

17th

# ANNUAL REPORT

## 2011 - 2012

DIRECTOR  
DIRECTOR  
DIRECTOR

MANAGING DIRECTOR  
DIRECTOR  
DIRECTOR  
DIRECTOR



REGISTERED OFFICE

203 CHARTERED HOUSE,

DR. C H STREET, NEAR MARINELINES, MUMBAI

**SERVOTECH ENGINEERING INDUSTRIES LTD.**  
203 CHARTERED HOUSE, DR. C H STREET, NEAR MARINELINES, MUMBAI 400 002.



# SERVOTECH ENGINEERING INDUSTRIES LIMITED

## SERVOTECH ENGINEERING INDUSTRIES LTD.

### BOARD OF DIRECTORS

<b>R S LAHOTI</b>	<b>MANAGING DIRECTOR</b>
<b>RAM AWATAR LAHOTI</b>	<b>DIRECTOR</b>
<b>PRAKASH G JAIN</b>	<b>DIRECTOR</b>
<b>ROHIT T DOSHI</b>	<b>DIRECTOR</b>
<b>JITENDRA GARG</b>	<b>DIRECTOR</b>
<b>NARENDRA GUPTA</b>	<b>DIRECTOR</b>

### BANKERS

**STATE BANK OF BIKANER & JAIPUR**  
**MANDAVI BRANCH**  
**MUMBAI**

### AUDITORS

**D C SURANA & ASSOCIATES**  
**MUMBAI**

### REGISTERED OFFICE

**203, CHARTERED HOUSE,**  
**DR. CAWASJI HORMOUSJI STREET,**  
**NEAR MARINELINES,**  
**MUMBAI - 400 002.**

**NOTICE**

**NOTICE** is hereby given that the 17th. Annual General Meeting of the members of **SERVOTECH ENGINEERING INDUSTRIES LTD.** will be held at Head. Office of the Company at 203, Chartered House, Dr. C.H. Street, New Marine lines, Mumbai - 400 002, on Friday the 28th September, 2012 at 4.00 P M to transact the following business :

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2012 and the Profit and Loss Account of the Company for the year ended on that date together with the report of the Directors and Auditors thereon.
2. To appoint Director in place of Shri R.A. Lahoti who retires by rotation and being eligible, offers himself for reappointments.
3. To appoint Director in place of Shri Rohit Doshi who retires by rotation and being eligible, offers himself for reappointments
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 fix their remuneration.

**NOTES :**

**BY ORDER OF THE BOARD**

Sd/-  
**R S LAHOTI**  
( MG. DIRECTOR)

PLACE : MUMBAI

DATE : 27th August, 2012

**NOTE :**

1. The Register of members and the Transfer Books of the company shall remain closed from Monday the 24th September, 2012 to Friday the 28th September, 2012 (both days inclusive)
2. members are also hereby informed that the equity shares of the company are available for dematerialisation / rematerialisation under the Depository System. Members desirous of having more information may write to the secretarial Department of the company.
3. Members with identical order of name who are holding shares in multiple folios are requested to write to the Company enclosing their share certificate to enable the company to consolidate their holding in one folio.
4. Members/proxies should bring attendance slip (duly completed) for attending the meeting as well as copy of the annual report.
5. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member of the company.
6. proxies in order to be effective, should be duly completed, stamped, signed, and must be deposited at the registered office of the company not less than 48 hours before the meeting.

**DIRECTORS REPORT**

To  
The Members,  
Servotech Engineering Industries Ltd.,

Your Directors have pleasure in presenting their 17th Annual Report together with Audited Statement of Accounts of the company for the year ended 31'st March, 2012.

<b>1. FINANCIAL RESULTS:</b>	<b>Current Year Rupees</b>	<b>Previous Year Rupees</b>
Profit/(Loss) before Depreciation and taxation	(22,02,264)	4,18,951
Less : Depreciation	15,245	17,922
Profit/(Loss) After Dep. & Taxation	(22,17,509)	4,01,029
Add : Balance brought forward from last year	(2,97,67,447)	(3,00,46,559)
	(3,19,84,956)	(2,96,45,530)
Less : Prior period expenses	---	1,21,917
Profit/(Loss) available for Appropriation	(3,19,84,956)	(2,97,67,447)
Balance of Profit (Loss) carried to B/Sheet	(3,19,84,956)	(2,97,67,447)
	=====	=====

**2. REVIEW OF OPERATION :**

During the year under review, sales and operation income was at Rs.456.20 lacs as against Rs. 883.06 lacs in previous financial year, and incurred Operating profit (Loss) was at Rs. (22.17) Lacs as against of Rs.4.01 Lacs in the previous year.

**3. DIVIDEND :**

In view of Current & brought forward losses, your directors regret their inability to recommend any dividend for the year 2011-12.

**4. INSURANCE :**

The company has made necessary arrangement for adequately insuring its insurable interest in various assets.

**5. DIRECTORS :**

In accordance with the provisions of the Companies Act, 1956 and Article 115 of the Articles of Association of the Company, Mr. R A Lahoti & Mr. Rohit Doshi retire by rotation at the forthcoming Annual General Meeting. Mr. R A Lahoti & Mr. Rohit Doshi has offered themselves for reappointment.

**6. AUDITORS :**

M/s. D.C. Surana & Associates, Auditors of the Company hold office until the conclusion of the ensuing Annual General Meeting. The company has received communication from them to the effect that the appointment, if made, would be with in the limits prescribed under Section 224 (1B) of the Companies act, 1956. They are proposed to be appointment as Auditors of the Company for the financial year 2012-2013.

**7. AUDITORS' REPORT :**

The comments observations made in the Auditors' Report are self explanatory and therefore, do not call for any further comments under Section 217 (4) of the Companies Act, 1956.

**8. PERSONNEL :**

During the year under review, the relations with the employees were extremely cordial. Your Directors would like to place on record their warm appreciation for full co-ordination and devoted services rendered by the Employees of your Company.

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

Information in accordance with the provisions of Section 217(1)(e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 regarding conservation of energy, technology absorption are not applicable to the company except export earnings and expenses during the year are as follows :

Export Earnings	Rs.	Nil/-
Travelling Expenses	Rs.	Nil.

**10. PARTICULARS OF EMPLOYEES U/S 217 (2A) :**

- a) Employees employed throughout the year and were in receipt of remuneration for the period in aggregate of Rs. 2,00,000/- per Month..... NIL.

**11. DIRECTORS RESPONSIBILITY STATEMENT :**

Your Directors further report that

1. In the Preparation of the annual account, the applicable accounting standard have been followed and that there were no material departure:
2. the accounting policies selected have been applied, on the basis of judgments. And estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at 31st March 2012 and of the Loss of the company for year ended 31.3.2012
3. Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities
4. The Directors had prepared the annual accounts on a going concern basis.

**12. FIXED DEPOSITS :**

The company has not accepted any deposit during the year.

**13. ACKNOWLEDGEMENTS :**

Your Directors wish to place on record their appreciation for the valuable support and timely of the financial institutions, government authorities, banks and employees. The co operation and the forbearance of the members are gratefully acknowledged.

**13. CORPORATE GOVERNANCE & MANAGEMENT DISCUSSION & ANALYSIS REPORT;**

A separate report on Corporate Governance, along-with a certificate from the Auditors of the company regarding compliance of the conditions of Corporate Governance and Management discussion and Analysis on the matters relating to the business performance, as stipulated under clause 49 of the Listing Agreement with stock Exchange are annexed as annexure I & II to this report.

For and on behalf of the Board of Directors

Sd/-  
**R S LAHOTI**  
(Director)

Sd/-  
**R A LAHOTI**  
(Director)

**Annexure – I to Directors' Report****CORPORATE GOVERNANCE REPORT****COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE**

**Servotech Engineering Industries Limited** is a professionally managed company, which believes in Corporate Culture, which is possible only by executing the Corporate Governance in true and efficient manner. Servotech Engineering Industries Limited is maintaining good relations with all stakeholders.

Servotech Engineering Industries Limited has a good personnel policy for its employees. Apart from good remuneration, salaries and other facilities, the Company provides pleasant work atmosphere to its employees. The role of each and every employee is well defined in the hierarchy.

For investors' grievances, the Company has established one investor grievances cell which efficiently resolves the problems and queries of the investors of the Company.

Hence, it can be observed that the company has been functioning in a most transparent and fair manner with all its stakeholders i.e. investors, customers, employees, government and Servotech Engineering Industries Limited has a unique distinction of servicing to its stakeholders.

**BOARD OF DIRECTORS**

During the year under review, 5 Board Meeting were held on 21.04.2011, 11.07.2011, 08.11.2011, 14.11.2011, and 07.02.2012. The composition of the Board, attendance at Board Meetings held during the financial year under review and at the last Annual General Meeting, number of Directorships and memberships / chairmanships in public companies (Including the Company) are given below:-

Name of the Director	Category	FY 2011 - 12 Attendance at		No. of Directors-hips	Committee positions Member / Chairman
		Board Meetings	Last AGM		
Mr. Ramawtar Lahoti	Promoter	5	Yes	1	-
Mr. Radheshyam Lahoti	Promoter	5	Yes	3	1
Mr. Prakash G Jain	Independent Director	5	Yes	-	1
Mr. Rohit Talakchand Doshi	Independent Director	5	Yes	3	1
Mr. Jitendra Bhushan Garg	Independent Director	5	Yes	-	-
Mr Narendra Ramchandra Gupta	Independent Director	5	No	3	-

As may be seen from the above details, the Board of the Company comprises of all Non-Executive Directors only.

In addition to the matters which statutorily required Board's approval, as required by Corporate Laws and other statutory laws, the following matters are regularly placed before the Board:-

- ☛ Minutes of Audit Committee Meetings, Remuneration committee Meetings and other committee meetings.
- ☛ Recruitment and Remuneration of senior executives below the Board level.
- ☛ Disclosure of material regarding related party transactions, if any, with potential for conflict of interest.
- ☛ Quarterly details of finance and risk management strategies.
- ☛ Compliance with Regulatory and Statutory requirements including listing requirement and shareholders services.
- ☛ Details of show cause, demand, prosecution and penalty notices which are materially important.

### **Information on Directors Re-appointment / Appointments**

A brief detail of Director being re-appointed / appointed at the ensuing Annual General Meeting, the nature of their expertise in specific functional areas are furnished hereunder:

Mr. R. A Lahoti & Mr. Rohit Doshi retire by rotation at the forthcoming Annual General Meeting and Mr. R. A Lahoti & Mr. Rohit Doshi has offered themselves for reappointment.

### **AUDIT COMMITTEE**

The Audit Committee of Directors constituted by the Board of Directors of the Company comprises of two non-executive Independent directors and one non-executive director. The broad terms of reference of the Audit Committee include review of the Company's financial reporting process, the financial statements and financial/risk management policies, review of the adequacy of the internal control systems and functioning of the Internal Audit team, discussions with the management and the external auditors, the audit plan for the financial year and any Changes in accounting policies and practices.

During the year under review, 5 Audit Committee Meetings were held on 21.04.2011, 11.07.2011, 08.11.2011, 14.11.2011, and 07.02.2012. The composition of the Audit Committee and attendance at its meetings is given hereunder:-

## GENERAL BODY MEETINGS

### Location and time of Last Three Annual General Meetings:

Year	Type	Date of AGM	Venue	Time
2010-2011	AGM	September 30, 2011	203, Chartered House, DR.C.H. Street, New Marine Lines, Mumbai-400002	11.00 am
2009-2010	AGM	September 29, 2010	203, Chartered House, DR.C.H. Street, New Marine Lines, Mumbai-400002	11.00 am
2008-2009	AGM	September 29, 2009	203, Chartered House, DR.C.H. Street, New Marine Lines, Mumbai-400002	11.00 am

## OTHER DISCLOSURES

- During the year under review, besides the transactions reported elsewhere in the Annual Report, there were no other related party transactions with its promoter, directors, management and subsidiaries that had a potential conflict with the interest of the Company at large.
- The Company has complied with various rules and regulations prescribed by Stock Exchanges, Securities and Exchange Board of India or any other statutory authority relating to the capital markets during the last three years.
- Remuneration Package of Director.

Name of Director	Salary ( Rs. In Lacs)
Mr. Radheshyam Lahoti	2.40 p.a.

## MEANS OF COMMUNICATIONS

Quarterly and half yearly results	Published in English & Regional News Paper
Any website, where displayed	N.A.
Whether it also displays official news releases; and the presentations made to institutional investors or to the analysts	Yes.





**GENERAL INFORMATION FOR MEMBERS**

**Annual General Meeting:**

- ☛ Date and Time : September 28, 2012 at 4.00 p.m.
- Venue : 203, Chartered House, DR.C.H.Street,  
New Marine Lines, Mumbai-400002.  
Maharashtra

**Dividend Payment Date:** The Board has not recommended a dividend for the financial year 2011-2012.

**Date of Book Closure :** 24th September, 2012 to 28th September, 2012 (Inclusive both days).

**Financial Calendar :** Financial reporting for the quarter ending September 30, 2012 - End October 2012  
Financial reporting for the quarter ending December 31, 2012- End January 2012  
Financial reporting for the quarter ending March 31, 2013- End April 2013  
Financial reporting for the quarter ending June 30, 2013- End July 2013

☛ **Listing:**

The Stock Exchanges on which the Company's securities are listed and the Company's Stock Code is given below:

The Stock Exchange, Mumbai  
Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai 400 001  
Scrip Code: 531944

☛ **Market Information:**

The trading in the shares of the Company has been suspended by BSE. Therefore, Market Price data monthly high/low and trading volumes during the last financial year on the BSE /depicting liquidity of the Company's Ordinary Shares on the said exchange are not available.

**Registrar and Transfer Agents:**

Members are requested to correspond with the Company's Registrar & Transfer Agents System Support Services at the following addresses:

**System Support Services**

89, Andheri Kurla Road, Next to Logitech Park,  
above McDonalds, Sakinaka, Andheri (East), Mumbai 400 072.

**Share Transfer system:**

Shares lodged for transfer at the Registrar's address are normally processed within 15 days from the date of lodgement, if the documents are clear in all respect. All requests for dematerialisation of shares are processed and the confirmation is usually given to the depositories within 15 days. Senior Executives of the Company are empowered to approve transfer of shares. Grievance received from Members and other miscellaneous correspondence on change of address, mandates, etc. are processed by the Registrars within 30 days.

**Shareholding Pattern as on March 31, 2012:**

Category	As on March 31, 2011	
	No. of Shares	%
Individuals	3559100	69.36
Companies, Mutual Funds & Trusts	1462200	28.49
Directors and relatives	85100	1.66
NRIs & Foreign Companies	25000	0.49
Government & Public Financial Institutions	Nil	Nil
Clearing Members	Nil	Nil

**Address for Correspondence:** Servotech Engineering Industries Limited  
203, Chartered House,  
Dr.C.H.Street, New Marine lines,  
Mumbai 400 002.  
E-mail: info@servotech-india.com

For and on behalf of the Board of Directors

Sd/-

**R. S. Lahoti.**  
Managing Director

Place : Mumbai  
Date : 27/08/2012

**DECLARATION**

As per Clause 49 of the Listing Agreement with the Stock Exchange, this is to confirm that all Board Members and Senior Management personnel have affirmed compliance with the Code of the Company for the financial Year 2011-12.

**For SERVOTECH ENGINEERING INDUSTRIES LTD.**

Sd/-

Chairman & Managing Director

Place: Mumbai  
Date: 27/08/2012

**CERTIFICATION BY MANAGING DIRECTOR:**

I, Radheshyam Lahoti, Chairman & Managing Director of M/s. Servotech Engineering Industries Ltd., to the best of our knowledge and belief, certify that:

- a. We have reviewed the balance sheet and profit and loss account and all the schedules and notes on accounts, as well as the cash flow statements, and the directors' report;
- b. Based on our knowledge and information, these statements do not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the statements made;
- c. Based on our knowledge and information, the financial statements, and other financial information included in this report, present in all material respects, a true and fair view of the Company's affairs, the financial condition, results of operations and cash flows of the Company as of, and for, the periods presented in this report, and are in compliance with the existing accounting standards and / or applicable laws and regulations;
- d. To the best of our knowledge and belief, no transactions entered into by the Company during the year are fraudulent, illegal or violative of the Company's code of conduct;
- e. We accept the responsibility for establishing and maintaining internal controls for financial reporting evaluate the effectiveness, disclosing the deficiencies in the design or operation of internal controls, if any, to the Auditors and Audit Committee and take steps or purpose to take steps to rectify these deficiencies.
- f. We have indicated, wherever applicable, to the Auditors and the Audit Committee:
  - i. Significant changes in Internal Control over financial reporting during the period; and
  - ii. Significant changes in Accounting Policies, the same have been disclosed in the notes to the financial statement;

**For SERVOTECH ENGINEERING INDUSTRIES LTD.**

Sd/-

Chairman & Managing Director

Place: Mumbai

Date: 27/08/2012

**Annexure – II to Directors' Report****MANAGEMENT DISCUSSION AND ANALYSIS****Industry Structure and Development**

The Indian Process Engineering Industry is serving as a major contributor to the Indian Economy, through its export earning and employment generation potential. The 1980s saw the transition phase of the industry from being a supplier of process engineering goods to an exporter of high standard and quality engineering products and value added products constituting a significant share of about 65%. The 1990s witnessed implementation of long term program implemented by Government provided the required filling for the industry.

**Opportunities, Threats & Concern**

The growth path of the process engineering industry continued in the first decade of 21st Century and several landmark initiatives were taken by the Government which includes recognition of process engineering sector

**Segment – Wise Performance**

The Company's business segment is primarily Process Engineering Division. During the year under review, the Process Engineering Division revenue was Rs. 448.59 Lacs.

**Outlook**

With the aim of availing the huge potential opportunities, your Directors are consistently moving towards value enhancement. The upward trend of business opportunities are likely to continue. However, to contain inflation, Reserve Bank of India has gradually started tightening monetary policy. This has resulted in much larger increase in Bank's Cost of Funds. Consequently, Banks have progressively increased their lending rates and we expect the margins to come under pressure going forward.

**Internal Control System and Their Adequacy**

The Company has an adequate internal control system, commensurate with the size and nature of its business. The system is supported by documented policies, guidelines and procedures to monitor business and operational performance which are aimed at ensuring business integrity and promoting operational efficiency. The reports of internal auditors are regularly reviewed at Audit Committee Meetings.

**Risk Management**

As part of the Company's efforts to strengthen Corporate Governance, the Board of Directors have formulated a Risk Management Policy, which puts in place of risk management structure with clear definition of roles and responsibilities, as well as a risk portfolio involving a continuous process of risk identification, risk assessment, control assessment and risk monitoring, review and communication. The Company aims to:

**AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE**

To  
The Board of Directors,  
Servotech Engineering Industries Ltd.

We have examined the compliance of conditions of Corporate Governance by Servotech Engineering Industries Limited ("the Company") for the year ended on 31st March, 2012, as stipulated in Clause 49 of the Listing Agreement of the company with the Stock Exchanges.

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

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

We state that no investor grievance is pending for a period exceeding one month as per the records maintained by the Share Transfer and Investor grievance committee.

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

**FOR D.C. SURANA & ASSOCIATES**  
**Chartered Accountants**

Place : Mumbai  
Date : 27/08/2012

Sd/-  
( Proprietor)  
**M.No.100-34074**  
**F.R.NO. 115961W**

- Identify, assess and manage existing as well as new risks in a planned and coordinated manner, Develop and foster a culture within the organization that encourage all staff to identify risk and associated opportunities and respond to them with appropriate actions.

### **Human Resources**

The Company recognizes human resources as its strength and hence welfare activities form an integral part of your Company's strategy for growth. No man-days were lost due to strike, etc. As on 31st March, 2012, your Company had an staff strength of 15 employees consisting of persons well qualified in technical and managerial skills and having the requisite competence required for their tasks. Your Company follows a philosophy of fair compensation to its employee.

### **Corporate Social Responsibility**

As a socially responsible organization, the SERVOTECH has contributed not only to economic well being of the Communities it interacts with, but has also enhanced their social well being and development. Since its inception, the SERVOTECH has always been engaged in activities, which add value to the community around it.

### **Public Deposits**

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

### **Exports**

During the year, there is no export turnover.

### **Domestic Sales**

Your Company enjoys leadership position in the segment in which its products are represented. Company enjoys customers' admiration and confidence and is one of the highest selling products in-Market. The Company's flagship brand SERVOTECH online outlet [www.servotechengineering.in](http://www.servotechengineering.in) is also getting huge response from customers.

For and on behalf of the Board of Directors

Sd/-  
(R S Lahoti)

Sd/-  
(R A Lahoti)

Place : Mumbai

Date : 27/08/2012



## AUDITOR'S REPORT

To,  
The Members  
M/s. Servotech Engineering Industries Ltd.

1. We have audited the attached Balance Sheet of M/s SERVOTECH ENGINEERING INDUSTRIES LTD. As the 31st March, 2012 the Profit & Loss Account of the company and also the 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 have 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 disclosure in the financial statements. An audit also includes assessing the accounting principles 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 (Auditors' Report) Order, 2003 Issued by the Central Government 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.
4. Further to our comments in the Annexure referred to in paragraph (3) above, we state that
  - a) 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.
  - b) In our opinion proper books of accounts as required by law have been kept by the company, so far as appears from our examination of such books.
  - c) The Balance Sheet and Profit and Loss Account dealt with by this Report are in agreement with the books of accounts of the Company.
  - d) In our opinion, the Profit and Loss Account and Balance Sheet comply with the accounting standards referred to in Sub-section (3C) of Section 211 of the Companies Act, 1956.(Except retirement benefits which are accounted for on cash basis.)
  - e) On the basis of the written representations received from the directors and taken on record by the board of Directors, we report that none of the Directors is disqualified as on March 31, 2012, from being appointed as a Director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act 1956.
  - f) Attention is invited to the following in significant Accounting policies Notes 2 :
    - l) Note No. 2.10 regarding Debts considered doubtful for of recovery amounting to Rs. 21,80,048 for which no provision has been made in accounts

In our opinion and to the best of our information and according to the explanations given to us, subject to our comments as referred to in (f) above impact of which is presently not ascertainable, the said accounts read together with significant accounts policies and other notes thereon give the information required by the Companies Act, 1956 in the manner so required give true and fair view and conformity with the general accounting principles accepted in India :

- a) in the case of Balance Sheet, of the state of affairs of the Company as at 31st March, 2012
- b) in the case of Profit & Loss Account, of the Loss for the year ended on that date.

**A N D**

- c) in the case of the cash flow statement, of the cash flows for the year ended on that date.

**FOR D.C. SURANA & ASSOCIATES**  
**Chartered Accountants**

Place : Mumbai  
Date : 27th August, 2012

Sd/-  
(Proprietor)  
M.No.100-34074  
F.R.NO. 115961W





**ANNEXURE REFERRED TO THE AUDITORS' REPORT TO THE MEMBERS OF SERVOTECH ENGINEERING IND. LTD. FOR THE YEAR ENDED 31ST MARCH, 2012.**

1.
  - a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - b) As explained to us, the fixed assets have been physically verified by the management during the year. The Company has a phased Program of physical verification of its fixed assets which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assented.
2. The company dose not have any inventory.
3.
  - a) The Company has not granted any loans secured or unsecured to the companies, covered in the register maintained under section 301 of the Companies Act, 1956.
  - b) Since the Company has not granted any loans to the parties under Section 301 of the act, hence the question of interest and other conditions dose not arise.
  - c) The company has taken interest free short term unsecured loan of Rs. 1,00,000/- covered in the register maintained under section 301 of the Act.
  - d) The other term & conditions are prima facie not prejudicial to the interest of the company
  - e) The Payment of the Principal amount and interest also regular wherever applicable.
4. In our opinion and according to the information and explanations given to us, internal control procedures commensurate with the size of the company and the nature of its business for the purchase of inventories, fixed assets and for the sale of goods needs to be strengthened.
5. Based on the audit procedures applied by us and according to the information and explanations provided by the management to us the transactions that need to be entered in the register in pursuance of section 301 of the Act have been so entered.
6. The Company has not accepted any deposits from the public and consequently, the directive issued by the Reserve Bank of India, the Provisions of Sections 58A and 58AA of the Companies Act, 1956 and the rules framed there under are not applicable.
7. The Company dose not have formal internal audit system.
8. The provisions regarding maintenance of cost records are not applicable to the Company.
9. In Respect of Statutory Dues.
  - a) The company is regular in depositing statutory dues with appropriate authorities
  - b) According to the information and explanations given to us, there are no undisputed amount payable in respect of such statutory due which have remained outstanding as at 31.03.2012 for a period of more than six months from date they become payable, except a sum of Rs. 2,12,966/- on a/c of provident fund.
  - c) According to the information and explanations given to us, there are no dues of income tax, Wealth Tax, Sales Tax, Excise duty. Custom Duty & Cess, which have not been deposited on account of dispute.

10. The Company has accumulated losses of Rs.3,19,84,956/- at the end of the financial year and has incurred cash losses during the financial year covered by our audit.
11. The Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities. Accordingly, clause 4(xii) of the order is not applicable.
12. In our opinion, the Company is not a chit fund or a nidhi /mutual benefit fund or society. Accordingly, clause 4(xiii) of the order is not applicable.
13. According to the information and explanations given to us, the Company is not a dealer or trader in shares, securities, debentures and other investments. Accordingly clause 4(xiv) of the order is not applicable.
14. 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. Accordingly, clause 4(xiv) of the order is not applicable.
15. In our opinion, the company has not taken any term loan during the year.
16. On the basis of an over all examination of the balance sheet of the company, in our opinion and according to the information and explanations given to us, there are no funds raised on a short term basis which have been used for long term investment, and vice versa.
17. The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Act during the year. Accordingly, clause 4(xviii) of the order is not applicable.
18. The Company has not issued any debentures during the year. Accordingly, clause 4(xix) of the order is not applicable.
19. The Company has not raised any money by public issues during the year. Accordingly, clause 4(xx) of the order is not applicable.
20. During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the audit.

**For D C Surana & Associates**  
**Chartered Accountants**

Place : Mumbai  
Date : 27th August, 2012

Sd/-  
(D C Surana )  
Proprietor  
M.No. 100-34074  
F.R.No. 115961W

# SERVOTECH ENGINEERING INDUSTRIES LIMITED

## BALANCE SHEET AS AT 31ST MARCH, 2012

PARTICULARS	NOTES	As at 31.03.12 Rupees	As at 31.03.11 Rupees
<b>I EQUITY AND LIABILITIES</b>			
<b>1 Share Holders Funds</b>			
a Share Capital	3	40,456,166	40,456,166
b Reserve & Surplus	4	(31,984,956)	(29,767,447)
<b>2 Share Application Money (Pending Allotment)</b>			
		-	-
<b>3 Non-Current Liabilities</b>			
a Long-term borrowings	5	100,000	100,000
b Deferred Tax Liability(Net)		-	-
c Other Long-term borrowings		-	-
d Long-term Provisions		-	-
<b>4 Current Liabilities</b>			
a Short-term Borrowings		-	-
b Trade Payables	6	77,022,291	52,487,457
c Other Current Liabilities	7	244,527	296,632
d Short term Provisions		-	-
		85,838,028	63,572,808
<b>II ASSETS</b>			
<b>1 Non-current Assets</b>			
a Fixed Assets	8		
i Tangible assets		104,673	119,918
ii Intangible assets		-	-
iii Capital Work in progress		-	-
b Non Current Investment	9	1,000,000	4,100,000
c Deffered tax Assets		-	-
d Long term Loan & Advances	10	780,587	2,922,229
e Other Non Current Assets		-	-
<b>2 Current Assets</b>			
a Current investment		-	-
b Inventories	11	-	-
c Cash & Cash Equivalents	12	144,862	118,582
d Trade Receivables	13	83,639,613	56,293,786
e Short term Loan & Advance	14	150,000	-
f Other Current Assets	15	18,293	18,293
		85,838,028	63,572,808

Corporate Information 1  
Accounting Policies & Notes on Accounts 2

As per our report of even date  
**FOR D.C. SURANA & ASSOCIATES**  
Chartered Accountants

For & on behalf of the Board of Directors

Sd/-  
**D C SURANA**  
(Proprietor)  
Membership No. 100-34074  
Firm Reg No. 115961W

Sd/-  
**R S LAHOTI**  
( Director)

Sd/-  
**R A LAHOTI**  
(Director)

Place : Mumbai  
Date : 27th August 2012

Sd/-  
**J B Garg**  
( Director)

**STATEMENT OF PROFIT AND LOSS ACCOUNT FOR  
THE YEAR ENDED 31ST MARCH, 2012**

PARTICULARS	NOTES	As at 31.03.12 Rupees	As at 31.03.11 Rupees
I Revenue from Operation	16	44,859,885	87,978,756
II Other Income	17	760,950	327,249
<b>III Total Revenue (I + II)</b>		<b>45,620,835</b>	<b>88,306,005</b>
<b>IV Expense</b>			
Cost of Material Consumed	18	44,628,959	87,358,229
Purchase of Stock in Trade		-	-
Change in Inventories of Finished Goods, Work in progress and stock in Trade	19	-	-
Manufacturing Expenses	20	-	-
Employees' Benefits Expenses	21	272,210	259,240
Financial Costs	22	2,226	-
Depriciation & amortisation expenses	8	15,245	17,922
Other Expenses	23	2,919,704	269,585
<b>Total Expenses</b>		<b>47,838,344</b>	<b>87,904,976</b>
V Profit before exceptional and extraordinary Items and Tax (III - IV)		(2,217,509)	401,029
VI Exceptional Items		-	-
VII Profit before extraordinary Items & tax ( V - VI)		(2,217,509)	401,029
VIII Extraordinary Items		-	-
IX Profit before Tax ( VII - VIII)		(2,217,509)	401,029
X Tax Expenses			
(1) Deffered Tax		-	-
(2) Prior Period Exp		-	(121,917)
XI Profit (Loss) for the period from continuing Operation		(2,217,509)	279,112
XII Profit (Loss) form Discontinuing operations		-	-
XIII Tax Expenses of Discontinuing operations		-	-
XIV Profit (Loss) for the discontinuing Operations (After Tax)		-	-
XV Profit (Loss) for the period (XI + XIV)		(2,217,509)	279,112
XVI Earning per Share			
(1) Basic		(0.74)	0.09
(2) Dlluted		(0.74)	0.09

Corporate Information 1  
Accounting Policies and Notes on Accounts 2

**FOR D.C. SURANA & ASSOCIATES**  
Chartered Accountants

Sd/-  
**D C SURANA**  
(Proprietor)  
Membership No. 100-34074  
Firm Reg No. 115961W

For & on behalf of the Board of Directors

Sd/-  
**R S LAHOTI**  
( Director)

Sd/-  
**R A LAHOTI**  
( Director)

Place : Mumbai  
Date : 27th August 2012

Sd/-  
**J B Garg**  
( Director)

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2012**

Sr. No.	PARTICULARS	As at 31.03.12 Rupees	As at 31.03.11 Rupees
<b>A.</b>	<b>CASH FLOW OPERATING ACTIVITIES</b>		
	Net profit / (loss) before taxation	(2,217,509)	401,029
	<u>Adjustment For :</u>		
	Depreciation & Amortisation	15,245	17,922
	Preliminary/Prior period / Share issue exp. W/off	-	(121,917)
	Operating profit/(loss) before working Capital Changes	(2,202,264)	297,034
	<u>Adjustment for :</u>		
	(Increase) Decrease in Inventories	-	-
	(Increase) Decrease in Trade Receivables	(27,345,827)	(46,476,627)
	(Increase) Decrease in Loans & Advance- Long term	2,141,642	190,000
	(Increase) Decrease in Loans & Advance-Short term	(150,000)	-
	Increase (Decrease) in Short term Borrowings	-	-
	Increase (Decrease) in other Current Liabilities	(52,105)	49,412,951
	Increase (Decrease) in Trade Paybles	24,534,834	-
	Income Tax	-	-
	<b>NET CASH USED IN OPERATING ACTIVITIES</b>	<b>(3,073,720)</b>	<b>3,423,358</b>
<b>B.</b>	<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
	Purchase of Investments	-	-
	purchase of Fixed assets	-	-
	Increase (Decrease) in Capital W-I-P	-	(1,925,000)
	<b>NET CASH FLOW FROM INVESTING ACTIVITIES</b>	<b>(3,073,720)</b>	<b>5,348,358</b>
<b>C.</b>	<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
	Proceeds from issue of share capital	-	-
	Share application Money Received / Adjusted	-	-
	(Increase) Decrease in Unsecured loans	-	5,447,000
	(Increase) Decrease in Secured loans	-	-
	(Increase) Decrease in Investments	3,100,000	-
		<b>3,100,000</b>	<b>5,447,000</b>
<b>D.</b>	<b>NET CASH FLOW FROM FINANCING ACTIVITIES</b>		
	<b>Net Increase/ Decrease in Cash &amp; Cash Equivalents</b>	<b>26,280</b>	<b>(98,642)</b>
	Cash & Cash equivalents at the beginning of the year	118,582	217,224
	Cash & Cash equivalents at the end of the Year	<b>144,862</b>	<b>118,582</b>

As per our report of even date  
**FOR D.C. SURANA & ASSOCIATES**  
 Chartered Accountants

Sd/-  
**D C SURANA**  
 (Proprietor)  
 Membership No. 100-34074  
 Firm Reg No. 115961W

For & on behalf of the Board of Directors

Sd/-  
**R S LAHOTI**  
 ( Director)

Sd/-  
**R A LAHOTI**  
 (Director)

Sd/-  
**J B Garg**  
 ( Director)

Place : Mumbai  
 Date : 27th August 2012

## NOTES FORMING PARTS OF FINANCIAL STATEMENT

### 1. Corporate Information

Servotech Engineering Industries Ltd. (the Company) is a public company domiciled in India and incorporated under the provisions of the companies Act, 1956. Its share are listed on Bombay Stock Exchange Ltd. The Company is engaged in the trading & Supply of turnkey projects of Solvent Extraction plants, Castor Oil Plants, Edible Oil plants, Oil Refinery Plants, Vanaspati Plants, and Dairy & food Processing Plants, Chemical/Petrochemical, Pharmaceutical Plants etc. Distilleries & its all type of equipment's, Accessories, Spare parts & Components.

### 2. Significant Accounting Policies :

#### 2.1 Accounting Concepts :

The Company follows the mercantile system of accounting and recognized Income and Expenditure on accrual basis. The accounts are prepared on historical cost convention and as a going concern. Accounting policies not referred to otherwise are consistent with generally accepted Accounting Principles.

#### 2.2 Fixed Assets

Fixed Assets are stated at cost (Including other expenses related to acquisition and installation). Less accumulated Depreciation

#### 2.3 Depreciation

- i. Depreciation has been provided under W D V method at the rates prescribed in Schedule XIV of the Companies Act, 1956 (as amended).
- ii. Depreciation of fixed assets is provided on Pro-rata basis from the date of their purchase / acquisition / capitalization till the date of disposal.

#### 2.4 Revenue Recognition

Revenue from Sales represented invoice value of goods sold including of sales tax, insurance, packing & forwarding charges and Technical services etc. Sales of goods is recognized on transfer of property of goods as per agreed terms

#### 2.5 Retirement Benefits

These are accounted for as and when paid.

#### 2.6 Investments

Investments are valued at cost.

#### 2.7 Earning per Share

The earnings considered in ascertaining the company's EPS comprise the net profit or (loss) for the period after tax and extra ordinary items. The Basis EPS is computed on the basis of weighted average number of equity shares outstanding during the year. The Number of Share for computation of diluted EPS comprise of weighted average number of equity shares considered for deriving basic EPS.

**NOTES FORMING PARTS OF FINANCIAL STATEMENT | Continued**

**2.8 Taxes on Income**

Tax expenses for the year comprises of current tax and deferred tax. Current taxes are measured at the current rate of tax in accordance with provision of the Income Tax Act, 1961.

Deferred Tax Assets & Liabilities are recognized for future tax consequences attributable to the timing differences that results between taxable profit & the profit as per the financial statement.

Deferred tax Assets & liabilities are measured using the tax rate and tax laws that have been enacted or substantively enacted at the Balance Sheet Date.

Deferred tax assets are recognized on unabsorbed depreciation & carry forward losses under tax law to the extent there is virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized The effect of deferred tax assets & liabilities of a change in tax rate is recognized in the Profit & Loss account in the year of Change.

**2.9 Contingent Liabilities**

Contingent liabilities are determined on the basis of a available information and are disclosed by way of Notes to Accounts.

**2.10** Trade Receivables including Rs.21,80,048/- which are doubtful for recovery. The Management has taken necessary steps to recover the same. The Management is hopeful about the recovery; hence no provision has been considered.

**2.11** Auditors Remuneration consists of :

	<b>Current Year</b>	<b>Previous Year</b>
	<b>Rs.</b>	<b>Rs.</b>
Audit Fees	15,000/-	15,000/-
Tax Audit Fees	10,000/-	4500/-
	-----	-----
<b>TOTAL</b>	<b>25,000/-</b>	<b>19,500/-</b>
	=====	=====

**2.12** Provision has been made for Income tax as per the provisions if Income Tax Act 1961.

**2.13** In order to comply with the requirement of the Micro, Small and Medium Enterprises Development Act 2006, as the company has not received any memorandum ( as required by to be filed by the suppliers with the notified authority under Micro, Small and Medium Enterprises Development Act 2006) claiming their status as micro or medium enterprises the information as required to be given above is considered to be NIL.

**2.14** On accordance with the Accounting Standard on " Related Party Disclosure"(AS-18),the disclosure in respect of transactions with the company's related parties are as follows :

- a) Associate company  
(In which some of directors are interested) : Lahoti Exports Pvt Ltd
- b) Key Managerial Person: : R S Lahoti (Director)
- c) Material Transaction with related Party :  
M/s. Amitex Engg. Services P Ltd. : Purchase - Rs. 84,46,432.00  
(Director - M M Lahoti Son of MD)

**2.15** All Balances of sundry Debtors, Creditors, Loan & Advances are subject to confirmations.

**NOTES FORMING PARTS OF FINANCIAL STATEMENT | Continued**

**2.16** In the opinion of the Board of Directors all the current assets, Loans & Advances are approximately of the value stated in the balance sheet as at 31st march, 2012 if realized in the ordinary course of business. The provision for depreciation and all known liabilities has been made and is adequate and not in excess of amount reasonably required.

**2.17** In view of Accounting Standard -22 " Accounting for Taxes on Income", deferred tax Assets has been considering lack of virtual certainty of its realization of losses.

I) Value of Imports	:	Rs. Nil (Nil)
II) Expenditure in foreign Currency	:	Rs. Nil (Previous year Rs. Nil)
III) Earnings in foreign Exchange	:	Rs. Nil (Previous year Rs. Nil)
IV) Amount remitted during the year in foreign Currencies on account Of dividend	:	Nil

**2.18** Previous year figures have been regrouped and rearranged, wherever necessary.

**For D.C. SURANA & ASSOCIATES.**  
**CHARTERED ACCOUNTANTS.**

Sd/-  
**D. C. Surana**  
(Proprietor)  
M.No. 100-34074  
F.R.No.115961W

Sd/-  
**R S Lahoti**  
(Director)

Sd/-  
**R A Lahoti**  
(Director)

Sd/-  
**J B Garg**  
(Director)

Place : Mumbai  
Date : 27th August, 2012



**SERVOTECH ENGINEERING INDUSTRIES LIMITED****NOTES FORMING PART OF FINANCIAL STATEMENT**

<b>PARTICULARS</b>	<b>As at 31.03.12 Rupees</b>	<b>As at 31.03.11 Rupees</b>
<b>3 : SHARE CAPITAL</b>		
AUTOHRISED 60,00,000 Equity Shares of Rs. 10 Each	60,000,000	6,00,00,000
ISSUED, SUBSCRIBED & PAID UP 51,31,400 Equity Shares of 10/- each (Previous Year 51,31,400)		
Fully paid up 5,13,14,000	40,456,166	40,456,166
Less: Calls-in-Arrears 1,08,57,834	40,456,166	40,456,166
<b>4 : RESERVE &amp; SURPLUS</b>		
Surplus		
Opening Balance	(29,767,447)	(30,046,559)
Add : Profit for the year	(2,217,509)	279,112
Net surplus in the statement of Profit & Loss	(31,984,956)	(29,767,447)
<b>5 : LONGTERM BOROWINGS</b>		
Secured	-	-
Unsecured	100,000	100,000
	100,000	100,000
<b>6 : TRADE PAYBLES</b>		
Sundry Creditors for Goods	76,795,024	52,258,014
Sundry Creditors for Expenses	227,267	229,443
	77,022,291	52,487,457
<b>7 : OTHER CURRENT LIABILITIES</b>		
Other Statutory Liabilities	221,584	243,632
Other Liabilities	22,943	53,000
	244,527	296,632

**NOTES FORMING PART OF FINANCIAL STATEMENT**

**8 : FIXED ASSETS**

SR. NO	ASSETS	GROSS BLOCK			DEPRECIATION			NET BLOCK		
		AS At 01.04.11	Add tion	As at 31.03.12	Up to 01.04.11	For the Year	Total up to 31.03.12	As At 31.03.12	As At 31.03.11	Rate of Deprec.
1	<b>TANGIBLE COMPUTERS</b>	837180	-	837,180	755,991	13,161	769,152	68,028	81189	16.21%
2	SCOOTER	25,362	-	25,362	20,216	489	20,705	4,657	5,146	9.50%
3	TELEPHONE SYSTEM	50,309	-	50,309	26,190	1,146	27,336	22,973	24,119	4.75%
4	FAX MACHINE	19,000	-	19,000	9,536	450	9,986	9,014	9,464	4.75%
Total	2011-12	931851	-	931,851	811,933	15,245	827,179	104,673	119918	
Total	2010-11	931851	-	931,851	794011	17,922	811,934	119918	137840	

PARTICULARS	As at 31.03.12 Rupees	As at 31.03.11 Rupees
<b>9 : OTHER NON CURRENT INVESTMENT</b> (Un quoted long term- at cost)		
— shares of M/s Gujarat chemi plant Pvt.Ltd fully paid up @ 100 each (Previous Year 2000 Shares)	-	200,000
— shares of M/s City Estate Devlopers Ltd. fully paid up @ 10/- each (Previous Year 19000 Shares)	-	1,900,000
1000 shares of M/s. Saac Exports Pvt Ltd. fully paid up @ 100/- each (Previous Year 2000 Shares)	1,000,000	2,000,000
	1,000,000	4,100,000
<b>10 : LONGTERM LOANS &amp; ADVANCES</b>		
Other Loans	645,000	2,786,642
Security Deposits	135,587	135,587
	780,587	2,922,229
<b>CURRENT ASSETS</b>		
<b>11 : INVENTORIES</b>		
Closing Stock	-	-
<b>12 : CASH AND BANK BALANCES</b>		
a) Cash in Hand	80,976	2,454
b) With Scheduled Banks in Current Accounts	63,886	116,128
	144,862	118,582
<b>13 : TRADE RECEIVABLES</b> (Unsecured)		
Debts Outstanding for a Period exceeding Six Months	2,180,048	3,415,744
Other Debts Considered Good)	81,459,565	52,878,042
	83,639,613	56,293,786
<b>14 : LOANS &amp; ADVANCES (Short Term)</b> (Unsecured )		
Loans & Advances	150,000	-
	150,000	-
<b>15: OTHER CURRENT ASSETS</b>		
TDs Receivables	11,177	11,177
Sales Tax Refundable	7,116	7,116
	18,293	18,293

**NOTES FORMING PART OF FINANCIAL STATEMENT**

PARTICULARS	For The Year Ended 31.03.12 Rupees	For The Year Ended 31.03.11 Rupees
<b>16 : REVENUE FROM OPERATION</b>		
Net Sales	42,930,841	84,594,955
Taxes	1,929,044	3,383,801
	<b>44,859,885</b>	<b>87,978,756</b>
<b>17 : OTHER INCOME</b>		
Rebate & Discount	950	-
Profit on sale of Share	760,000	-
Cr Balance W/off	-	327,249
	<b>760,950</b>	<b>327,249</b>
<b>18 : MATERIALS CONSUMED</b>		
Purchase during the year	44,628,959	87,358,229
	<b>44,628,959</b>	<b>87,358,229</b>
<b>19 : INCREASE/DECREASE IN STOCK FINISHED GOODS</b>		
Closing Stock	-	-
As valued & Certified by the Management of the Company)		
Less : Opening stock	-	-
	<b>-</b>	<b>-</b>
<b>20 : MANUFACTURING EXPENDITURE</b>		
Labour Charges	-	-
	<b>-</b>	<b>-</b>
<b>21 : EMPLOYEES' REMUNERATION AND BENEFITS</b>		
Salaries,Wages, Allowances Gratuity & Bonus.	30,000	18,000
Remuneration to Director	240,000	240,000
Staff Welfare Expenses	2,210	1,240
	<b>272,210</b>	<b>259,240</b>
<b>22 : FINANCIAL COSTS</b>		
Bank Charges	1,986	-
Bank Interest	240	-
	<b>2,226</b>	<b>-</b>
<b>23 : OTHER EXPENSES</b>		
Travelling & Conveyance Exepenses	5,210	6,483
Advertisement Expenses	7,850	-
Legal, Professional and Consultancy Charges	23,000	5,000
Membership fees	95,416	11,964
Rent, Rates & Taxes	-	105,000
Sales Tax	8,618	23,867
Auditors Remuneration	25,000	19,500
Revocation fees paid to BSE	1,123,600	-
Debts w/off	1,602,338	68,567
Office Expenses	1,433	-
Share Registrar Charges	27,239	26,472
Rebate & Discount	-	2,732
	<b>2,919,704</b>	<b>269,585</b>

**BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE**

<b>I. Registration Details</b>	11-81857
Registration number	11
State Code No.	31.03.2012
Balance Sheet Date	(Rs. in Thousands)
<b>II. Capital Raised During the year</b>	NIL
Public Issue ( Issue through the Prospectus)	NIL
Rights Issue	NIL
Bonus Issue	NIL
Private Placement(Firm allotment to the promoters and Their associates)	NIL
<b>III. Position of Mobilisation &amp; Deployment of Funds</b>	85838
Total Liabilities	85838
Total Assets	
<b>SOURCE OF FUNDS</b>	40456
Paid up Capital	(31985)
Reserve & Surplus	
Non Current Liabilities	100
i) Long Term Borrowings	
Current Liabilities	23
i) Short Term Borrowings	77022
ii) Trade Payables	222
iii) Other Current Liabilities	
<b>APPLICATION OF FUNDS :</b>	
Non Current Assets	105
i) Net Fixed Assets	1000
ii) Non Current Investment	780
iii) Long Term Loan & Advances	
Current Assets	145
i) Cash & Cash Equivalent	83640
ii) Trade Receivable	150
iii) Short Term Loan & Advance	18
iv) Other Current Assets	
<b>IV. Performance of Company</b>	45620
Turnover	47838
Total Expenditure	(2218)
Profit/(loss) before tax	-
Profit/(loss) after Tax	
Earnings per share (in Rs.)	Nil
Divided Rate %	
<b>V. Generic Name of Principal Product of Company</b>	

(As per Monetary Terms) : Not applicable  
 Item code no. and Product Description :

Signature to Notes '1' to '23' as per our report of even date

**For D.C. SURANA & ASSOCIATES  
 CHARTERED ACCOUNTANTS.**

Sd/- <b>D. C. Surana</b> (Proprietor) M.No. 100-34074 F.R.No.115961W	Sd/- <b>R S Lahoti</b> (Director)	Sd/- <b>R A Lahoti</b> (Director)	Sd/- <b>J B Garg</b> (Director)
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Place : Mumbai  
 Date : 27th August, 2012

SEE FOR ENGINEERING INDUSTRIES LIMITED

THE DIRECTOR GENERAL, SERVICIAL INDUSTRIES

**BOOK - POST**

If undelivered please return to :  
**SERVOTECH ENGINEERING INDUSTRIES LTD.**  
203 Chartered House, Dr. C. H. Street,  
Near Marlinines, Mumbai - 400 002.