

Best & Crompton Engg. Limited



**101st Annual Report
2012-13**

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Best & Crompton Engg. Limited

DIRECTORS

Mr. M. Sinivasan, Chairman
Mr. S.V. Venkatesan
Mr. K. Prakash
Mr. Ravindranath Gupta (Appointed on:09.10.2014)
Mr. N.Srinivasan (Resigned on:12.06.2014)
Mr. S. Sathiyamurthy (Resigned on : 09.10.2014)

GROUP CHIEF EXECUTIVE OFFICER

Mr. Kalyan Shankar Bhattacharya

REGISTERED OFFICE :

28 A, Industrial Estate (North), Ambattur,
Chennai - 600 098.
Phone No. 91 044 45514600
Fax No. 91 044 45514609

REGIONAL OFFICES:

Flat No.614, 6th Floor
Hemkunt Chamber,
89, Nehru Place,
New Delhi – 110 019.

202, Kushal Point T.P.S. II
4th Road, (Behind Uday Cinema)
Ghatkoper (West),
Mumbai – 400 086.

Chandan Niketan Building
Flat-308 B, 3rd Floor,
52A, Shakespeare Sarani,
Kolkatta – 700 017

AUDITORS

CNGSN & ASSOCIATES LLP,
Chartered Accountants,
“Agastyar Manor”
New No: 20, (Old No: 13), Raja Street,
T. Nagar, Chennai - 600 017.
e-mail : info@cngsn.com

INTERNAL AUDITORS

Sekaran & Venkatesh
Chartered Accountants
23-24 "Golden Enclave"
TNHB Complex
Luz Church Road
Mylapore, Chennai - 600 004
e-mail : info@sandv.in

WORKS:

28, Industrial Estate (North),
Ambattur, Chennai - 600 098.

28 A, Industrial Estate (North),
Ambattur, Chennai - 600 098.

28 C, Industrial Estate (North),
Ambattur, Chennai - 600 098.

MM Industrial Estate,
Yedyur, Bangalore - 560 082.

BEST & CROMPTON ENGG. LIMITED

Registered Office: 28-A, Industrial Estate (North), Ambattur, Chennai-600 098.
CIN : L29221TN1956PLC000204

NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the Hundred and First Annual General Meeting of the Members of the Company will be held on Thursday, March 19, 2015 at 10.00 A.M. at Sri Thyaga Brahma Gana Sabha, Vani Mahal, (Obul Reddy Hall), 103, G.N. Chetty Road, T. Nagar, Chennai – 600 017 to transact the following business:-

ORDINARY BUSINESS

1. To receive, consider and adopt the Balance Sheet as at March 31, 2013, the Statement of Profit and Loss Account for the year ended March 31, 2013, the Report of the Auditors thereon and the Report of the Directors.
2. To appoint a Director in place of Mr. M. Sinivasan (DIN No.05330943), who retires by rotation and being eligible offers himself for re-appointment
3. To appoint auditors for the Financial Year 2013-14. It is proposed to appoint the reconstituted firm of the retiring auditors, viz CNGSN and Associates LLP, Chartered Accountants, Chennai, as Statutory Auditors, from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting.

SPECIAL BUSINESS

Ordinary Resolution

4. To appoint Mr. S.V.Venkatesan (DIN No.00004010) as an Independent Director :
To consider and if thought fit to pass with or without modification(s), the following Resolution as an Ordinary Resolution :-
“Resolved that pursuant to the provisions of Section 149, 152 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder, read with Schedule IV of the Companies Act, 2013, Mr.S.V.Venkatesan (DIN No.00004010), who retires by rotation at this Annual General Meeting, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office, for five consecutive years for a term upto 31st, March, 2019.”
5. To appoint Mr. K. Prakash (DIN No.01206592) as an Independent Director :
To consider and if thought fit to pass with or without modification(s), the following Resolution as an Ordinary Resolution:-
“RESOLVED THAT Mr.K.Prakash (DIN No. 01206592). who holds office upto this Annual General Meeting, being eligible offers himself for appointment, be appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office, for a term of five consecutive years upto 31st March 2019.”
6. To appoint Mr. Ravindranath Gupta (DIN No. 06591309) as an Independent Director :
To consider and if thought fit to pass with or without modification(s), the following Resolution as an Ordinary Resolution:-
“RESOLVED THAT Mr. Ravindranath Gupta (DIN No. 06591309), who holds office upto this Annual General Meeting, being eligible offers himself for appointment, be appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office, for a term of five consecutive years upto 31st March 2019.”

Special Resolution

7. To consider and if thought fit to pass with or without modification, the following Resolution as Special Resolution :-

“RESOLVED that approval be and is hereby accorded for the Company to voluntarily delist the equity shares of the Company on Madras Stock Exchange, consequent to Madras Stock Exchange opting for voluntary de-recognition and exit of such Exchange.

RESOLVED FURTHER THAT the Board of Directors of the Company be authorized to take such steps for delisting of the equity shares of the Company on Madras Stock Exchange”.

for Best & Crompton Engg. Limited

By Order of the Board

Chennai
December 15, 2014

V.P. THIRUMOORTHY
Company Secretary

Notes:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING. THE PROXY SHALL NOT BE ENTITLED TO SPEAK AT THE MEETING.**
2. The relevant Explanatory Statement and reasons for the proposed Special Business under Item Nos. 4 to 7 above, pursuant to Section 102 of the Companies Act, 2013 and details, as required in the Listing Agreement with the Stock Exchanges, in respect of Directors seeking re-appointment / appointment at this Annual General Meeting, setting out material facts, are appended herein below.
3. The Members, who hold Shares in dematerialized form, are requested to bring their Client ID and DP ID numbers for easy identification at the Meetings.
4. The Company's Shares are listed with the Madras Stock Exchange Limited, Chennai and Bombay Stock Exchange Limited, Mumbai. The Company has paid the Listing Fee for the year 2013 – 2014 to the Stock Exchanges.
5. The Register of Members and the Share Transfer Books of the Company will remain closed from March 12, 2015 to March 19, 2015. (both days inclusive)
6. The Ministry of Corporate Affairs (MCA) has taken “Green Initiative in the Corporate Governance” by allowing paperless compliances by companies vide its Circular Nos.17/2011 and 18/2011 dated April 21 and April 29, 2011 respectively, stating that service of documents, viz. Notices, Annual Reports, etc. to its Members, can be sent through electronic mode. The Members holding Equity Shares of the Company in physical form are requested to provide their e-mail addresses to the Company.
7. Members holding Equity Shares of the Company in dematerialized mode are requested to register their e-mail addresses and / or changes therein from time to time with their Depository Participants (DPs).

8. The Members are requested to notify immediately any change in their addresses to the Registrar and Transfer Agent at the following Address:-

M/s. Integrated Enterprises (India) Limited,
 II Floor, Kences Towers,
 No.1, Ramakrishna Street,
 T. Nagar, Chennai – 600 017.
 Phone: 28140801
 e-mail : srirams@integratedindia.in

9. The Members are requested to quote Register Folio Numbers or DP ID / Client ID Numbers in all their correspondence.
10. The Members holding shares of the Company in identical order of the names in more than one folio are requested to send the details of all such folios together with the Share Certificates for consolidating the folios into one. The Share Certificates will be returned to the Members, after making necessary endorsements thereon.
11. Section 72 of the Companies Act, 2013 provides the facility of nomination to shareholders. The prescribed format, in this regard, can be obtained from the Company.
12. The Members attending the Annual General Meeting are requested to bring with them the following:-

- (i) Copy of the Annual Report.
- (ii) The attendance slips of a person actually attending the Meeting either as a Member or as a duly registered proxy.

The Members desiring any information are requested to write to the Company at an early date to enable the Management to keep the information ready.

13. E-Voting

SEBI had mandated under its Circular dated 17/04/2014 that all Listed Companies should provide e-voting facility to the shareholders for participating in General Meetings;

Accordingly, the Company is required to implement e-voting system at General Meetings and as such have engaged the services of National Securities Depository Limited (NSDL) for enabling and setting up of the e-voting platform and have authorised the Registrar & Transfer Agent, M/s. Integrated Enterprises (India) Limited, as User, to operate the e-voting system, on behalf of the Company, and have appointed Mr.V. Mahesh of V. Mahesh & Associates, Practising Company Secretaries, as Scrutinizers, to oversee the e-poll results.

I. The instructions for Shareholders for e-voting are as under:

- A. In case a Member receives an e-mail from National Securities Depository Limited [for Members whose e-mail IDs are registered with the Company/Depository Participant(s)] :
 - (i) Open e-mail and open PDF file viz., “B & C Engg. Ltd. e-Voting.pdf” with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for e-voting. Please note that the password is an initial password.
 - (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com>
 - (iii) Click on Shareholder – Login
 - (iv) Put user ID and password as initial password / PIN noted in step (i) above. Click Login

- (v) Password change menu appears. Change the password/ PIN with new password of your choice with minimum 8 digits / characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (vi) Home page of e-voting opens; Click on e-Voting; Active Voting Cycles.
- (vii) Select “EVEN” of Best & Crompton Engg. Ltd.
- (viii) Now you are ready for e-voting as Cast Vote page opens.
- (ix) Cast your vote by selecting appropriate option and click on “Submit” and also “Confirm” when prompted.
- (x) Upon confirmation, the message “Vote cast successfully” will be displayed.
- (xi) Once you have voted on the resolution, you will not be allowed to modify your vote.
- (xii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/ JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer, through e-mail to chennaiho@vmacs.co.in or srirams@integratedindia.in with a copy marked to evoting@nsdl.co.in

B. In case a Member receives physical copy of the Notice of AGM [for Members whose e-mail IDs are not registered with the Company/Depository Participant(s) or requesting physical copy] :

- (i) Initial password is provided at the bottom of the Attendance Slip for the AGM.
- (ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.

- II. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the Downloads section of www.evoting.nsdl.com
- III. If you are already registered with NSDL for e-voting then you can use your existing user ID and password/PIN for casting your vote.
- IV. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- V. The e-voting period commences on Thursday, March 12, 2015 (9:00 am) and ends on Saturday, March 14, 2015 (6:00 pm). During this period, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of February 10, 2015, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
- VI. The voting rights of shareholders shall be in proportion to their shares of the Paid-up equity share capital of the Company, as on the cut-off date (record date) of February 10, 2015.
- VII. Mr.V. Mahesh of V. Mahesh & Associates, Practising Company Secretaries has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

VIII. The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.

Besides E voting, provision is also being made to enable other shareholders, who did not exercise voting through E voting process and who attend the Annual General Meeting, will have the opportunity to vote through ballot process.

The scrutinizer, Mr. V. Mahesh of V. Mahesh & Associates, would also be the scrutinizer, for physical voting and they would issue a combined report covering E voting and physical ballot and their report will be placed on the website within the stipulated period.

IX. The Results shall be declared on or after the AGM of the Company. The Results declared along with the Scrutinizer's Report shall be placed on the Company's Website: www.bestcrompton.com and on the website of NSDL within two(2) days of passing of the resolutions at the AGM of

the Company and communicated to the BSE Limited.

X. The Notice of AGM and Financial Statements are sent by Registered Post / Speed Post.

for Best & Crompton Engg. Limited
By Order of the Board

Chennai
December 15, 2014

V. P. Thirumoorthy
Company Secretary

Explanatory Statement Pursuant to Section 102 of Companies Act, 2013

For Item No.4

Mr. S. V.Venkatesan retires by rotation at this Annual General Meeting. A member has proposed to appoint him as an Independent Director of the Company, not liable to retire by rotation, for a term of five consecutive years upto 31st March, 2019. The requisite deposit from the aforesaid member has been received.

His continuation in the Board will greatly benefit the Company.

For Item No.5

Mr. K.Prakash holds office upto this Annual General Meeting. It is proposed to appoint him as an independent Director of the Company, not liable to retire by rotation, for a term of five consecutive years upto 31st March, 2019.

A member has proposed his name as Director and the requisite deposit from the said member has been received.

His continuation in the Board will greatly benefit the Company.

For Item No. 6

Mr. Ravindranath Gupta holds office upto this Annual General Meeting. It is proposed to appoint him as an Independent Director of the Company, not liable to retire by rotation, for a term of five consecutive years upto 31st March, 2019.

A member has proposed his name as Director and the requisite deposit from the said member has been received.

His continuation in the Board will greatly benefit the Company.

The Profile relating to the persons proposed to be appointed / re-appointed as Directors has been given in the Annexure to the Notice. Keeping in view the experience and expertise of these persons, their appointment / re-appointment as Directors of the Company are commended. Notices have been received from the Members under Section 160 of the Companies Act, 2013 proposing the candidature of Mr. M. Sinivasan for re-appointment and Mr.S.V.Venkatesan, Mr. K. Prakash and Mr.Ravindranath Gupta, for appointment as an Independent Directors of the Company in terms of Section 160 of the Companies Act, 2013.

Each of the Directors may be deemed to be interested in the Resolution relating to his appointment. The Board of Directors accordingly commends the Resolutions set out at Item Nos.2, 4, 5 and 6 of the accompanying Notice for your approval.

For Item No.7

(i) Madras Stock Exchange has informed the Company thro' it's Letter dated 12/06/2014 that a Special Resolution was passed on 26/05/2014 by the Members of Madras Stock Exchange opting for voluntary de-recognition and exit of the said Exchange and an Application was consequently made by it to SEBI for such exit on 26/05/2014.

(ii) Madras Stock Exchange has also informed the Company that since its shares are already listed with the Bombay Stock Exchange, the Company may opt to get its securities delisted from the Madras Stock Exchange in terms of SEBI (Delisting of Equity Shares) Regulations-2009 and that the Exchange shall send all the required application and documents in this regard to the Company if the Company intimates so. In view of this, the Company has decided to voluntarily delist the equity shares from Madras Stock Exchange. Therefore, your approval is sought for such action and hence the resolution. Efforts are being made to continue the listing of the Company's shares with the Bombay Stock Exchange.

Inspection of Documents / Resolutions

The Memorandum and Articles of Association of the Company and copies of Documents referred to in the items hereinabove will be available for inspection by the Members at the Registered Office of the Company between 11.00 A.M. and 1.00 P.M. on all working days of the Company till the day before the date of the Annual General Meeting and will also be available for inspection at the Meeting.

for Best & Crompton Engg. Limited
By Order of the Board

Chennai
December 15, 2014

V. P. Thirumoorthy
Company Secretary

Profile of Directors seeking Appointment / Re-appointment at the Annual General Meeting

Sl. No.	Particulars	Mr. M. Sinivasan	Mr. S.V. Venkatesan	Mr.K.Prakash	Mr.Ravindranath Gupta
1.	Date of Appointment	27.07.2012	31.01.2007	21.04.2013	09.10.2014
2.	Qualifications and Expertise	Entrepreneur	B.Com CAIIB Finance and Banking	F.C.A Accounting, Banking & Project Finance and Corporate Laws.	B.E. Electronics & Communication
3.	Experience in functional area	Mr. M. Sinivasan is an Entrepreneur with varied business interests in diverse fields like Engineering, Textiles and Infrastructure related projects. He has a vast experience of over five decades in managing both manufacturing and service oriented industries abroad.	Mr. S.V. Venkatesan is a gold medalist in Commerce from Madras University. His career with State Bank of India, the largest commercial Bank in India, spanned for 24 years; he held important responsibilities in India and abroad. and had a wide international exposure. He was associated with the committee appointed by the Bank to aid in the formulation of Corporate credit policies. In 1986, Mr. Venkatesan joined the Essar Group as the Financial Controller and is now on the Board of the Group companies. He spearheads the financial function for the entire Group and has been largely responsible for the resource mobilization through Capital Markets and Institutions to fund the large capital intensive projects of the Group. He was also responsible for drafting and implementing the financial policies for FOREX Management.	He is a Chartered Accountant from Institute of Chartered Accountants of India with 30 years of experience in various companies in India and abroad. His experience spreads over core industries including Banking, Information Technology, Textiles & Garments. He has worked with Union Bank of India, Kothari Group, Thakral Kogar Group, Singapore, Mascon Global Limited and Fabindia.	Varied Experience in Engineering and Allied Industries.
4.	Directorships held in other Public Companies	—	1. India Securities Limited 2. Lanco Holdings Limited 3. Essar Power M.P. Limited	—	1. Best & Crompton Apparels Limited 2. B & C Machinery Limited 3. Crombest Precast Buildings Limited 4. Crombes Holdings Limited
5.	Memberships/ Chairmanships of Committees of other public Companies (includes only Audit Committee and Shareholders/ Investors Grievance Committee)	—	Committee Member in 1 Company Committee Chairman in 1 Company	—	
6.	No. of Shares held in the Company	—	20,000	—	

Directors' Report

Dear Members,

Your Directors present the 101st Annual Report and the Audited Statement of Accounts of the Company for the Year ended March 31, 2013.

These statements are presented on the same basis as in previous year and not with reference to Companies Act, 2013 pursuant to the directive in circular No.8/2014 dated 4th April 2014 issued by the Ministry of Corporate Affairs, New Delhi.

The Highlights of the financial performance for the year ended under review are as below:-

1. Financial Highlights

(Rs' Lakhs)

Particulars	Year ended March 31, 2013	Year ended March 31, 2012
Total Income	4927	6578
Expenditure	6508	6749
Gross Profit/(Loss)	(1581)	(171)
Taxation	(111)	185
Profit/(Loss) for the year	(1470)	(356)

As your Company has accumulated losses, your Directors are unable to recommend any dividend for the year ended March 31, 2013.

Finance :

IL & FS Financial Services Limited, a Lender, (your Company had availed a term loan of Rs.50,70,00,000/-) had filed a Winding up Petition against your Company, for default in payment of dues, before the Hon'ble High Court of Madras, which had passed an order on 31.10.2013 against your Company appointing Provisional Liquidator. The Hon'ble Court, after considering the Affidavit filed by your Company, granted, on 21.11.2013, a Stay of its order dated 31.10.2013. Your Company has proposed a Statement of Repaying Schedule and is making payments accordingly to IL & FS Financial Services Limited.

2. Performance of various Divisions of the company

2.1 Pump Division, Chennai

The order inflow for pumps in the financial year 2012-13 continued to be robust and the order booking in the industrial segment grew by a healthy 30% when compared to the financial year 2011-12. The revenue for the year 2012-13 was lower primarily because large infrastructure projects both in the government and private sector were shelved/deferred due to various reasons. The EBITDA margins continued to be good and was at a healthy 17 % for the financial year.

Your company continues to be a preferred supplier of pumps to the Indian Navy and expects to benefit from the Navy's growth plan and its emphasis on greater indigenisation in the coming years. Your company made fresh forays into the steel sector by bagging orders from different Engineering Procurement Construction (EPC) contractors for various steel plants. The order book position continues to be healthy and the division is expected to perform well in the current year.

2.2 Chennai Foundry

The performance of the foundry division during this period has been affected severely by the steep market drop and the resultant lower sales and production. The foundry continued to face numerous challenges due to negative growth of the OEM market, uncertain power scenario, and sharp increase in raw material and power prices, which were not adequately compensated by the customer. The division continued to produce the Non Ferrous castings needed to meet the in-house requirement of the pump division. With the improvement in power supply scenario and the bounce back of the automotive sector, the unit is expected to increase production levels and generate increased revenue in the coming years.

2.3 Machinery Manufacturing Division

The electrical machine factory has bagged repeat orders from the railways for making 4.5 Kw and 25 Kw alternators and has a healthy order book. The division achieved sales revenue of Rs.2.09 Cr and it is expected that the division would make a higher turnover in the coming year.

Plug and Socket Unit achieved a sales turnover of Rs.1.5 Crore. As the Power Sector unit is on the growth path, the performance of this unit is expected to improve substantially over the coming years.

2.4 Fabrication Division

The division has met the in-house fabrication requirements of the pump division and the machinery manufacturing division. It is expected that the division will be able to achieve optimum levels of production in the next few years.

2.5 Bangalore Pump Factory

The division achieved net sales of Rs 3.47 Crore and a PBT of Rs.23 Lakhs in this financial year. To cater to the growing needs of the transformer manufacturers, the division has put greater emphasis on manufacture of transformer oil pumps and expects to grow its turnover and profitability in the coming years.

3. Fixed Deposits

No Fixed Deposits have been accepted by the Company. There was no outstanding deposit at the close of the financial year.

4. Accounts of Subsidiaries

As per the Circular issued by the Ministry of Corporate Affairs, Government of India, exemption has been granted to all Companies from attaching the Accounts of the Subsidiary Companies, however, a statement showing the particulars about the performance of the Subsidiary Companies forms part of this Annual Report. Your Company undertakes that the Annual Accounts of the Subsidiary Companies and related information will be made available to the Members of the Company, if such request is made by them. The Annual Accounts of the Subsidiary Companies are also available for inspection at the Registered Office of the Company.

5. Performance of Subsidiary Companies

5.1 Best & Crompton Apparels Limited

This Subsidiary, due to lack of firm orders and working capital, had to suspend operations from April 1, 2012. However, in the recent trend,

the market has shown the signs of recovery and there is potential demand for such products. As such, your company is considering the revival of the existing business and is under discussion with strategic investors for augmenting working capital requirements and restart operations of the unit, besides infusion of funds to the satisfaction of Debts Recovery Tribunal, Chennai, whereat the recovery proceedings initiated by the Lenders against the Company are pending.

The Company at this stage, is examining the various options, viz: revival of the operations of the subsidiary company by identifying a strategic partner or lease out the unit to an International Brand apparel manufacturer.

5.2 B & C Machinery Limited

The subsidiary is at the final stage of completion of the project. The delay caused was due to several factors. As a means of revival, the company has submitted a comprehensive proposal to the bankers and to commence commercial production within a time frame despite reference to Debts Recovery Tribunal, Chennai, whereat the recovery proceedings initiated by the Lenders against the Company are pending.

The Company, at this stage, is examining the various options, viz: possible disinvestment of equity shares held by the company in the said subsidiary company or possible revival by the operations of the subsidiary company by identifying a suitable strategic investor.

5.3 Crombest Precast Buildings Limited

In terms of market analysis, the potential demand for the existing products is on the increase and thus your company is contemplating the revival of the existing business. The company is in discussions with the potential investors for augmenting working capital requirements of the company. Besides, a comprehensive proposal is being made to the bankers for reschedulement/ restructuring/settlement of their dues to the satisfaction of Debts Recovery Tribunal, Chennai whereat the recovery proceedings initiated by the Lenders against the Company are pending.

5.4 B & C Tech. Services Limited

Since the market conditions are not conducive, it would be wise not to infuse funds into this project at this juncture. A creditor has filed a petition for winding up of the company and the High Court has appointed, under its Order dated 08.09.2014, the Official Liquidator as Provisional Liquidator to take charge of the assets of the Company and the Company is under Liquidation proceedings.

6. Delisting

The Madras Stock Exchange has since dropped the listing and trading of shares including the equity shares of the Company. While the shares are listed in the Bombay Stock Exchange Limited it has suspended the listing and trading and dealing of the Company's shares due to non-fulfilment of the listing requirements. Corrective steps are being initiated.

7. Directors

Mr. M. Sinivasan retires by rotation and being eligible offers himself for re-appointment.

Mr. S.V.Venkatesan retires at this Annual General Meeting. It is proposed to appoint him as an Independent Director of the Company, not liable to retire by rotation, for a term of five consecutive years upto 31st March, 2019.

Mr. K.Prakash holds office upto this Annual General Meeting. It is proposed to appoint him as an Independent Director of the Company, not liable to retire by rotation, for a term of five consecutive years upto 31st March, 2019.

Mr. Ravindranath Gupta holds office upto this Annual General Meeting. It is proposed to appoint him as an Independent Director of the Company, not liable to retire by rotation, for a term of five consecutive years upto 31st March, 2019.

Mr. A. Annamalai, Director, resigned from the Board effective from 19th January, 2013, Mr.N.Srinivasan resigned on 12th June 2014 and Mr.S.Sathiyamurthy resigned on 9th October 2014. The Board placed on record the valuable services rendered by them during their tenure as Directors of the Company.

8. Directors' Responsibility Statement

Pursuant to the requirements under Section 217 (2 AA) of the Companies Act 1956 with respect to the Directors' Responsibility Statement, it is hereby confirmed-

- (i) that in preparation of the Accounts for the financial year from April 1, 2012 to March 31, 2013, the applicable Accounting Standards have been followed along with proper explanations 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 period and of the Profit or Loss of the Company for the financial period under review;
 - (iii) that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safe-guarding the assets of the Company and for preventing fraud and other irregularities;
- and
- (iv) that the Directors prepared the accounts for the financial year from April 1, 2012 to March 31, 2013 on a 'going concern' basis for reasons stated in note no.39 on the accounts of the Company.

9. Audit Committee

The Audit Committee comprises of the following Directors:-

Mr. S. V. Venkatesan	-	Chairman
Mr. M. Sinivasan	-	Member
Mr. Ravindranath Gupta	-	Member
Mr. N.Srinivasan	-	Permanent Invitee

10. Corporate Governance

A separate section on Corporate Governance and a Certificate from the Auditors of the Company regarding compliance of conditions of Corporate Governance, as stipulated by the Listing Agreement with the Stock Exchanges, form part of the Annual Report for the financial year ended March 31, 2013. The Management Discussion and Analysis Report is also enclosed.

11. Auditors

The Auditors, CNGSN & Associates LLP, Chartered Accountants, Chennai, retire at the ensuing Annual General Meeting and it is proposed to appoint the reconstituted firm viz CNGSN and Associates LLP, Chartered Accountants, Chennai, as auditors for the ensuing financial year 2013-14.

With reference to the observations in the Auditors' Report, the relevant financial notes on investment in subsidiaries, loans and advances including provision for doubtful debts and advances are self explanatory.

Further, the Companies' ability to carry on its business as a 'going concern' has also been amplified in the appropriate financial note.

With reference to the observations in the Auditors' Report of the Subsidiaries, the Board of the respective subsidiaries have adequately responded to the observations in their report.

12. Personnel

Particulars of Employees

The information required under Section 217(2A) of the Companies Act, 1956 and the Rules made thereunder would be made available to the Members on request.

The particulars required pursuant to Section 217(2A) of the Act read with the Companies (Particulars of Employees) Rules, 1975 as amended forms part of this Report. However, in terms of the provisions of Section 219(1)(b)(iv) of the Act, the Directors' Report (excluding the Statement of Particulars of Employees) is being sent to all the shareholders of the Company. Any shareholder interested in obtaining a copy of the said Statement may write to the Registered Office of the Company.

13. Conservation of Energy, Research & Development, Technology Absorption, Foreign Exchange Earnings and Outgo

There is no material development to report relating to conservation of Energy, Research & Development and Technology Absorption, as required under Section 217 (1) (e) of the Companies Act, 1956. Information pertaining to Foreign Exchange Earnings and Outgo are as contained in Item Nos. 32 and 33 of the Notes on Accounts respectively.

14. Acknowledgment

The Board places on record its appreciation to the Bankers to the Company and its Subsidiaries for their continued support. The Board also places on record its appreciation for the guidance and support extended by host of consultants and advisors. The Board acknowledges gratefully the continuing relationship with customers and business partners. Your Directors express their appreciation of the co-operation and assistance extended by the Central Government and the State Governments and the various Governmental Agencies. The forbearance and support of shareholders and the co-operation of employees are gratefully acknowledged.

For and on behalf of the Board of Directors

Chennai
December 15, 2014

M. Sinivasan
Chairman

Report on Corporate Governance

Company's Philosophy on Code of Governance

The Company's philosophy on Corporate Governance is to -

- strictly comply with the Code of Business Conduct and Ethics adopted by the Company.
- fair and accurate presentation of Financial Statements.
- ensure transparency and accountability in all its activities to fulfil its Corporate Responsibilities through prudent financial management backed up by sound business decisions.
- Commitment to enhancement of Shareholders' value.
- be socially responsible.

1. Board of Directors

The present strength of the Board is four, comprising of one Whole Time Director and three Non Executive Directors and is as follows :-

1. Mr. S.V. Venkatesan Independent Non Executive Director and Non Executive Chairman
2. Mr. M. Sinivasan Non Independent and Non Executive Director
3. Mr. N. Srinivasan Independent Non Executive Director
4. Mr. K. Prakash Whole Time Director

2. Participation of each Director at the Board Meetings held during the year 2012 – 2013 (April 1, 2012 to March 31, 2013) and at the last Annual General Meeting and details of other Directorships

9 Board Meetings were held during the year 2012 – 2013 (April 1, 2012 to March 31, 2013). The dates on which the Meetings of the Board were held are: 14.05.2012, 27.06.2012, 16.8.2012, 15.11.2012, 16.11.2012, 19.11.2012, 21.01.2013, 14.02.2013 and 02.03.2013.

The participation record and the details of Directorship/Membership of all the Directors during the year are as under :-

Name of the Director	No. of Board Meetings Attended	Last AGM Attended	Directorships in other Companies (excluding Foreign Companies and Private Limited Companies)			
			Director	Chairman	Member	Chairman
Mr. S.V. Venkatesan	9	--	12	--	7	3
Mr. M. Sinivasan	1	--	--	--	--	--
Mr. N. Srinivasan	8	yes	12	--	7	5
Mr. K. Prakash	9	yes	--	--	--	--

3. Remuneration to Directors

The Sitting Fee of Rs.5,000 is payable to the Directors for attending the Board Meetings and Audit Committee Meetings.

Disclosure regarding re-appointment/appointment of Directors

Mr. M.Sinivasan retires by rotation at this Annual General Meeting and being eligible offers himself for reappointment.

Mr. S.V. Venkatesan retires at this Annual General Meeting. It is proposed to appoint him as an Independent Director of the Company, not liable to retire by rotation, for a term of five consecutive years upto 31st March 2019.

Mr. K.Prakash holds office upto this Annual General Meeting. It is proposed to appoint him as an Independent Director of the Company, not liable to retire by rotation for a term of five consecutive years upto 31st March 2019.

Mr.Ravindranath Gupta holds office upto this Annual General Meeting. It is proposed to appoint him as an Independent Director of the Company, not liable to retire by rotation for a term of five consecutive years upto 31st March 2019.

Profile of Directors seeking re-appointment/ appointment at this Annual General Meeting is furnished in the Annexure to the Notice of the Annual General Meeting dated December 15, 2014 published elsewhere in the Annual Report.

4. Audit Committee

The Audit Committee comprised of the following Directors :-

Mr. S.V. Venkatesan	Chairman of the Committee
Mr. M. Sinivasan	Member
Mr. N. Srinivasan	Permanent Invitee

6 Audit Committee Meetings were held during the year 2012 – 2013 (April 1, 2012 to March 31, 2013). The dates on which the Meetings of the Audit Committee were held are: 14.05.2012, 16.08.2012, 15.11.2012, 16.11.2012, 19.11.2012, and 14.02.2013.

5. Share Transfer Committee

Mr. K. Prakash is the Chairman of the Share Transfer Committee.

The Committee is authorised to approve the formalities relating to the Share Transfer Process.

During the year 2012-2013, 8 Meetings were held on the following dates and the transfer of shares was approved :-

31.05.2012, 16.07.2012, 16.08.2012, 15.10.2012, 15.11.2012, 16.01.2013, 21.01.2013, and 15.03.2013.

6. Shareholders' / Investors' Grievance Committee

The Members of the Shareholders' / Investors' Grievance Committee were :-

Mr. S.V. Venkatesan	Chairman of the Committee
Mr. K. Prakash	Member

The status of outstanding Investors' Complaints is reported to the Board every quarter.

The Shareholders' / Investors' Grievance Committee has been constituted to monitor the redressal of the Grievances of the Shareholders / Investors. The Website is www.bestcrompton.com and the e-mail ID is investorsgrievance@bestcrompton.com.

Mr. V.P. Thirumoorthy, Company Secretary, is the Compliance Officer of the Company.

No Share Transfer was pending as on March 31, 2013.

During the year, the Company received 4 complaints; out of these; 2 pertain to non- receipt of Annual Report, and 2 pertain to Issue of Duplicate Share Certificates. The complaints have been redressed.

7. Remuneration and Compensation Committee

The Members of the Remuneration and Compensation Committee are :-

Mr. S.V. Venkatesan	Chairman
Mr. N. Srinivasan	Member
Mr. K. Prakash	Member

8. Disclosures

a) Related party Transactions

During the year, there were no material transactions with the Promoters, Directors and their relatives, the management and the Company's Subsidiaries that had potential conflict with the interest of the Company.

- b) Compliance by the Company
Non-mandatory requirements under Clause 49 of the Listing Agreement have not been opted by the Company for implementation.
- c) As per Clause 49 (V) of the Listing Agreement, the Directors have certified to the Board on the review of financial statements for the year ended March 31, 2013 in the Form prescribed by Clause 49 of the Listing Agreement.

9. Annual General Meetings

a) Last three Annual General Meetings were held as under:-

Financial Year	Date of Meeting & Time	Venue
2011-2012	17.12.2012 10.00 A.M.	Sri Thyaga Brahma Gana Sabha Vani Mahal (Obul Reddy Hall) 103, G.N. Chetty Road T. Nagar, Chennai - 600 017.
2010-2011	19.12.2011 10.00 A.M.	Sri Thyaga Brahma Gana Sabha Vani Mahal (Obul Reddy Hall) 103, G.N. Chetty Road T. Nagar, Chennai - 600 017.
2009 - 2010	20.12.2010 10.00 A.M.	Sri Thyaga Brahma Gana Sabha Vani Mahal (Obul Reddy Hall) 103, G.N. Chetty Road T. Nagar, Chennai - 600 017.

b) Present Annual General Meeting

Date : 19.03.2015

Day : Thursday

Time : 10.00 A.M.

Venue : Sri Thyaga Brahma Gana Sabha, Vani Mahal (Obul Reddy Hall), 103, G.N. Chetty Road, T. Nagar, Chennai - 600 017.

Postal Ballot

The provisions relating to Postal Ballot will be complied with as per the provisions of the Companies Act, 1956 as and when situation may arise. No Resolution was passed by Postal Ballot during the financial year 2012-13. Similarly, no business is required to be transacted through Postal Ballot at this Annual General Meeting.

10. Means of Communication

Quarterly Results

The Quarterly Results are published in "News Today" (English) and "Maalai Sudar" (Tamil). The Quarterly Results are displayed on the Web site.

The Management Discussion and Analysis Report is enclosed.

Financial Calendar:

Quarterly Results are to be published in August 2013, November 2013, February 2014 and May 2014.

Date of Book Closure is from March 12, 2015 to March 19, 2015 (both days inclusive).

Listing : The Madras Stock Exchange Limited, Chennai and Bombay Stock Exchange Limited, Mumbai.

Stock Code :

In MSE
BESTCROMPT

In BSE
500046

Market Price in the Financial Year in BSE

Month	High Rs.	Low Rs.	Sensex High	Sensex Low
April 2012	9.68	8.00	17,664.10	17,010.16
May 2012	9.07	7.37	17,432.33	15,809.71
June 2012	9.80	7.58	17,448.48	15,748.98
July 2012	9.27	6.31	17,631.19	16,598.48
August 2012	7.05	5.70	17,972.54	17,026.97
September 2012	6.55	5.52	18,869.94	17,250.80
October 2012	6.86	5.61	19,137.29	18,393.42
November 2012	6.25	5.18	19,372.70	18,255.69
December 2012	6.84	5.75	19,612.18	19,149.03
January 2013	6.70	5.62	20,203.66	19,508.93
February 2013	6.09	4.81	19,966.69	18,793.97
March 2013	6.45	3.89	19,754.66	18,568.43

Shareholding Pattern as on March 31, 2013

Category	No. of Shares held	% to paid up Capital
Foreign Promoters	80344086	64.88
Mutual Funds	67210	0.05
Banks, Fls., Insurance Companies	314813	0.25
Bodies Corporate	18880801	15.25
Resident Indian	8349269	6.74
NRI	327156	0.26
Foreign Companies	15400047	12.44
Others - (Clearing Members & Trust)	157133	0.13
Total	123840515	100.00

Distribution of Shareholding as on March 31, 2013

Category of Shares	No. of Shareholders	% of Shareholders	Shares	% of Shares
Upto 5000	14170	82.31	2075254	1.68
5001 - 10000	1585	9.21	1317741	1.06
10001 - 20000	732	4.25	1151895	0.93
20001 - 30000	233	1.35	603239	0.49
30001 - 40000	126	0.73	449853	0.36
40001 - 50000	104	0.60	462131	0.37
50001 - 100000	167	0.97	1238533	1.00
100001 & above	99	0.58	116541869	94.11
Total	17216	100.00	123840515	100.00

Registrar and Transfer Agent

Integrated Enterprises (India) Limited, Chennai, are the Registrar and Transfer Agent of the Company. All correspondence relating to Share Transfers and other allied matters may please be addressed to:

Integrated Enterprises (India) Limited
II Floor, Kences Towers
No.1, Ramakrishna Street
T.Nagar, Chennai - 600 017.
Phone : 2814 0801 - 2814 0803
Fax : 2814 2479
Email : srirams@integratedindia.in

Dematerialisation of Shares

The Shares of the Company are in compulsory Demat segment. The Company's Shares are available for Demat with both National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). International Securities Identification Number (ISIN) allotted to the Equity Shares of the Company is INE287A01015.

22.04% of the Paid up Capital has been dematerialised as on March 31, 2013.

Plant Location**Fabrication & Machinery Manufacturing Division**

28C, Industrial Estate (North),
Ambattur, Chennai - 600 098.

Foundry Division

28A, Industrial Estate (North),
Ambattur, Chennai - 600 098.

Pump Division**Bangalore**

M M Industrial Estate,
Yediur, Bangalore - 560 082.

Chennai

28 & 28A, Industrial Estate (North),
Ambattur, Chennai - 600 098.

Address for Correspondence

Secretarial Department,
28C, Industrial Estate (North)
Ambattur, Chennai - 600 098.

Tel : 044 45514600

Fax : 044 45514723

E-mail : investorsgrievance@bestcrompton.com

Web : www.bestcrompton.com

For Best & Crompton Engg. Limited
By order of the Board

Chennai
December 15, 2014

K. PRAKASH
Director

S.V. VENKATESAN
Director

Certification to the Board of Directors of Best & Crompton Engg. Limited

Dear Sirs,

Sub: Certificate issued in accordance with the provisions of Clause 49 of the Listing Agreement

We have reviewed the financial statements, read with the cash flow statement of Best & Crompton Engg. Limited for the year ended March 31, 2013 and that to the best of our Knowledge and belief, we state that :-

- a) (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that may be misleading;
(ii) these statements together present a true and fair view of the company's affairs and are in compliance with the current accounting standards, applicable laws and regulations.
- b) There are to the best of our knowledge and belief, no transactions entered into by the Company during the year, which are fraudulent, illegal or in violation of the Company's Code of Conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting. We have evaluated the effectiveness of internal control systems of the Company and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, and steps taken or proposed to be taken for rectifying these deficiencies.
- d) We have indicated to the Auditors and the Audit Committee –
 - (i) No significant changes in accounting policies have been made during the year and that the same have been disclosed suitably in the notes to the financial statements; and
 - (ii) No instance of significant fraud of which we have become aware and the involvement therein of the Management or an employee.

For Best & Crompton Engg. Limited

Chennai
December 15, 2014

K. PRAKASH
Director

S.V. VENKATESAN
Director

DECLARATION UNDER CLAUSE 49 OF THE LISTING AGREEMENT REGARDING ADHERENCE TO THE CODE OF CONDUCT

In accordance with Clause 49 sub-clause 1 (D) of the Listing Agreement with the Stock Exchanges, we hereby confirm that all the Directors and the Senior Management Personnel of the Company have affirmed compliance to their respective Codes of Conduct, as applicable to them for the Financial Year ended March 31, 2013.

For Best & Crompton Engg. Limited

Chennai
December 15, 2014

K. PRAKASH
Director

S.V. VENKATESAN
Director

Auditors' Certificate on Corporate Governance to the Members of Best & Crompton Engg. Limited

We have examined the compliance conditions of Corporate Governance by Best & Crompton Engg. Limited for the year ended 31st March 2013, as stipulated in clause 49 of the Listing Agreement of the said company with Stock Exchanges.

The compliance of the 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, we certify that the company has complied with the conditions of Corporate Governance as stipulated in the abovementioned Listing Agreement.

The company has maintained a register in which the investor(s) grievances are recorded with the date of disposal. On the basis of such register we note that no investor grievance is pending for a period exceeding one month against the company.

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

For CNGSN & Associates LLP
Chartered Accountants

C.N. GANGADARAN
Partner
M. No: 11205

Chennai
December 15, 2014

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Industry Structure and Development

The Company with a view to capitalize on the growing demand for Pumps and Castings has, by a judicious product mix of various types of pumps and new types of castings, is expecting to achieve better results in terms of productivity and profitability.

Out of the other ventures, Best & Crompton Apparels Limited, had commenced commercial production but could not continue production schedules due to financial crunch faced by the company and B & C Machinery Limited, is on the verge of project completion. Once the project is completed and commercial production commences, this venture is expected to break even in the next two years.

The new ventures are facing demands for recovery of loans from their bankers, which has a bearing on your Company. Your Company is addressing this issue and is in the process of submitting concrete revival and restructuring plans to the Bankers of the new ventures and it is hopeful of these proposals being acceptable to the Bankers of the new ventures and thus making the new ventures viable.

Opportunities and Threats

The Company's plans for improvement of the production facilities involves fund based support from the Bankers. The effect of the Bankers demands on the new ventures also has a bearing on the Company's plans.

Any change in Government Policies and Regulations coupled with a volatile Market and soaring prices of raw materials could result in a delay in the

completion of the projects, which in turn, would affect the projections as envisaged by the Company.

Internal Control Systems

The Company has been maintaining adequate internal control systems, which are commensurate with the size of the operations being carried out by the Company and are adequate.

Financial Performance

This is covered in the Directors' Report.

Human Resources

The Company is in the process of finalizing and putting in place its HR Policy to motivate the employees and retain them. The objective is to ensure job satisfaction and a clear career growth at all levels. The Company strives to recruit the best talent in their respective disciplines to utilize their experience and expertise for the benefit and growth of the organization.

For and on behalf of the Board of Directors

Chennai
December 15, 2014

K. PRAKASH
Director

S.V. VENKATESAN
Director

INDEPENDENT AUDITOR'S REPORT

To the Members of Best & Crompton Engg. Limited

Report on the Financial Statements

We have audited the accompanying financial statements of Best & Crompton Engg. Limited ("the Company"), which comprise the Balance sheet as at 31st March 2013, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance 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 read with the General Circular 15/2013 dated 13 September 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatements of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view **subject to 2 below** and in conformity with the accounting principles generally accepted in India:

1. Attention is called to the following, without qualifying

The Company has received inward remittances in respect of export of goods which are yet to be made through authorized dealers which is more clearly reflected in Note 43.

2. a) **The company's ability to continue as a going concern under SA 570 has been assessed. In our opinion unless the company comes up with concrete plans to tie up Shareholders' equity/ Long term debt, it will have difficulty to continue to operate as a going concern.**
- b) **The company has not complied with the following Accounting Standards –**
 - **AS – 13 (Accounting for Investments). The majority of the Company's assets are its investment in Subsidiaries whose financial results have been adversely commented upon by their respective auditors. We are unable to state that the diminutions in these investments are long term in nature. Any long term diminution in the value of these investments**

will significantly erode the net worth of Best & Crompton Engg. Limited.

- **With regard to AS – 28 (Impairment of Assets) the recoverability of most of the debts exceeding 6 months should have been classified as doubtful.**
- c) **The company has obtained secured loan from Institutions amounting to Rs. 57.45 crores and the repayment of principal and interest is outstanding as on date.**
- d) **There has been a very significant delay in remitting PF, ESI, TDS and Employee related dues and other statutory obligations as at the balance sheet date. Tax deducted at source obligation of Rs. 40.52 lakhs is pending. Since remitted.**
- e) **The effect of items (a) and (b) above are not quantifiable owing to uncertainty in estimation of recoverable value of investments and current assets. Hence this cumulative effect on the Statement of Profit & Loss, reserves and net worth is not ascertainable.**
 - (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013;
 - (b) in the case of the Statement of Profit and Loss, of the LOSS for the year ended on that date; and
 - (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
 - a. we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c. the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d. in our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards referred to in sub section (3C) of section 211 of the Companies Act 1956, **subject to note 2 above** and
 - e. on the basis of written representations received from the directors as on March 31, 2013, and taken on record by the Board of Directors, 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 read with the General Circular 15/2013 dated 13 September 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013.
 - f. Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Companies Act, 1956 nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.

For CNGSN & ASSOCIATES
Chartered Accountants
F.R.No.004915S

Place : Chennai
Dated: October 9, 2014

C N GANGADARAN
Partner
Memb. No. 11205

Annexure to the Auditors' Report

1. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets. The fixed assets have been physically verified during the year by the management.
- (b) During the year the Company has not disposed off substantial part of the fixed assets.
2. (a) Inventories have been physically verified during the year by the Management.
- (b) In our opinion, the procedure of physical verification of inventory followed by the management is reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) The Company has maintained proper records of inventories. The discrepancies noticed on verification between physical stocks and book records were not material.
3. The Company has certified that no transaction need to be entered in the Register maintained under Section 301 of the Companies Act 1956. Hence the question of loans given or received from such parties does not arise.
4. 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 the purchase of stores, raw materials including components, plant and machinery, equipment and other assets and with regard to the sale of goods and services.
5. (a) In our opinion and according to the information and explanations and based on certifications given to us, we are of the opinion that there are no transactions that need to be entered into the register maintained under Section 301 of the Companies Act, 1956.
- (b) No transactions have been entered at a price exceeding the value of Rs. 5,00,000/- in respect of any one party.
6. The company has not accepted any fixed deposits from the public during the year and there are no outstanding fixed deposits.
7. In our opinion, the internal audit functions carried out during the year by an external agency appointed by the Management have been commensurate with the size of the Company and the nature of its business.
8. We have been informed that Cost Audit is applicable to 2 units in the Pumps Division of the Company. The Cost audit is in progress.
9. (a) *According to the records of the Company Provident fund, Employees State Insurance, Tax deducted at source and Service tax dues have been deposited with the appropriate authorities with severe delays in certain months except for TDS amounting to Rs. 40.52 lakhs. Since remitted.*
- (b) *The Undisputed income tax liability amounting to Rs 19.80 crores were in arrears as on 31st March 2013 for a period of more than six months from the date they became payable. The amount relates to the period A.Y.2009-10*
- (c) The disputed statutory dues amounting to Rs. 1843.94- lakhs that have not been deposited on account of matters pending before appropriate authorities are as under.

S. No	Particulars	Forum	Year	Amount (lakhs)
1	Excise Duty	Commissioner of Excise	1998-99	0.86
2	Sales Tax	High Court, Tribunal, Additional Deputy Commissioner, Assistant Commissioner, Joint Commissioner, Additional Commissioner.	1983-84 to 2003-04	352.92
3	Central Sales Tax	Tribunal, Additional Deputy Commissioner, Assistant Commissioner, Joint Commissioner, Additional Commissioner.	1987-88 to 2001-02	80.88
4	Income Tax			1409.28
		TOTAL		1843.94

10. The Company has accumulated losses as at 31st March 2013. The Company has incurred cash losses in the current financial year and also in the immediately preceding financial year.
11. The Company has defaulted in repayments to Financial Institutions as follow:

Particulars	Principle (Rs.)	Interest (Rs.)
ILFS	5070 lakhs	674.56 lakhs
12. According to the information and explanations given to us, the company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. The provisions of any special statute as specified under clause (xiii) of paragraph 4 of the Order are not applicable to the Company.
14. According to the information and explanations given to us, the Company is not dealing or trading in shares, securities, debentures and other investments. Accordingly, clause 4(xiv) of Companies (Auditors' Report) Order 2003, is not applicable.
15. The company has given guarantees for Rs.3,26,80,50/- thousands on behalf of its subsidiaries and another company.
16. According to the information and explanations given to us, on an overall basis, the term loans have been applied for the purposes for which they were obtained.
17. According to the information and explanation given to us and on overall examination of the Balance Sheet of the Company, we report that funds raised on short-term basis have not been used for long term investment.
18. During the year the Company has not made any preferential allotment of shares to the parties and the companies covered in the register maintained under Section 301 of the Companies Act, 1956. Accordingly, clause 4 (xviii) of Companies (Auditors Report) Order 2003 is not applicable.
19. On the basis of records and documents examined by us, there is no shortfall in the creation of security.
20. The Company has not raised any money through public issue during the year.
21. According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year.

For CNGSN & ASSOCIATES
Chartered Accountants
F.R.No.004915S

Place : Chennai
Dated: October 9, 2014

C N GANGADARAN
Partner
Memb. No. 11205

Balance Sheet as at 31st March, 2013

Particulars	Note No	31.03.2013 Rs. '000	31.03.2012 Rs. '000
I. EQUITY AND LIABILITIES			
1. Shareholders' Funds :			
a) Share Capital	2	1,610,126	1,610,126
b) Reserves and Surplus	3	(170,804)	(23,774)
c) Money received against share warrants			
2. Share application money pending allotment			
		-	-
3. Non-Current Liabilities			
a) Long-term borrowings	4	186	595
b) Deferred tax liabilities (Net)		-	-
c) Other Long-term Liabilities		-	-
d) Long term provisions	5	59,732	59,324
4. Current Liabilities			
a) Short-term borrowings	6	507,000	480,000
b) Trade payables		136,516	151,801
c) Other current liabilities	7	682,159	598,861
d) Short-term provisions	8	42,402	22,035
Total		<u>2,867,317</u>	<u>2,898,968</u>
II. ASSETS			
1. Non-current assets			
a) Fixed assets			
i) Tangible assets	9	120,933	127,211
ii) Intangible assets		-	-
iii) Capital work-in-progress(Machinery awaiting installation at Subsidiary's site (including new project advances)	10	149,741	148,149
iv) Intangible assets under development			
b) Non-current investments	11	1,192,310	1,293,110
c) Deferred tax assets (Net)		29,956	7,823
d) Long term loans and advances		-	-
e) Other non-current assets	12	28,592	28,592
2. Current assets			
a) Inventories	13	93,695	90,815
b) Trade receivables	14	252,604	304,836
c) Cash and cash equivalents	15	96,569	107,421
d) Short-term loans and advances	16	698,148	614,273
e) Other current assets	17	204,769	176,738
Total		<u>2,867,317</u>	<u>2,898,968</u>

Notes to Balance Sheet annexed

For and on behalf of the Board of Directors

M. SINIVASAN
Chairman

S.V. VENKATESAN
Director

K. PRAKASH
Director

Chennai
October 9, 2014

V.P. THIRUMOORTHY
Company Secretary

For CNGSN & ASSOCIATES
Chartered Accountants
(Firm Registration No. 004915S)

C.N. GANGADARAN
Partner
M.No. 11205

STATEMENT OF PROFIT AND LOSS
Profit and Loss Account for the year ended 31st March, 2013

Particulars	Note No.	Year Ended	Year ended
		31-03-2013 Rs. '000	31-03-2012 Rs. '000
I. Revenue from operations	18	475,545	562,797
II. Other Income	19	17,210	30,015
III. Total Revenue (I + II)		492,755	592,812
IV. Expenses:			
Cost of materials consumed	20	245,540	288,140
Purchase of Stock-in-Trade			
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	21	(12,325)	(8,388)
Employee benefit expense	22	196,590	177,562
Financial costs	23	95,190	48,468
Depreciation and amortization expense		12,489	12,997
Other expenses	24	113,347	156,130
Total Expenses		650,831	674,909
V. Loss before exceptional and extraordinary items and tax (III - IV)		(158,076)	(82,097)
VI. Exceptional Items		-	(64,959)
VII. Loss before extraordinary items and tax		(158,076)	(17,138)
VIII. Extraordinary items		-	-
IX. Loss before tax		(158,076)	(17,138)
X. Tax expense:			
(1) Current tax		-	-
(2) Deferred tax		(22,133)	1,492
(3) Taxation relating to earlier years		11,087	17,039
XI. Loss for the year		(147,030)	(35,669)
XII. Earning per equity share:			
Basic and Diluted		(1.24)	(0.34)

Notes to Statement of Profit and Loss annexed.

For and on behalf of the Board of Directors

M. SINIVASAN
Chairman

S.V. VENKATESAN
Director

K. PRAKASH
Director

Chennai
October 9, 2014

V.P. THIRUMOORTHY
Company Secretary

For CNGSN & ASSOCIATES
Chartered Accountants
(Firm Registration No. 004915S)

C.N. GANGADARAN
Partner
M.No. 11205

Cash Flow statement for the year ended 31.03.2013

	2012-2013	2011-2012
	(12 Months)	(12 Months)
	Rs. '000	Rs. '000
A. Cash flow from operating activities		
Net Profit/(Loss) before tax :	(158,076)	(82,097)
Adjustments for:		
Depreciation	12,489	12,997
Interest and financial charges paid	95,190	48,483
Provision for doubtful debts		
Provision for doubtful advances	-	21,523
Provision for doubtful Investments	500	-
Bad debts written off	10,304	3,375
Deposits written off	-	-
Advances / Irrecoverables written off	10,001	6,599
Exchange Rate Variation	(78)	(15)
Discarded / Write off of fixed assets	377	265
Investments written off	-	500
Prior Period Items	-	-
Investment written back	-	-
Loss on sale Investments	-	-
Profit on sale of Investments	-	-
Loss/(Profit) on sale of fixed assets	-	(154)
Provision for doubtful debts no longer required	(8)	-
Bad debts recovered	-	(4,696)
Provision Doubtful Advances/Deposuits no longer required	(500)	-
Provision for Expenses no longer required	(1,373)	(16,817)
Miscellaneous Expenditure written off	-	12,579
Advances written off		
Creditors written back	(6,797)	-
Advances received written back	(143)	-
Provision for Taxation no longer required	-	-
Provision for Investments no longer required	-	-
Indirect Taxes refund received	-	-
Realisation on High Sea Sale	-	-
Employee Benefits adjustment from reserves	-	-
Transfer from Revaluation reserve	-	-
Dividend Income	-	-
Interest Income	(8,356)	(8,162)
	111,606	76,477
Operating profit before working capital changes	(46,470)	(5,620)
Adjustments for:		
Trade and other receivables	41,936	25,536
Inventories (includes Stock in Trade)	(2,880)	(20,815)
Trade payables	(15,285)	(10,756)
Other Current Liabilities	(80,339)	(309,541)
Short term provisions	20,268	(7,990)
	(36,300)	(323,566)
Cash generated from operations		
Direct Taxes paid	(43,916)	(8,301)
Indirect tax paid	(952)	(952)
Cash generated from operations	(44,868)	(9,253)
Net Cash from operating activities	(127,638)	(338,439)

Cash Flow statement for the year ended 31.03.2013 (Contd.)

	2012-2013 (12 Months) Rs. '000	2011-2012 (12 Months) Rs. '000
B. Cash Flow from investing activities		
Purchase of fixed assets	(7,845)	(9,822)
Change in Capital WIP	(1,592)	60,004
Purchase of Investments	-	(2,907)
Loans & advances	5,631	(232,322)
Sale of fixed assets	1,259	98,785
Sale of Investments		
Advance Received	99,190	135,451
Interest received	14,529	1,987
Miscellaneous Expenditure	-	12,182
Assignment of Trade Mark Use rights	-	-
Net cash used in investing activities	111,172	63,358
C. Cash Flow from financing activities		
Equity Share Capital	-	-
Preference Share Capital	-	-
Proceeds / (Repayment) Advance towards Share Capital	-	-
Proceeds / (Repayment) from long term borrowings	9	(20,747)
Repayment of finance liabilities	(387)	-
Loan Received/(Repaid)	-	413,461
Interest paid	5,992	(45,727)
Brought forward Accumulated Loss		
Reserves & Surplus	-	-
Net cash used in financing activities	5,614	346,987
Net Decrease (-) / Increase (+) in cash and cash equivalents	(10,852)	71,906
Cash and cash equivalents as at March 31, 2012 (opening balance)	107,421	35,515
Cash and cash equivalents as at March 31, 2013 (closing balance)	96,569	107,421

For and on behalf of the Board of Directors

M. SINIVASAN
Chairman

S.V. VENKATESAN
Director

K. PRAKASH
Director

Chennai
October 9, 2014

V.P. THIRUMOORTHY
Company Secretary

As per our report of even date
For CNGSN & ASSOCIATES
Chartered Accountants
(Firm Registration No. 004915S)

C.N. GANGADARAN
Partner
M.No. 11205

SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS

1. SIGNIFICANT ACCOUNTING POLICIES

A. Accounting Convention: The Financial Statements are presented under historical cost convention and applicable Accounting Standards.

B. Use of Estimates:

The preparation of the financial statements in conformity with the generally accepted accounting principles requires the management to make estimates and assumptions that affect the reported amount of assets and liabilities as of the date of the financial statements and the reported amount of revenues and expenses for the year and disclosure of contingent liabilities as of the date of the Balance Sheet. The estimates and assumptions used in the accompanying financial statements are based upon the management's evaluation of relevant facts and circumstances as of the date of the financial statements. Actual amounts could differ from these estimates.

C. Fixed Assets

- (i) Fixed Assets other than land are stated at cost, including interest beyond the period after commencement of commercial production capitalised in case of certain Plant & Machinery acquired up to 1985 under deferred and hire purchase schemes.
- (ii) Additional cost on account of foreign currency translation for acquisition of fixed assets is added to cost of such fixed assets upto the date of Commissioning of such assets.
- (iii) Assets acquired under hire purchase agreements are capitalised and finance charges thereon are expended when due.

D. Investments

Investment in certain subsidiaries and certain Trade Investments which are meant to be long term and are valued either at cost or in appropriate cases at Directors' valuation taking into consideration permanent diminution in value.

E. Depreciation

Fixed Assets are depreciated on straight line method in accordance with Schedule XIV to the Companies Act, 1956.

F. Inventories

- (i) Work - in - Progress on Contracts is valued at direct cost after deducting there from 'Proportionate Costs', for which progressive bills have so far been raised.
- (ii) Stores and spare parts, Raw Materials, Work-in-Progress on manufacturing, Finished Goods and Trading Stocks are valued at the lower of cost (Weighted Average Method) and net realisable value.
- (iii) Land converted into stock in trade meant for disposal are valued at fair market value on the date of conversion.

G. Revenue recognition

- (i) Revenue from Sales is recognised on delivery of goods.
- (ii) Revenue from Contracts is recognised individually on each Contract, as and when progressive bills/claims are raised based on customers acceptance and terms of the Contract.

(iii) Income from service activities is accounted on accrual as per terms of agreement.

(iv) MODVAT / CENVAT Credits are carried forward in respect of inputs not consumed.

(v) Income from investments, interest income are accounted on accrual basis.

(vi) Sale of land converted into stock in trade is recognised on legal transfer of title to the land.

H. Retirement Benefits

(i) Contribution to Provident Fund and Family Pension fund are charged to Profit and Loss Account on accrual basis;

(ii) The liability for gratuity has been actuarially ascertained and provided for and are being progressively funded through an insurer;

(iii) Leave encashment liability has been actuarially ascertained and provided for.

(iv) Sickness benefit is covered by medical insurance.

I. Foreign Currency Transactions

Foreign currency transactions are recorded at the rate of exchange prevailing on the date of transaction and outstanding balances at the end of the accounting period are translated at the rate of exchange prevailing on that date and the resultant difference other than those that relating to fixed assets is recognised in the Profit & Loss Account. Difference in exchange due to translation of foreign currency relating to fixed assets are adjusted to the cost of the fixed assets.

J. Segment Reporting

The accounting policies adopted for segment reporting are in line with the accounting policies of the company with the following additional policies.

(i) Inter segment transfers have been accounted on the basis of prices charged to the external customers for limited purpose of computing segment revenue.

(ii) Revenue and expenses have been identified to segments on the basis of their relationship to the operating activities of the segment. Revenue and expenses, which relate to the enterprise as a whole and are not allocable to segments on a reasonable basis have been included under "Unallocated corporate expenses".

K. Impairment of Assets

The Company has a policy of annually comparing the Net Realisable Value with carrying cost and providing for Impairment wherever required.

L. Provisions for Contingent Liabilities and Contingent Assets

All Contingent Liabilities are recognized in accordance with the Accounting Standard. Contingent assets are recognized only upon certainty of realisation.

NOTES TO ACCOUNTS

	31.03.2013 Rs. '000	31.03.2012 Rs. '000			
2. SHARE CAPITAL			Subscribed and Paid up share capital		
Authorised share capital			12,38,40,515 Equity Shares of Rs. 10 each	1,238,405	1,238,405
15,00,00,000 Equity Shares of Rs. 10 each (Previous year 15,00,00,000 equity share of Rs. 10 each)	1,500,000	1,500,000	(Previous year: 12,38,40,515 equity shares of Rs. 10 each)		
5,50,000 Cumulative redeemable Preference Shares of Rs. 100 each (PY:550000 Cumulative redeemable preference share of Rs. 100 each)	55,000	55,000	5,41,509 Cumulative Redeemable Preference Shares of Rs.100 each (PY:5,41,509 Cumulative redeemable preference shares of Rs. 100 each)	54,151	54,151
32,00,000 Non Cumulative Redeemable Preference Shares of Rs.100 each (PY:3200000 Non Cumulative redeemable preference shares of Rs. 100 each)	320,000	320,000	31,75,706 Non Cumulative Redeemable Preference Shares of Rs.100 each (PY:31,75,706 Non Cumulative redeemable preference shares of Rs. 100 each)	317,570	317,570
	1,875,000	1,875,000		1,610,126	1,610,126
Issued share capital			Reconciliation of no of shares outstanding		
12,38,41,540 Equity Shares of Rs. 10 each (Previous year 123841540 equity share of Rs 10 each)	1,238,415	1,238,415	Number of equity share outstanding at the beginning of the year		
5,50,000 Cumulative Redeemable Preference Shares of Rs. 100 each (PY:550000 Cumulative redeemable preference shares of Rs 100 each)	55,000	55,000	Add:		
32,00,000 Non-Cumulative Redeemable Preference Shares of Rs.100 each (PY:3200000 Non Cumulative redeemable preference shares of Rs 100 each)	320,000	320,000	Number of shares allotted as fully paid bonus shares		
	1,613,415	1,613,415	Number of shares allotted pursuant to ESOP		
			Number of shares allotted for cash pursuant to public issue		
			Less:		
			Number of share bought back during the year		
			Number of equity share outstanding at the end of the year		
			Total	1,610,126	1,610,126

Details of shareholding more than 5% of the company	2012-13		2011-12	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Indo Asian Holdings Limited	79,576,200	64.26%	79,576,200	64.26%
Hitech Housing Projects Pvt. Limited*	18,276,157	14.76%	18,276,157	14.76%
Delah Tradings Limited	7,876,225	6.36%	7,876,225	6.36%
Konka Holdings Limited	7,323,522	5.91%	7,323,522	5.91%

* Shares transferred from Siva Projects Engineering and enterprises Limited on 28th March 2013.

	31.03.2013 Rs. '000	31.03.2012 Rs. '000		31.03.2013 Rs. '000	31.03.2012 Rs. '000
3. RESERVES AND SURPLUS			5. LONG-TERM PROVISIONS		
Securities Premium Account	389,073	389,073	Gratuity	48,422	48,084
Revaluation Reserves	389	389	Leave Encashment	9,230	8,282
Other Reserves	11,386	11,386	Superannuation	2,080	2,958
Brought forward loss from previous years	(424,622)	(388,953)	Others	-	-
Profit / (Loss) for the year	(147,030)	(35,669)	Total	59,732	59,324
Deficit to date	(571,652)	(424,622)			
Total	(170,804)	(23,774)	6. SHORT-TERM BORROWINGS		
			Secured		
4. LONG-TERM BORROWINGS			Term Loan	507,000	480,000
Secured			Total	507,000	480,000
Deferred payment liabilities	186	595			
Term loan from Kotak Mahindra secured by mortgage on Vehicle repayable in 36 instalment starting from 10.09.2011 and last instalment falling due on 10.09.2014			Short-term borrowing include loan taken for working capital purpose from IL&FS financial services limited secured by equitable Mortgage of immovable property (land and building of the Company) on 'Pari Pasu' Charge on all Current & Fixed Assets. (Refer Note No. 42)		

Best & Crompton Engg. Limited

	31.03.2013	31.03.2012		31.03.2013	31.03.2012	
	Rs. '000	Rs. '000		Rs. '000	Rs. '000	
7. OTHER CURRENT LIABILITIES						
Current maturities of finance lease obligation	408	359	Other payables include loan from Future Tech of Rs. 4 cr and Rs.66.80 lakh from Crombes Holdings Limited & advance received towards exports & others amounting to Rs.30.31 Cr. Esquire Engineers & Consultants having a current a/c credit balance of Rs. 2.12 cr			
Interest accrued and due on borrowings	67,456	-				
Interest accrued but not due on borrowings	-	6,726				
Gratuity	3,045	9,096				
Leave Encashment	470	2,955				
Sundry deposits and other customer credit balances	2,811	2,550				
Statutory liability including PF	193,464	193,293		8. SHORT-TERM PROVISIONS		
Advance Received from customers	12,069	7,041		Others	42,402	22,035
Other payables	402,436	376,841		Total	42,402	22,035
Total	682,159	598,861				

Other current liabilities provision for gratuity and leave encashment of Rs. 30 lakh and 4 lakh respectively

Statutory liability includes provision for taxation during earlier years and provision for sales tax to the extent of Rs 2.17 cr. And Income tax provision Rs. 15.30 cr.

9. TANGIBLE ASSETS

Rs. '000

DESCRIPTION OF ASSETS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 1.4.2012 At cost/ Revaluation	Additions	Deletions	As at 31.3.2013 At cost/ Revaluation	Upto 1.4.2012	For the Year	Deletions	Upto 31.3.2013	As at 31.3.2013	As at 31.3.2012
Freehold land	281	-	-	281	-	-	-	-	281	281
Buildings	79,011	242	-	79,253	20,107	1,435	-	21,542	57,711	58,904
Plant and Machinery	172,749	7,194	7,713	172,230	112,966	10,113	7,352	115,727	56,503	59,783
Furniture and Fittings	9,451	409	240	9,620	5,814	311	226	5,899	3,721	3,637
Vehicles @	8,079	-	2,331	5,748	3,473	630	1,072	3,031	2,717	4,606
	269,571	7,845	10,284	267,132	142,360	12,489	8,650	146,199	120,933	127,211
10. CAPITAL WORK IN PROGRESS										
Machinery awaiting installation at Subsidiary's site (including new project advances)	148,149	1,592	-	149,741					149,741	148,149
	417,720	9,437	10,284	416,873	142,360	12,489	8,650	146,199	270,674	275,360

@ Acquired under hire purchase Scheme.

	Current Year 2012-2013 Rs. '000	Previous Year 2011-2012 Rs. '000
20. CONSUMPTION OF RAW MATERIAL		
Consumption of Raw Materials	215,025	250,023
Consumption of Stores and Spares	21,571	25,615
Processing Charges	8,941	12,502
Total	245,540	288,140
21. DECREASE/(INCREASE) IN STOCKS		
Opening Stock:		
Work-in-Progress	26,258	23,962
Finished Goods and Trading Stocks	22,820	9,176
	49,078	33,138
Closing Stock		
Work-in-Progress	25,964	26,258
Finished Goods and Trading Stocks	35,439	22,820
	61,403	49,078
	(12,325)	(15,940)
Decrease/(Increase) in Stock in Trade:		
Opening Stock:	400	7,952
Less:- closing Stock	400	400
	-	7,552
22. EMPLOYEE BENEFITS EXPENSES		
Salaries and wages	146,325	131,052
Contribution to provident and other funds	9,493	8,771
Gratuity Fund contribution	7,090	13,193
Staff welfare expenses	18,505	17,022
Interium relief Compensation	7,977	-
Direcotors Remuneration	7,200	7,524
Total	196,590	177,562
23. FINANCE COSTS		
Interest expenses	93,189	35,413
Other borrowing costs	2,079	13,070
Applicable net gain/ loss on foreign currency transactions/ traslation	(78)	(15)
Total	95,190	48,468
24. OTHER EXPENSES		
Power and fuel	36,966	28,381
Rent	2,956	2,516
Repairs to buildings	1,451	2,044
Repairs to machinery	7,043	7,517
Repairs to Furniture & Other Equipments	1,155	1,336
Insurance	2,334	2,888
Rates and Taxes, excluding taxes on income	2,221	8,273
Selling Expenses	14,293	18,584
Bad debts written off	10,304	3,375
Discarded Assets	377	265
Advances written off	2,129	6,599
Recoverables written off	7,872	-
Investments written off	-	500
Provision for Investments	500	-
Provision for doubtful advances	-	21,523
Other expenses	387	496
Hire charges	44	161
Audit fee	500	500
General services	876	225
Land development Charges	-	2,200
Travelling & Conveyance	8,370	8,054
Telephone Expenses	2,153	1,827
Consultancy, Legal Charges	8,433	21,025
Legal Charges	12	500
Printing & Stationery	1,974	1,687
Postage & Telegram	228	272

	Current Year 2012-2013 Rs. '000	Previous Year 2011-2012 Rs. '000
Subscription & Periodicals	155	966
Computer Processing Charges	194	37
Entertainment Expenses	82	204
Shifting Expenses	-	158
Motor car running expenses	338	203
Preliminary & preoperative Expenses written off	-	12,579
Miscellaneous expenses	-	1,235
Total	113,347	156,130

25. Contingent Liabilities

Particulars	31.03.2013 Rs. '000	31.03.2012 Rs. '000
a) Claims against the company not acknowledged as debts	23,205	31,443
b) Guarantees given to Banks on behalf of subsidiaries & others	3,268,050	4,183,550
c) Counter guarantees to bankers against guarantees issued by them to customers (secured by a charge on current assets)	82,760	68,240
d) Disputed Tax demands under appeal		
(i) Income Tax/penalty	338,923	328,000
(ii) Sales Tax	21,733	17,251
(iii) Excise Duty	86	86
Total	3,734,757	4,628,570

26. Arrears of cumulative preference dividend and tax thereon - Rs.71,881 thousands (as of 31.03.2012-Rs. 65,542 thousands).

27. Rs. 11,890 Thousands. are due to small-scale and ancillary undertakings to the extent such parties have been identified and confirmed by the management. Amounts overdue exceeding Rs. 1.00 Lac. are given below:

Name of the party	Amount (in Rs. Thousands.)
Babu Enterprises	158
Sri Balaji Small scale Industries	101
Reliable Electric Company (P) Limited	322
Sai Traders	115
Sri Krishna Cartons	114
VSV Polymers	221
Ess Gee Die Castings	150
Mahavir Bros Products	825
Megna Corporation	197
Simplex Industries	680
T.M.Radha Krishna Chetty	157
Sri Venesh Enterprises	301
Arkay Enterprises	150
RV Industries	136
Tac Products	347
Ultimate Alloys	5,377
Sarvalakshmi Foundries	606
Maruthi Cast Products	1,020
Raj Patterns	175

28. The Company has not been informed by any supplier of their being a Micro and Small Enterprise and as defined under the Micro Small and

Medium Enterprises Development Act 2006 and hence no disclosure has been made in respect of dues to such units if any outstanding for more than 45 days.

29. Deferred Tax Liability comprises of Rs. '000

	As at 31st March 2013		As at 31st March 2012	
	Asset	Liability	Asset	Liability
Opening balance	15,490	7,667		5,238
Timing differences on account of				
Depreciation	1,036		784	
Provision for Inadmissible Expenses	29,500	8,403	14,706	2,429
Closing Balance	46,026	16,070	15,490	7,667
Net Deferred Tax Asset/Liability	29,956		7,823	

30. Remuneration paid to a Whole time Director (Minimum Remuneration)

	31.3.2013 Rs. '000	31.3.2012 Rs. '000
Salary and Allowances	7,120	6,926
Contribution to Provident Fund and other funds	65	583
Money Value of Perquisites	15	15
Total	7,200	7,524

The remuneration for the period from 7th January to 31st March 2013 amounting to Rs.1,744 thousands and for the year ended 31st March 2013 Rs.7,200 thousands respectively has not been approved by Central Government The Whole Time Director has not received the remuneration for the year ended 31.3.2013. A further representation is being made to the Central Government.

31. Capacities and Production :

	Capacity Per annum Unit	Installed	Production	
			2012-2013	2011-2012
Power Driven Pumps Electric Motors and/or Electric Components Such as Stator/Rotor Unit upto 10 H.P	Nos.	15,000	1,650	1,609
Stator/Rotor sets	Nos	12,000	1,650	1,609
Water Pumps	Nos	2,200	548	657
Process Pumps	Nos	4,800	123	191
Marine Pumps & Turbines	Nos	50	66	54
Ferrous SG Iron castings	Tonnes	4,200	1,290	1,862
Train Lighting Generators/Alternators	Nos.	400	281	80
Metal Clad Sockets and Plugs	Nos	#	8,811	6,505
Busduct (All Types)	Metres	5,200	-	-

Through Small Scale Industries
(As Certified by the management and relied upon by the Auditors being Technical matter)

	Year ended 31.03.2013 Rs.'000	Year ended 31.03.2012 Rs.'000
32. Expenditure in Foreign Currency		
Travel Expense	-	-
33. Earnings in Foreign Exchange (on accrual basis)		
Export of Goods (FOB)	7,007	3,082
Advance received towards Export of Goods	84,936	1,53,402
34. Value of Imports calculated on CIF basis.		
Raw Materials	776	1,442
Components and Spare parts	724	24

Best & Crompton Engg. Limited

35. Segment Information for the year ended 31st March 2013

Information about Primary Business Segments

Rs. '000s

Business Segments	Fabrication	Castings	Pumps	Machinery Manufacturing Division	Sale of Real Estate held as stock in trade	Others	Elimination	Total
External Sales	15,087	78,928	359,555	20,978		997		475,545
Inter-segment Sales	4,027	41,220	256	49			(45,552)	
Total Revenue	19,114	120,148	359,811	21,027		997	(45,552)	475,545
Segment result	(11,650)	(40,261)	44,785	(9,408)	(8)	(156)		(16,698)
Finance Costs								(95,190)
Unallocable corporate expenses								(63,399)
Non Operating Income								17,210
Profit /(Loss) before exceptional and extraordinary Items								(158,077)
Exceptional Items								
Profit / (Loss) before extraordinary Items								(158,077)
Extraordinary Items								-
Profit before Tax								(158,077)
Tax Expenses								
- Current Tax								-
- Deferred Tax								(22,133)
- Transaction relating to earlier years								(11,086)
Profit/(Loss) for the year								(147,030)
Other Information								
Segment assets	23,365	32,316	307,312	14,697	14,340	128,224		520,254
Unallocated corporate assets								2,347,063
Total assets								2,867,317
Segment liabilities	12,614	55,322	116,808	8,965	-	314,064		507,773
Unallocated corporate liabilities								920,222
Total Liabilities								1,427,995
Capital expenditure		1,437	6,310	98				7,845
Unallocable Capital expenditure								
Depreciation	18	1,385	6,826	131	8	29		8,397
Unallocable Depreciation								4,092
Non-cash expenses – other than depreciation								

(Unallocated Corporate Assets include Fixed Assets (Revalued), Investments, Fixed Deposits with banks and Loans and Advances given to Subsidiaries and other new Projects)

Information about Secondary Business Segments (Rs. 000s)

Description	India	Outside India	Total
Revenue by Geographical Market	474,768	777	475,545
Other non operating Income	17,210		17,210
Segment Assets	520,254		520,254
Capital Expenditure	7,845		7,845

36. Related party disclosure

I. Related parties where control exists:

a) Holding Company

Asian Holdings Limited (formerly known as B&C Holdings Limited)

b) Subsidiaries

Three C Systems Limited # Beacon Carbons & Electricals (India) Ltd. #
 Beacon Tileman Limited # Best & Crompton Apparels Limited
 Bestai Precast Buildings Limited B&C Machinery Limited
 B&C Tech. Services Limited

Under liquidation

Key Management Personnel

Mr. K. Prakash – Whole Time Director

Related Party Transactions:

Rs. in Thousands

Particulars	SUBSIDIARIES						Total	Associate Company	Key Management Personnel
	Holding Company	Best & Crompton Apparels Limited	B&C Tech. Services Limited	Crombest Precast Buidlings Limited	B & C Machinery Limited				
Guarantees and Collaterals as on 31.3.2013	82,760						82,760		
Corporate Guarantees as on 31.3.2013	3,268,050						3,268,050		
Managerial Remuneration									7,200
Loans and Advances as on 31.03.2013		232,297		93,890	223		326,410		
Debtors as on 31.3.2013				7,660	1,025		8,685		
Other Current Liabilities as on 31.3.2013					327		327		

37. Earnings Per Share

	31.03.2013	31.03.2012
	(12 Months)	(12 Months)
	Rs. '000	Rs. '000
Profit/(Loss) after tax	(147,030)	(35,669)
Preference Dividend and dividend tax payable	6,335	6,335
Profit / (Loss) after preference dividend	(153,365)	(42,004)
Weighted average No. of ordinary shares for calculating EPS	12,38,40,515	12,38,40,515
Nominal value of ordinary shares	Rs. 10	Rs.10
Basic / Diluted Earnings per ordinary shares	(1.24)	(0.34)

38. The Company has an outstanding export obligation of Rs.1,563 Lakhs on account of imported machinery to be fulfilled within 8 years after commencement of production of machinery division.

39. Note on Investments

The Company has invested in certain strategic verticals through subsidiaries which are under direct control of the Company. The present status of these subsidiaries is as under:-

a) B&C Machinery Limited - Rs. 71.77 Crores

The substantial investment in this subsidiary has been made under the direct supervision of the promoter, who envisages bright opportunities for the subsidiary. As the unit is under construction and nearing completion, there is no impairment in the value of investment.

b) Best & Crompton Apparels Limited - Rs.18 Crores

The modern state of art apparel manufacturing unit was commissioned with the expectation that the products mainly sports apparel would become the preferred choice of the sporting community.

The promoter's holding the entire equity through the company and overseas company owned by the promoter.

Unfortunately the products could not withstand competition from international brand apparels. Due to inadequate demand volume, lack of working capital and relatively weak marketing setup the unit could not even recover the prime cost leading to the closure of the unit precipitating agitation by workers and action by the lending institution. The promoter is examining the probability of reviving the unit; alternatively relocating the factory overseas after making arrangement for one time settlement with the lending institution. According to the management impairment in the carrying value of plant & machinery because of non-usage would not be significant. The aggregate market value of land and factory building and fair value of plant and machinery is more than the carrying values shown in the Balance sheet; however an updated technical evaluation of the unit and the guideline value of the land would be undertaken to quantify diminution in the value, if any, during the following year.

The periodical cash funding for the unit over the years is being critically reviewed in the context of their end use and necessary adjustment would be made in the accounts of the following year.

c) Crombest Precast Buildings Limited - Rs.29.08 Crores.

The modern prefabricating building factory unit has been functioning but slow down its activities due to uneconomical operation resulting in the eventual closure. The starting of the work in the opinion of the management could be reviewed with the present boost in the reality business. The promoter is making the critical assessment of the economic overview of the industrial segment: however the present value of extensive land and building together with the Plant & Machinery would not impair the carrying value of the investment.

The lending Institution of two subsidiaries have, due to non repayment of dues, referred the matter to Debts recovery Tribunal, Chennai and also taken action under 'SARFAESI' Act to ensure recovery from these Companies. There is at present, no invocation of guarantees against the Company. However, the subsidiaries are all negotiating with the lending banks for one time settlement / installment payments and progress has been made in this direction.

The promoter group has been infusing significant funds whenever the company has been in dire need and is committed to keep the operating unit going and to honour the commitments to the lending institution and negotiations are in progress for one time settlement with them. The Promoter group is endeavouring to restart the closed units.

In view of what has been stated in the preceding paragraphs the company's accounts are presented on principles applicable to a "Going Concern".

40. Best & Crompton Green Tech Limited an Associate Company has been fully disinvested with effect from 21st January 2013.

41. Loans and Advances include Rs. 21.38 Cr. given in earlier years towards project advances of Rs. 21.38 Cr. This advance would be adjusted upon commencement of the project. In the opinion of the Management, these advances though unsecured are good and no provision is necessary.

42. The Company owes as on the date of the Balance sheet Rs. 57.45 Cr. to IL&FS which due to nonpayment on time has resulted on the Institution moving the Court for creditors winding up since the close of the financial year, for which a stay has been obtained. The promoter group had submitted to the court a schedule of repayment in this regard.

43. Loans and advances include an amount of Rs. 2,787 lakhs received from PT Multikarsa Investama, Jakarta towards advance for exports (USD 5,771,646 as of March 2013) against contracts for development and manufacture of products for exports from our factories. The exports of these products will be beyond one year from the date of receipt of advance payment and the Company is in compliance to Notification No. FEMA,23/RB-2000, dated 3rd May 2000. As these items are long lead delivery items which are subject to various approvals and clearances from the exporter before final execution of the contract.

44. Trade recoverable and loans and advances exceeding six months are classified as doubtful have all been fully provided for even though continuing efforts are being made for their recoveries.

Best & Crompton Engg. Limited

45. Retirement Benefits:-

- (a) Contribution to provident fund, family pension fund and superannuation fund are recognised in profit and loss account on accrual basis.
- (b) Gratuity and Leave encashment - As per Actuarial Valuation as on 31st March 2013.

		Rs. Lacs	
A	Gratuity	Leave	Encashment
Expenses recognised in Profit & Loss account for the year ended 31.3.2013			
1	Current service cost	22.73	19.12
2	Interest cost	36.19	5.87
3	Expected return on plan assets	2.83	-
4	Net actuarial (gain)/Losses recognized during the year	68.34	3.89
5	Settlement cost	-	-
6	Net expense	130.09	28.88
B Net asset/(liability) recognized in Balance sheet			
1	Present value of obligation	503.11	85.30
2	Fair value of plan assets	18.89	-
3	Funded status surplus (deficit)	-484.22	-85.30
4	Unrecognized past service cost	-	-
5	Net asset/(liability) recognized in balance sheet	-484.22	-85.30
C Change in present value of obligations During the year			
1	Present value of obligation at beginning of the year	525.63	82.82

2	Current service cost	22.73	19.12
3	Interest cost	36.19	5.87
4	Benefits paid	149.36	19.41
5	Actuarial (gain)/loss on obligation	67.91	3.90
6	Present value of obligation as at end of the year	503.10	92.30

		Rs. Lacs	
D	Change in assets during the year		
1	Fair value of plan assets as at beginning of the year	44.79	-
2	Expected return on plan assets	2.83	-
3	Contributions	-	-
4	Benefits paid	28.31	-
5	Actuarial Gain /(Loss) on plan assets	(0.42)	-
6	Fair value of plan assets as at end of the Year	18.89	-

E Major categories of plan assets as a percentage of total plan

	Partly funded	thro an insurance policy

		%	
F	Actuarial assumptions		
1	Discount rate	8.0%	8.0%
2	Salary escalation	5.0%	4-5%

46. The Company's financial statements have not been authenticated by the Group Chief Executive Officer of the Company, as he is presently out of country. The Company has not appointed a Chief Financial Officer; the relevant duties are being discharged by the Whole Time Director.

47. As in the Balance sheet, the figures in the Profit and Loss Account have been expressed in terms of Rupees in thousands.

48. Previous year figures have been regrouped, rearranged or reclassified to conform to schedule VI (as annexed) of the Companies Act 1956.

For and on behalf of the Board of Directors

M. SINIVASAN
Chairman

S.V. VENKATESAN
Director

K. PRAKASH
Director

Chennai
October 9, 2014

V.P. THIRUMOORTHY
Company Secretary

For CNGSN & ASSOCIATES
Chartered Accountants
(Firm Registration No. 004915S)

C.N. GANGADARAN
Partner
M.No. 11205

STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT 1956, RELATING TO THE HOLDING COMPANIES INTEREST IN THE SUBSIDIARY COMPANIES

(Rs. '000)

PARTICULARS	Best & Crompton Apparels Limited	B&C Machinery Limited	Bestai Precast Buildings Limited	B&C Tech Services Ltd
1. Financial year of the Subsidiary Company ended on	31.3.2013	31.3.2013	31.3.2013	31.3.2013
2. Holding Company's Interest				
- No.of Shares (Rs.10 each)	18,000,000	71,770,000	29,084,500	50,000
Extent of holding (%)	76.20	100	100	100
3. Net aggregate amount of the subsidiary's Profit/(Losses) not dealt with in the Holding Company's accounts (Rs.'000).				
l) for the financial year	(37,048)	NIL	(137,704)	(16)
ii) for its previous financial years	(361,948)	NIL	(205,314)	(3,461)
4. Net aggregate amount of the subsidiary's Profit/(Losses) dealt with in the Holding Company's accounts (Rs. '000).				
l) for the financial year	NIL	NIL	NIL	NIL
ii) for its previous financial years	NIL	NIL	NIL	NIL

For and on behalf of the Board of Directors

M. SINIVASAN
Chairman

S.V. VENKATESAN
Director

K. PRAKASH
Director

V.P. THIRUMOORTHY
Company Secretary

Chennai
December 15, 2014

**CONSOLIDATED FINANCIAL
STATEMENTS**

Auditors' Report to the Board of Directors on the Consolidated Financial Statements of Best & Crompton Engg. Limited

We have examined the attached consolidated Balance Sheet of Best & Crompton Engg. Limited and its subsidiaries Best & Crompton Apparels Limited, Crombest Precast Buildings Limited (formerly known as Bestai Precast Buildings Ltd), B&C Machinery Ltd, B&C Tech. Services Ltd as at 31st March 2013 and the Consolidated Profit & Loss account for the year ended 31.03.2013.

The financial statements are the responsibility of the management of Best & Crompton Engg. Limited. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with generally accepted auditing standards in India. These standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are prepared in all material respects, in accordance with an identified financial reporting framework and are free of material mis-statements. An audit includes examining on 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 the management, as well as evaluating the overall financial statements. We believe that our audit provides a reasonable basis for our opinion.

We did not audit the financial statements of any of the subsidiaries whose financial statements reflect total assets of Rs.37,05,519 thousands as at 31st March 2013 and total revenues of Rs.59,855 thousands for the year then ended. These financial statements have been audited by other auditors whose reports have been furnished to us and our opinion so far, as it relates to the amounts included in respect of the subsidiaries, is based solely on the report of the other auditors. The Consolidated financial statements have been prepared based on the audited financial statements of the subsidiaries, Best & Crompton Apparels Limited, Crombest Precast Buildings Limited (formerly known as Bestai Precast Buildings Ltd), B&C Machinery Ltd and B&C Tech. Services Ltd.

We report that the consolidated financial statements have been prepared by the company in accordance with the requirements of Accounting Standards (AS) 21, Consolidated financial statements issued by the Institute of Chartered Accountants of India and on the basis of the separate audited financial statements of Best & Crompton Engg. Limited, and its subsidiaries included in the consolidated financial statement.

Attention is invited to the following:

Qualified Opinion

1. Best & Crompton Engg. Limited

- a. The Company is yet to fulfill its obligation with respect to supply of goods/material for remittances from overseas customers within stipulated period of RBI. The regulatory implication of the same is not considered in the accounts.
- b. The company's ability to continue as a going concern under SA 570 has been assessed. In our opinion unless the company comes up with concrete plans to tie up Shareholders' equity/ Long term debt, it will have difficulty to continue to operate as a going concern.
- c. The company has not complied with the following Accounting Standards -
 - i. AS - 13 (Accounting for Investments). The majority of the Company's assets are its investment in Subsidiaries whose financial results have been adversely commented upon by their respective auditors. We are unable to state that the diminutions in these investments are long term in nature. Any long term diminution in the value of these investments will significantly erode the net worth of Best & Crompton Engg. Limited.

- ii. With regard to AS - 28 (Impairment of Assets) the recoverability of debts exceeding 6 months is doubtful.

- d. The company has obtained loan from Institutions amounting to Rs.57.45 crores and the repayment of principal and interest is outstanding as on date.
- e. There has been a very significant delay in remitting PF, ESI, TDS and Employee related dues and other statutory obligations as at the balance sheet date. Tax deducted at source obligation of Rs. 40.52 lakhs is pending. Since remitted.
- f. The effect of items (b) and (c) above is not quantifiable owing to uncertainty in estimation of recoverable value of investments and current assets. Hence this cumulative effect on the Profit & Loss account, reserves and net worth is not ascertainable.

Qualified Opinion

2. CROMBEST PRECAST BUILDINGS LIMITED

- a. Note No. 49 regarding non reconciliation of financial records with the statutory returns relating to Central Excise, VAT, Service Tax to the extent periodically filed and non submissions of such returns for certain periods during the year. The impact if any due to non reconciliation is not ascertainable at this stage and not provided for.
- b. Note No. 50 regarding non-receipt of confirmation of balances/ not reconciling balances due to Creditors, Dues from Debtors, parties under loans and advances, borrowings from certain Banks and Group Company's accounts. The adjustment if any which may be required consequent to receipt of confirmation/ completion of reconciliation is unascertainable at this stage and not provided for.
- c. Loans and advances include advances paid to suppliers aggregating to Rs.8.72 crores which are outstanding for more than three years. In the absence of adequate information we are unable to ascertain adjustments if any which may be required for squaring up such advances given and also the consequent impact of the same on the consumption of raw materials of the company.
- d. Note No. 46 (b) regarding non-capitalisation / non adjustment of amount of Rs.4.99 crores kept under capital work in progress (CWIP) for more than three years and consequently non provision of depreciation on the assets which would have otherwise suffered depreciation in the normal course. Also no impairment test has been done in respect of this capital work in progress and in respect of other fixed assets. The Impact on account of depreciation/ impairment loss is unascertainable and has not been provided for.
- e. Inventories include sums aggregating to Rs.2,64,00,000/- which are reflected under Work in progress for more than two years. The realisability of such inventory is not ascertainable and has an impact of understatement of loss and also overstatement of net worth of similar amount.
- f. Attention is also invited to Sl. No. 1 (B) of significant Accounting Policies, forming part of the financials for the year ended 31.03.2013. It is stated that the Company's financial statements are prepared on "Going Concern" basis. In our opinion the concept of "Going Concern" is no more valid as far as this company is concerned having regard to the fact that the Company has been incurring losses in the last three consecutive years and the cumulative loss as on 31.3.2013 stands at Rs.32.87 crores as against the paid up Equity Capital of Rs.29.08 crores, resulting in total erosion of net worth.

Besides the Company has not been able to service interest and fulfill the repayment obligations in respect of term loans availed from two banks, namely Bank of India and Federal Bank with the result, loan accounts availed from the Banks have been classified as Non Performing Assets (NPA) in the books of the Banks. The company has not been able to ensure commercially viable operations in the last three years and does not seem to have any firm and immediate plans to make the operations viable in the foreseeable future.

In our opinion, the situation indicates existence of material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern and therefore the Company may be unable to realize the assets and discharge the liabilities in the normal course of business. The financial statements (and notes thereto) do not fully disclose this fact. We are unable to quantify the adjustments that may have to be carried out in case Company's accounts are not compiled on going concern basis.

Adverse Opinion

3. B&C TECH SERVICES LIMITED

- a. The company has incurred a net loss of Rs.16,078/- during the year and as of 31st March 2013 its total liabilities exceeded its total assets by Rs.3,36,77,570/-. Further we draw attention to Note No 51(a) relating to discontinuing operations. These factors raise substantial doubt that the company will be able to continue as a going concern and settle its liabilities.
- b. Further we draw attention to our remarks in Note No 47(b) regarding the unpaid statutory liabilities to the extent of Rs.7,35,423/-.

Disclaimer of Opinion

4. BEST & CROMPTON APPARELS LIMITED

- a. As explained in Note No.51 (b) the Company has discontinued its operations and is unable to provide adequate audit evidence due to reasons mentioned therein. As a result we were unable to obtain sufficient appropriate audit evidence about the carrying amounts of Capital Work in progress of Rs.1158.53 lacs (Refer Note 46(a), Long term loans and advances to related party of Rs. 322 lacs and Capital advances of Rs.496.84 lacs (Refer Note 42(B) and 42(C)), Short term loans and advances of Rs. 91.82 lacs (Refer Note 42(D)), Bank balances of Rs.46.76 lacs (Refer Note 50), Bank borrowings of Rs.5268.48 lacs (Refer Note 50), Statutory dues of Rs. 485.43 lacs (Refer Note 47(a)(i)) and other dues to creditors, employees and others shown under Trade Payables and Other Current liabilities (Refer Note Nos 5, 47(a)(iii) & 47(a)(ii)). Consequently, we were unable to determine whether any adjustments might have been found necessary in respect of the assets and liabilities and the elements making up the Statement of Profit and Loss and Cash Flow Statement.

b. It is stated that the Company's financial statements are prepared on 'Going Concern' basis. In our opinion the concept of 'Going Concern' is no more valid having regard to the following factors :

- i. The company has incurred losses in operations over the past three years and has incurred cash losses of Rs.203.02 lacs for the year ended 31.03.2013. The accumulated losses as at 31.03.2013 stand at Rs.5236.17 lacs.
- ii. The net worth has been fully eroded because of the repetitive losses incurred during the three years ending 31.03.2013.
- iii. The company has not been able to service interest and also fulfill the repayment obligations in respect of term loans, cash credit and other non fund based facilities availed from banks. The company is not able to pay its statutory dues and has become a "defaulter".

Abovesaid events cumulatively indicate a material uncertainty that may cast significant doubt on the Company's ability to continue as a "Going Concern" and also to realize its assets to discharge its liabilities in the normal course of business. The financial statements (and notes thereto) do not lend adequate support to this effect.

- c. Impairment loss has not been determined and recognised in accordance with Accounting Standard (AS) 28 as the company has discontinued its operations and the present condition of the assets are not known.

On the basis of the information and explanation given to us, we are unable to express an opinion regarding the true and fair view of the accounts given the qualifications contained in the audit report of the standalone & qualified, adverse & disclaimer reports of subsidiaries accounts, the cumulative effects of which are not quantifiable.

- I. In the case of the consolidated Balance Sheet, of the state of affairs of Best & Crompton Engg. Limited and its subsidiaries as at 31st March 2013.
- II. In the case of the Consolidated statement of Profit and Loss Account of the Consolidated loss for the year ended 31st March, 2013 and
- III. In the case of the consolidated summarized Cash flow statement for the year ended 31st March 2013

For CNGSN & ASSOCIATES LLP
Chartered Accountants
(Firm Registration No. 004915S)

C.N. GANGADARAN

Partner

Place: Chennai
Date: December 15, 2014

Membership No.11205

Consolidated Balance Sheet as at 31st March, 2013

Particulars	Note No	31.03.2013 Rs. '000	31.03.2012 Rs. '000
I. EQUITY AND LIABILITIES			
1. Shareholders' Funds :			
(a) Share Capital	2	1,610,126	1,610,126
(b) Reserves and Surplus	3	(1,080,588)	(761,538)
(c) Minority Interest		–	–
2. Share application money pending allotment			
		–	–
3. Non-Current Liabilities			
(a) Long-term borrowings	4	186	847,465
(b) Deferred tax liabilities		–	–
(c) Other Long term liabilities	5	110,257	109,700
(d) Long-term provisions	6	61,314	62,132
4. Current Liabilities			
(a) Short-term borrowings	7	576,024	558,111
(b) Trade payables		170,936	179,684
(c) Other current liabilities	8	3,289,599	1,989,294
(d) Short-term provisions	9	43,153	22,206
TOTAL		4,781,007	4,617,180
II. Assets			
1. Non-current assets			
(a) Fixed assets			
(i) Tangible assets	10	1,579,297	1,637,280
(ii) Intangible assets	11	3,284	4,858
(iii) Capital work-in-progress	12	1,909,405	1,594,030
(iv) Intangible assets under development		–	–
(b) Non-current investments	13	3,765	104,065
(c) Deferred tax assets (net)		29,956	7,823
(d) Long term loans and advances	14	69,601	81,494
(e) Other non-current assets	15	30,539	30,504
2. Current assets			
(a) Current investments		–	–
(b) Inventories	16	120,095	119,047
(c) Trade receivables	17	254,618	309,483
(d) Cash and cash equivalents	18	101,699	121,708
(e) Short-term loans and advances	19	470,897	410,265
(f) Other current assets	20	207,851	196,623
TOTAL		4,781,007	4,617,180

Notes to Balance Sheet annexed

For and on behalf of the Board of Directors

M. SINIVASAN
Chairman

S.V. VENKATESAN
Director

K. PRAKASH
Director

Chennai
December 15, 2014

V.P. THIRUMOORTHY
Company Secretary

For CNGSN & ASSOCIATES LLP
Chartered Accountants
(Firm Registration No. 004915S)

C.N. GANGADARAN
Partner
M.No. 11205

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

Particulars	Note No.	Current Year 31.03.2013 Rs. '000	Previous Year 31.03.2012 Rs. '000
I. Revenue from operations	21	521,181	629,286
II. Other Income	22	<u>31,429</u>	<u>33,584</u>
III. Total Revenue		<u>552,610</u>	<u>662,870</u>
IV. Expenses:			
Cost of materials consumed		278,232	311,629
Purchase of Stock-in-Trade		-	-
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade		(12,012)	1,645
Manufacturing Expenses		-	759
Employee benefit expense	23	209,973	242,010
Financial costs	24	162,860	196,249
Depreciation and amortization expense		66,974	69,085
Other expenses	25	165,927	230,056
Total Expenses		<u>871,954</u>	<u>1,051,433</u>
V. Loss before exceptional and extraordinary items and tax		<u>(319,344)</u>	<u>(388,563)</u>
VI. Exceptional Items		10,252	(64,959)
VII. Loss before extraordinary items and tax		<u>(329,596)</u>	<u>(323,604)</u>
VIII. Loss from discontinuing operations		(48,635)	-
IX. Loss before tax		<u>(280,961)</u>	<u>(323,604)</u>
X. Tax expense:			
(1) Current tax		-	-
(2) Deferred tax		(22,133)	15,812
(3) Taxation relating to earlier years		11,087	17,039
XI. Loss from the period from continuing operations		<u>(269,915)</u>	<u>(356,455)</u>
XII. Loss from discontinuing operations		(48,635)	(3,199)
XIII. Tax expense of discounting operations		-	-
XIV. Loss from Discontinuing operations		<u>(48,635)</u>	<u>(3,199)</u>
XV. Loss for the year		<u>(318,550)</u>	<u>(359,654)</u>
XVI. Earning per equity share:			
(1) Basic		(2.62)	(3.02)
(2) Diluted		(2.62)	(3.02)

Notes to Statement of Profit and Loss annexed.

For and on behalf of the Board of Directors

M. SINIVASAN
Chairman

S.V. VENKATESAN
Director

K. PRAKASH
Director

Chennai
December 15, 2014

V.P. THIRUMOORTHY
Company Secretary

For CNGSN & ASSOCIATES LLP
Chartered Accountants
(Firm Registration No. 004915S)

C.N. GANGADARAN
Partner
M.No. 11205

Consolidated Cash Flow Statement for the year ended March 31, 2013

	2012-2013 (12 Months) Rs. '000	2011-2012 (12 Months) Rs. '000
A. Cash flow from operating activities		
Net Profit/(Loss) before tax :	(319,927)	(391,763)
Adjustments for		
Depreciation	66,974	69,083
Interest and financial charges paid	162,235	195,826
Bad debts recovered	-	(4,696)
Provision for Investments	500	-
Bad debts written off	10,304	3,816
Advances written off	10,001	6,916
Exchange Rate Variation	(78)	(15)
Investments written off	-	500
Loss/(Profit) on sale of fixed assets	-	190
Discarded Assets	377	3,147
Provision for doubtful advances/Deposits no longer required	(500)	-
Provision for expenses no longer required	(1,373)	(16,817)
Provision for Doubtful debts no longer required	(8)	-
Advances received written back	(143)	-
Miscellaneous Expenditure written off	17	12,658
Creditors written back	(6,797)	-
Interest Income	(8,275)	(8,750)
	<u>233,234</u>	<u>261,858</u>
Operating profit before working capital changes	(86,693)	(129,905)
Adjustments for:		
Trade and other receivables	49,117	25,993
Inventories(include Stock in Trade)	(1,048)	(6,791)
Loans & Advances	196,387	272,370
Other Current Assets	222,945	(8,157)
Other Current Liabilities	768,887	(311,660)
Short term Provisions	20,268	(7,990)
Trade payables and Other liabilities	85,578	618,010
	<u>1,342,134</u>	<u>581,775</u>
Cash generated from operations		
Direct Tax Paid	(42,257)	(8,444)
Indirect tax Paid	(952)	(952)
Extra Ordinary items - Interest subsidy	(10,251)	-
	<u>(53,460)</u>	<u>(9,396)</u>
Net Cash from operating activities	1,201,981	442,474
B. Cash Flow from investing activities		
Purchase of fixed assets	(13,060)	(37,726)
Change in Capital WIP	(424,905)	(196,790)
Sale of fixed assets	1,259	100,046
Sale/(Purchase) of Investments	-	(2,907)
Loans & Advances	5,631	(232,322)
Interest received	15,109	2,576
Advance received	99,190	135,451
Miscellaneous Expenditure	-	12,182
Change in Long Term Provisions	(1,225)	-
Net cash used in investing activities	(318,001)	(219,490)

Consolidated Cash Flow Statement for the year ended March 31, 2013 (Contd.)

	2012-2013 (12 Months) Rs. '000	2011-2012 (12 Months) Rs. '000
C. Cash Flow from financing activities		
Increase/(Decrease in Term Loan and HP Loan	-	(382,180)
Proceeds/(Repayment) of Borrowings	4,901	(101,282)
Long term borrowings received	-	29,561
Repayment of Finance Liabilities	(387)	-
Loan Received/(Repaid)	(846,870)	413,461
Interest paid	(61,633)	(112,535)
Net cash used in financing activities	(903,989)	(152,975)
Net Decrease(-)/Increase(+) in cash and cash equivalents	(20,009)	70,009
Cash and cash equivalents as at March 31, 2012 (opening balance)	71,029	51,699
Erstwhile Subsidiary balance	50,679	
Cash and cash equivalents as at March 31, 2013 (closing balance)	101,699	121,708

Note 1: Previous period figures are reclassified wherever necessary.

For and on behalf of the Board of Directors

M. SINIVASAN
Chairman

S.V. VENKATESAN
Director

K. PRAKASH
Director

Chennai
December 15, 2014

V.P. THIRUMOORTHY
Company Secretary

For CNGSN & ASSOCIATES LLP
Chartered Accountants
(Firm Registration No. 004915S)

C.N. GANGADARAN
Partner
M.No. 11205

SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS

1. SIGNIFICANT ACCOUNTING POLICIES

A. Accounting Convention:

The Consolidated Financial Statements of Best & Crompton Engg. Limited., and its subsidiaries have been prepared under historical cost convention, and applicable mandatory Accounting Standards and on a going concern basis.

B. GOING CONCERN:

Crombest Precast Buildings Limited (Formerly known as Bestai Precast Buildings Limited)

The Company has adopted the "Going Concern" basis in the preparation of accounts for the year ended 31.3.2013 as it believes its fundamentals are strong and future viability are quite robust despite substantial losses it has accumulated.

The Company's revival has been delayed primarily due to OTS Settlement pending with banks and further infusion of funds required for additional capital expenditure to be incurred and towards working capital requirement.

The Company's adoption of the "Going Concern" basis is based on the following factors:

- (i) The Company has been in production till December 2013 continuously on job work basis to reputed customers since the year 2008. The plant has been in working condition at all times.
- (ii) The company has successfully negotiated with its lenders, namely Federal Bank and Bank of India for one time settlement, which should help the Company in its revival as well as reinstating the health of the company and substantially over a period of time improving its operating ratios.
- (iii) The Company does not have any public deposits/NBFC dues.
- (iv) Most of the creditors are prepared for settlement on a one time basis before embarking on future supplies for which funds are to be provided by the guarantor and promoter, which will definitely help the company in its future operations.
- (v) The guarantor of the Company is firm in his resolve to revive the company after settling the bankers and creditors on mutually acceptable terms and have no intentions to quit.
- (vi) The Company's plant and machinery are in good working condition except for minor repairs and refurbishment and hence can be restarted once funds are injected after settlement with the bankers.
- (vii) In spite of the negative networth of the company, once the one time settlement is arrived at with the bankers, the saving on payment to the bankers will get directly credited in the reserves and hence the networth of the company will become positive. Further the augmentation and infusion of funds to the tune of Rs.7 crores to be brought in post OTS with the bankers, will further enhance the equity base of the company.
- (viii) Need based funds support will continue to be provided by the guarantor, as hitherto done to successfully restart the Company, so that the growth momentum of the company picks up. The funds brought in by the promoter so far amounts to Rs.4.8 crores and additional Rs.7.2 crores for OTS and another Rs.7 crores is also to be injected once the one time settlement is concluded with the bankers.
- (ix) The company and the main promoter of the group are in discussion with Financial Institutions who have agreed in

principle that once the procedural compliances with the bankers are completed, they will pump in the required funds to clear the bank dues which will be repaid to the lenders over a period of 18 months. Infact they are also interested in funding the working capital requirements, once the company restarts its operations.

C. Use of Estimates:

The preparation of the financial statements in conformity with the generally accepted accounting principles requires the management to make estimates and assumptions that affect the reported amount of assets and liabilities as of the date of the financial statements and the reported amount of revenues and expenses for the year and disclosure of contingent liabilities as of the date of the Balance Sheet. The estimates and assumptions used in the accompanying financial statements are based upon the management's evaluation of relevant facts and circumstances as of the date of the financial statements. Actual amounts could differ from these estimates.

D. Basis of Consolidation:

The Financial Statements are prepared in accordance with the principles and procedures for preparation and presentation of consolidated financial statements as laid down under Accounting Standards 21 and 27 issued by The Institute of Chartered Accountants of India.

Consolidated Financial Statements are prepared using uniform accounting policies.

The financial statements of the Parent Company and the subsidiaries have been combined on a line by line basis by adding together the book values of items like assets, liabilities, income and expenses after eliminating intra-group balances/ transactions.

E. Fixed Assets

- i) Fixed Assets other than land, Building and certain Plant & Machinery in the Parent Company are stated at cost.
- ii) Land and Buildings, other than Land and Building assigned, by State Government agencies, which are stated at cost, are stated at valuation.
- iii) Additional cost on account of foreign currency translation for acquisition of fixed assets is added to cost of such fixed assets upto the date of commissioning of such assets.
- iv) Assets acquired under hire purchase agreements are capitalised and finance charges thereon are expended over the period of agreements.
- v) Lease rentals paid under financial leases prior to 30.06.2001 are expensed without allocation to capital.
- vi) Fixed Assets include purchased software capitalised in certain cases.

F. Depreciation

Fixed Assets are depreciated on straight line/written down value method in accordance with Schedule XIV to the Companies Act, 1956.

Additions to leasehold property are written off over the primary period of the lease.

Assets costing less than Rs.5,000/- per unit are depreciated at 100% in the year of acquisition

Capitalised software has been depreciated over a period of 24 months.

G. Accounting of Product Development Expenses

Expenses incurred on software product development have been treated as deferred revenue expenditure. The total expenses are to be amortised over 24 months commencing from the year of completion of the product development or in fixed proportion of 10% per unit sold during the year, whichever is higher.

H. Investments

Investments are meant to be long term and are valued either at cost or in appropriate cases at Directors' valuation.

I. Pre-operative Expenses:

Preliminary and pre-operative expenses are being written off over a period of twenty four months / thirty six months / ten years from the date of commencement of commercial operations.

J. Inventories

- (i) Work-in-Progress:
 - (a) On Contracts is valued at direct cost after deducting there from 'Proportionate Costs', for which progressive bills have so far been raised.
 - (b) Other work in progress is valued at cost, which includes material cost direct labour and applicable factory overheads or at net realisable value, whichever is lower.
- (ii) Software work in progress in respect of projects are valued at cost or net realisable value whichever is lower.
- (iii) Stores and spare parts, Raw Materials, Finished Goods and Trading Stocks are valued at the lower of cost (Weighted Average Method) and net realisable value.
- (iv) Land converted into stock in trade meant for disposal are valued at converted value which is fair market realisable value.

K. Revenue recognition

- (i) Revenue from Sales is recognised on delivery of goods.
- (ii) Revenue from Long Term Contracts are recognised on the percentage of completion method. Corresponding contract costs are recognised in a manner such that the profit recognised is the lower of actual cumulative profit realised and the overall expected contract margin based on technical and other estimates.
- (iii) Revenue from Contracts/Software related services are recognised individually on each Contract/client, as and when progressive bills/claims are raised based on customers acceptance and terms of the Contract.
- (iv) Income from deputation of employees on overseas assignments is recognised net of related expenses incurred outside India.
- (v) Income from service activities is accounted on accrual basis as per the terms of agreement.
- (vi) CENVAT Credits are carried forward in respect of inputs not consumed.
- (vii) Export incentives, income from investments, interest income and Technical Service Fees from Joint Ventures abroad are accounted on accrual basis.
- (viii) Warranty claims are recognised on acceptance.

- (ix) Sale of land converted into stock in trade is recognised on legal transfer of title to the land.

L. Retirement Benefits

- (i) Contribution to Provident Fund and Family Pension fund are charged to Profit and Loss Account on accrual basis;
- (ii) The liability for gratuity has been actuarially ascertained and provided for, and being progressively funded.
- (iii) Contribution to Superannuation for eligible category of employees under "Defined Contribution Scheme" has been provided on accrual basis and funded.
- (iv) Leave encashment liability has been provided on actuarial basis, as per the rules of the company to the extent of monetary value of unavailed leave remaining to the credit of the employees as at the balance sheet date and unfunded.
- (v) Early retirement payments are absorbed in the year of payment.
- (vi) Compensation under Voluntary Retirement Scheme is amortised over a period of 5 years commencing with the month of retirement.

M. Research and Development

Expenditure as and when incurred for development of products / processes is capitalised.

N. Foreign Currency Transactions

Foreign currency transactions are recorded at the rate of exchange prevailing on the date of transaction and outstanding balances at the end of the accounting period are translated at the rate of exchange prevailing on that date and the resultant difference other than those that relating to fixed assets is recognised in the Profit & Loss Account. Difference in exchange due to translation of foreign currency relating to fixed assets are adjusted to the cost of the fixed assets.

O. Segment Reporting

The accounting policies adopted for segment reporting are in line with the accounting policies of the company with the following additional policies.

- (i) Inter segment transfers have been accounted on the basis of prices charged to the external customers for limited purpose of computing segment revenue.
- (ii) Revenue and expenses have been identified to segments on the basis of their relationship to the operating activities of the segment. Revenue and expenses, which relate to the enterprise as a whole and are not allocable to segments on a reasonable basis, have been included under "Unallocated corporate expenses".

(a) Impairment of Assets

The Company has the policy of annually comparing the recoverable amount of assets to its carrying amount of assets and providing for Impairment loss wherever necessary.

P. Provisions for Contingent Liabilities and Contingent Assets

All Contingent Liabilities are recognized in accordance with the Accounting Standards. Contingent assets are recognized only upon certainty of realisation.

	31.03.2013 Rs. '000	31.03.2012 Rs. '000			
2. SHARE CAPITAL			Subscribed and Paid up share capital		
Authorised share capital			12,38,40,515 Equity share of Rs 10 each (Previous year:12,38,40,515 equity share of Rs 10 each)	1,238,405	1,238,405
15,00,00,000 Equity Shares of Rs.10 each	1,500,000	1,500,000	5,41,509 Cumulative redeemable preference share of Rs 100 each (PY:5,41,509 Cumulative redeemable preference share of Rs 100 each)	54,151	54,151
5,50,000 Cumulative redeemable Preference Shares of Rs.100 each (PY:550000 Cumulative redeemable preference share of Rs 100 each)	55,000	55,000	31,75,706 Non Cumulative redeemable preference share of Rs 100 each (PY:31,75,706 Non Cumulative redeemable preference share of Rs 100 each)	317,570	317,570
3200000 Non Cumulative redeemable preference share of Rs 100 each (PY:3200000 Non Cumulative redeemable preference share of Rs 100 each)	320000	320000		1,610,126	1,610,126
	1,875,000	1,875,000			
Issued share capital			Reconciliation of no of shares outstanding		
12,38,41,540 Equity share of Rs 10 each (Previous year 12,38,41,540 equity share of Rs 10 each)	1,238,415	1,238,415	Number of equity share outstanding at the beginning of the year		
550000 Cumulative redeemable preference share of Rs 100 each (PY:5,50,000 Cumulative redeemable preference share of Rs 100 each)	55,000	55,000	Add:		
32,00,000 Non Cumulative redeemable preference share of Rs 100 each (PY:32,00,000 Non Cumulative redeemable preference share of Rs 100 each)	320,000	320,000	Number of shares allotted as fully paid bonus shares		
	1,613,415	1,613,415	Number of shares allotted pursuant to ESOP		
			Number of shares allotted for cash pursuant to public issue		
			Less:		
			Number of shares bought back during the year		
			Number of equity shares outstanding at the end of the year		
			Total	1,610,126	1,610,126

Details of share holding more than 5% of the company	2012-13		2011-12	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Indo Asian Holdings Limited	79,576,200	64.26%	79,576,200	64.26%
Hitech Housing Projects Limited *	18,276,157	14.76%	18,276,157	14.76%
Delah Tradings Limited	7,876,225	6.36%	7,876,225	6.36%
Konka Holdings Limited	7,323,522	5.91%	7,323,522	5.91%

*Shares transferred from Siva Projects Engineering and Enterprises Limited on 28th March 2013.

	31.03.2013 Rs. '000	31.03.2012 Rs. '000		31.03.2013 Rs. '000	31.03.2012 Rs. '000
3. Reserves and Surplus			8. Other current liabilities		
Capital Reserves	-	-	Current maturities of long term debt	1,976,975	1,130,105
Securities Premium Account	389,073	389,073	Loan against Fixed Deposit	-	-
Capital Subsidy	21,200	21,200	Current maturities - Finance obligation	408	359
Revaluation Reserves	389	389	Current maturities - Related Parties	-	-
Other Reserve / fund	11,386	11,386	Interest accrued in default	151,478	84,206
<u>Surplus/(Deficit)</u>			Interest accrued but not due on borrowings	67,456	6,726
Brought forward loss from previous years	(1,183,586)	(823,932)	Interest accrued and due on borrowings	361,673	147,922
Adjustments for the year	(500)	-	Sundry deposits and other customer credit balances	-	2,550
Loss for the year	(318,550)	(359,654)	Employee benefits	-	-
(Deficit)	(1,502,635)	(1,183,586)	Gratuity	3,045	9,096
Total	(1,080,588)	(761,538)	Leave Encashment	470	2,955
			Income received in advance	-	-
4. Long-term borrowings			Statutory liability including PF	2,811	249,415
Secured			Advance Received from Customers	250,549	9,046
Term Loans	-	846,870	Advance against sale of machinery	11,500	-
Deferred payment liabilities	186	595	Advance Received from customers	17,294	-
Unsecured			Other payables	445,940	346,914
Term Loans	-	-	Total	3,289,599	1,989,294
Total	186	847,465			
Term Loan from Kotak Mahindra secured by mortgage on vehicle repayable in 36 instalments starting from 10.9.2011 and last instalment falling due on 10.9.2014.			Current maturities of long term debt includes Term Loans from banks are secured by first charge on the movable and immovable assets of the company both present and future and rank pari pasu among the lending banks and by a second charge on the Fixed and current assets and guaranteed by the Holding Company.		
5. Other long term liabilities			9. Short-term provisions		
Trade payables	101,359	101,360	Provision for employee benefits	-	-
Others	8,898	8,340	Leave encashment//Gratuity	750	171
Total	110,257	109,700	Others	42,403	22,035
			Total	43,153	22,206
6. Long-term provisions					
Provision for employee benefits	-	-			
Gratuity	49,622	49,565			
Leave encashment	9,547	9,543			
Superannuation	2,080	2,959			
Others	65	65			
Total	61,314	62,132			
7. Short-term borrowings					
Secured					
Loans repayable on demand	66,940	66,940			
Loans and advances from related parties	-	-			
Term Loan	507,000	480,000			
Loan against fixed Deposits	-	-			
Deposits	-	-			
Other loans and advances	-	315			
Unsecured					
Loans repayable on demand	-	2,838			
Loans and advances from related parties	-	-			
Deposits	-	-			
Other loans and advances	2,084	8,018			
Total	576,024	558,111			
Short term borrowing include loan taken for working capital purpose from IL&FS Financial Services Limited secured by equitable Mortgage of immovable property (land and building of the Company) on 'Pari Pasu' Charge on all Current Assets.					

FIXED ASSETS

Rs. '000

DESCRIPTION OF ASSETS	GROSS BLOCK					DEPRECIATION					NET BLOCK			
	Balance as on 1.04.2012	Internal Transfer	Additions	Deletions	Deletions on Unconsolidated	Balance as on 31.03.2013	Balance as on 1.4.2012	Internal Transfer	For the year	Deletions on Unconsolidated	Deletions	Balance as on 31.03.2013	As at 31.03.2013	As at 31.03.2012
(10) Tangible Assets														
Freehold land	386,881	-	-	-	-	386,881	-	-	-	-	-	-	386,881	386,881
Buildings	281,144	-	242	-	-	281,386	33,954	5,261	-	-	39,215	242,171	247,190	
Plant & machinery	1,218,580	-	12,409	7,713	-	1,223,276	233,947	-	62,182	7,352	288,777	934,499	984,633	
Furniture & Fittings	20,055	-	409	240	-	20,224	8,321	978	-	227	9,072	11,152	11,734	
Vehicles	11,864	-	-	2,331	-	9,533	5,022	989	-	1,072	4,939	4,594	6,842	
Total	1,918,524	-	13,060	10,284	-	1,921,300	281,244	-	69,410	8,651	342,003	1,579,297	1,637,280	
(11) Intangible Assets														
Computer Software	9,714	-	-	-	-	9,714	4,892	-	1,574	-	6,466	3,248	4,822	
Miscellaneous Expenditure	36	-	-	-	-	36	-	-	-	-	-	36	36	
Prequalification Rights	-	-	-	-	-	-	-	-	-	-	-	-	-	
Total	9,750	-	-	-	-	9,750	4,892	-	1,574	-	6,466	3,284	4,858	
Grand Total	1,928,274	-	13,060	10,284	-	1,931,050	286,136	-	70,984	8,651	348,469	1,582,581	1,642,138	
(12) Capital WIP	1,591,032	(36)	319,971	-	1,562	1,909,405	-	-	-	-	-	1,909,405	1,591,032	

Rs. '000

Depreciation as above	70,984
Less:- Transferred to Preoperative Expenses	(4,010)
Depreciation as shown in the Profit & Loss Account	<u>66,974</u>

	31.03.2013 Rs. '000	31.03.2012 Rs. '000		31.03.2013 Rs. '000	31.03.2012 Rs. '000
13. Non-current investments			14. Long Term Loans and Advances		
Investments in Equity instruments	-	-	Secured considered good		
Trade Investments	-	-	Capital Advances	-	-
Investments in Equity instruments	-	-	Sub Total	<u>-</u>	<u>-</u>
Trade Investments	-	-	Unsecured considered good		
Investments in Trade Investments:-			Capital Advances	67,830	76,185
At Directors valuation whichever is lower	-	-	Less:- Provision for Doubtful advances	835	-
Paid Equity Shares:				<u>66,995</u>	<u>76,185</u>
Best & Crompton Green Tech Limited	-	-	Security Deposits	2,491	4,123
10,03,000 shares of Rs. 10 each	-	100,300	Balance with Government Authorities	115	1,186
AMBC - Transaction SDN BHD	3,758	3,758	Other loans and advances	-	1,725
4,00,000 shares of MR 1 Each	-	-	Less:- Provsion for doubtful advances	-	(1,725)
Non Trade Investments:- (At Cost)	-	-		<u>-</u>	<u>-</u>
Best & Crompton Engineering Employees	-	-	Sub Total	69,601	81,494
Co-operative stores Ltd.			Total	<u>69,601</u>	<u>81,494</u>
(500 shares of Rs. 10 each)	5	5	15. Other non-current assets		
Binny Limited			Long term trade receivables	-	-
(600 shares of Rs. 5 each quoted)	2	2	Others	30,539	30,504
Total	<u>3,765</u>	<u>104,065</u>	Total	<u>30,539</u>	<u>30,504</u>
			16. Inventories		
			Raw materials	26,769	39,177
			Work in progress	52,364	52,658
			Finished goods	35,439	22,820
			Stock in trade	400	713
			Stores and spares	2,031	1,606
			Loose Tools	3,092	2,073
			Total	<u>120,095</u>	<u>119,047</u>

	31.03.2013	31.03.2012	31.03.2013	31.03.2012
	Rs. '000	Rs. '000	Rs. '000	Rs. '000
17. Trade receivables (Unsecured)				
Over six months				
- Considered good	137,110	101,347		
- Considered doubtful	15,261	16,322		
Others - Considered good	117,508	208,136		
- Considered doubtful	1,638	-		
	<u>271,517</u>	<u>325,805</u>		
Less: Allowance for Bad debts	16,899	16,322		
Total	<u>254,618</u>	<u>309,483</u>		
18. Cash and cash equivalents				
Balances with banks	(6,263)	7,406		
Cash on hand	154	194		
Fixed Deposits	-	-		
Term Deposit Account (Under Lein to Banks) (Maturities over 12 Months)	4,241	4,312		
Term Deposit Account (Under Lein to Banks) (Maturities within 12 Months)	103,567	109,796		
Total	<u>101,699</u>	<u>121,708</u>		
19. Short term loans and advances				
Advance towards Investments	15	15		
Deposits	6,136	4,922		
Balance with Customs and Excise Authorities	-	-		
Income Tax-Tax deducted at source & Advance Tax	529	1,119		
Others	466,439	405,895		
Less-Doubtful Advance	(2,222)	(1,686)		
	<u>464,217</u>	<u>404,209</u>		
Total	<u>470,897</u>	<u>410,265</u>		
20. Other Current Assets				
Balance with Customs and Excise Authorities	7,064	13,827		
Income Tax-Tax deducted at source & Advance Tax	194,401	161,152		
Interest subsidy receivable	-	10,252		
Interest Accrued	5,716	11,366		
Others	670	26		
Total	<u>207,851</u>	<u>196,623</u>		
21. Revenue from Operations				
Revenue from - Sale of products	550,425	631,493		
Sale of services	432	21,726		
Sale of stock in trade	-	6,935		
Other operating revenues	6,205	7,976		
Less: Excise Duty	(35,881)	(38,844)		
Total	<u>521,181</u>	<u>629,286</u>		
22. Other Income				
Interest income	9,053	8,750		
Other non-operating income (net of expenses directly attributable to such income)	22,376	24,834		
Total	<u>31,429</u>	<u>33,584</u>		
23. Employee Benefits Expense				
Salaries and wages	158,692	188,423		
Contribution to provident and other funds	9,493	13,535		
Gratuity Fund contribution	7,090	13,193		
Staff welfare expenses	19,521	19,335		
Interim Relief Compensation	7,977	-		
Directors Remuneration	7,200	7,524		
Total	<u>209,973</u>	<u>242,010</u>		
24. Finance Costs				
Interest expenses	160,814	182,399		
Other borrowing costs	2,124	13,477		
Applicable net gain/ loss on foreign currency transactions/ traslation	(78)	373		
Total	<u>162,860</u>	<u>196,249</u>		
25. Other Expenses				
Power and fuel	39,845	35,307		
Rent	3,152	3,063		
Repairs to buildings	1,451	2,044		
Repairs to machinery	8,145	9,160		
Repairs to Furniture & Other Equipments	1,354	2,071		
Insurance	2,763	3,603		
Rates and Taxes, excluding taxes on income	3,288	9,497		
Selling Expenses	14,324	18,793		
Bad debts written off	12,425	3,999		
Provision for doubtful debts	583	3,140		
Provision for doubtful advances	1,371	3,411		
Discarded Assets	377	265		
Advances written off	2,129	6,599		
Recoverable Others written off	34,291	-		
Investments written off	-	500		
Provision for Investments	-	-		
Loss on sale of Fixed assets	-	47,608		
Other expenses	449	540		
Audit fee	1,539	1,521		
General Services	876	225		
Project Expenses	34	441		
Land development charges	-	2,200		
Business Promotion & Advertisement	1	-		
Service Charges	41	1,533		
Travelling & Conveyance	8,956	8,845		
Telephone Expenses	2,167	2,036		
Consultancy, Legal	9,204	24,711		
Legal Fee	12	500		
Printing & Stationery	2,062	1,909		
Postage & Telegram	476	650		
Subscription & Periodicals	155	966		
Transport Charges	7,078	5,601		
Vehicle Hire Charges	2,257	4,249		
Computer Processing Charges	194	37		
Motor car Running Expenses	338	203		
Entertainment Expenses	82	204		
Shifting expenses	-	158		
Penalties and damages	3,467	9,518		
Security Charges	801	532		
Preliminary & preoperative Expenses written off	17	12,579		
Miscellaneous expenses	223	1,838		
Total	<u>165,927</u>	<u>230,056</u>		

Best & Crompton Engg. Limited

26. Information on Consolidated Financial Statements of Best & Crompton Engg. Limited and its subsidiaries as per Accounting Standard 21 and 27.

List of Subsidiaries and Associate Companies included in the consolidated financial statements

Name of the Subsidiary	Country of Incorporation	Share in ownership and voting power (2012-2013)	Share in ownership and voting power (2011-2012)	Shares held by
B&C Tech. Services Limited	India	100%	100%	B&C
Best & Crompton Apparels Limited	India	76.20%	76.20%	B&C
B&C Machinery Limited	India	100%	100%	B&C
Crombest Precast Buildings Limited (formerly known as Bestal Precast Buildings Limited)	India	100%	100%	B&C

Name of the Associate	Country of Incorporation	Share in ownership and voting power (2012-2013)	Share in ownership and voting power (2011-2012)	Shares held by
Best & Crompton Green Tech Limited (Effective from March 16, 2012.)	India	-	34.27%	B&C

27. Four subsidiaries namely Three 'C' Systems Limited, Beacon Carbons & Electricals (India) Limited and Beacon Tileman Limited are under liquidation and are not considered in the consolidation.

28. Best & Crompton Green Tech Limited ceased to be an Associate Company during the year. The Share holdings of 34.27% held by us has been fully disinvested with effect from 21st January 2013.

29. **Contingent Liabilities** Rs.'000

Particulars	31.03.2013	31.03.2012
a) Claims against the company not acknowledged as debts	25,858	34,096
b) Guarantees given to Banks on behalf of subsidiaries	3,268,050	4,183,550
c) Counter guarantees to bankers against guarantees issued by them to customers (secured by a charge on Current Assets).	125,840	111,320
d) Letter of Credit	927	927
e) Disputed Tax demands under appeal		
(i) Income Tax/penalty	338,923	328,000
(ii) Sales Tax and Works Contract Tax (excluding penalties)	21,733	17,251
(iii) Excise Duty	86	86

No provision is presently made as the management hopes that it will succeed in appeals.

30. Arrears of cumulative preference dividend and tax thereon - Rs.71,881 thousands (as of 31.03.2012-Rs.65,542 thousands).

31. Rs.11,890 Thousands. are due to small scale and ancillary undertakings to the extent such parties have been identified and confirmed by the management. Amounts overdue exceeding Rs.1.00 Lac. are given below:

Name of the party	Amount (in Rs. Thousands)
Babu Enterprises	158
Sri Balaji Small scale Industries	101
Reliable Electric Company (P) Limited	322
Sai Traders	115
Sri Krishna Cartons	114
VSV Polymers	221
Ess Gee Die Castings	150
Mahavir Bros Products	825
Megna Corporation	197
Simplex Industries	680
T.M.Radha Krishna Chetty	157
Sri Venesh Enterprises	301
Arkay Enterprises	150
RV Industries	136
Tac Products	347
Ultimate Alloys	5,377
Sarvalakshmi Foundries	606
Maruthi Cast Products	1,020
Raj Patterns	175

32. The Company has not been informed by any supplier of their being a Micro and Small Enterprise and as defined under the Micro Small and Medium Enterprises Development Act 2006 and hence no disclosure has been made in respect of dues to such units if any outstanding for more than 45 days.

33. **Taxation** Rs. '000

Deferred Tax Asset / Liability recognised in the accounts	As at 31st March 2013		As at 31st March 2012	
	Assets	Liabilities	Assets	Liabilities
Timing differences on account of				
Opening Balance as at 1.4.2012	7,823			
Depreciation & Preliminary Expenses	1,036		784	127,646
Provision for Inadmissible Expenses	29,500	8,403	91,289	2,429
Carry Forward business loss & Unabsorbed Depreciation		-	45,825	-
Total	38,359	8,403	137,898	130,075
Net Deferred Tax Asset / Liability	29,956		7,823	

Deferred Tax Asset / Liability not recognised in the accounts	As at 31st March 2013		As at 31st March 2012	
	Assets	Liabilities	Assets	Liabilities
Timing differences on account of				
Depreciation & Preliminary Expenses		52,805		46,879
Provision for Inadmissible Expenses	3,382	-	18,898	
Carry Forward business loss & Unabsorbed Depreciation	169,711	-	153,683	-
Total	173,093	52,805	172,581	48,879

34. The remuneration paid to Whole Time Director

	31.3.2013	31.3.2012
	Rs. '000	Rs. '000
Salary and Allowances	7,120	6,926
Contribution to Provident Fund and other funds	65	583
Money Value of Perquisites	15	15
Total	<u>7,200</u>	<u>7,524</u>

The remuneration for the period from 7th January to 31st March 2013 amounting to Rs.1,744 thousands and for the year ended 31st March 2013 Rs.7,200 thousands respectively has not been approved by Central Government; however a further representation is being made. The Whole Time Director has not been paid remuneration for the year ended 31.3.2013, Pending sanction from Central Government.

35. Segment Information for the year ended 31st March 2013

Information about primary Business Segments

Rs. '000s

Business Segments	Property Development	Crobest Precast Buildings	Pumps	Castings	Garments	Machinery Manufacturing Division	Others	Consolidated Total	Eliminations	Total
External Sales	-	45,108	359,555	78,928	-	20,978	16,612	521,181		521,181
Inter-segment Sales			256	41,220		49	4,027	45,552	(45,552)	-
Total Revenue	-	45,108	359,811	120,148	-	21,027	20,639	566,733	(45,552)	521,181
RESULT										
Segment result	(626)	(69,157)	44,785	(40,261)	-	(9,408)	51,618	(23,049)		(23,049)
Unallocated corporate expenses										(115,452)
Interest expense										(162,844)
Dividend and other Income										30,636
Profit/(Loss) from ordinary Activities										(270,709)
Amortisation of Intangible Assets										-
Interest Subsidy										
Exceptional Item										(10,252)
Loss from discontinuing operations										(48,635)
Profit/(Loss) before tax										(329,596)
Provision for tax - Current Tax										(11,087)
- Deferred tax										22,133
Profit/(Loss) after tax										(318,550)
Profit/(Loss) From Discontinuing Operation										-
Net Profit / (Loss)										(318,550)
OTHER INFORMATION										
Segment assets	14,340	825,681	307,312	32,316	572,542	1,770,774	151,589	3,674,554		3,674,554
Unallocated corporate assets										1,106,453
Total assets										4,781,007
Segment liabilities	-	319,728	116,808	55,322	224,577	1,444,273	326,678	2,487,386		2,487,386
Unallocated corporate liabilities										1,764,083
Total liabilities										4,251,469
Capital expenditure	-	35	6,310	1,437	-	5,278	-	13,060		
Depreciation	8	26,130	6,826	1,385	26,780	4,142	5,713	70,984		
Amortisation	-	-	-	-	-	-	-	-		
Non-cash expenses - other than depreciation										

Information about Secondary Business Segments

(Rs. '000s)

Particulars	India	Outside India	Total
Revenue by Geographical Market	519,627	777	521,181
Segment Assets	3,674,554		3,674,554
Capital Expenditure	13,060		13,060

36. Related parties where control exists:

a) Holding Company

- Indo Asian Holdings Limited (formerly known as B&C Holdings Limited)

b) Key Management Personnel

Mr. K.Prakash – Whole Time Director

Related Party Transactions : (Rs. '000s)

Particulars	Key Management Personnel
Managerial Remuneration	7,200 (7,524)

Note : Amount shown in the bracket represents previous year figure.

Rs. in thousands

37. Foreign Currency Transaction	31.03.2013 (12 Months)	31.03.2012 (12 Months)
Earnings in Foreign Currency		
Export of Goods	7,007	3,082
Advance Received towards Exports	84,936	1,53,402
Expenditure in Foreign Currency	-	651
38. Value of Imports Calculated on CIF basis		
Raw Material and spares	1,500	1,466
39. Earnings Per Share		
Profit / (Loss) after tax as per Profit & loss account Less Minority Interest	(318,550)	(359,654)
Preference Dividend for the Year & Dividend tax	6,335	6,335
Weighted average No. of ordinary shares for calculating EPS	12,38,40,515	12,38,40,515
Nominal value of ordinary shares	Rs.10	Rs.10
Basic / Diluted Earnings per ordinary shares Rs./share	(2.62)	(3.02)

40. Subsidiaries besides furnishing corporate guarantees to the lending Institutions. While B&C Machinery Limited has been under construction during the year and is expected to commence production, the other two subsidiaries Best & Crompton Apparels Limited had discontinued the operation and Crombest Precast Buildings Limited have had limited operations during the year. The Promoter group have critically reviewed the strategies to revive the operations and if found not feasible to dispose of the assets which in the opinion of the management, would fetch in the aggregate more than the carrying values of the assets and therefore no provision is called for impairment or the possible non recovery of advances to them. In view of the forgoing, the financial statements are presented on principles applicable to "Going Concern". The lending Institution of the above subsidiaries have, due to non repayment of dues, referred the matter to Debts Recovery Tribunal, Chennai and also taken action under 'SARFAESI' Act to ensure recovery from these Companies. There has however, been no invocation of guarantees against the Company. However, the subsidiaries are all negotiating with the lending banks for one time settlement / installment payments and considerable progress has been made in this direction.

41. The Company is embarking on critical review of future business plans and strategies in consultation with the Promoter group including infusion of significant funds into the company and subsidiaries and in the opinion of the Management, it will be premature to consider diminution in the value of investments in these subsidiaries or the possible non recovery of advances to them. In view of the foregoing, the financial statements are prepared on principles applicable to "Going Concern".

42. Loans and Advances:

- Loans & advances include Rs. 24.68 Cr. given in earlier years towards project advances of Rs. 21.38 Cr. and procurement of land of Rs. 3.30 Cr. These advances would be adjusted upon commencement of the project and completion of the acquisition of land. In the opinion of the Management, these advances though unsecured are good and no provision is necessary.
- These advances are outstanding for more than three years. The parties have neither supplied nor returned the advances.
- The parties have not confirmed these dues.
- Loans given during the year to three parties aggregating Rs. 92,82,400/- are unconfirmed by the parties.

43. The Company has an outstanding export obligation of Rs.1,563 Lakhs on account of imported machinery to be fulfilled within 8 years after commencement of production.

44. Certain Subsidiary Companies have not appointed the Managerial personnel as stipulated under Section 269 of the Companies Act, 1956.

45. Capital Subsidy and Interest Subsidy have been accounted based on the claims made by the company in terms of the Technology and Upgradation Fund Scheme of the Ministry of Textiles. Capital Subsidy has been fully received. Interest subsidy receivable as shown in the financial statements are net of amounts received /credited to the company's account by the Banks. However, in view of the default in repayments and on account of the fact that the Company's account has been considered as a Non Performing account by the banks, it is doubtful whether the balance amount is recoverable or not.

46. Fixed Assets

Capital Work in Progress –

- Best & Crompton Apparels Limited has imported machineries valued at Rs.8,56,57,500/- in respect of the 'Dyeing Unit' project, which are lying in Customs warehouse for more than three years. The company has received Demand Notice for the payment of Duty, Interest and storage costs which aggregates to Rs.2,55,99,880 /- till 31st March 2011. Duty, Interest and Storage costs for the year ended 31st March 2012 of Rs.45,95,817/- has been provided. Such charges have not been provided from 1/4/ 2013 as the same has not been ascertained. The aggregate amount of Rs.11,58,53,197/- as at 31/3/2012 is being carried over as Capital Work in Progress.

- Crombest Precast Buildings Limited has Pending receipt of requisite information/Details no adjustments with regard to capital work in progress (CWIP) amounting to Rs.4,98,69,552/- shown in the books of accounts has been carried out.

47. Other Current Liabilities

- Best & Crompton Apparels Limited:

- Includes Statutory dues :

	2012-13 Rs.	2011-12 Rs.
Customs duty, bonding and other related charges together with interest	30,195,697	30,195,697
Provident Fund dues together with interest and damages	11,788,536	13,820,906
ESI Dues together with interest and damages	683,912	3,372,258
Tax Deducted at Source together with interest	5,688,002	5,686,835
Profession tax	188,262	193,904

- The Company has received notices from the Labour Department in respect of non-payment of wages to workers and has agreed to settle the dues in terms of an agreement with the representatives of the workers before the Deputy Commissioner of Labour. The Company has made settlements in accordance with this agreement to the extent of Rs.7,481,381 to workers and Rs. 2,053,984 to Staff in the subsequent year. No adjustments have been made in these accounts in this respect.

- Amount due to Small Scale Industrial undertakings as at the end of the year outstanding for a period after one month have not been identified by the management and hence not provided.

- B&C Tech. Services Limited

- According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is not regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education and protection fund, employees' state insurance, income tax, sales tax, wealth tax, customs duty, excise duty, cess and other dues whichever is applicable to the company and is yet to deposit the following undisputed statutory dues which remain unpaid for more than six months from the date they become payable :

Nature of Dues	Amounts Rs.	Dues pertain to period
Service Tax	626,772/-	Jan '09 – May'12
Income Tax – Tax Deducted at Sources	28,931/-	Apr'10 – Dec'10
Employees' State Insurance	19,942/-	Jun'10 – Mar'11
Profession Tax	59,778/-	Nov'09 – Mar'11

- According to the information and explanations given to us, there are no dues of, income tax, sales tax, service tax, customs duty, wealth tax, excise duty and cess which have not been deposited on account of any dispute.

48. Retirement benefits:-

- Contribution to Provident fund, family pension fund and superannuation fund are recognised in profit and loss account on accrual basis.

b) Gratuity and Leave encashment – As per Actuarial Valuation as on 31st March 2013.

Rs. Lakhs

Expenses recognised in Profit & loss account for the year ended 31.3.2013	Rs. Lakhs		Major categories of plan assets as a percentage of total plan	Gratuity	Leave Encashment
	Gratuity	Leave Encashment		Partly funded thro an insurance policy	
Current service cost	23.31	19.12	Actuarial assumptions		
Interest cost	36.19	5.87	Discount rate	8.0%	8.0%
Expected return on plan assets	2.83	0.00	Salary escalation	5.0%	4-5 %
Net actuarial (gain) / Loss recognised during the year	68.34	3.89			
Settlement cost	0.00	0.00			
Net expense	125.01	28.88			
Movement in Preoperative Expenses					
Interest Cost	0.60	0.66			
Current Service	1.73	1.19			
Actuarial Gain/Loss on Benefit Obligation	(3.48)	(1.93)			
Net Cost Recognised	(1.15)	(0.08)			
Net asset /(liability) recognised in Balance sheet					
Present value of obligation	510.57	98.80			
Fair value of plan assets	18.89	0.00			
Add C/F from preoperative expenses movement under B 4 above	(1.15)	(0.08)			
Funded status surplus (deficit)	(477.91)	(71.88)			
Benefits Paid	0.00	(10.76)			
Net asset/(liability recognised in balance sheet	(477.91)	(82.64)			
Current (short term) liability included in the above Liability	3.48	0.32			
Change in present value of obligations during the year					
Present value of obligation at beginning of the year	533.09	96.32			
Current service cost	13.86	14.72			
Interest cost	49.70	2.28			
Benefits paid	149.36	8.65			
Actuarial (gain/loss) on obligation	64.43	(3.60)			
Present value of obligations at end of year	511.72	79.55			
Change in assets during the year					
Fair value of plan assets as at beginning of the year	44.79	0.00			
Expected return on plan assets	2.83	0.00			
Contributions	0.00	0.00			
Benefits paid	28.31	0.00			
Actuarial Gain /(Loss) on plan assets	(0.42)	0.00			
Fair value of plan assets as at end of the year	18.89	0.00			
			49. Revenue from Operations:-		
			Reconciliation of Revenue from Operations between financial records and Statutory returns such as Excise Returns, VAT Returns, and Service Tax Returns could not be carried out as the Company has not filed the returns to be filed periodically with concerned authorities as stipulated under the respective Acts during the year under review.		
			50. Confirmation of Balances:-		
			Confirmation of Balances have not been obtained in respect of Creditors, Debtors (Trade Receivables), Borrowings (Term Loans) availed from Banks, Bank Balances, Parties under Loans and Advances and other receivables and Payables.		
			In the absence of confirmation of balances no reconciliation of balances as reflected in the company's books with the books of other parties (Creditors, Debtors, Loans and Advances, Banks etc.) books has been made.		
			51. Discontinuing Operation:-		
			Two Subsidiaries had suspended their operations:-		
			a) B&C Tech Services Limited had suspended its operations during the financial year 2011-12. The Company did not have any assets nor employees during the financial year. The carrying amount as of the date of the Balance sheet of the assets to be disposed off and the total liabilities to be settled are as stated in the Balance Sheet. The amount of revenue and expenses and the pre-tax profit or loss attributable to the discontinuing operation during the current financial reporting period are as disclosed in the Profit and Loss Statement for the year and The Board of Directors of the Company have passed necessary Resolution to discontinue the operations and to explore the possibility of a merger with its Holding company or to go through the process of Voluntary winding-up.		
			b) Best & Crompton Apparels Limited was engaged in the business of manufacturing and marketing textile goods, sports apparels, garments and other allied products. The Company has discontinued its operations since January 2012 due to its financial problems caused due to the unprecedented recession in the Textile Industry. The manufacturing facility is closed and the lending institutions namely IDBI and Canara bank have moved the Debt Recovery Tribunal and have taken possession of the Apparels Factory. Access to the factory premises by the management was denied and consequently verification of fixed assets and inventory could not be undertaken during the year. Further accounting documents and all records relating to the transactions carried out during the year which are lying in the factory premises could not be retrieved and produced to the auditors for their verification. In the absence of updated records, statement of accounts could not be circulated and confirmation from the parties relating to advances receivable, debtors, creditors and bank balances could not be obtained.		
			52. The Company's financial statements have not been authenticated by the Group Chief Executive Officer of the Company, as he is presently out of country. The Company has not appointed a Chief Financial Officer; the relevant duties are being discharged by the Whole Time Director.		
			53. Previous year figures have been regrouped, reclassified and rearranged wherever necessary.		

For and on behalf of the Board of Directors

For CNGSN & ASSOCIATES LLP
Chartered Accountants
(Firm Registration No. 004915S)

M. SINIVASAN
Chairman

S.V. VENKATESAN
Director

K. PRAKASH
Director

C.N. GANGADARAN

Chennai
December 15, 2014

V.P. THIRUMOORTHY
Company Secretary

Partner
M.No. 11205

STATEMENT SHOWING THE FINANCIAL DETAILS OF THE SUBSIDIARIES AS AT 31ST MARCH 2013

	Best & Crompton Apparels Limited	B&C Tech Services Limited	B&C Machinery Limited	Bestai Precast Buildings Limited
I. EQUITY AND LIABILITIES				
(1) Shareholders' Funds				
(a) Share Capital	236,209	500	717,700	290,845
(b) Reserves and Surplus	(502,418)	(34,177)		(328,700)
(c) Minority Interest				
(2) Share application money pending allotment				
(3) Non-Current Liabilities				
(a) Long-term borrowings	232,297	65	32,200	
(b) Deferred tax liabilities (Net)				
(c) Other Long term liabilities	110,258			
(d) Long-term provisions	817		700	
(4) Current Liabilities				
(a) Short-term borrowings	69,025			215,108
(b) Trade payables	3,715	496	2,840	27,370
(c) Other current liabilities	543,388	33,533	1,431,939	621,059
(d) Short-term provisions			750	
Total	693,291	417	2,186,129	825,682
II. Assets				
(1) Non-current assets				
(a) <i>Fixed assets</i>				
(i) Tangible assets	475,509		391,386	647,090
(ii) Intangible assets	3,037		36	210
(iii) Capital work-in-progress	115,853		1,774,083	49,870
(iv) Intangible assets under development				
(b) Non-current investments				
(c) Deferred tax assets (net)				
(d) Long term loans and advances	81,884	115	19,802	
(e) Other non-current assets				1,947
(2) Current assets				
(a) Current investments				
(b) Inventories	-			26,400
(c) Trade receivables	-	-		10,699
(d) Cash and cash equivalents	4,677	68	358	28
(e) Short-term loans and advances	9,712	234		89,219
(f) Other current assets	2,619		464	219
Total	693,291	417	2,186,129	825,682

For and on behalf of the Board of Directors

M. SINIVASAN
Chairman

S.V. VENKATESAN
Director

K. PRAKASH
Director

Chennai
December 15, 2014

V.P. THIRUMOORTHY
Company Secretary

As per our report of even date
For CNGSN & ASSOCIATES LLP
Chartered Accountants
(Firm Registration No. 004915S)

C.N. GANGADARAN
Partner
M.No. 11205

STATEMENT SHOWING THE FINANCIAL DETAILS OF THE SUBSIDIARIES AS AT 31ST MARCH 2013

	Best & Crompton Apparels Limited	B&C Tech. Services Limited (Discontinuing Operations)	B&C Machinery Limited	Crombest Precast Buildings Limited
I. Revenue from operations	480	48	-	45,108
II. Other Income	712	81	-	13,426
III. Total Revenue	1,192	129	-	58,534
IV. Expenses :				
Cost of materials consumed	1,522			24,243
Purchase of Stock-in-Trade				
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	313			
Manufacturing Expenses				
Employee benefit expense	454	-		12,929
Financial costs	16	1		67,625
Depreciation and amortization expense	28,317	-		26,185
Other expenses	8,938	144		50,937
Total Expenses	39,560	145	-	181,919
V. Profit / (Loss) before exceptional and extraordinary items and tax	(38,368)	(16)	-	(123,385)
VI. Exceptional Items	10,252			
VII. Profit / (Loss) before extraordinary items and tax	(48,620)	(16)	-	(123,385)
VIII. Extraordinary Items				
IX. Profit / (Loss) before tax	(48,620)	(16)	-	(123,385)
X. Tax expense:				
(1) Current tax				
(2) Deferred tax				
(3) Transaction relating to earlier years				
XI. Profit/(Loss) for the year from continuing operations (IX - X)	(48,620)	(16)	-	(123,385)
XII. Profit/(Loss) from discontinuing operations				
XIII. Tax expense of discounting operations	-			
XIV. Profit/(Loss) from Discontinuing operations	-	-	-	-
XV. Profit/(Loss) for the year	(48,620)	(16)	-	(123,385)

For and on behalf of the Board of Directors

M. SINIVASAN
Chairman

S.V. VENKATESAN
Director

K. PRAKASH
Director

Chennai
December 15, 2014

V.P. THIRUMOORTHY
Company Secretary

As per our report of even date
For CNGSN & ASSOCIATES LLP
Chartered Accountants
(Firm Registration No. 004915S)

C.N. GANGADARAN
Partner
M.No. 11205

BEST & CROMPTON ENGG. LIMITED

CIN: L29221TN1956PLC000204

Registered Office : 28-A, Industrial Estate (North)
Ambattur, Chennai – 600 098.

PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19 (3) of the Companies (Management and Administration) Rules, 2014]

Name of the member(s) :

Registered address :

E-mail Id :

Folio No. / Client ID :

DP ID :

I/We, being the member (s) of shares of the above named company, hereby appoint

1. Name :
Address :
E-mail Id :
Signature :, or failing him
2. Name :
Address :
E-mail Id :
Signature :, or failing him
3. Name :
Address :
E-mail Id :
Signature :, or failing him

as my/our proxy to attend and vote (on a poll) for me/us and on my / our behalf at the 101st Annual general meeting of the company, to be held on the Thursday, March 19, 2015 at 10.00 a.m. at Sri Thyaga Brahma Gana Sabha, Vani Mahal, (Obul Reddy Hall) 103, G.N. Chetty Road, T.Nagar, Chennai - 600 017 and at any adjournment thereof in respect of such resolutions as are indicated below :

Sl. No.	RESOLUTIONS	Optional*	
		For	Against
	Ordinary Business – Ordinary Resolutions		
1	To consider and adopt the audited Balance Sheet of the company as at March 31, 2013 and the Profit & Loss Account of the company for the Financial Year ended on that date, together with the Reports of the Directors and Auditors thereon.		
2	To appoint a Director in place of Mr.M.Sinivasan who retires by rotation and being eligible offers himself for reappointment.		
3	Reappointment of M/s. CNGSN & Associates LLP, Chartered Accountants as Auditors of the company.		
	Special Business – Ordinary Resolutions		
4	To appoint Mr. S.V. Venkatesan as an Independent Director upto 31 st March, 2019.		
5	To appoint Mr. K. Prakash as an Independent Director upto 31 st March, 2019.		
6	To appoint Mr. Ravindranath Gupta as an Independent Director upto 31 st March, 2019.		
	Special Business – Special Resolution		
7	Approval for delisting the Equity shares of the company on Madras Stock Exchange.		

Signed this day of 2015

Signature of the shareholder

Signature of the Proxyholder(s)

Affix
Rs. 1
Revenue
Stamp

Note :

1. This form of Proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. For the resolutions, explanatory statements and notes, please refer to the notice of 101st AGM.
3. It is optional to put a "X" in the appropriate column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all resolution, your proxy will be entitled to vote in the manner as he/she thinks appropriate.
4. Please complete all details including details of member(s) in the box before submission.

REGISTERED POST / SPEED POST



If undelivered please return to

Best & Crompton Engg. Limited

CIN: L29221TN1956PLC000204

Secretarial Department

Registered Office : 28A, Industrial Estate (North), Ambattur, Chennai 600 098.

Ph.: 044-45514600, Fax: 044-45514733,

email: investorgrievance@bestcrompton.com