	11.64	18,434	131	1,92,267	4.69	2.61
Jul 12	12.20	13.65	10.11	11.67	21,637	181	2,63,068	3.54	-0.53
Aug 12	11.09	13.50	8.92	9.60	22,038	151	2,28,629	4.58	-1.49
Sep 12	9.13	12.89	9.01	12.81	1,722	36	17,486	3.88	3.68
Oct 12	12.17	12.81	9.15	9.53	28,089	161	2,91,258	3.66	-2.64
Nov 12	9.30	10.42	7.91	9.98	51,325	236	4,58,754	2.51	0.68
Dec 12	9.49	12.33	8.43	12.33	36,934	159	3,48,459	3.90	2.84
Jan 13	12.32	12.32	8.13	9.68	28,228	111	2,67,119	4.19	-2.64
Feb 13	9.31	9.31	7.52	7.52	11,613	67	1,00,033	1.79	-1.79
Mar 13	7.58	8.09	6.85	8.09	13,309	60	95,433	1.24	0.51

8.	Registrar and Transfer Agents :	Sharepro Services (India) pvt.Ltd. 13AB,Samhita Warehousing Complex, 2nd Floor, Sakinaka Telephone Exchange, Off Andheri Kurla Road, Sakinaka, Andheri(E), Mumbai 400072
9.	Share Transfer System	Share Certificates received for transfer in physical form and requests for Demat are generally registered /confirmed within prescribed time limit provided the documents are clear in all aspects.

**10. Distribution of Shareholding as on March 31, 2013**

No. of Equity Shares Held	No. of Holders	% of Holders	No. of Shares	% of Shares
Less Than 500	1777	75.265	362575	6.690
501-1000	222	9.403	187025	3.451
1001-2000	173	7.327	297284	5.485
2001-3000	80	3.388	205040	3.783
3001-4000	24	1.017	85969	1.586
4001-5000	24	1.017	111118	2.050
5001-10000	23	0.974	162372	2.996
10001-and above	38	1.609	4008617	73.960
Total	2361	100.000	5420000	100.000

11. Dematerialisation of shares and liquidity:

As on March 31, 2013, 1468 Shareholders were holding 48,58,824 equity shares in Demat form which constitutes 89.65% of the total paid – up share capital of the Company.

12. Outstanding GDRs/ADRs/Warrants or any Convertible instruments, conversion date and likely impact on equity: Not applicable**13. Plant Locations:**

PLANT – 1: G 20, VILLAGE – GHATNANDRE TAL - KAWTHE MAHAKAL. DIST SANGLI.

PLANT- 2: A-11, GAT NO. 783, AMBHERI, POST – WARUD, AUNDH, TAL – KHATAV, DIST - SATARA – 415510.

PLANT- 3: A - 10, GAT NO. 783, AMBHERI, POST – WARUD, AUNDH, TAL – KHATAV, DIST - SATARA.

PLANT- 4: A -14, GAT NO. 775, AMBHERI, POST – WARUD, AUNDH, TAL – KHATAV, DIST - SATARA.

14. Address for correspondence: 504, Raheja Centre, 214, Nariman Point, Mumbai – 400 021. **Tel.:** 022 – 2284 5050/ 022- 2283 5152; **Fax:** 022-2287 1155
E-mail: samptrade@gmail.com **Website:** www.dhootfinance.com

15. NON - MANDATORY REQUIREMENTS:**A. Chairman of the Board:**

The Company has a Non-executive Chairman and the Company reimburses expenses incurred by him in performance of his duties.

B. Remuneration Committee:

The Company has formed remuneration committee on 21st April, 2003.

C. Shareholders Rights:

The Company is not sending the half yearly results to household of shareholders. .

D. Whistle blower policy:

The Company has put in place a whistle blower policy and that no employee has been denied access to the audit committee.

15 CODE OF CONDUCT:

Your Company has always encouraged and supported compliance to ethical business practices in personal and corporate behavior by its employees. Your company in order to further strengthen corporate governance practices has framed a specific code of conduct, for the members of the Board of Directors and Senior Management personal of the Company who have affirmed compliance thereof. The Code has also been posted on the Company's website [www. dhootfinance.com](http://www.dhootfinance.com).

16 CODE OF CONDUCT DECLARATION:

Pursuant to Clause 49 I (D) of the Listing Agreement entered with Bombay Stock Exchange Ltd, I hereby declare that the Company has obtained affirmative compliance with the Code of Conduct from all the Board members and senior management personnel of the Company for the year ended March 31, 2013.

For DHOOT INDUSTRIAL FINANCE LIMITED

**R.K. Dhoot
Managing Director**



MANAGEMENT DISCUSSION & ANALYSIS REPORT

1. Industry Structure and developments :

The Company has focused basically on trading of chemicals, electronics, paper and Commodity shares and on power generation during the fiscal. And loans, Inter – Corporate Deposits, dividend from investments have contributed to the other income.

2. Opportunities and Threats :

Opportunities:

The Company is eyeing new products for increasing its trading portfolio.

Threats:

The Company will face general market competition.

3. Segment wise Performance:

The company usually operates three main business segments i.e. Trading, Power Generation and Others. The segment wise information is provided at Note No.27 in Notes to Financial Statements section.

4. Outlook:

Due to increased focus on the trading activities, the company is confident that as the market conditions are improving, the company will gain from the impending recovery in the domestic economy.

5. Risk & Concerns:

The company will face market competition.

6. Internal Control Systems and their adequacy:

The Company has a adequate system of internal controls that ensures that all the assets are protected against loss from unauthorized use or disposition and all transactions are recorded and reported in conformity with generally accepted accounting principles.

7. Financial Performance:

The company has achieved a total income of ₹.8,646.48 Lacs during year ended March 31, 2013 and profit after tax is at ₹.176.72 Lacs as compared to ₹.9,707.98 Lacs and ₹.224.95 Lacs in the last year.

8. Human Resources / Industrial Relations:

Your Company considers its intellectual capital as its most valuable asset. Personnel policies of the Company are designed to ensure fairness to and growth of all individuals in the organization and aim to provide a challenging work environment. The Industrial Relations remained cordial during the year under review.

AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

**The Members,
Dhoot Industrial Finance Limited**

We have examined the compliance of conditions of Corporate Governance by **DHOOT INDUSTRIAL FINANCE LIMITED** for the year ended on March 31, 2013 as stipulated in Clause 49 of the Listing Agreements of the Company with the Stock Exchange.

The compliance of conditions 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 of the conditions of the 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 explanations given to us:-

- i. We certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.
- ii. We state that no investor grievance is pending for a period exceeding one month against the Company as per the records maintained by the Company and noted by the Board of Directors / Shareholder's Grievance Committee.
- iii. We further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **BANSI S. MEHTA & CO.**
Chartered Accountants
Firm Registration No. 100991W

HARESH G. BUCH

Partner

Membership No: 33114

Place : Mumbai

Dated : May 30, 2013



**INDEPENDENT AUDITORS' REPORT
For the year ended March 31, 2013**

To the Members,

DHOOT INDUSTRIAL FINANCE LIMITED

Report on the Financial Statements

1. We have audited the accompanying financial statements of **Dhoot Industrial Finance Limited**, which comprise the Balance Sheet as at March 31, 2013 and the Statement of Profit and Loss and the Cash Flow Statement for the year ended on that date, and Significant Accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

2. Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

3. Our responsibility is to express an opinion on these financial statements based on our audit. 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 assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

Opinion

4. In our opinion, and to the best of our information and according to the explanations given to us, the said accounts read with the Significant Accounting Policies and Other Explanatory Information thereon, give the information 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 the Balance Sheet of the state of affairs of the Company as at March 31, 2013,
- ii. In the case of the Statement of Profit & Loss of the profit for the year ended on that date, and
- 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

5. As required by the Companies' (Auditor's Report) Order, 2003, as amended, issued by the Central Government in terms of Section 227(4A) of the Companies Act, 1956, we enclose in the Annexure a Statement, on the basis of such checks as we considered appropriate and the information and explanations given to us, on the matters specified in paragraph 4 of the said Order.
6. As required by Section 227(3) of the Act, we report that:
 - i. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - ii. 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 such books.
 - iii. The Balance Sheet, Statement of Profit & Loss and Cash Flow Statement dealt with by this report are in agreement with the books of account.
 - iv. In our opinion, the Balance Sheet, Statement of Profit & Loss and Cash Flow Statement comply with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956.
 - v. On the basis of the written representation received from the Directors of the Company and taken on record by the Board of Directors, we report that none of the directors is disqualified as on March 31, 2013 from being appointed as a director in terms of clause (g) of sub section (1) of section 274 of the Companies Act, 1956.

For **BANSI S. MEHTA & CO.**
Chartered Accountants
Firm Registration No. 100991W
HARESH G. BUCH
Partner
Membership No: 33114

Place : Mumbai
Dated : May 30, 2013



ANNEXURE TO THE AUDITORS REPORT

Annexure referred to in paragraph 5 of the Auditors' Report of even date to the members of DHOOT INDUSTRIAL FINANCE LIMITED on the accounts for the year ended March 31, 2013.

- (i) (a) The Company is maintaining proper records to show full particulars, including quantitative details and situation of fixed assets.
- (b) The fixed assets have been physically verified by the management during the year. We are informed that no material discrepancies were noticed by the management on such verification.
- (c) The Company has not disposed off any substantial part of its Fixed Assets during the year.
- (ii) The Company is engaged in trading of chemicals, papers, commodities and shares. All the goods purchased in respect of above (except trading in shares and commodities) are directly supplied from the principal's factory/warehouse to the respective consignees. Hence, there are no stocks lying at the Company's disposal at any point of time. Thus requirements of clause 4 (ii)(a) regarding verification of the Inventory, clause 4 (ii)(b) regarding adequacy of physical verification in relation to size of the company and clause 4 (ii)(c) regarding maintenance of proper records of inventory, are not applicable. However, in respect of shares, held as Stock in Trade, the Company physically verifies the same lying in dematerialised or physical form from time to time.
- (iii) (a) As per the information furnished, the Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956.
- (b) Accordingly, Clause (iii)(b) relating to the rate of interest and terms and conditions being prima facie prejudicial to the Company, Clause (iii)(c) relating to regularity of receipt of principal amount and interest and Clause (iii)(d) relating to steps taken for recovery of overdue principal and interest of more than rupees one lac, are not applicable.
- (c) As per information furnished, the Company has taken interest free unsecured loans aggregating to ₹ 1,213.98 lacs from three parties covered in the register maintained under section 301 of the Act and has repaid ₹ 979.05 lacs during the year.
- (d) In our opinion and according to explanation and information given to us, the rate of interest wherever applicable and other terms and conditions of such unsecured loan taken by the Company are not prima facie prejudicial to interest of the Company.
- (e) As per the information given to us, the terms of repayment of such loans and interest have not been stipulated, hence the question of commenting as regards regularity in repaying the principal amounts and interest does not arise.
- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the Company and the nature of its business with regard to purchase of inventory and fixed assets and for

the sale of goods and services. During the course of our audit, no major weakness has been noticed in the internal control system.

- (v) (a) Based on the audit procedures applied by us and according to the information and explanations provided to us, we are of the opinion that 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; and
- (b) According to the information and explanations given to us, the transactions made in pursuance of such contracts or arrangements entered in the Register maintained under Section 301 of the Companies Act, 1956 and exceeding the value of rupees five lacs in respect of each party during the year, have been made at prices which are reasonable, having regard to prevailing market prices at the relevant time, wherever applicable.
- (vi) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public during the year and hence the question of complying with the provisions of Section 58A, 58AA of the Companies Act, 1956 and the rules framed thereunder and the directives issued by the Reserve Bank of India does not arise.
- (vii) In our opinion and according to the explanations given to us, the Company has an internal audit system commensurate with its size and nature of its business.
- (viii) We are informed that the Company is in the process of maintaining the cost records prescribed under Section 209 (1)(d) of the Companies Act, 1956 read with Notification dated 3rd June, 2011 and dated 7th December, 2011 issued by Ministry of Corporate Affairs prescribing The Companies (Cost Accounting Records) Rules, 2011. Accordingly, we are unable to comment as to whether such accounts and records have been made or maintained.
- (ix) (a) According to the information and explanations given to us and the records examined by us, the Company has generally been regular in depositing with appropriate authorities undisputed statutory dues including income-tax, wealth-tax and other material statutory dues wherever applicable and there are no undisputed arrears of above mentioned statutory dues outstanding as at March 31, 2013 for a period of more than six months from the date they became payable.
- (b) According to the information and explanation given to us, there are no outstanding dues which have not been deposited with any statutory authority on account of disputes.
- (x) The Company does not have any accumulated losses and it has not incurred any cash losses during the financial year covered by our audit and the immediately preceding financial year.
- (xi) Based on the audit procedures applied by us and according to the information and explanations given to us, we are of the opinion that the Company has not defaulted in repayment of dues to banks in the financial year under audit.



- (xii) Based on our examination of the records and the information and explanations given to us, the Company has not granted any loans and / or advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) As the Company is not a Chit fund / Nidhi / Mutual benefit fund / Society, clause 4 (xiii) of the Order is not applicable.
- (xiv) Based on the audit procedures applied by us and according to the information and explanations given to us, the Company has maintained proper records of the transactions and contracts in respect of trading activities in shares and timely entries have been made therein. All the shares are held by the Company in its own name.
- (xv) As the Company has not given any guarantee for loans taken by others from Banks or Financial Institutions, clause 4 (xv) of the Order is not applicable.
- (xvi) According to the information and explanations given to us, as the Company has not taken any term loan during the year, clause 4 (xvi) of the Order is not applicable.
- (xvii) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that the funds raised on short term basis have not been utilised for long term investments.
- (xviii) According to the information and explanation given to us, as the Company has not made any preferential allotment of shares during the year, clause 4 (xviii) of the Order is not applicable.
- (xix) According to the information and explanations given to us, the Company has not issued any debentures and hence, the question of creating security or charges in respect thereof does not arise.
- (xx) As the Company has not raised any money by public issue during the year, clause 4 (xx) of the Order is not applicable to the Company.
- (xxi) Based on the audit procedures performed and information and explanations given to us by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.

For **BANSI S. MEHTA & CO.**
Chartered Accountants
Firm Registration No. 100991W
HARESH G. BUCH
Partner
Membership No: 33114

Place : Mumbai
Dated : May 30, 2013

BALANCE SHEET AS AT MARCH 31, 2013

Particulars	Note No.	As At March 31, 2013		As At March 31, 2012	
		₹	₹	₹	₹
I. EQUITY AND LIABILITIES					
1 Shareholders' funds					
(a) Share capital	2	54,200,000		54,200,000	
(b) Reserves and surplus	3	<u>292,866,220</u>		<u>275,193,942</u>	
			347,066,220		329,393,942
2 Non-current liabilities					
(c) Long-term borrowings	4	30,094,687		30,094,687	
(d) Deferred tax liabilities (Net)	5	6,745,666		9,325,898	
(e) Other Long term liabilities	6	<u>1,241,065</u>		<u>2,753,751</u>	
			38,081,418		42,174,336
3 Current liabilities					
(f) Short-term borrowings	7	112,101,298		95,176,992	
(g) Trade payables	8	54,393,259		121,145,573	
(h) Other current liabilities	9	<u>1,299,220</u>		<u>3,192,706</u>	
			<u>167,793,777</u>		<u>219,515,271</u>
TOTAL			<u><u>552,941,415</u></u>		<u><u>591,083,549</u></u>
II. ASSETS					
Non-current assets					
1 (a) Fixed assets					
(i) Tangible assets		48,579,552		49,391,176	
(ii) Capital work-in-progress		<u>3,283,035</u>		<u>2,349,135</u>	
			51,862,587		51,740,311
(b) Non-current investments	11	86,867,943		133,378,530	
(c) Long-term loans and advances	12	10,052,162		3,850,875	
(d) Other non-current assets	13	<u>1,810,219</u>	150,592,911	<u>2,110,443</u>	191,080,159
2 Current assets					
(e) Inventories	14	142,374,253		162,657,486	
(f) Trade receivables	15	156,592,898		165,794,183	
(g) Cash and cash equivalents	16	429,372		237,909	
(h) Short-term loans and advances	17	10,337,168		20,312,500	
(i) Other current assets	18	<u>92,614,813</u>	402,348,504	<u>51,001,312</u>	400,003,390
TOTAL			<u><u>552,941,415</u></u>		<u><u>591,083,549</u></u>

Significant Accounting Policies
Notes on Financials Statements

1
2 to 35

As per our report of even date attached

For and on behalf of the Board

For **BANSI S. MEHTA & CO.**

Chartered Accountants

Firm Reg. No. : 100991W

Haresh G. Buch

Partner

Membership No. 33114

Place : Mumbai

Date : 30 May 2013

R. G. Dhoot
Chairman

R. K. Dhoot
Managing Director

Rajesh M. Loya
Director

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2013**

Particulars	Note No.	For the Year Ended March 31, 2013 ₹	For the Year Ended March 31, 2012 ₹
INCOME			
I Revenue from operations	19	820,457,185	945,749,907
II Other income	20	44,190,840	25,048,546
Total Revenue (A)		864,648,025	970,798,453
EXPENDITURE:			
III Purchases of Stock-in-Trade	21	800,263,570	925,618,977
IV Changes in the inventories of Stock-in-Trade	22	20,283,233	(2,228,427)
V Employee benefits expense	23	2,245,565	2,757,941
VI Finance costs	24	10,835,788	9,828,435
VII Depreciation and amortization expense	10	7,090,654	7,994,736
VIII Other expenses	25	9,197,135	10,809,542
Total expenses (B)		849,915,945	954,781,204
IX Profit Before Tax (A-B)		14,732,080	16,017,249
X Tax expense:			
(1) Current tax		(320,000)	(740,000)
(2) Deferred tax		2,580,232	2,307,341
(3) Earlier Year		679,966	-
XI Profit for the year		17,672,278	17,584,590
Deferred Tax for earlier years		-	4,910,698
Balance carried to Balance Sheet		17,672,278	22,495,288
XII Earnings per equity share of face value of ₹ 10 each			
Basic and Diluted (in ₹)		3.26	4.15
(Refer note no. 30)			

Significant Accounting Policies
Notes on Financials Statements

1
2 to 35

As per our report of even date attached
For **BANSI S. MEHTA & CO.**

For and on behalf of the Board

Chartered Accountants
Firm Reg. No. : 100991W

Haresh G. Buch
Partner
Membership No. 33114

R. G. Dhoot
Chairman

R. K. Dhoot
Managing Director

Rajesh M. Loya
Director

Place : Mumbai
Date : 30 May 2013

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2013

	Current Year ₹	Previous Year ₹
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit Before Tax and Extraordinary Items	14,732,080	16,017,249
Adjustments for :		
Depreciation	7,090,654	7,994,736
(Profit)/Loss on Sale of Investments	(34,068,915)	(14,289,088)
Interest income	(5,728,618)	(7,076,431)
(Profit)/Loss on Sale of Fixed Assets	(10,026)	-
Dividend Received	(2,859,802)	(3,624,952)
	(35,576,707)	(16,995,735)
Operating Profit Before Working Capital Changes	(20,844,627)	(978,486)
Adjustments for :		
Trade and Other Receivables	(22,130,079)	(17,515,937)
Stock-In-Trade	20,283,233	(2,228,427)
Trade Payable and Other Liabilities	(70,158,486)	(55,795,648)
	(72,005,332)	(75,540,012)
Cash Generated From Operations	(92,849,959)	(76,518,498)
Direct Taxes Paid	(2,847,902)	(11,407,107)
Net cash flow from operating activitiesA	(95,697,861)	(87,925,605)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(10,491,570)	(149,928)
Sale of Fixed Assets	288,666	-
Purchase of Investments	(18,451,350)	(19,496,314)
Sale of Investments	99,030,852	22,515,777
Interest Received	5,728,618	7,076,431
Dividend Received	2,859,802	3,624,952
Net Cash from Investing Activities ... B	78,965,018	13,570,918
C. CASH FLOW FROM FINANCING ACTIVITIES		
Increased in Inter Corporate Deposits	16,924,306	72,404,152
Net cash used in financing activities.....C	16,924,306	72,404,152
Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)	191,463	(1,950,535)
Cash and Cash equivalents (Opening Balance)	237,909	2,188,444
Cash and Cash equivalents (Closing Balance)	429,372	237,909

As per our report of even date attached

For and on behalf of the Board

For **BANSI S. MEHTA & CO.**

Chartered Accountants
Firm Reg. No. : 100991W

Haresh G. Buch
Partner
Membership No. 33114

Place : Mumbai
Date : 30 May 2013

R. G. Dhoot
Chairman

R. K. Dhoot
Managing Director

Rajesh M. Loya
Director



Note – 1 : SIGNIFICANT ACCOUNTING POLICIES:-

1. Basis of Accounting:-

The Financial Statements are prepared under the historical cost convention and are in accordance with applicable mandatory Accounting Standards notified by the Companies (Accounting Standards) Rules, 2006 and the relevant provisions of the Companies Act, 1956.

2. Classification of Assets and Liabilities:-

Assets and Liabilities are classified as Current / Non-current considering, inter alia, expected realization / settlement thereof in the Company's normal Operating Cycle (of 5 months) or a period of 12 months from Balance Sheet date.

3. Fixed Assets:-

- a) Fixed Assets are carried at cost of acquisition except office premises revalued on 14th March, 1994 which is stated at a value determined by the valuers, less accumulated depreciation.
- b) Cost is inclusive of duties, taxes, erection / commissioning expenses and incidental expenses and Sales Tax set off wherever applicable.

4. Method of Depreciation:-

Depreciation on assets has been provided on Written Down Value Method in accordance with rates specified in notification no. GSR 756(E) dated 16th December 1993 and Circular no. 14/93 (No. 1/12/92-CL V) dated 20th December, 1993 issued by the Ministry of Law, Justice and Company Affairs, Department of Company Affairs and in the manner specified in Schedule XIV of the Companies Act, 1956 read with the said Notification and Circular.

5. Valuation of Investments:-

Long Term Investments are carried at cost. The cost of investments includes brokerage, Security Transaction Tax and stamp duty. Provision for diminution, if any, is made to recognize a decline, other than temporary, in the value of investments.

6. Valuation of Stock in Trade:-

Stock in trade (Un-quoted shares) is valued at cost or net realisable value whichever is lower. Stock in trade (Quoted Shares) is valued at cost or market price whichever is lower.

7. Income Recognition:-

- a) Sale of trading goods is recognized on the date of invoice exclusive of sales tax/VAT and trade discount.
- b) Profit / Loss from trading in Shares are accounted on the date of contract note received from the Broker.

8. Provision for Current & Deferred Tax:-

- a) Provision for Current Tax is made on the estimated taxable income, at the rate applicable to the relevant assessment year.
- b) In accordance with Accounting Standard 22 "Accounting for Taxes on Income" issued by the ICAI, the deferred tax for timing differences is accounted for, using the tax rates and laws that have been enacted or substantially enacted by the balance sheet date.
- c) Deferred tax assets arising from timing differences are recognized only on the consideration of prudence.

9. Provisions, Contingent Liabilities and Contingent Assets:-

- a) The Company recognizes as Provisions, the liabilities being present obligations arising out of past events, the settlement of which is expected to result in an outflow of resources and which can be measured only by using a substantial degree of estimation.
- b) Contingent Liabilities are disclosed by way of a note to the financial statements after careful evaluation by the management of the facts and legal aspects of the matter involved.
- c) Contingent Assets are neither recognized nor disclosed.

10. Impairment of Assets:-

Management periodically assesses using external and internal sources whether there is an indication that an asset may be impaired. Impairment occurs where the carrying value exceeds the present value of future cash flows expected to arise from the continuing use of the assets and its eventual disposal. The impairment loss to be expensed is determined as the excess of the carrying amount over the higher of the assets net sales or present value as determined above.

11. Foreign Currency Transactions:-

Transactions in foreign currency are recorded at the exchange rate prevailing on the date of the transactions. Foreign currency denominated assets and liability at the balance sheet date is translated at the exchange rate prevailing on the date of the Balance Sheet.

**Notes on Financial Statements for the year ended March 31, 2013**

Note 2 SHARE CAPITAL	March 31, 2013		March 31, 2012	
	Number	₹	Number	₹
Authorised				
Equity Shares of ₹ 10 each	60,00,000	6,00,00,000	60,00,000	6,00,00,000
Issued,Subscribed & paid up				
Equity Shares of ₹ 10 each	5,420,000	54,200,000	5,420,000	54,200,000
Total	<u>5,420,000</u>	<u>54,200,000</u>	<u>5,420,000</u>	<u>54,200,000</u>

2.1 Equity Shares are entitled to one vote per share.

2.2 The details of shareholders holding more than 5% shares:

Name of Shareholders	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Prompt Traders & Investments Private Ltd.	1,017,200	18.77%	1,017,200	18.77%
Shri Rohit Kumar Dhoot	783,130	14.45%	783,130	14.45%
Dhoot Instruments Private Limited	526,618	9.72%	526,618	9.72%
Shri Rajgopal Dhoot	479,934	8.85%	479,934	8.85%

Note 3 RESERVES AND SURPLUS

a. Securities Premium Account	16,500,000	16,500,000
b. Statement of Profit and Loss		
Opening balance	256,364,953	233,869,665
(+) Surplus for the year	17,672,278	22,495,288
Closing Balance	<u>274,037,231</u>	<u>256,364,953</u>
c. General Reserve	2,328,989	2,328,989
Total	<u>292,866,220</u>	<u>275,193,942</u>

Note 4 LONG-TERM BORROWINGS**Secured****Other Loans and Advances**

Mortgage Loan	30,094,687	30,094,687
(Secured against pledge of certain investments of the Company)		
(Maturing on November 13, 2014)		
Total	<u>30,094,687</u>	<u>30,094,687</u>

Note 5 DEFERRED TAX LIABILITIES (NET)

Net deferred tax liability / (asset)	<u>6,745,666</u>	<u>9,325,898</u>
(Refer Note No. 31)		

	March 31, 2013	March 31, 2012
	₹	₹
Note 6 OTHER LONG TERM LIABILITIES		
(a) Trade Payables		
Others	909,362	2,141,092
(b) Others - Advance from customers		
- Advance against sale of land	73,455	612,659
	258,248	-
Total	<u>1,241,065</u>	<u>2,753,751</u>
Note 7 SHORT-TERM BORROWINGS		
a) Loans Repayable on demand		
(i) from banks	48,158,298	54,726,992
(Secured by first charge against book debts and inland documentary bills of the Company)		
(ii) From other parties (unsecured)	9,200,000	6,400,000
b) Loans and advances from related parties (refer Note No. 28)		
	<u>54,743,000</u>	<u>34,050,000</u>
Total	<u>112,101,298</u>	<u>95,176,992</u>
Note 8 TRADE PAYABLES		
Trade Payables		
Others	54,393,259	121,145,573
Total	<u>54,393,259</u>	<u>121,145,573</u>
Note 9 OTHER CURRENT LIABILITIES		
Outstanding Expenses	566,930	342,087
Advance from Customers	285,673	1,262,028
Interest accrued and due on borrowings	3,360	941,045
Other payables*	443,257	647,546
Total	<u>1,299,220</u>	<u>3,192,706</u>
* Includes Statutory dues, Bonus, Leave salary and discounting charges.		



Notes on Financial Statements for the year ended March 31, 2013

Note 10 FIXED ASSETS

Particulars	Gross Block			Accumulated Depreciation			Net Block		
	April 1, 2012	Additions	Disposals	March 31, 2013	April 1, 2012	Depreciation for the year	On disposals	March 31, 2013	March 31, 2012
	₹	₹	₹	₹	₹	₹	₹	₹	₹
Tangible Assets									
a									
Land	3,139,440	# 413,950	-	7,271,390	-	-	-	7,271,390	3,139,440
Office Premises	14,064,086	-	-	14,064,086	8,507,961	277,805	-	5,278,320	5,556,125
Computers	693,105	19,524	-	712,629	586,020	46,088	-	80,521	107,085
Furniture & Fixtures	4,669,535	-	-	4,669,535	3,147,011	275,575	-	1,246,949	1,522,524
Vehicles	5,638,289	2,406,196	(2,219,375)	5,825,110	4,076,432	763,713	(1,940,735)	2,925,700	1,561,857
Air conditioners	265,133	-	-	265,133	202,195	8,756	-	54,182	62,938
Office equipment	475,126	-	-	475,126	313,982	22,415	-	138,729	161,144
Wind Mills	91,483,225	-	-	91,483,225	54,203,162	5,696,302	-	31,583,761	37,280,063
Total	120,427,939	6,557,670	(2,219,375)	124,766,234	71,036,763	7,090,654	(1,940,735)	48,579,552	49,391,176
Total (Previous Year)	120,278,011	149,928	-	120,427,939	63,042,027	7,994,736	-	49,391,176	57,235,984
Capital Work In Progress	2,349,135	933,900	-	3,283,035	-	-	-	3,283,035	2,349,135
Total (Previous Year)	2,349,135	-	-	2,349,135	-	-	-	2,349,135	2,349,135

Conveyance pending to be executed

	March 31, 2013 ₹	March 31, 2012 ₹				
Note 11 NON CURRENT INVESTMENTS						
A Trade Investments						
In Equity shares of Associate Company						
Unquoted, Fully paid up						
Young Buzz India Limited	5,750,000	5,750,000				
5,75,000 (5,75,000) Shares of ₹10/- each						
Total Trade Investments (A)	5,750,000	5,750,000				
B Other Investments (Refer B below)						
In Equity instruments	81,117,943	127,628,530				
Total Other Investments (B)	81,117,943	127,628,530				
Total Non Current Investments	86,867,943	133,378,530				
	2013	2012				
	₹	₹				
Aggregate amount of quoted investments	81,117,943	127,628,530				
Aggregate Market value of the quoted investments	74,905,148	183,692,595				
Aggregate amount of unquoted investments	5,750,000	5,750,000				
B. Details of Other Investments						
Sr. No.	Name of the Body Corporate	No. of Shares		Face Value ₹	Amount	
		2013	2012		2013	2012
	Investment in Equity Instruments (Quoted) (Fully paid)					
1	Aditya Birla Nuvo Limited	8444	8444	10	2,381,696	2,381,696
2	Bharat Forge Limited	785	785	2	210,537	210,537
3	APL Apollo Tubes Limited	114953	434576	10	20,841,601	48,746,587
4	Birla Ericsson Optical Limited	-	6000	10	-	481,500
5	EIH Limited	641	641	2	25,361	25,361
6	Gillette India Limited	4000	8000	10	6,341,771	11,638,709
7	Gujarat Fluorochemicals Limited	57320	57320	1	16,576,804	16,576,804
8	Gujarat NRE Coke Limited	4400	4400	10	-	-
9	Hindalco Industries Limited	1190	1190	1	114,240	114,240
10	Indian Hotels Company Limited	10000	10000	1	700,000	700,000
11	Inox Leasing & Finance Limited	1900	1900	10	-	-
12	Jhagadia Copper Limited	5250	5250	10	263,286	263,286
13	Kirloskar Ferrous Industries Limited	134000	134000	5	3,156,386	3,156,386
14	Mount Everest Mineral Water Limited	95661	245661	10	11,141,901	18,942,489
15	National Aluminium Co. Limited	4000	4000	5	67,880	67,880
16	Nelco Limited	-	40000	10	-	2,859,436
17	Nitco Tiles Limited	76183	76183	10	11,122,718	11,122,718
18	Reliance Capital Limited	68	68	10	6,689	6,689
19	Reliance Industries Limited	2726	2726	10	267,578	267,578
20	Shalimar Wires Ind. Limited	-	1750	2	-	131,000
21	Sutlaj Textile & Industries Limited	14	101	10	988	7,127
22	Taneja Aerospace Aviation Limited	50000	75000	5	4,060,000	6,090,000
23	Videocon Industries Limited	20000	20000	10	3,838,507	3,838,507
	Total	591535	1137995		81,117,943	127,628,530



	March 31, 2013	March 31, 2012
	₹	₹
Note 12 LONG TERM LOANS AND ADVANCES		
a. Capital Advance	3,000,000	-
b. Security Deposits	433,480	440,061
c. Loans and advances to related party (Refer Note No.28)	625,000	625,000
d. Other Loans and Advances		
Tax Payments (net of provisions)	5,993,682	2,785,814
Total	<u>10,052,162</u>	<u>3,850,875</u>
Note 13 OTHER NON CURRENT ASSETS		
(a) Long Term Trade Receivables		
Unsecured, considered good		
Trade Receivables	1,761,241	1,758,597
(b) Others		
Unsecured, considered good		
Advances to suppliers	-	167,176
Interest Receivable	48,978	184,670
Total	<u>1,810,219</u>	<u>2,110,443</u>
Note 14 INVENTORIES		
Stock-in-trade of Shares	142,374,253	162,657,486
Total	<u>142,374,253</u>	<u>162,657,486</u>
Note 15 TRADE RECEIVABLES		
Unsecured, considered good		
Over Six Months	346,030	389
Others	156,246,868	165,793,794
Total	<u>156,592,898</u>	<u>165,794,183</u>

	March 31, 2013	March 31, 2012
	₹	₹
	<u> </u>	<u> </u>
Note 16 CASH AND CASH EQUIVALENTS		
a) Balances with banks	130,021	161,946
b) Cash on hand	299,351	75,963
Total	<u>429,372</u>	<u>237,909</u>
 Note 17 SHORT TERM LOANS AND ADVANCES		
Others		
Unsecured, considered good		
to Body Corporate	10,292,168	20,000,000
to Others	45,000	100,000
to Employees	-	212,500
Total	<u>10,337,168</u>	<u>20,312,500</u>
 Note 18 OTHER CURRENT ASSETS		
Prepaid Expenses	141,950	110,910
Advance to Suppliers	92,153,668	50,871,494
Interest Receivable	319,195	18,908
Total	<u>92,614,813</u>	<u>51,001,312</u>
	F.Y. 2012-13	F.Y. 2011-12
	₹	₹
	<u> </u>	<u> </u>
Note 19 REVENUE FROM OPERATIONS		
Sale of products		
Chemicals / Commodities	552,228,814	297,949,005
Electronics	-	356,945,930
Paper	179,199,506	159,170,423
Power	11,559,602	10,209,993
Shares	<u>58,861,466</u>	<u>80,297,359</u>
Other operating revenue	18,607,797	41,177,197
Total	<u>820,457,185</u>	<u>945,749,907</u>



	F.Y. 2012-13		F.Y. 2011-12	
	₹		₹	
Note 20 OTHER INCOME				
Interest				
From Loans and ICD's	2,018,869		3,537,888	
From Fixed Deposit with Bank	-		106,305	
From Others	<u>3,709,749</u>	5,728,618	<u>3,432,238</u>	7,076,431
Dividend				
From Stock in Trade	1,405,803		2,871,332	
From Non-current Investments	<u>1,453,999</u>	2,859,802	<u>753,620</u>	3,624,952
Net gain on sale of Non-current investments		34,068,915		14,289,088
Other non-operating income		1,523,479		58,075
Profit on Sale of Assets		10,026		-
Total		<u>44,190,840</u>		<u>25,048,546</u>
Note 21 PURCHASE OF STOCK IN TRADE				
Purchase of products				
Chemicals / Commodities	531,410,231		285,241,708	
Electronics	-		356,414,475	
Paper	176,092,846		155,315,845	
Shares	<u>92,760,493</u>	800,263,570	<u>128,646,949</u>	925,618,977
Total		<u>800,263,570</u>		<u>925,618,977</u>
Note 22 Changes in the inventories				
Inventories at the end of the year		142,374,253		162,657,486
Inventories at the beginning of the year		162,657,486		160,429,059
Total		<u>20,283,233</u>		<u>(2,228,427)</u>
Note 23 EMPLOYEE BENEFIT EXPENSES				
Salaries and Wages		924,737		1,430,115
Directors' Remuneration		1,200,000		1,200,000
Staff welfare expenses		120,828		127,826
Total		<u>2,245,565</u>		<u>2,757,941</u>

	F.Y. 2012-13		F.Y. 2011-12	
	₹		₹	
Note 24 FINANCE COST				
Interest				
Paid to Banks	6,445,747		5,284,402	
Paid to Other	4,390,041	10,835,788	4,113,314	9,397,716
Other borrowing cost		-		430,719
Total		10,835,788		9,828,435
Note 25 OTHER EXPENSES				
Auditors' Remuneration				
- Audit Fees	112,360		112,300	
- Tax audit fees	33,708		33,690	
- Limited Review & certification	73,708	219,776	58,670	204,660
Bank Charges	26,583		39,799	
Conveyance Charges	1,094,629		1,375,208	
Directors Sitting Fees	12,000		16,000	
Electricity Expenses	124,458		84,290	
Exchange Fluctuation	-		1,032,542	
Insurance Charges	187,658		141,033	
Professional Fees	1,390,822		1,293,941	
Repairs and Maintenance	1,217,741		1,651,048	
Sales Promotion	536,200		748,460	
Traveling Expenses	1,893,469		1,907,740	
Vehicle Expenses	957,780		1,017,015	
Rent, Rates and Taxes	488,653		449,548	
General expenses	1,047,366		848,258	
		8,977,359		10,604,882
Total		9,197,135		10,809,542



26 Capital commitment for Purchase of Fixed Assets amounting to ₹ 63,89,625/- (Previous Year ₹ 73,23,525/-).

27 Segment Reporting:

The Company has disclosed Business Segment as the primary segment. The Company operates two business segments: Trading & Power Generation. Business Segments have been identified as reportable primary segments in accordance with Accounting Standard – 17 issued by the Institute of Chartered Accountants of India, taking into account the nature of products, risks and returns, organisation structure and internal reporting system.

Particulars	Trading		Power		Other		Total	
	2013	2012	2013	2012	2013	2012	2013	2012
REVENUE								
Sales	822528339	945575589	11559602	10209993	35522914	15042708	869610855	970828290
Unallocable Income	-	-	-	-	-	-	2029639	3537888
Total	822528339	945575589	11559602	10209993	35522914	15042708	871682419	974366178
RESULT								
Segment Result	(11336840)	15260558	5797060	1252131	35522914	15042708	32012773	31555397
Unallocable Expenditure (Net)	-	-	-	-	-	-	6444905	6140431
Operating Profit	(11336840)	15260558	5797060	1252131	35522914	15042708	25567868	25414966
Interest Expenses	10835788	9197975	-	199741	-	-	10835788	9397716
Net Profit before tax	(22172628)	6062583	5797060	1052390	35522914	15042708	14732080	16017250
Tax Expenses	-	-	-	-	-	-	(2940198)	(6478038)
Net profit after Tax	(22172628)	6062583	5797060	1052390	35522914	15042708	17672278	22495288
OTHER INFORMATION								
Segment Assets	399712337	387521088	37617325	43119024	86867943	133378530	524197605	564018642
Unallocable Corporate & Other Asset	-	-	-	-	-	-	28743810	55428279
Total Asset	399712337	387521088	37617325	43119024	86867943	133378530	552941415	564018642
Segment Liabilities	133706877	209606785	909362	909362	-	-	134616239	210516147
Unallocable Corporate & Other Liabilities	-	-	-	-	-	-	418325176	405294956
Total Liabilities	133706877	209606785	909362	909362	-	-	552941415	615811103
Depreciation	1394352	1244960	5696302	6749776	-	-	7090654	7994736
Total Depreciation	1394352	1244960	5696302	6749776	-	-	7090654	7994736

28 Disclosure in respect of related parties as defined in Accounting Standard – 18 wherein transactions have taken place during the year are given below:

Key Management Personnel & Relatives:

Mr. R. K. Dhoot (Managing Director), Mr. R. G. Dhoot (Chairman), Mrs. M. R. Dhoot (w/o Chairman), Mrs. V. R. Dhoot (w/o M. D.), Mr. Rishikesh R. Dhoot (s/o Director), Mst. Rohan R. Dhoot (s/o Director).

Enterprises over which key management personnel exercise control:

1. Young Buzz India Ltd. 2. Iris Resources Pvt. Ltd. 3. Shrotra Enterprises Pvt. Ltd. (Formerly Known as Pine Fresh Minerals Pvt. Ltd.) 4. Dhoot Instruments Pvt. Ltd. 5. Prompt Traders & Investments Pvt. Ltd.

Transactions with Related Parties:

Description	Key Management Personnel		Enterprises controlled by key management personnel	
	Current Year	Previous Year	Current Year	Previous Year
Remuneration	12,00,000	12,00,000	—	—
Directors Sitting Fees	12,000	16,000	—	—
Travelling Expenses	11,73,395	11,46,325	—	—
Loan taken :-				
From Relatives	50,000	—	—	—
From Young Buzz India Ltd.	—	—	—	25,00,000
Loan repaid :-				
To Relatives	—	—	25,00,000	—
To Young Buzz India Ltd.	—	—	—	25,00,000
Advance taken :-				
From Director	8,71,67,000	—	—	—
From Dhoot Instruments Pvt. Ltd.	—	—	3,13,81,000	5,77,50,000
From Prompt Traders & Inv. P. Ltd	—	—	28,00,000	—
Advance repaid :-				
To Director	3,88,00,000	—	—	—
To Dhoot Instruments Pvt. Ltd.	—	—	5,91,05,000	2,98,00,000
To Shrotra Enterprises Pvt. Ltd.	—	—	—	75,000
Interest paid	—	—	—	9,836
Interest Received	—	—	—	5,260

- Maximum Loan Balance ₹ 61,50,000/- (Previous year ₹ 1,11,00,000/-) and Maximum Advance balance ₹ 12,13,98,000/- (Previous year ₹ 4,68,50,000/-) during the year.



29 The provisions of Accounting Standard 15 (Revised) on "Employee Benefits" are not applicable to the Company except for Leave Encashment. However, the Company does not allow any accumulation of leave and employees are allowed to encash it on or after 31st March of every year.

30 Earning Per Share (EPS)

The earnings per share have been computed in accordance with the 'Accounting Standard 20 - Earnings per Share. The numerators and denominators used to calculate Basic and Diluted Earnings per Share:

	For the year ended March 31, 2013	For the year ended March 31, 2012
Profit/(Loss) attributable to Equity Shareholders (In ₹)	1,76,72,278	2,24,95,288
Weighted average number of Equity Shares outstanding during the year (Nos.)	5420000	5420000
Diluted weighted average number of Equity Shares outstanding during the year (Nos.)	5420000	5420000
Nominal value of Equity Shares (In ₹)	10	10
Basic Earnings Per Share (In ₹)	3.26	4.15
Diluted Earnings Per Share (In ₹)	3.26	4.15

31 Deferred Tax Liabilities

Particulars	Deferred Tax Assets/ (Liabilities) as at March 31, 2012	Charge/(Credit) for the current year	Charge/(Credit) for the earlier year	Deferred Tax Assets/ (Liabilities) as at March 31, 2013
Current Year Deferred Tax Liability on account of Depreciation	(93,25,898)	25,80,232	-	(67,45,666)
Previous Year	(1,65,43,937)	23,07,341	49,10,698	(93,25,898)

- 32 Expenditure incurred in foreign currency for foreign travelling of ₹ 6,78,173/- (Previous Year ₹ 9,03,373/-).
- 33 In the opinion of the Board, current assets, loans and advances have a value on realization at least equal to the amount at which they are stated in the accounts.
- 34 Debtors & Creditors balances are subject to confirmation. Adjustments if any, will be made in the accounts on the receipt of such confirmations.
- 35 Previous year figures have been regrouped, reworked, reclassified & rearranged wherever necessary

As per our report of even date attached
For **BANSI S. MEHTA & CO.**
Chartered Accountants
Firm Reg. No. : 100991W

For and on behalf of the Board

Haresh G. Buch
Partner
Membership No. 33114

R. G. Dhoot R. K. Dhoot Rajesh M. Loya
Chairman Managing Director Director

Place : Mumbai
Date : 30 May 2013

ATTENDANCE SLIP
DHOOT INDUSTRIAL FINANCE LIMITED

Registered Office : 504, Raheja Centre,214,Nariman Point, Mumbai – 400 021.

PLEASE COMPLETE THIS ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL, it helps us to make proper arrangements, Failure to bring this Attendance Slip will create unnecessary inconvenience to you. Joint Shareholders may obtain additional Attendance Slips.

Name & Address of the Shareholder(s)	Please write Reg. Folio Number

I hereby record my presence at the 35th ANNUAL GENERAL MEETING of the Company held at Mileage (1st Floor), MALABAR HILL CLUB LTD., B.G.Kher Marg, Malabar Hill, Mumbai-400 006, on 27th September, 2013 at 4.30 P.M.

Signature of Member/Proxy
(To be signed at the time of hand over this slips)

DPID NO. _____ & Client ID No.* _____

* Applicable for Members holding Shares in Electronic Form.

NOTES:

1. Member/Proxy holders are requested to bring their copies of the Annual Report with them at the meeting.
2. Please carry with you this Attendance Slip and hand over same duly signed at the space provided at the entrance of the meeting hall.

-----TEAR HERE-----

PROXY
DHOOT INDUSTRIAL FINANCE LIMITED

Registered Office : 504, Raheja Centre,214, Nariman Point, Mumbai – 400 021.

Reg.Folio	No.Shares held

I/we _____ of _____ being
a member/Members of DHOOT INDUSTRIAL FINANCE LIMITED, hereby appoint _____
of _____

Or failing him _____
Of _____ as my / our proxy to vote for me/
us And on my/our behalf at the 35th ANNUAL GENERAL MEETING of the Company held on Friday,
27th September, 2013 at 4.30 P.M

Signed by the said _____

Affix a 1 Rupee Revenue Stamp
--

Notes:

1. The proxy need not be a member of the company.
2. The proxy form duly signed across 1 Rupee Revenue Stamp should reach the company's Registered office not later than 48 hours before the time of the meeting.

BOOK-POST

If undelivered, please return to:

DHOOT INDUSTRIAL FINANCE LIMITED

504, Raheja Centre,
214, Nariman Point,
MUMBAI – 400 021.

DHOOT INDUSTRIAL FINANCE LIMITED

504, Raheja Centre, 214, Nariman Point, MUMBAI - 400 021

Tel.: 22845050, 22835152, Fax: 22871155.

Email: diflic@gmail.com

Website: www.dhootfinance.com

Ref. /Hardik /Data/CS/Letter/2013-14

WEST
& A/C August 16th 2013

To
BSE Limited,
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort,
Mumbai - 400 001.

Kind Attn.: Corporate Relationship Department

Ref.: Scrip Code - 526971 & Scrip ID - DHOOTIN

Sub.: In Compliance of Clause 31 of the Listing Agreement.

We are enclosing herewith six (6) copies of the Annual Report of the Company for the financial year 2012-2013. Please take the same on record and acknowledge.

FORM A

Format of covering letter of the annual audit report to be filed with the stock exchanges

1.	Name of the Company:	Dhoot Industrial Finance Ltd.
2.	Annual financial statements for the year ended	31st March 2013
3.	Type of Audit observation	Un-qualified
4.	Frequency of observation	N.A.

For DHOOT INDUSTRIAL FINANCE LIMITED


Authorised Signatory.

Encl.: a/a