



**ANNUAL  
REPORT  
2012-13**

**D & H INDIA LIMITED**  
Formerly 'D & H Welding Electrodes (India) Ltd'

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## **BOARD OF DIRECTORS**

<b>Mr. Jagdish C. Kapur</b>	- Director
<b>Mr. Sushil Rawka</b>	- Director
<b>Mr. Vimal Lunia</b>	- Director
<b>Mr. Nirmal Lunia</b>	- Director
<b>Mr. Surjit Singh</b>	- Director
<b>Mr. Basant Singh Johari</b>	- Director
<b>Mr. Vasudeo S. Bhate</b>	- Director (Technical)
<b>Mr. Madhusudan Jain</b>	- Whole Time Director
<b>Mr. Harsh Vora</b>	- Managing Director

## **COMPANY SECRETARY**

**Mr. Rajesh Sen**

## **REGISTERED OFFICE**

A - 204, Kailash Esplanade,  
Opposite Shreyas Cinema, L.B.S. Marg,  
Ghatkopar (West), Mumbai - 400086

## **ADMINISTRATIVE OFFICE CUM WORKS**

Plot 'A', Sector 'A', Industrial Area,  
Sanwer Road, Indore - 452015 (Madhya Pradesh)

## **BANKERS**

State Bank of India  
HDFC Bank

## **AUDITORS**

M/s. ABN & Co., Indore

## **REGISTRAR & SHARE TRANSFER AGENT**

M/s Ankit Consultancy Private Ltd  
Plot No. 60, Electronic Complex  
Pardeshipura, Indore (M.P.) - 452 010

## NOTICE OF TWENTY EIGHTH ANNUAL GENERAL MEETING

Notice is hereby given that the **Twenty Eighth Annual General Meeting** of the members of **D & H India Limited** will be held on Monday the 30<sup>th</sup> day of September, 2013 at 10:00 a.m. at **A-507, Kailash Esplanade, Opposite Shreyas Cinema, L.B.S. Marg, Ghatkopar (West), Mumbai - 400086** to transact the following business: -

### AS ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as on 31<sup>st</sup> March, 2013 and Profit & Loss Account of the Company for the year and the Reports of the Board of Directors and Auditors thereon.
2. To declare dividend.
3. To appoint a Director in place of Mr. Basant Singh Johari, Director who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr. Surjit Singh, Director who retires by rotation and being eligible, offers himself for re-appointment
5. 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 the Section 224 and other applicable provisions, if any, of the Companies Act, 1956, M/s ABN & Co. Chartered Accountants, Indore, the retiring Auditors of the Company, from whom a certificate under Section 224 (1B) of the Companies Act, 1956 has been obtained, be and are hereby re-appointed as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of next Annual General Meeting of the Company, at such remuneration as may be fixed by the Board of Directors of the Company, from time to time based on the recommendation of Audit Committee plus service tax and such other tax(es) as may be applicable and reimbursement of out of pocket expenses incurred by them for carrying out the Audit"

### AS SPECIAL BUSINESS

6. To consider & if thought fit, to pass with or without modification(s) the following resolution as a **Special Resolution**:  
**RESOLVED THAT** pursuant to the provisions of Section 314 and other applicable provisions, if any, of the Companies Act, 1956 ( including any statutory modification(s) or re-enactment thereof for the time being in force), consent of the Company be and is hereby accorded to Mr. Saurabh Vora, a relative of Mr. Harsh Vora, Managing Director of the Company, to hold an office or place of profit under the Company as Management Executive of the Company with effect from 1st March, 2013 on remuneration of Rs. 35,000/- p.m. and he will also be entitled other facilities and reimbursement of traveling, conveyance and other actual out of pocket expenses as per the rules of the Company as applicable to other executives of the same grade for attending the works/assignments of the Company."
7. To consider & if thought fit, to pass with or without modification(s) the following resolution as a **Special Resolution**:  
**RESOLVED THAT** pursuant to the provisions of Section 314 and other applicable provisions, if any, of the Companies Act, 1956 ( including any statutory modification(s) or re-enactment thereof for the time being in force), consent of the Company be and is hereby accorded to Mrs. Atithi Vora, a relative of Mr. Harsh Vora, Managing Director of the Company, to hold an office or place of profit under the Company as Management Executive of the Company with effect from 1st March, 2013 on remuneration of Rs. 35,000/- p.m. and she will also be entitled other facilities and reimbursement of traveling, conveyance and other actual out of pocket expenses as per the rules of the Company as applicable to other executives of the same grade for attending the works/assignments of the Company."

PLACE: INDORE

DATE:27<sup>th</sup> May, 2013

RAJESH SEN

(COMPANY SECRETARY)

**NOTES:**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE AT THE MEETING. A PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXY IN ORDER TO BE VALID AND EFFECTIVE, MUST BE RECEIVED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
2. The Company has already notified closure of Register of Members and Share Transfer Books from 23th Sept., 2013 to 30th Sept., 2013 (both days inclusive) for the determining the names of members eligible for dividend on equity shares, if declared at the meeting. The Dividend on equity shares if declared at the meeting, will be credited/dispatched to those members whose names shall appear on the Company's Register of Members on 30th Sept., 2013 in respect of the shares held in dematerialized form, the dividend will be paid to members, those names are furnished by NSDL/CDSL as beneficial owners as on that date.
3. Members holding shares in electronic form may note that bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend, the Company or its Registrar and Transfer Agent cannot act on any request received directly from the members holding shares in electronic form for any change of bank particulars or bank mandates, such changes are to be advised only to the depository participant of the members.
4. Relevant documents referred into the accompanying notice are open for inspection by the members at the registered office of the Company on all working days, except Saturdays between 11.00 A.M. to 1.00 P.M. up to the date of meeting.
5. Pursuant to the provisions of section 205A(5) and 205C of the Companies Act, 1956, the Company shall transfer the unpaid dividend amount for the year 2006-07 after expiry of 7 years period from transfer of the same to the Unpaid Dividend account. The Members are requested to please submit their request for revalidation of the dividend warrants for the unpaid dividend if any for the year 2006-07 and onward.
6. Members are requested to send their queries, if any, at least seven days in advance of the meeting to enable the Company to keep the information ready at the meeting.
7. Members are requested to bring their copies of Annual Report with them since separate copies will not be distributed at the venue of the Meeting.
8. Members holding shares in dematerialized form are requested to intimate all changes pertaining to their bank details, mandates, nominations, power of attorney, change of address, change of name and e-mail address etc., to their Depository Participants. Changes intimated to the Depository Participants will be automatically reflected in the Company's record which will help the Company and M/s. Ankit Consultancy Pvt. Ltd. to provide efficient and better services. Members holding shares in physical form are also requested to intimate such changes to M/s. Ankit Consultancy Pvt. Ltd. under the signatures of first/joint holder(s).
9. The Ministry of Corporate Affairs has introduced 'Green Initiative' whereby the documents are permitted to be served on the members through electronic mode i.e., e-mail. This initiative is a step towards protection of environment and enabling faster communication with the members.  
Accordingly, the Company proposed to serve all the documents to e-mail addresses of the members. Members are requested to provide/update their e-mail addresses with their respective Depository Participants (DP) or send an e-mail at [companysecretary@dnhindia.com](mailto:companysecretary@dnhindia.com) to get the Annual Report and other documents on such e-mail address. Members holding shares in physical form are also requested to register their e-mail address on Website of M/s. Ankit Consultancy Pvt. Ltd. through login on [http://www.wix.com/harsh\\_ng/ankitonline](http://www.wix.com/harsh_ng/ankitonline).
10. Pursuant to the Clause No.49 of the Listing Agreement, profile of the Directors proposed for appointment/re-appointment being given in a statement containing details of the concerned Directors is attached hereto

Name and Designation of Appointee	Age (Years)/ Qualifications	Expertise/ Experience	Date of appointment	Other Directorship	No of shares held & %age
Mr. Basant Singh Johari (Non Executiv Director)	82 Year Science graduate	He has rich experience in the Industry.	30/07/2005	Nil	Nil
Mr. Surjit Singh (Non Executive Director)	77 Year Retired IPS	He has rich experience in the various field	22/06/2005	Nil	Nil

**BY ORDER OF THE BOARD****PLACE: INDORE  
DATE: 27<sup>th</sup> May, 2013****RAJESH SEN  
(COMPANY SECRETARY)**

## **EXPLANATORY STATEMENT UNDER SECTION 173(2) OF THE COMPANIES ACT, 1956**

### **ITEM NO. 6:**

Mr. Saurabh Vora is qualified with B-Tech. he was appointed as Management Executive of the Company w.e.f. 1st March, 2013 on remuneration of Rs. 35,000/- p.m. and he will also be entitled other facilities and reimbursement of traveling, conveyance and other actual out of pocket expenses as per the rules of the Company as applicable to other executives of the same grade for attending the works/assignments of the Company for a period of One Year. He is relative of Mr. Harsh Vora, Managing Director of the Company.

Mr. Harsh Vora was appointed as Director of the Company w.e.f. 06.12.1990. Mr. Harsh Vora has been re-appointed as Managing Director of the Company for a period of Three year w.e.f. 29.10.2011. Mr. Harsh Vora is relative of Mr. Saurabh Vora, hence Mr. Saurabh Vora is deemed to hold an office or place of profit under section 314 of the Company Act, 1956. Therefore approval of the members of the Company by Special Resolution is required. The Board of Director recommends the shareholders to accord their consent Mr. Saurabh Vora for his continuing to hold the office or place of profit under the Company a Management Executive.

Remuneration committee of the Board at its meeting held on 7th February, 2013 has considered and approved his appointment for a period of one year. The Board has also consider that appointment of Mr. Saurabh Vora, would be immense benefit to the Company and accepted the recommendation/approval of the Remuneration Committee at their meeting held on 11th February, 2013 and has approved appointment of Mr. Saurabh Vora as Management Executive of the Company.

None of the Directors except Mr. Harsh Vora, Mr. Madhusudan Jain, Mr. Nirmal Lunia and Mr. Vimal Lunia are deemed to be interested in this resolution.

### **ITEM NO. 7:**

Mrs. Atithi Vora is qualified C.A. she was appointed as Management Executive of the Company w.e.f. 1st March, 2013 on remuneration of Rs. 35,000/- p.m. and she will also be entitled other facilities and reimbursement of traveling, conveyance and other actual out of pocket expenses as per the rules of the Company as applicable to other executives of the same grade for attending the works/assignments of the Company for a period of One Year. She is relative of Mr. Harsh Vora, Managing Director of the Company.

Mr. Harsh Vora was appointed as Director of the Company w.e.f. 06.12.1990. Mr. Harsh Vora has been re-appointed as Managing Director of the Company for a period of Three year w.e.f. 29.10.2011. Mr. Harsh Vora is relative of Mrs. Atithi Vora, hence Mrs. Atithi Vora is deemed to hold an office or place of profit under section 314 of the Company Act, 1956. Therefore approval of the members of the Company by Special Resolution is required. The Board of Director recommends the shareholders to accord their consent Mrs. Atithi Vora for her continuing to hold the office or place of profit under the Company a Management Executive.

Remuneration committee of the Board at its meeting held on 7th February, 2013 has considered and approved her appointment for a period of one year. The Board has also consider that appointment of Mrs. Atithi Vora, would be immense benefit to the Company and accepted the recommendation/approval of the Remuneration Committee at their meeting held on 11th February, 2013 and has approved appointment of Mrs. Atithi Vora as Management Executive of the Company.

None of the Directors except Mr. Harsh Vora, Mr. Madhusudan Jain, Mr. Nirmal Lunia and Mr. Vimal Lunia are deemed to be interested in this resolution.

**BY ORDER OF THE BOARD**

**PLACE: INDORE**

**DATE: 27<sup>th</sup> May, 2013**

**RAJESH SEN  
(COMPANY SECRETARY)**

## DIRECTORS' REPORT

To

The Members

Your directors have pleasure in presenting **Twenty Eighth Annual Report** on the business and operations of the Company together with the Audited Statement of Accounts for the year ended 31st March, 2013.

## OPERATIONAL PERFORMANCE

The operational performance of the Company for the period under review is as below: -

	Year ended <b>31.03.2013</b> (Rs. in lacs)	Year ended 31.03.2012 (Rs. in lacs)
Gross Sales and other Income	<b>7664.61</b>	7279.44
Profit before Interest & Depreciation	<b>543.71</b>	467.12
Interest and Financial Charges	<b>60.08</b>	24.58
Depreciation	<b>90.83</b>	87.47
Net Profit for the year	<b>387.18</b>	355.07
Provision for Income tax (Current)	<b>128.17</b>	115.86
Balance carried from previous year	<b>823.91</b>	677.70
Profit available for appropriation	<b>1082.89</b>	916.91
Provision for dividend & Dividend distribution tax	<b>43.00</b>	43.00
Transfer to General Reserve	<b>100.00</b>	50.00
Balance carried to Balance sheet	<b>939.89</b>	823.91

The sales performance of the Company has shown improvement over the last year. The cost effective measures have also contributed to the improved performance in terms of profitability, inspite of significant increase in the cost of raw materials.

## DIVIDEND

Your directors are pleased to recommend a dividend of 5% (Re. 0.50 per share) absorbing a sum of Rs 37.00 Lacs. The dividend will be paid to all shareholders whose names appear in the Register of Members as on the book closure date.

## EXPORT

Your company has chalked out a plan to grow in the export market. This segment of the business is expected to grow at a faster rate, in the coming years.

## EXPANSION

Company is in the process of expanding its capacity and is also entering into allied business. The Company had already taken steps for the purpose of expansion and diversification and for this funds have been arranged through internal sources.

## DIRECTORS

Mr. Basant Singh Johari and Mr. Nirmal Lunia, Directors are liable to retire by rotation at the ensuing Annual General Meeting and being eligible offer themselves for the re-appointment. The Board of Directors recommends their re-appointment.

## CORPORATE GOVERNANCE

Report on Corporate Governance is enclosed and is forming part of the Directors' Report. A certificate from the Statutory Auditors of the Company regarding Compliance of the conditions of the Corporate Governance is attached to this report.

## FIXED DEPOSITS

Company has not accepted any deposits within the meaning of Section 58A and 58AA of the Companies Act, 1956 and the rules made there under.

## DIRECTOR'S RESPONSIBILITY STATEMENT

In terms of provisions of Section 217(2AA) of the Companies Act, 1956 your directors confirm that: -

- (i) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

- (ii) the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that they are reasonable and prudent so as to give a true and fair view of the state of affairs of your Company at the end of financial year and of the profit of your Company for that period;
- (iii) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of your Company and for preventing and detecting fraud and other irregularities;
- (iv) the Directors had prepared the annual accounts on a going concern basis.

#### **CONSERVATION OF ENERGY, TECHNOLOGY AND FOREIGN EXCHANGE**

Details of Conservation of Energy and Technology Absorption under provisions of Section 217 (1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of particulars in the report of Board of Directors) Rules, 1988 are given as Annexure to this report.

Foreign Exchange earning was 96.73 Lacs and the outgo was Rs.231.04 Lacs during the Year.

#### **AUDITORS**

M/s ABN & Co. Chartered Accountants, Indore being Statutory Auditors of the Company are liable to retire by rotation at the ensuing Annual General Meeting and who being eligible offer themselves for re-appointment. The Board recommends their re-appointment.

#### **AUDITOR'S REPORT**

Report of the Auditors and their observations on the Accounts of the Company for the year under review is attached herewith.

#### **PARTICULARS OF EMPLOYEES**

There is no information to be given in terms of section 217 (2A) of the Companies Act, 1956 read with the rules framed there under.

#### **ACKNOWLEDGMENT**

The Directors thank the customers, vendors, investors, business associates and bankers for their support to the Company.

The Directors also thank the Government of India, the Concerned State Governments and other Government Departments and Government Agencies for their cooperation.

**FOR AND ON BEHALF OF THE BOARD**

**HARSH VORA  
MANAGING DIRECTOR**

**VASUDEO S. BHATE  
TECHNICAL DIRECTOR**

**PLACE: INDORE  
DATE : 27th May, 2013**

## ANNEXURE TO DIRECTORS' REPORT

### FORM 'A'

#### FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY

The company is not covered under the list of specified industries. However, required energy conservation measures were already taken to ensure optimum power consumption to the extent necessary.

### FORM 'B'

#### FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO TECHNOLOGY ABSORPTION

1. Specific areas in which R & D carried out by the company.
2. Benefit derived as a result of above R & D
3. Future plan of action
4. Expenditure on R & D
  - a) Capital
  - b) Recurring
  - c) Total
  - d) Total R & D expenditure as percentage of total turnover.

No R&D carried out.  
Therefore no  
Expenses were  
Incurred on R&D

Technology absorption, adaptation and innovation.

1. Efforts in brief made towards technology absorption adaptation and innovation.
2. Benefits derived as a result of the above efforts e.g. product improvement, product development, imports substitution etc.
3. In case of imported technology (imported during the last 5 years reckoned from the beginning of the financial year)
  - a) Technology
  - b) Year of Import
  - c) If not fully absorbed areas where this has not taken place, reasons therefore and future plans of action.

NIL



**ANNEXURE – C****STATEMENT PURSUANT TO SECTION 217(2A) OF THE COMPANIES, ACT, 1956 READ WITH COMPANIES (PARTICULARS OF EMPLOYEES) RULES, 1975 AND FORMING PART OF THE DIRECTOR'S REPORT FOR THE YEAR ENDED 31ST MARCH, 2013**

S. No.	Name	Age (years)	Designation	Remuneration (Amt. in Rs.)	Qualification	Experience (in years)	Date of Joining	Previous Employment
1	Harsh Vora	50	Managing Director	84,00,000	B.Com.	29	06.12.1990	NIL

**Notes:**

1. The monthly remuneration of Mr. Harsh Vora, Managing Director of the Company exceeded the limit of Rs. 5,00,000 w.e.f 29.10.2011.
2. Remuneration has been calculated on the basis of Section 198 of the Companies Act, 1956
3. The employment is contractual in accordance with the terms and conditions as per the agreement.
4. Mr. Madhusudan Jain, Whole Time Director is the relative of Mr. Harsh Vora, Managing Director of the Company.
5. Mr. Harsh Vora, Managing Director of the Company is the relative of Mr. Madhusudan Jain, Mr. Nirmal Lunia and Vimal Lunia, Directors of the Company.

**FOR AND ON BEHALF OF THE BOARD****PLACE: INDORE  
DATE : 27th May, 2013****HARSH VORA  
MANAGING DIRECTOR****VASUDEO S. BHATE  
TECHNICAL DIRECTOR**

## **MANAGEMENT DISCUSSION & ANALYSIS REPORT**

### **Performance**

The overall production of the Company was decreased by about 0.53 % and sales & other income increased by 5.30 % to Rs.76.65 Crores, as against 72.79 Crores in the last year. The Profit before Tax was Rs. 3.87 Crores.

### **Opportunities & Threats**

Although the Company is facing a stiff competition from SSI Units, it is posed to enter into new ventures in the welding line to add more products into its product range. The profit-oriented business is given a thrust and hopefully Company is all positive to make in roads in market leading of first rung companies. The bigger problem is the unsteady pricing factor of ferrous items of which prices are decided by London Metal Market.

### **Risks & Concerns**

Dependability on raw material supplies continues to be a big risk for the Company to face. It is pertinent to ensure easy availability of raw materials such as Rutile, Steel and Metals at fair prices.

### **Internal Control System**

The company has adequate internal control systems commensurate with the nature and size of the business. All the transaction are properly authorized and recorded. The Company has an Audit Committee, which regularly meets to review the Financial Reports and Statements of the Company. It also invites the Statutory Auditors of the Company to get their opinions and suggestions on the Company's system of preparing and maintaining financial statements and on the adequacy of its internal control system.

### **Human Resources and Industrial Relations**

The Company assigns a great deal of importance to its human resources. Industrial relations with the employees remained cordial during the year. Human Resource Development activities had received considerable focus during the year. The Directors wish to acknowledge the contribution of all the employees in raising the performance of the Company.

### **Quality Management System ISO - 9001: 2008**

Your company's administrative office and works situated at Indore has been certified as ISO 9001: 2008 by International Certification Services for Quality Management System.

## **CORPORATE GOVERNANCE**

### **I. Company's Philosophy on Code of Corporate Governance**

The Company believes in the practice of good Corporate Governance acting as a good corporate citizen. The spirit of Corporate Governance has been prevailing in the Company. The company believes in the values of transparency, professionalism and accountability. The Company recognizes the acceptability of the Board and importance of the decisions relating to its customers, dealers, employers, shareholders etc.

The Company always strives to achieve performance at all levels by adhering to corporate governance practices.

### **II. Board of Directors**

The strength of Board of Directors as on 31st March, 2013 was 9 out of which 3 were Executive Directors, 3 were Non Executive Directors and 3 were Non Executive Independent Directors.

Shareholding of Non-Executive Directors in the Company as on 31.03.2013:

Mr. Sushil Rawka	:	63,300
Mr. Jagdish C. Kapur	:	NIL
Mr. Nirmal Lunia	:	NIL
Mr. Vimal Lunia	:	NIL
Mr. Basant Singh Johari	:	3,300
Mr. Surjit Singh	:	NIL

The Board of Directors duly met Four times during the Financial Year 2012-2013 and the gap between two meetings did not exceed four months. Dates on which the Board meetings were held are: 12.05.2012, 11.08.2012, 06.11.2012, and 11.02.2013. Attendance of directors during Board Meetings is shown in Table A. The Categories of directors are also mentioned in the same table.

### **III. Audit Committee**

The Audit Committee of the Company comprised of Mr. Surjit Singh, Director of the Company as Chairman, Mr. Sushil Rawka and Mr. Jagdish C. Kapur, Directors of the Company as its members. The members have financial and accounting knowledge. The Committee members duly met Four times during the Financial Year 2012-2013 on 30.04.2012, 04.08.2012, 27.10.2012 and 30.01.2013.

The attendance of members at the meeting of Audit Committee held during the Financial Year under review is shown in Table A.

The Audit Committee has adequate powers and detailed terms of reference, to play effective role as required under the provisions of the Companies Act, 1956 and clause 49 of the Listing Agreement entered with Bombay Stock Exchange.

### **IV. Share Transfer and Investor Grievance Committee**

Share Transfer and Investor Grievance Committee consist of Mr. Sushil Rawka, Director of the Company as Chairman, Mr. Jagdish C. Kapur & Mr. Madhusudan Jain, Directors of the Company, as its members. Thirty Eight Shareholders' Complaints were received during the Financial Year. All of them were resolved within 30 days of receipt and no complaints were pending at the end of the year.

The members duly met Four times during the Financial Year 2012-2013 on 30.04.2012, 25.07.2012, 25.10.2012 and 31.01.2013.

The attendance of members at the meetings held during the Financial Year under review is shown in TABLE A.

### V. Remuneration Committee

The Remuneration Committee of the Company comprised of Mr. Jagdish C. Kapur, Director of the Company as Chairman, Mr. Surjit Singh and Mr. B.S. Johari, Directors of the Company as its members. The Committee members duly met two times during the Financial Year 2012-2013 on 25.07.2012 and 07.02.2013.

The attendance of members at the meeting of Remuneration Committee held during the Financial Year under review is shown in TABLE A.

The Remuneration Committee has adequate powers and detailed terms of reference, to play effective role as required under the provisions of the clause 49 of the Listing Agreement entered with Bombay Stock Exchange.

**TABLE A**

Sr. No	Name of Director	Status	Attendance of Board & Committee Meetings				Annual General Meeting	Outside Directorship & Committee Positions	
			No. of Board Meetings	No. of Audit committee Meeting Attended	No. of STCIGC Meetings Attended	No. of RC Meetings Attended		Attended during the Year	Director Ship
1	Mr. Harsh Vora	Executive	4	N.A.	N.A.	N.A.	No	3	Nil
2	Mr. Vasudeo S. Bhate	Executive	4	N.A.	N.A.	N.A.	No	Nil	Nil
3	Mr. Sushil Rawka	Non -Executive	4	4	4	N.A.	Yes	Nil	Nil
4	Mr. Nirmal Lunia	Non -Executive	Nil	N.A.	N.A.	N.A.	No	1	Nil
5	Mr. Jagdish C. Kapur	Non Executive & Independent	1	4	4	2	No	Nil	Nil
6	Mr. Vimal Lunia	Non -Executive	Nil	N.A.	N.A.	N.A.	No	2	Nil
7	Mr. Madhusudan Jain	Executive	4	N.A.	4	N.A.	Yes	4	Nil
8	Mr. Surjit Singh	Non -Executive & Independent	4	4	N.A.	2	No	Nil	Nil
9	Mr. Basant S. Johari	Non -Executive & Independent	4	N.A.	N.A.	2	No	Nil	Nil

Abbreviation: STCIGC = Share Transfer – cum – Investor Grievance Committee  
RC = Remuneration Committee

**VI. Remuneration of Directors**

## Break-up of Directors' remuneration

S. No.	Name of Directors	Salary Including Employers' Contribution to Provident fund	Perquisites	Sitting Fees
1	Mr. Harsh Vora (Executive Director )	82,80,000	1,20,000	NIL
2	Mr. Vasudeo S. Bhate (Executive Director)	15,55,200	1,13,518	NIL
3	Mr. Madhusudan Jain (Executive Director)	28,80,000	1,75,285	NIL
4	Mr. Sushil Rawka	NIL	NIL	20000
5	Mr. Jagdish C. Kapur	NIL	NIL	NIL
6	Mr. Nirmal Lunia	NIL	NIL	NIL
7	Mr. B. S. Johari	NIL	NIL	20,000
8	Mr. Surjit Singh	NIL	NIL	20,000
9	Mr. Vimal Lunia	NIL	NIL	NIL
	<b>Total</b>	<b>1,27,15,200</b>	<b>4,08,803</b>	<b>60,000</b>

**VII. General Body Meeting :**

Financial Year	Date	Location of Meeting	Time	Whether any special resolution passed
2012-2013	29.09.2012	At Registered Office at Mumbai	10:00 A.M.	Yes
2011-2012	26.03.2012	At Registered Office at Mumbai	10:00 A.M.	Yes
2011-2012	20.09.2011	At Registered Office at Mumbai	10:00 A.M.	Yes
2010-2011	30.09.2010	At Registered Office at Mumbai	10:00 A.M.	Yes

**VIII. Disclosures:**

- a. Disclosures on materially significant related party transactions i.e. transaction of the Company of material nature, with its promoters, directors or the management, their subsidiary or relatives etc. that may have potential conflict with the interests of the Company at large: NIL
- b. Details of non-compliance by the company, penalties, and strictures imposed on the company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years.

The Company has complied with the requirements of regulatory authorities on capital markets and no penalties/stricture has been imposed against it during the last three years.

**IX. Declaration of Code of Conduct**

The Company has adopted a Code of Conduct for all Board Members and Senior Management of the Company. The Code of Conduct has already been posted on the website of the Company. All Board Members and Senior Members have affirmed compliance with the Code of Conduct. A declaration signed by the Chief Executive Officer is given below:

"I hereby confirm that the Company has obtained from all the members of the Board and Senior Management,

affirmation that they have complied with the Code of Conduct for Directors and Senior Management in respect of the Financial Year 2012-2013"

**Harsh Vora**  
**Managing Director & CEO**  
**27th May, 2013**

**X. Corporate Governance Compliance Certificate:**

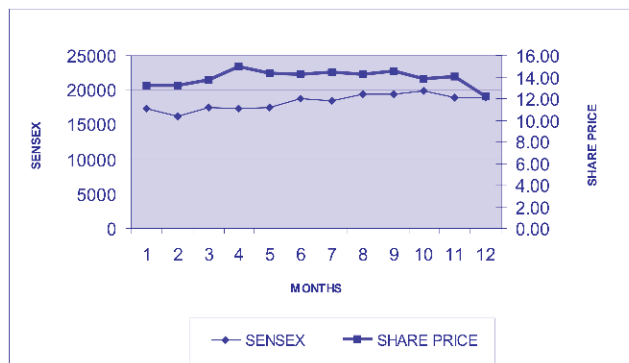
The Certificate regarding compliance of condition of clause 49 of the Listing Agreement received from the Auditors of the Company is annexed hereto.

**XI. Shareholders' information**

- a. **Regd. Office:** A-204, Kailash Esplanade, Opp. Shreyas Cinema, Ghatkopar (W), Mumbai-400086  
**Annual General Meeting:** Date and Time: 30th September, 2013 at 10.00 A.M.  
**Venue:** At A-507, Kailash Esplanade, Opp. Shreyas Cinema, L.B.S. Marg, Ghatkopar (W), Mumbai- 400086
- b. **Financial Calendar:** (Tentative) Financial reporting for:  
 Quarter ending June 30, 2013 : On or before August 15, 2013  
 Half year ending September 30, 2013 : On or before November 15, 2013  
 Quarter ending December 31, 2013 : On or before February 15, 2014  
 Year ending March 31, 2014 : On or before May 15, 2014  
 Annual General Meeting for year 2014 : End of September, 2014  
 Date of Book Closure : In the month of September, 2014
- c. **List of Stock Exchanges:** Presently the shares of the Company are listed at Bombay Stock Exchange, Mumbai Scrip Code: 517514
- d. **Market Price Data:** The Stock Market data for the period from April, 2012 to March, 2013 are as below: -  
 [As taken from the website of Bombay Stock Exchange Ltd., Mumbai (BSE)]

Period	High (Rs)	Low (Rs)	Period	High (Rs)	Low (Rs)
April, 2012	15.80	12.85	October, 2012	15.45	14.00
May, 2012	15.60	13.20	November, 2012	15.54	14.12
June, 2012	14.03	12.50	December, 2012	15.00	14.00
July, 2012	17.25	13.60	January, 2013	15.20	13.82
August, 2012	16.20	13.50	February, 2013	15.60	13.86
September, 2012	15.00	13.25	March, 2013	14.00	14.48

**e. Performance of D & H India Limited in comparison to BSE Sensex**



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

<b>Nominal value of Equity share held (Rs.)</b>	<b>No. of Share Holders</b>	<b>Share Amount in (Rs.)</b>	<b>% of share holding</b>
Up to 1000	3489	3232730	4.37
1001 to 2000	1067	2082770	2.81
2001 to 3000	353	1025880	1.39
3001 to 4000	121	468990	0.63
4001 to 5000	321	1591920	2.15
5001 to 10000	361	3041420	4.11
10001 to 20000	208	3228330	4.36
20001 to 30000	60	1517620	2.05
30001 to 40000	35	1218500	1.65
40001 to 50000	29	1375970	1.86
50001 to 100000	29	2094470	2.83
100000 above	49	53121400	71.79
<b>TOTAL</b>	<b>6122</b>	<b>7,40,00,000</b>	<b>100.00</b>

**g. Categories of shareholding as on 31 March 2013 :**

<b>Category</b>	<b>No. of Share held</b>	<b>% of share holding</b>
Promoters & Person acting in concert	37,73,321	50.99
Financial Institution, Mutual Fund and Banks	0.00	0.00
Private Corporate Bodies	10,03,949	13.57
Non Resident / OCBs	59,476	0.80
Indian Public	25,63,254	34.64
<b>TOTAL</b>	<b>74,00,000</b>	<b>100.00</b>

**h. Dematerialization of shares:**

Trading in shares of D & H India Limited is permitted, only in dematerialized form, with effect from April, 2001 as per notification issued by the Securities and Exchange Board of India (SEBI)

At present the Company's share are available for dematerialization with both NSDL and CDSL. As on 31<sup>st</sup> March, 2013, an aggregate of 67,82,975 Equity Shares, which amounts to 91.66 % of total Equity Share Capital of the Company exist under the Electronic, form.

The International Securities Identification Number (ISIN) allotted to the Company is **INE589D01018**.

**i. Registrar and Share Transfer Agents (Physical & Electronic Connectivity):**

M/s. Ankit Consultancy Pvt. Ltd. is the Company's Registrar and Share Transfer Agent having its office at the following address:

Plot No. 60, Electronic Complex  
 Pardeshipura, Indore (M.P.) – 452 010  
**Tel.:** 0731-3198601, 3198602  
**Fax no.:** 0731-4065798  
**Email:** ankit\_4321@yahoo.com

Share Transfer Forms can be lodged with M/s Ankit Consultancy Pvt. Ltd. at its address mentioned above.

**j. Address for Correspondence:**

Head Office: Plot A, Sector A, Industrial Area,  
 Sanwer Road, Indore 452 015 (M.P.)

**k. Pursuant to the provision of Section 205A of the Companies Act, 1956, dividend which remain unpaid or unclaimed for a period of seven years from the date of transfer to the Unpaid Dividend Account, are required to be transferred to the Investor Education and Protection Fund of the Central Government.**

Section 205C of the Act declares that no claims shall lie against the fund of the Company in respect of individual amounts, which were unclaimed and unpaid for seven years as aforesaid and transferred to the fund.

Shareholders are therefore, advised that those who have not encashed their dividend warrant(s) so far for the year 2006-2007, 2007-2008, 2008-2009, 2009-2010, 2010-2011 and 2011-2012 may send their dividend warrants to the Company at its Work and administrative office situated at Sanwer Road (M.P.), for the issue of Demand draft(s) in lieu thereof before the respective amounts become due for transfer to the fund.

## CEO/CFO CERTIFICATION AS PER CLAUSE 49 OF THE LISTING AGREEMENT

27<sup>th</sup> May, 2013

To,  
The Board of Directors,  
D & H India Limited,  
Mumbai

### CERTIFICATE

- a. We have reviewed financial statements and the Cash Flow Statement for the year and that to the best of our knowledge and belief:
  - i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - ii) these statements together present a true and fair view of the company's affairs and are in compliance with existing 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 violative of the company's code of conduct.
- c. We accept the responsibility for establishing and maintaining internal controls and that we have evaluated the effectiveness of the internal control systems of the company and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of the internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d. We have indicated to the auditors and the Audit Committee:
  - i) significant changes in internal control during the year;
  - ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes of the financial statements; and
  - iii) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system.

**Harsh Vora**  
Managing Director /CEO

**Sanat Jain**  
G.M. Finance/CFO

**Cc: Audit Committee D & H India Limited**

## AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To,  
The Members  
D & H INDIA LIMITED

We have reviewed the compliance of conditions of Corporate Governance by D & H India Ltd. for the Financial Year ended 31<sup>st</sup> March, 2013 as stipulated in Clause 49 of the Listing Agreement of the said Company with Bombay Stock Exchange. We have conducted our review on the basis of the relevant records and documents maintained by the Company for the year ended 31<sup>st</sup> March, 2013 and furnished to us for the purpose of the review and the information and explanation given to us by the Company during the course of such review.

The Compliance of conditions of Corporate Governance is the responsibility of the management. Our review was limited to procedure and implementation thereof, adopted by the Company for ensuring the compliance of the condition 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 the best of our information and according to the explanation given to us, and the representation made by the Directors and management.

We hereby certify that the Company has complied with the condition of Corporate Governance as stipulated in the above-mentioned Listing Agreement.

As required by the Guidance note on certification of Corporate Governance issued by the Institute of Chartered Accountants of India, we state that no investor grievance is pending for the period exceeding one month as on 31<sup>st</sup> March, 2013 against the Company as per the records maintained by the Share Transfer and Investor Grievance Committee of the Company.

We further state that such Certification 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 and on behalf of ABN & Co.**  
**Chartered Accountants**

**PLACE : INDORE**  
**DATE : 27<sup>th</sup> May, 2013**

**B.M. Bhandari**  
**Partner**



## **INDEPENDENT AUDITORS' REPORT**

To,  
The Members,  
**D & H India Limited,**

We have audited the accompanying financial statements of D & H India Ltd. ("the Company"), which comprise the Balance Sheet as at March 31, 2013, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

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

- (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 profit 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.
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 subsection (3C) of section 211 of the Companies Act, 1956;
  - 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.
  - 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 ABN & Co.**  
Chartered Accountants  
FRN : 004447C

**B.M. BHANDARI**  
Partner  
(M.No.071232)

Place: Indore  
Date : 27th May 2013

## **ANNEXURE TO THE AUDITORS' REPORT**

(Referred to in paragraph 1 of our report of even date on the accounts for the year ended 31st March 2013 of **D & H India Limited**

- I
  - a. The proper records showing full particulars including quantitative details and situation of the fixed assets are being maintained by the company.
  - b. All the fixed assets have been physically verified by the management during the year, which in our opinion is reasonable having regard to the size of the company and the nature of its assets. As per information and explanations given to us, no material discrepancies were noticed.
  - c. In our opinion and according to the information and explanations given to us, any substantial part of fixed assets has not been disposed off by the company during the year and the going concern status of the company is not affected.
- II
  - a. The inventory of the company has been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable.
  - b. In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventory followed by the management are reasonable & adequate, in relation to the size of the company & nature of its business.
  - c. On the basis of our examination of records of inventory, in our opinion, the company has maintained proper records of inventory and as explained to us, the discrepancies noticed on physical verification of inventory, as compared to book records were not material and have been properly dealt with in the books of account.
- III
  - a. The company has not granted any loan secured or unsecured to companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Hence clause (a) to (d) is not applicable to the company.
  - b. The company has taken unsecured loan from one party covered in the register maintained under section 301 and, the maximum amount involved during the year was Rs. 95,62,328/- and year-end balance of loan was Rs. 27,85,096/-.
  - c. The rate of interest and other terms and conditions of unsecured loans taken by the company, are prima-facie not prejudicial to the interest of the company.
  - d. The unsecured loan taken from parties has not been squared up during the year.
- IV
  - In our opinion and according to information & explanations given to us, there is adequate internal control system commensurate with the size of the company & nature of its business with regard to the purchase of inventory & fixed assets & for the sale of goods. Further on the basis of our examination of the books and records of the company, carried out in accordance with the generally accepted auditing practices in India, we have neither come across nor have been informed of any instances of major weaknesses in the internal control system.
- V
  - a. Based on audit procedures applied by us, to the best of our knowledge & belief and according to the information & explanations given to us. We are of the opinion that the particulars of contracts or arrangements referred to in section 301 of the Act have been entered in the register required to be maintained under that section.
  - b. In our opinion and according to information & explanations given to us, transactions made in pursuance of contracts or arrangement entered in the register maintained under section 301 of the Companies Act, 1956 have been made at prices which are reasonable having regard to prevailing market prices at the relevant time where such market prices are available.
- VI
  - In our opinion and according to the information & explanations given to us, the company has not accepted deposit from public, within the meaning of provisions of section 58A & 58AA of Companies Act, 1956 & Rules framed there under.
- VII
  - In our opinion, the company has an internal audit system commensurate with the size and nature of its business.
- VIII
  - We have broadly reviewed the books of accounts maintained by the company pursuant to the rules made by the Central Government for the maintenance of cost records under section 209(1) (d) of the Companies Act, 1956, and Companies (Cost accounting records Rule), 2011, and are of the opinion that prima-facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of records with a view to determine whether they are accurate or complete.
- IX
  - a. According to the records of the company examined by us and the information & explanations given to us, in our opinion the company is, generally regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Investors Education & Protection Fund, Employees State Insurance, Income Tax, Sales Tax, service tax Excise Duty, Wealth Tax, Custom Duty, cess and other statutory dues applicable to it. No undisputed amount payable as at 31.03.2013 for a period of more than 6 month from the date they became payable.
  - b. According to records of the company examined by us and the information & explanations given to us, there are following statutory dues which have not been deposited on account of dispute.

Nature of Statute	Nature of the dues	Period to which the amount relates	Amount in Rs.	Forum where the dispute is pending
CST	Regular assessment	2006-07	577794	D Comm. of Appeal
		2008-09	252851	Appeal Board
		2009-10	1192312	Add. Comm. App.
Entry Tax	Regular assessment	2004-05	111551	DC. Comm. App.
		2005-06	111968	DC. Comm. App.
		2006-07	258747	DC. Comm. App.
		2008-09	38272	Add Comm. App.
Entry Tax Penalty	Regular assessment	2004-05	844260	Asst Comm. App.
		2005-06	2515867	Asst Comm. App.
		2006-07	1404000	DC. Comm. App.
CST Penalty	Regular assessment	2005-06	229245	A C Appeal Revision
		2006-07	1452282	

- X The Company does not have accumulated losses at the end of the financial year and it has not incurred any cash losses in the current year and immediately preceding financial year.
- XI Based on our audit procedure & on the basis of information & explanations given by the management, we are of the opinion that the company has not defaulted in payment of dues to the financial institution or bank during the year. The company does not have any borrowing by way of debentures.
- XII The Company has not granted any loans & advances on the basis of security by way of pledge of shares, debentures and other securities.
- XIII In our opinion and according to the information & explanations given to us, the company is not a chit fund and nidhi / mutual benefit fund / society. Therefore, provisions of this clause is not applicable to the company.
- XIV Based on our examination of records and the information & explanations given to us, the company has maintained proper records of the transactions & contracts in respect of dealing & trading in shares, securities, debentures and other investments and timely entries have been made. All the investments have been held by the company in its own name.
- XV According to the information & explanations given to us, the company has not given any guarantee for loans taken by others from the banks and financial institutions during the year.
- XVI According to the records of the company, examined by us and the information & explanations given to us, the company has raised new term loan during the year. The term loan taken have been applied for the purposes for which they were raised.
- XVII According to the information & explanations given to us and on the basis of an overall examination of balance sheet of the company, in our opinion no funds raised by company on short term basis, have been used for long term investments.
- XVIII During the year company has not made any preferential allotment to parties and companies covered under register maintained under section 301 of the Companies Act, 1956.
- XIX As explained to us, during the period covered by our audit, the company has not issued any debentures.
- XX The company has not raised any money through public issue during the year.
- XXI According to the information & explanation given to us, no fraud on or by the company has been noticed or reported during the course of our audit.

**For ABN & Co.**  
Chartered Accountants  
FRN : 004447C

**B.M. BHANDARI**  
Partner  
(M.No.071232)

Place: Indore  
Date : 27th May 2013

**BALANCE SHEET**  
AS AT 31<sup>ST</sup> MARCH, 2013

Particulars	Note No.	As at 31.03.2013 Rupees	As at 31.03.2012 Rupees
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholders' Funds</b>			
(a) Share Capital	3	7,40,00,000	7,40,00,000
(b) Reserves and Surplus	4	19,12,76,153	16,96,75,538
(c) Money received against share warrants	3.5	-	-
<b>(2) Share application money pending allotment</b>		-	-
<b>(3) Non-Current Liabilities</b>			
(a) Long-term borrowings	5	1,92,00,121	68,32,116
(b) Deferred tax liabilities (Net)	6	1,40,81,395	1,24,64,229
<b>(4) Current Liabilities</b>			
(a) Short-term borrowings	7	-	95,62,531
(b) Trade payables	29	6,10,47,387	7,27,06,880
(c) Other current liabilities	8	5,57,93,280	2,62,93,580
(d) Short-term provisions	9	1,94,75,605	2,07,33,581
<b>Total</b>		<b>43,48,73,941</b>	<b>39,22,68,455</b>
<b>II. Assets</b>			
<b>(1) Non-current assets</b>			
(a) Fixed assets			
(i) Tangible assets	10.1	15,33,96,256	14,93,08,956
(ii) In Tangible assets Under Development	10.2	5,99,550	
(b) Non-current investments	11	1,96,99,699	1,45,62,199
(c) Other non-current assets	12	34,63,171	31,50,311
<b>(2) Current assets</b>			
(a) Inventories	13	7,56,29,333	9,13,00,230
(b) Trade receivables	14	12,93,98,638	11,33,33,792
(c) Cash and cash equivalents	15	2,85,02,174	78,77,302
(d) Short-term loans and advances	16	2,41,85,120	1,27,35,665
<b>Total</b>		<b>43,48,73,941</b>	<b>39,22,68,455</b>

The Notes 1-36 are an integral part of these financial statements.

As per our report of even date attached

For and on behalf of M/s ABN & CO.

Chartered Accountant

For and on behalf of the board

(B.M. Bhandari)

Partner

M.No. 071232

V.S.Bhate  
Technical Director

Harsh Vora  
Managing Director

Place: Indore  
Dated: 27th May, 2013

Rajesh Sen  
Company Secretary

Sushil Rawka  
Director

**STATEMENT OF PROFIT & LOSS**  
FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2013

Particulars		Note No.	As at 31.03.2013 Rupees	As at 31.03.2012 Rupees
I.	Revenue from operations(Gross)	17	<b>76,46,86,649</b>	71,96,94,292
	Less : Excise Duty		<b>8,36,81,897</b>	6,84,43,945
	Revenue from operations(Net)		<b>68,10,04,752</b>	65,12,50,347
II.	Other Income	21	<b>17,74,544</b>	82,49,680
III.	<b>Total Revenue (I + II)</b>		<b>68,27,79,296</b>	<b>65,95,00,027</b>
IV.	Expenses:			
	Cost of materials consumed	18	<b>43,97,49,522</b>	46,56,27,732
	Purchase of Stock-in-Trade		<b>1,28,07,302</b>	34,02,504
	Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	19	<b>(25,14,367)</b>	(74,64,694)
	Employee benefit expense	22	<b>6,82,89,265</b>	5,94,96,191
	Financial costs	20	<b>60,07,626</b>	24,58,433
	Depreciation and amortization expense		<b>90,82,512</b>	87,46,521
	Other expenses	23	<b>11,00,76,781</b>	9,15,64,393
	<b>Total Expenses</b>		<b>64,34,98,640</b>	<b>62,38,31,080</b>
V.	Profit before exceptional and extraordinary items and tax (III - IV)		<b>3,92,80,656</b>	3,56,68,947
VI.	Prior Period Adjustments		<b>5,62,642</b>	1,61,715
VII.	Profit before extraordinary items and tax (V - VI)		<b>3,87,18,014</b>	3,55,07,232
VIII.	<b>Profit before tax</b>		<b>3,87,18,014</b>	<b>3,55,07,232</b>
IX.	Tax expense:			
	(1) Current tax		<b>1,12,00,000</b>	94,00,000
	(2) Deferred tax		<b>16,17,166</b>	21,85,924
X.	Profit/(Loss) from the period from continuing operations (VIII-IX)		<b>2,59,00,848</b>	2,39,21,308
XI.	<b>Profit/(Loss) for the period</b>		<b>2,59,00,848</b>	<b>2,39,21,308</b>
XII.	Earning per equity share:	24		
	(1) Basic		<b>3.50</b>	3.34
	(2) Diluted		<b>3.50</b>	3.23

The Notes 1-36 are an integral part of these financial statements.

As per our report of even date attached

For and on behalf of M/s ABN & CO.

Chartered Accountant

For and on behalf of the board

(B.M. Bhandari)

Partner  
M.No. 071232

V.S.Bhate  
Technical Director

Harsh Vora  
Managing Director

Place: Indore  
Dated: 27th May, 2013

Rajesh Sen  
Company Secretary

Sushil Rawka  
Director

## CASH FLOW STATEMENT

31.03.2013      31.03.2012

A.	Cash flow from Operating Activities		
	Net profit before tax & Extraordinary items	3,92,80,656	3,56,68,947
	Adjustment for : Depreciation	90,82,512	87,46,521
	Deferred Revenue Expenditure	-	-
	Preliminary Expenditure	-	-
	Loss/(Profit) on sale of fixed assets	44,822	30,029
	Other Income	(11,63,500)	(2,43,486)
	Interest Paid / Bank Charges	60,07,626	24,58,433
	Operating Profit before working Capital Changes Adjustment for:	5,32,52,116	4,66,60,444
	Trade & other receivable	(1,60,64,846)	(1,71,32,133)
	Inventories	1,56,70,897	(14,37,179)
	Trade Payables & Other Provisions	1,65,82,231	(1,02,53,347)
	Cash generated from Operations	6,94,40,398	1,78,37,785
	Direct Tax paid	(94,00,000)	(46,02,000)
	Cash flow before extraordinary items	6,00,40,398	1,32,35,785
	Extraordinary items	(5,62,642)	13,38,285
	Net Cash from Operating Activities	5,94,77,756	1,45,74,070
<b>B.</b>	<b>Cash Flow from Investing Activities</b>		
	Purchase of fixed assets	(1,50,66,932)	(2,52,96,746)
	Loans & Advances	(1,35,62,315)	(4,50,997)
	Sale of fixed Assets	12,95,386	2,15,645
	Interest received / Misc Receipts	10,97,791	2,32,154
	Purchase/ Sale of Non Current Investments	(51,37,500)	(1,33,197)
	Dividend Income	23,071	11,332
	Net cash used in Investing Activities	(3,13,50,499)	(2,54,21,809)
<b>C.</b>	<b>Cash Flow from Financing Activities</b>		
	Proceeds from issue of Share Capital	-	75,90,000
	Proceeds from long term & Short term borrowings	28,05,474	42,00,058
	Interest Paid	(60,07,626)	(24,58,433)
	Dividend Paid (Including Dividend Distribution Tax)	(43,00,233)	(40,46,324)
	Net cash used in Financing Activities	(75,02,385)	52,85,301
	Net increase in Cash and Cash equivalent (A + B + C)	2,06,24,872	(55,62,438)
	Cash & Cash Equivalents As at 01.04.2012	78,77,302	1,34,39,740
	Cash & Cash Equivalents As at 31.03.2013	2,85,02,174	78,77,302

For and on behalf of M/s ABN & CO.  
Chartered Accountant

(B.M. Bhandari)  
Partner  
M.No. 071232  
Place: Indore  
Dated: 27th May, 2013

For and on behalf of the board

V.S.Bhate  
Technical Director

Harsh Vora  
Managing Director

Rajesh sen  
Company Secretary

Sushil Rawka  
Director

## NOTES TO THE FINANCIAL STATEMENTS :-

### 1) General information

**D & H India Limited** is engaged in Manufacturing business primarily dealing in Welding Consumables, CO2 Wire, M Core Wire, Flux Powder, Flux cored Wire & other similar activities. The company has manufacturing plants in India and sells primarily in India. The Company is a public limited company domiciled in India and incorporated under the provisions of the Companies Act, 1956. Its shares are listed on the Bombay Stock Exchange (BSE).

### 2) Summary of Significant Accounting Policies :-

#### 2.1) Basis of Preparation

These financial statements have been prepared in accordance with the generally accepted Accounting principles in India under the historical cost convention on accrual basis. These financial statements have been prepared to comply in all material aspects with the accounting standards notified under Section 211(3C) [Companies (Accounting Standards) Rules, 2006, as amended] and the other relevant provisions of the Companies Act, 1956.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Revised Schedule VI to the Companies Act, 1956. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current – non current classification of assets and liabilities.

#### 2.2) Tangible Assets

All fixed assets are stated at historical cost, net of CENVAT if availed, less accumulated depreciation. Historical cost comprise the purchase price and all direct costs attributable to bring the assets to its working condition for intended use.

#### 2.3) Depreciation

Depreciation on all fixed assets is provided on the straight line method at the rate specified in schedule XIV of the Companies Act, 1956. Depreciation is not been charged on fixed assets sold during the year.

#### 2.4) Borrowing Cost:

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are recognized in Statement of Profit and Loss in the period in which they are incurred.

#### 2.5) Inventories

Inventories of Raw Material, Stores & Spares, Work-in-Progress, Finished Goods and Trading stocks are valued at lower of cost and net realizable value. The cost of work in progress & finished goods is determined on absorption cost basis. Raw material, Stores & Spares and trading stocks is valued on FIFO method.

#### 2.6) Investment

Investments that are readily realisable and are intended to be held for not more than one year from the date, on which such investments are made, are classified as current investments. All other investments are classified as long term investments. Current investments are carried at cost or fair value, whichever is lower. Long-term investments are carried at cost. However, provision for diminution is made to recognize a decline, other than temporary, in the value of the investments, such reduction being determined and made for each investment individually

#### 2.7) Impairment of Tangible Assets

An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value. An impairment loss is charged to the Profit & Loss account in the year in which an assets is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

#### 2.8) Revenue Recognition

Revenue on sale of goods is recognized on passes of title to the customers, Sales (gross) are inclusive of vat/Central sales tax, excise duty, and adjustment for rate difference.



## **2.9) Provision, Contingent Liabilities And Contingent Assets**

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events & it is probable that there will be an outflow of resources. Contingent liabilities are not recognized but are disclosed in the notes to the accounts. Contingent assets are neither recognized nor disclosed in the financial statements.

## **2.10) Cash Flow Statement**

Cash flow are reported using indirect method. The cash flow from regular revenue generating, financing and investing activities of the company are segregated.

## **2.11) Employees Benefits**

Short term employee benefits have been charged to Profit & Loss Account on accrual basis. Post employment benefits such as Gratuity liability is funded as per group gratuity scheme of Life Insurance of Corporation of India.

## **2.12) Taxation**

Taxation comprise current Income tax, deferred tax , wealth tax .Current Income Tax provision has been determined on the basis of relief, deductions available under the Income Tax Act. Deferred Tax is recognized for all timing differences subject to the consideration of prudence, applying the tax rates that have been substantially enacted by the Balance Sheet date. Wealth Tax is calculated on the basis of carrying value of wealth liable to tax after deducting basic exemption available.

## **2.13) Foreign Currency Transactions**

- (i) Transactions denominated in foreign currencies are normally recorded at the exchange rate prevailing at the time of the transaction.
- (ii) Monetary items denominated in foreign currencies, if any , at the end of the year are restated at year end rates.
- (iii) Non monetary foreign currency items are carried at cost.
- (iv) Any income or expense on account of exchange difference either on settlement or on translation is recognized in the Profit and Loss Account, except in cases where they relate to acquisition of fixed assets, in which case, they are adjusted to the carrying cost of such assets.

## **2.14) Other Income**

Interest : Interest income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

Dividend : Dividend income is recognized when the right to receive dividend is established.

## **2.15) Earnings Per Share**

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Earnings considered in ascertaining the Company's earnings per share is the net profit for the period after deducting preference dividends and any attributable tax thereto for the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares, that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

## **2.16) Government Grants and subsidies**

Grants & Subsidies from the government are recognized when there is reasonable assurance that (i) the company will comply with the conditions attached to them, and (ii) the grant/subsidy will be received.

When the grant or subsidy relates to revenue, it is recognized as income on a systematic basis in the statement of profit and loss over the periods necessary to match them with the related cost.

## NOTES TO THE FINANCIAL STATEMENT

Note No.	As at 31.03.2013 Rupees	As at 31.03.2012 Rupees
<b>3 Share Capital</b>		
<b>Equity Share Capital :</b>		
Authorised Share capital 10000000 Equity Shares of Rs.10/- Each	10,00,00,000	10,00,00,000
Issued, subscribed & fully paid share capital 7400000 Equity Shares of Rs.10/- each (Fully Paid up)	7,40,00,000	7,40,00,000
<b>Total</b>	<u>7,40,00,000</u>	<u>7,40,00,000</u>
<b>3.1 Reconciliation of Number of Shares</b>		
<b>Equity Shares :</b>	<b>No. of Shares</b>	<b>No. of Shares</b>
Balance as at the beginning of the year	74,00,000	69,40,000
Add : Warrants Converted During the period	-	4,60,000
Balance As at the end of the year	<u>74,00,000</u>	<u>74,00,000</u>
<b>3.2 Terms/Rights attached to equity Shares</b>		
Equity Shares: The company has one class of equity shares having par value of Rs.10 per share. Each share holder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.		
<b>3.3 Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company</b>		
<b>Equity Shares :</b>	<b>No. of Shares</b>	<b>No. of Shares</b>
1. Arihant Financial Services Ltd.	NIL	7,86,335 (10.63%)
	NIL	
2. Good Creation Investment & Finance Ltd.	8,06,000 (10.89%)	8,06,000 (10.89%)
3. Harsh Vora (HUF)	6,73,600 (9.1%)	6,73,600 (9.1%)
4. Suchita Kakrecha	5,37,085 (7.26%)	5,37,085 (7.26%)
<b>3.4</b> Nil Equity Shares were issued in the last 5 years under the Employee Stock Options Plan as consideration for services rendered by employees.		
<b>3.5</b> The Company has converted 4,60,000 Convertible Warrants of Rs.22.00 (Rupees Twenty Two Only), into equal number of fully paid Equity Shares of Rs.10.00 (Rupees Ten only ) at a premium of Rs.12.00 ( Rupees Twelve only) on 4th October,2011.		

Note No.	As at 31.03.2013 Rupees	As at 31.03.2012 Rupees
<b>4 Reserves and Surplus</b>		
<b>Capital Reserves</b>	<u>1,58,00,000</u>	<u>1,58,00,000</u>
Balance as at the beginning of the year	1,58,00,000	-
Add : capital Subsidy	-	15,00,000
Add : Convertible warrants forfeited	-	1,43,00,000
Balance as at the end of the year	<u>1,58,00,000</u>	<u>1,58,00,000</u>
<b>Securities Premium Reserve</b>	<u>2,14,84,800</u>	<u>2,14,84,800</u>
Balance as at the beginning of the year	2,14,84,800	1,59,64,800
Add : Premium on Warrant converted in shares	-	55,20,000
Balance as at the end of the year	<u>2,14,84,800</u>	<u>2,14,84,800</u>
<b>General Reserve</b>	<u>6,00,00,000</u>	<u>5,00,00,000</u>
Balance as at the beginning of the year	5,00,00,000	4,50,00,000
Add : Amount Transferred from Surplus Balance in Statement of profit & Loss	1,00,00,000	50,00,000
Balance as at the end of the year	<u>6,00,00,000</u>	<u>5,00,00,000</u>
<b>Surplus in the statement of Profit and loss</b>	<u>9,39,91,353</u>	<u>8,23,90,738</u>
Balance as per last financial statements	8,23,90,738	6,77,69,663
Profit for the Year	2,59,00,848	2,39,21,308
<b>Less : Appropriations</b>		
Proposed dividend on Equity shares for the year	37,00,000	37,00,000
Dividend distribution Tax on proposed dividend on Equity shares	6,00,233	6,00,233
Transfer to General Reserve	1,00,00,000	50,00,000
Balance as at the end of the year	<u>9,39,91,353</u>	<u>8,23,90,738</u>
<b>Total</b>	<u>19,12,76,153</u>	<u>16,96,75,538</u>
4.1	Capital Reserves Includes Capital subsidy received from DIC as per terms & agreement for the period from 17.03.2011 to 16.03.2016.	
4.2	During the previous year company forfeited 26,00,000 convertible warrant as per the terms & condition of agreement & Board resolution. forfeited warrants issued at 5.5/-per warrant application money and balance amount not paid by the warrant holders so the amount forfeited & transferred to the capital reserve account.	
<b>5 Long-term borrowings</b>		
<b>Secured</b>		
Term Loans from Banks :		
a) HDFC Bank Ltd. (Term Loan)	-	55,83,935
b) HDFC Bank Ltd. (Car Loan)	1,99,444	6,78,109
c) S.B. of India (Car Loan)	1,11,786	5,70,072
d) HDFC Bank Ltd. (WCTL)	1,88,88,891	-
<b>Total</b>	<u>1,92,00,121</u>	<u>68,32,116</u>
<b>5.1 Nature of Security and terms of repayment for secured borrowings</b>		
<b>Nature of Security</b>	<b>Terms of Repayment</b>	
a) Term Loan FromHDFC Bank amounting Rs. 200/- Lakh is secured by way of Hypothecation by First and exclusive charges of Plant & Machinery & Copllateral security by way of first mortgage of industrial property situated at village: Sejwaya, Gram Ghatabillod, District Dhar & Personal Guarantee of Mr. Harsh Vora & Mr. Madhusudan Jain.	Repayable in 38 Month installment of Rs. 650049/-@12.70% starting from 07/12/2010	
b) Two Vehicle Loans from HDFC Bank amounting to Rs. 16.25 Lakh is secured against respective Vehicles. & Personal Guarantee of Mr. Harsh Vora.	Repayable in 24 Month & 36 Month installment of Rs. 34126/-@12% & 29570/- 11.25% startng from	

Note No.	As at 31.03.2013 Rupees	As at 31.03.2012 Rupees
		20/09/11 & 08.11.11 respectively
c) Two Vehicle Loan from State Bank of India amounting Rs. 10 Lakh is secured against respective Vehicles. & Personal Guarantee of Mr. Harsh Vora & Mr. Madhusudan Jain.		Repayable in 36 Month installment of Rs. 33000/-@11.25% starting from 04/11/2011
d) Term Loan From HDFC Bank amounting Rs. 400/- Lakh is secured by way of Hypothecation by First and exclusive charges of Plant & Machinery & Copllateral security by way of first mortgage of industrial property situated at village: Sejwaya, Gram Ghatabillod, District Dhar & Personal Guarantee of Mr. Harsh Vora & Mr. Madhusudan Jain.		Repayable in 36 Month installment of Rs. 11,11,111/- @ BR + 2.55% starting from 03/08/2012
<b>6 Deferred Tax Liability (Net)</b>		
Deferred Tax Liability on timing difference on account of difference between written down value of fixed assets under the companies Act, 1956 and the Income Tax Act, 1961.	<b>1,55,45,896</b>	1,36,38,536
Deferred Tax Assets on Other timing Differences U/s 43B of I.T. Act, 1961	<b>14,64,501</b>	11,74,307
<b>Total</b>	<b><u>1,40,81,395</u></b>	<b><u>1,24,64,229</u></b>
6.1 Deferred Tax Assets and Deferred Tax Liabilities have been offset as they relate to the same governing taxation laws.		
<b>7 Short-terms borrowing from Banks</b>		
<b>Secured</b>		
Loans repayable on demand from HDFC Banks(CC A/c)	—	<b><u>95,62,531</u></b>
<b>Total</b>	—	<b><u>95,62,531</u></b>
7.1 Working capital limit are secured by hypothecation of present and future stock of raw materials, stock-in-process, finished goods, stores and spares (not relating to plant and machinery), book debts. & Personal Guarantee of Mr. Harsh Vora & Mr. Madhusudan Jain.		
7.2 As on 31.03.2013 CC Account having Debit balance and the same being shown under Cash & Cash Equivalent.		
<b>8 Other current liabilities</b>		
Current maturities of long term debt	<b>1,97,44,356</b>	75,68,484
Deposit from Dealers	<b>36,49,837</b>	31,33,837
Sundry Staff Payable	<b>44,99,534</b>	8,51,118
Interest Accrued but not due on borrowings	<b>3,30,203</b>	1,09,608
Cheque In Transit	<b>1,93,22,982</b>	61,57,983
Other payables*	<b>82,46,368</b>	84,72,550
<b>Total</b>	<b><u>5,57,93,280</u></b>	<b><u>2,62,93,580</u></b>
8.1 Other Payables Includes Statutory Liabilities ,Advance received from customers.		
<b>9 Short-term provisions</b>		
Provision for employee benefits	<b>19,91,376</b>	15,97,323
Provision for Income Tax (Net of Advance Tax)	<b>22,00,000</b>	36,00,000
Proposed Dividend	<b>37,00,000</b>	37,00,000
Tax on Dividend	<b>6,00,233</b>	6,00,233
Provision for Wealth Tax	<b>17,861</b>	45,811
Others*	<b>1,09,66,135</b>	1,11,90,214
<b>Total</b>	<b><u>1,94,75,605</u></b>	<b><u>2,07,33,581</u></b>
9.1 Other Short term provisions includes the diff. of excise duty on opening & closing stock of finished goods.(also refer note no.30)		



Note No.	As at 31.03.2013 Rupees	As at 31.03.2012 Rupees	Note No.	As at 31.03.2013 Rupees	As at 31.03.2012 Rupees
<b>14 Trade receivables</b>			<b>19 Changes In Inventories Of Finished Goods, Stock-In-Process And Stock-In-Trade</b>		
<b>Unsecured &amp; considered good :</b>			<b>Inventories at Close</b>		
Exceeding Six month	2,21,93,889	1,60,86,074	Finished Goods	2,97,82,179	3,14,67,658
Others	10,72,04,749	9,72,47,718	Semi Finished Goods	1,01,97,256	99,58,944
<b>Total</b>	<b>12,93,98,638</b>	<b>11,33,33,792</b>	Stock In Trade	75,27,808	35,66,274
<b>15 Cash and cash equivalents</b>			<b>Total</b>	<b>4,75,07,243</b>	<b>4,49,92,876</b>
Balances with banks in india	87,09,272	34,78,919	<b>Inventories at Commencement</b>		
Cheques on Hand	-	17,89,276	Finished Goods	3,14,67,658	2,84,65,406
Cash on hand	2,20,876	1,70,723	Semi Finished Goods	99,58,944	79,85,159
FDR with Banks	1,95,72,026	24,38,384	Stock In Trade	35,66,274	10,77,617
<b>Total</b>	<b>2,85,02,174</b>	<b>78,77,302</b>	<b>Total</b>	<b>4,49,92,876</b>	<b>3,75,28,182</b>
15.1 Fixed deposits with banks include deposits of Rs. 18206000/- (Previous Year Rs. 831000/-) with maturity of more than 12 months.			Increase In Inventories	(25,14,367)	(74,64,694)
<b>16 Short term loans and advances</b>			<b>20 Finance Costs</b>		
<b>Unsecured Considered good</b>			Interest expenses	57,28,190	20,76,502
Loans & Advances to related parties	22,95,356	2,10,572	Other borrowing costs	2,79,436	3,81,931
Other Loans and advances*	1,59,83,112	67,21,630	<b>Total</b>	<b>60,07,626</b>	<b>24,58,433</b>
Balance with Custom, Excise, VAT & Income Tax Authorities	49,77,855	55,22,787	20.1 Interest expenses is net of Interest Subsidy received from DIC Dhar for Ghatabilod Unit amounting to Rs. C.Y. 460527/- P.Y. 984308/-		
Prepaid Expenses	9,28,797	2,80,676	<b>21 Other Income</b>		
<b>Total</b>	<b>2,41,85,120</b>	<b>1,27,35,665</b>	Interest income (Other)	10,97,791	2,32,154
16.1 *Other Loans and advances includes Advance to Vendors / Service Providers.			Dividend income		
<b>17 Revenue from Operations</b>			(Non Current Investment)	23,071	11,332
Revenue from -			Profit on sale of Assets	42,638	-
Sale of products	76,43,99,025	71,94,05,868	Exchange Diff. in Foreign		
Other operating revenues	2,87,624	2,88,424	Currency Transaction	6,03,659	2,06,194
Less: Excise Duty	8,36,81,897	6,84,43,945	Other non-operating income	7,385	78,00,000
<b>Total</b>	<b>68,10,04,752</b>	<b>65,12,50,347</b>	<b>Total</b>	<b>17,74,544</b>	<b>82,49,680</b>
<b>17.1 Particulars of Sale of Products</b>			<b>22 Employee Benefits Expense</b>		
Electrodes , Flux, Wire etc.	75,31,71,693	71,85,46,437	Salaries and wages	4,08,16,211	3,95,64,095
Wires (Trading)	1,11,89,332	5,25,323	Contribution to provident and other funds	37,36,733	34,10,964
Welding Equipments (Trading)	38,000	3,34,108	Allowances	2,25,35,910	1,50,09,844
<b>Total</b>	<b>76,43,99,025</b>	<b>71,94,05,868</b>	Staff welfare expenses	12,00,411	15,11,288
<b>18 Cost of Material Consumed</b>			<b>Total</b>	<b>6,82,89,265</b>	<b>5,94,96,191</b>
Imported	2,60,18,450	29,36,425	22.1 As per Accounting Standard 15 "Employee benefits", the disclosures as defined in the Accounting Standard are given below :		
% of Consumption	5.92	0.63	a) <b>Short Term Employee Benefits</b>		
Indigenous	41,37,31,072	46,26,91,307	All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages, and short term compensated absences, etc. are recognized in the period in which the employee renders the related services.		
% of Consumption	94.08	99.37			
<b>18.1 Particulars of Material consumed</b>					
Wire, Chemicals, Packing Material	43,97,49,522	46,56,27,732			

Note No.	As at 31.03.2013 Rupees	As at 31.03.2012 Rupees	Note No.	As at 31.03.2013 Rupees	As at 31.03.2012 Rupees
<b>b) Long Term Benefits</b>			Loss on Sale of Forward Contract <b>3,56,024</b> -		
<b>Defined Contribution Plans :</b>			Loss on Sale of Investment - 9,29,941		
The Employee State Insurance Scheme and Contributory Provident Fund administered by Provident Fund Commissioner are defined contribution plans. The Company's contribution paid/payable under the schemes is recognized as expense in the profit and loss account during the period in which the employee renders the related service.			<b>Selling &amp; Distribution Expense :</b>		
Employers Contribution to			Duties & Taxes <b>2,27,25,412</b> 2,01,28,770		
Provident fund & ESI <b>37,36,733</b> 34,10,964			Freight & Cartage Outward <b>1,10,38,846</b> 1,14,02,721		
<b>Defined Benefit plans :</b>			Advertisement & Publicity <b>3,32,329</b> 82,360		
a.	The employees' gratuity fund scheme managed by Life Insurance Corporation of India for the Company is a defined benefit plan. During the year company paid amount Rs. 223300/- for future gratuity benefits of the employees of company.		Sales Promotion etc. <b>50,03,164</b> 24,07,980		
b.	Benefit related to the Leave Encashment company made provision amounting Rs.919120/- as per the policy of the company.		Commission & Discount <b>2,09,66,727</b> 1,35,94,041		
<b>23. Other Expenses</b>			Bad Debts Written off <b>19,71,728</b> 1,64,709		
<b>Manufacturing Expenses :</b>			<b>Total</b> <u><b>11,00,76,781</b></u> <u><b>9,15,64,393</b></u>		
Consumption of stores and spare parts & Others(Indigenous) <b>13,56,993</b> 5,57,114			23.1 The Excise duty related to the difference between the closing stock and opening stock Rs.(3,37,272)/-(Previous Year Rs. 8,86,143/-) has been shown in other manufacturing expenses and excise duty related to sales amounting to Rs.8,36,81,897/- .(Pr.Yr. Rs.6,84,43,945/-) has been reduced from gross sales.		
Power and fuel <b>1,81,38,807</b> 1,79,58,380			<b>23.2 Payment to Auditors</b>		
Repairs to buildings <b>10,26,172</b> 9,25,507			i Audit Fees <b>33,090</b> 33,090		
Repairs to machinery <b>60,23,971</b> 49,60,289			ii Tax Audit Fees <b>11,030</b> 11,030		
Repairs to others <b>7,64,507</b> 6,77,204			iii Other Services <b>11,030</b> 11,030		
Laboratory Expenses <b>5,57,951</b> 6,16,411			iv Certificate fees <b>5,000</b> 12,960		
Packing & Other Expenses <b>9,004</b> 4,580			<u><b>60,150</b></u> <u><b>68,110</b></u>		
Difference In Excise Duty on Opening / Closing Stock <b>(3,37,272)</b> 8,86,143			<b>24 Earning Per Share</b>		
<b>Administrative Expenses :</b>			i Net Profit after tax as per Statement of Profit and Loss attributable to Equity Shareholders <b>2,59,00,848</b> 2,39,21,308		
Rates and Taxes, excluding taxes on income <b>1,28,845</b> 1,18,339			ii Weighted Average number of equity shares used as denominator for calculating EPS(Issued C.Y. 7400000, P.Y. 6940000) <b>74,00,000</b> 71,66,230		
Rent <b>10,44,766</b> 6,43,585			iii Basic earning per share <b>3.50</b> 3.34		
Printing & Stationery <b>8,96,294</b> 6,98,813			iv Diluted earning per share <b>3.50</b> 3.23		
Postage & Telegram <b>3,64,570</b> 2,85,386			v Face Value per equity share <b>10</b> 10		
Telephone Charges <b>13,04,332</b> 12,08,905			<b>25 Related Party Disclosures</b>		
Travelling Exp. (Directors) <b>13,73,592</b> 7,20,895			In accordance with accounting standard 18 " Related Party Disclosure" issued by the Institute of Chartered Accountant of India, the Company has compiled the required information is as under :-		
Travelling Exp. Staff & others <b>40,76,161</b> 43,92,435			<b>Associates</b>		
Vehicle Expenses <b>34,49,274</b> 31,01,273			Vora Wires Industries (India) Limited		
Payment To Auditors <b>61,180</b> 68,110			International Steel		
Legal & Professional Charges <b>23,42,491</b> 15,27,589			Good Creation Investment & finance limited		
Membership & Testing Fees <b>21,22,098</b> 11,67,300			V & H Fabricators Pvt. Ltd.		
Insurance Expenses <b>6,85,920</b> 6,71,182			Commonwealth Mining Pvt. Ltd.		
Office General & Misc. Exp. <b>19,71,123</b> 15,48,052			V & H Infra Pvt. Ltd.		
Loss on sale of assets <b>44,822</b> 30,029			Smt. Suchita Kakrecha		
Director's Sitting Fees <b>45,000</b> 85,000					
Donation <b>2,31,950</b> 1,350					



Note No.	As at 31.03.2013 Rupees	As at 31.03.2012 Rupees	Note No.	As at 31.03.2013 Rupees	As at 31.03.2012 Rupees
<b>Key Managerial Persons</b>					
Shri Harsh Vora (Managing Director)			29 In the absence of information from suppliers of their status being small scale/ ancillary undertakings amount overdue and interest payable there on cannot be quantified.		
Shri V. S. Bhate (Director-Technical)			30 Amortization of lease hold land is not being done as the same is on perpetual lease.		
Shri Madhusudan Jain (Whole Time Director)					
<b>Transactions with related Parties</b>			<b>31 Segment Reporting</b>		
Nature of Transactions	Associates/Key Management Persons	Associates/Key Management Persons	<b>a) Business Segment :</b>		
Sale of Goods	36,018	2,68,779	The Company is mainly engaged in the business of welding consumables. All other activities of the Company revolve around the main business and as such there is no separate reportable business segment.		
Sale of Assets	----	----	<b>b) Geographical Segment:</b>		
Purchase of Capital Goods	10,17,000	26,53,805	Since all the operations of the Company are conducted within India as such there is no separate reportable geographical segment.		
Purchase of Raw Material	1,13,189	----	<b>32 Contingent Liabilities &amp; Commitments</b>		
Receiving of Services	60,000	25,818	i Guarantees given on behalf of the company		
Unsecured Loan Taken	1,19,00,000	1,42,50,000	ii CST Demand (in appeal)		
Repayment of Unsecured Loan	1,00,02,219	1,43,00,000	iii Entry Tax Demand (in appeal)		
Interest Paid	9,16,652	2,31,731	<b>Total</b>		
Managerial Remuneration	1,31,24,003	97,51,591	33 <b>Value of Imports on(CIF Basis)</b>		
Sale of Keyman insurance Policy	----	78,00,000	Raw Material		
Outstanding Balances			Capital Goods		
As on 31.03.2013			Trading Goods		
Trade Receivables	13572	1234118	<b>Total</b>		
Trade & Other Paybles	2375208	1934093	34 Expenditure in foreign exchange		
26 Pursuant to accounting standard 28 " Impairment of Assets" issued by the Institute of Chartered Accountants of India, the company has reviewed its carrying cost of assets with value in use (determined based on future earnings ) and Net realizable value on an approximate basis. Based on such review, the management is of the view that in the current financial year, Provision for impairment of assets is not considered necessary.			35 Earning in foreign exchange Value of Export		
27 Various items included under the head Current Assets, Loan & Advances, as well as Current Liabilities are subject to confirmation / reconciliation.			36 These financial statements have been prepared in the format prescribed by the revised Schedule VI to the companies Act 1956. Previous period figures have been recasted/ restated to confirm to the current period. Figures have been rounded off to the nearest Rupee.		
28 In the opinion of the Management, the value on realization of loans and advances, and other current assets will be at least equal to the amounts stated in the books of accounts, if realized in the ordinary course of the business.					
<b>As per our report of even date attached</b>			<b>For and on behalf of the board</b>		
<b>For and on behalf of M/s ABN &amp; CO.</b>			<b>V.S.Bhate</b>		
<b>Chartered Accountant</b>			Technical Director		
<b>(B.M. Bhandari)</b>			<b>Harsh Vora</b>		
Partner			Managing Director		
M.No. 071232					
Place: Indore			<b>Rajesh sen</b>		
Dated: 27th May, 2013			Company Secretary		
			<b>Sushil Rawka</b>		
			Director		



## **INDEPENDENT AUDITOR'S REPORT**

**TO THE BOARD OF DIRECTORS,  
D & H INDIA LIMITED,**

We have audited the accompanying consolidated financial statements of D & H India Limited ("the Company") and its subsidiaries, which comprise the consolidated Balance Sheet as at March 31, 2013, and the consolidated Statement of Profit and Loss and the consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

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

Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Company in accordance with accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated 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 consolidated 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 consolidated financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated 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 presentation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the consolidated 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 consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the consolidated Balance Sheet, of the state of affairs of the Company as at March 31, 2013;
- (b) in the case of the consolidated Statement of Profit and Loss, of the Profit for the year ended on that date; and
- (c) in the case of the consolidated Cash Flow Statement, of the cash flows for the year ended on that date.

For **ABN & Co.**  
Chartered Accountants  
FRN : 004447C

**B.M. BHANDARI**  
Partner  
(M.No.071232)

Place: Indore  
Date : 27th May, 2013

## CONSOLIDATED BALANCE SHEET

AS AT 31<sup>ST</sup> MARCH, 2013

Particulars	Note No.	As at 31.03.2013 Rupees	As at 31.03.2012 Rupees
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholders' Funds</b>			
(a) Share Capital	3	7,40,00,000	7,40,00,000
(b) Reserves and Surplus	4	19,92,61,669	16,96,75,538
(c) Money received against share warrants	3.5	-	-
<b>(2) Share application money pending allotment</b>			
<b>(3) Non-Current Liabilities</b>			
(a) Long-term borrowings	5	2,22,58,026	68,32,116
(b) Deferred tax liabilities (Net)	6	1,44,01,564	1,24,64,229
<b>(4) Current Liabilities</b>			
(a) Short-term borrowings	7	-	95,62,531
(b) Trade payables	29	6,20,31,559	7,27,06,880
(c) Other current liabilities	8	5,61,96,147	2,62,93,580
(d) Short-term provisions	9	1,96,03,636	2,07,33,581
Total		<u>44,77,52,601</u>	<u>39,22,68,455</u>
<b>II. Assets</b>			
<b>(1) Non-current assets</b>			
(a) Fixed assets			
(i) Tangible assets	10.1	15,79,77,515	14,93,08,956
(ii) In Tangible assets Under Development	10.2	5,99,550	-
(iii) Goodwill on consolidation		68,24,506	
(b) Non-current investments	11	24,62,199	1,45,62,199
(c) Long Term Loans And Advances	12	20,46,467	-
(d) Other non-current assets	13	34,63,171	31,50,311
<b>(2) Current assets</b>			
(a) Inventories	14	8,53,84,743	9,13,00,230
(b) Trade receivables	15	13,36,73,044	11,33,33,792
(c) Cash and cash equivalents	16	3,11,00,141	78,77,302
(d) Short-term loans and advances	17	2,42,21,265	1,27,35,665
Total		<u>44,77,52,601</u>	<u>39,22,68,455</u>

The Notes 1-36 are an integral part of these financial statements.

As per our report of even date attached

For and on behalf of M/s ABN & CO.

Chartered Accountant

(B.M. Bhandari)

Partner

M.No. 071232

Place: Indore

Dated: 27th May, 2013

V.S.Bhate  
Technical Director

Rajesh Sen  
Company Secretary

For and on behalf of the board

Harsh Vora  
Managing Director

Sushil Rawka  
Director

**CONSOLIDATED STATEMENT OF PROFIT & LOSS**  
FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2013

Particulars	Note No.	As at 31.03.2013 Rupees	As at 31.03.2012 Rupees
I. Revenue from operations(Gross)	18	77,27,65,957	71,96,94,292
Less : Excise Duty		<u>8,36,81,897</u>	<u>6,84,43,945</u>
Revenue from operations(Net)		<u>68,90,84,060</u>	<u>65,12,50,347</u>
II. Other Income	19	<u>23,02,912</u>	<u>82,49,680</u>
III. <b>Total Revenue (I + II)</b>		<u><b>69,13,86,972</b></u>	<u><b>65,95,00,027</b></u>
IV. Expenses:			
Cost of materials consumed	20	44,67,88,826	46,56,27,732
Purchase of Stock-in-Trade		<u>1,28,07,302</u>	<u>34,02,504</u>
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	21	<u>(39,99,667)</u>	<u>(74,64,694)</u>
Employee benefit expense	23	<u>6,97,11,936</u>	<u>5,94,96,191</u>
Financial costs	22	<u>61,23,481</u>	<u>24,58,433</u>
Depreciation and amortization expense	10	<u>99,13,555</u>	<u>87,46,521</u>
Other expenses	24	<u>11,07,09,161</u>	<u>9,15,64,393</u>
<b>Total Expenses</b>		<u><b>65,20,54,594</b></u>	<u><b>62,38,31,080</b></u>
V. Profit before exceptional and extraordinary items and tax (III - IV)		<u>3,93,32,379</u>	<u>3,56,68,947</u>
VI. Prior Period Adjustments		<u>5,62,642</u>	<u>1,61,715</u>
VII. Profit before extraordinary items and tax (V - VI)		<u>3,87,69,737</u>	<u>3,55,07,232</u>
VIII. Extraordinary Items		<u>0</u>	<u>0</u>
VIII. <b>Profit before tax</b>		<u><b>3,87,69,737</b></u>	<u><b>3,55,07,232</b></u>
IX. Tax expense:			
(1) Current tax		<u>1,12,65,000</u>	<u>94,00,000</u>
(2) Deferred tax		<u>15,68,373</u>	<u>21,85,924</u>
X. Profit/(Loss) from the period from continuing operations (VIII-IX)		<u>2,59,36,364</u>	<u>2,39,21,308</u>
XI. <b>Profit/(Loss) for the period</b>		<u><b>2,59,36,364</b></u>	<u><b>2,39,21,308</b></u>
XII. Earning per equity share:	25		
(1) Basic		<u>3.50</u>	<u>3.34</u>
(2) Diluted		<u>3.50</u>	<u>3.23</u>

The Notes 1-36 are an integral part of these financial statements.

As per our report of even date attached

For and on behalf of M/s ABN & CO.

Chartered Accountant

(B.M. Bhandari)

Partner

M.No. 071232

Place: Indore

Dated: 27th May, 2013

V.S.Bhate  
Technical Director

Rajesh Sen  
Company Secretary

For and on behalf of the board

Harsh Vora  
Managing Director

Sushil Rawka  
Director

## CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR 2012-13

31.03.2013      31.03.2012

A.	Cash flow from Operating Activities		
	Net profit before tax & Extraordinary items	3,87,69,737	3,56,68,947
	Adjustment for : Depreciation	99,13,555	87,46,521
	Deferred Revenue Expenditure	-	-
	Preliminary Expenditure	-	-
	Loss/(Profit) on sale of fixed assets	15,954	30,029
	Other Income	(12,63,353)	(2,43,486)
	Interest Paid / Bank Charges	61,23,481	24,58,433
	Operating Profit before working Capital Changes Adjustment for:	5,35,59,374	4,66,60,444
	Trade & other receivable	(2,03,39,252)	(1,71,32,133)
	Inventories	59,15,487	(14,37,179)
	Trade Payables & Other Provisions	68,99,393	(1,02,53,347)
	Cash generated from Operations	4,60,35,002	1,78,37,785
	Direct Tax paid	(94,00,000)	(46,02,000)
	Cash flow before extraordinary items	3,66,35,002	1,32,35,785
	Extraordinary items	-	13,38,285
	Net Cash from Operating Activities	3,66,35,002	1,45,74,070
B.	Cash Flow from Investing Activities		
	Purchase of fixed assets	(71,03,326)	(2,52,96,746)
	Loans & Advances	(1,38,44,927)	(4,50,997)
	Sale of fixed Assets	33,15,980	2,15,645
	Interest received / Misc Receipts	12,40,282	2,32,154
	Purchase/ Sale of Non Current Investments	1,21,00,000	(1,33,197)
	Dividend Income	23,071	11,332
	Net cash used in Investing Activities	(42,68,920)	(2,54,21,809)
C.	Cash Flow from Financing Activities		
	Proceeds from issue of Share Capital	79,50,000	75,90,000
	Proceeds from long term & Short term borrowings	(66,69,529)	42,00,058
	Interest Paid	(61,23,481)	(24,58,433)
	Dividend Paid (Including Dividend Distribution Tax)	(43,00,233)	(40,46,324)
	Net cash used in Financing Activities	(91,43,243)	52,85,301
	Net increase in Cash and Cash equivalent (A + B + C)	2,32,22,839	(55,62,438)
	Cash & Cash Equivalents As at 01.04.2012	78,77,302	1,34,39,740
	Cash & Cash Equivalents As at 31.03.2013	3,11,00,141	78,77,302

For and on behalf of M/s ABN & CO.  
Chartered Accountant

(B.M. Bhandari)  
Partner  
M.No. 071232

Place: Indore  
Dated: 27th May, 2013

For and on behalf of the board

V.S.Bhate  
Technical Director

Harsh Vora  
Managing Director

Rajesh sen  
Company Secretary

Sushil Rawka  
Director

Note : Previous Period Figure is showing Abridged Financial Statement of D & H India limited.

## **NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS :-**

### **1) General information**

During the year D & H India Limited (Holding Company) acquire Shares in V & H Fabricators Pvt. Ltd.(Subsidiary Company) which is engaged in Civil Contracts (Fabrication, Erection, Construction & other infrastructure activities).

### **2) Summary of Significant Accounting Policies:-**

#### **Presentation of financial statements**

The Balance Sheet and the Statement of Profit and Loss are prepared and presented in the format prescribed in the Schedule VI to the Companies Act, 1956 ("the Act"). The Cash Flow Statement has been prepared and presented as per the requirements of Accounting Standard (AS) 3 "Cash Flow Statements". The disclosure requirements with respect to items in the Balance Sheet and Statement of Profit and Loss, as prescribed in the Schedule VI to the Act, are presented by way of notes forming part of accounts along with the other notes required to be disclosed under the notified Accounting Standards and the Listing Agreement.

#### **Principles of consolidation**

- a) The financial statements of the Parent Company and its Subsidiaries have been consolidated as per (AS) 21, "Consolidated Financial Statements" on a line-by-line basis by adding together the book values of the like items of assets, liabilities, income and expenses, after eliminating intra-group balances and the unrealized profits/losses on intra-group transactions, and are presented to the extent possible, in the same manner as the Parent Company's independent financial statements.
- b) Investments in associate companies have been accounted for, by using equity method whereby investment is initially recorded at cost. The carrying amount of investment in associate companies is reduced to recognize any decline which is other than temporary in nature and such determination of decline in value, if any, is made for each investment individually.
- c) The cost of investment over & above the share capital & Capital profit is recognized directly in Goodwill on consolidation under Non Current Assets head in the Balance Sheet.

### **2.1) Basis of Preparation**

These financial statements have been prepared in accordance with the generally accepted Accounting principles in India under the historical cost convention on accrual basis. These financial statements have been prepared to comply in all material aspects with the accounting standards notified under Section 211(3C) [Companies (Accounting Standards) Rules, 2006, as amended] and the other relevant provisions of the Companies Act, 1956. All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Revised Schedule VI to the Companies Act, 1956. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current - noncurrent classification of assets and liabilities.

### **2.2) Tangible Assets**

All fixed assets are stated at historical cost, net of CENVAT if availed, less accumulated depreciation. Historical cost comprise the purchase price and all direct costs attributable to bring the assets to its working condition for intended use.

### **2.3) Depreciation**

Depreciation on all fixed assets is provided on the straight line method at the rate specified in schedule XIV of the Companies Act, 1956. Depreciation is not been charged on fixed assets sold during the year.

### **2.4) Borrowing Cost:**

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are recognized in Statement of Profit and Loss in the period in which they are incurred.

### **2.5) Inventories**

Inventories of Raw Material, Stores & Spares, Work-in-Progress, Finished Goods and Trading stocks are valued at lower of cost and net realizable value. The cost of work in progress & finished goods is determined on absorption cost basis. Raw material, Stores & Spares and trading stocks is valued on FIFO method.

### **2.6) Investment**

Investments that are readily realisable and are intended to be held for not more than one year from the date, on which such investments are made, are classified as current investments. All other investments are classified as long term investments. Current investments are carried at cost or fair value, whichever is lower. Long-term investments are

carried at cost. However, provision for diminution is made to recognize a decline, other than temporary, in the value of the investments, such reduction being determined and made for each investment individually

**2.7) Impairment of Tangible Assets**

An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value. An impairment loss is charged to the Profit & Loss account in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

**2.8) Revenue Recognition**

- a) Revenue on sale of goods is recognized on passes of title to the customers, Sales (gross) are inclusive of vat/Central sales tax, excise duty, and adjustment for rate difference.
- b) Revenue on contract business is recognized on completion of work or part of work for which bills is raised to the party and for which realization is certain.

**2.9) Provision, Contingent Liabilities And Contingent Assets**

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events & it is probable that there will be an outflow of resources. Contingent liabilities are not recognized but are disclosed in the notes to the accounts. Contingent assets are neither recognized nor disclosed in the financial statements.

**2.10) Cash Flow Statement**

Cash flow are reported using indirect method. The cash flow from regular revenue generating, financing and investing activities of the company are segregated.

**2.11) Employees Benefits**

Short term employee benefits have been charged to Profit & Loss Account on accrual basis. Post employment benefits such as Gratuity liability is funded as per group gratuity scheme of Life Insurance of Corporation of India.

**2.12) Taxation**

Taxation comprise current Income tax, deferred tax, wealth tax. Current Income Tax provision has been determined on the basis of relief, deductions available under the Income Tax Act. Deferred Tax is recognized for all timing differences subject to the consideration of prudence, applying the tax rates that have been substantially enacted by the Balance Sheet date. Wealth Tax is calculated on the basis of carrying value of wealth liable to tax after deducting basic exemption available.

**2.13) Foreign Currency Transactions**

- (i) Transactions denominated in foreign currencies are normally recorded at the exchange rate prevailing at the time of the transaction.
- (ii) Monetary items denominated in foreign currencies, if any, at the end of the year are restated at year end rates.
- (iii) Non monetary foreign currency items are carried at cost.
- (iv) Any income or expense on account of exchange difference either on settlement or on translation is recognized in the Profit and Loss Account, except in cases where they relate to acquisition of fixed assets, in which case, they are adjusted to the carrying cost of such assets.

**2.14) Other Income**

Interest : Interest income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

Dividend : Dividend income is recognized when the right to receive dividend is established.

**2.15) Earnings Per Share**

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Earnings considered in ascertaining the Company's earnings per share is the net profit for the period after deducting preference dividends and any attributable tax thereto for the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares, that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

**2.16) Government Grants and subsidies**

Grants & Subsidies from the government are recognized when there is reasonable assurance that (i) the company will comply with the conditions attached to them, and (ii) the grant/subsidy will be received.

When the grant or subsidy relates to revenue, it is recognized as income on a systematic basis in the statement of profit and loss over the periods necessary to match them with the related cost.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT

Note No.	As at 31.03.2013 Rupees	As at 31.03.2012 Rupees
<b>3 Share Capital</b>		
<b>Equity Share Capital :</b>		
Authorised Share capital 10000000 Equity Shares of Rs.10/- Each	10,00,00,000	10,00,00,000
Issued, subscribed & fully paid share capital 7400000 Equity Shares of Rs.10/- each (Fully Paid up)	7,40,00,000	7,40,00,000
<b>Total</b>	<u>7,40,00,000</u>	<u>7,40,00,000</u>
<b>3.1 Reconciliation of Number of Shares</b>		
<b>Equity Shares :</b>	<b>No. of Shares</b>	<b>No. of Shares</b>
Abridged Balance as at the beginning of the year	74,00,000	69,40,000
Add : Warrants Converted During the period	-	4,60,000
Balance As at the end of the year	<u>74,00,000</u>	<u>74,00,000</u>
<b>3.2 Terms/Rights attached to equity Shares</b>		
Equity Shares: The company has one class of equity shares having par value of Rs.10 per share. Each share holder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.		
<b>3.3 Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company</b>		
<b>Equity Shares :</b>	<b>No. of Shares</b>	<b>No. of Shares</b>
1. Arihant Financial Services Ltd.	NIL	7,86,335 (10.63%)
	NIL	
2. Good Creation Investment & Finance Ltd.	8,06,000 (10.89%)	8,06,000 (10.89%)
3. Harsh Vora (HUF)	6,73,600 (9.1%)	6,73,600 (9.1%)
4. Suchita Kakrecha	5,37,085 (7.26%)	5,37,085 (7.26%)
<b>3.4</b>	Nil Equity Shares were issued in the last 5 years under the Employee Stock Options Plan as consideration for services rendered by employees.	
<b>3.5</b>	The Company has converted 4,60,000 Convertible Warrants of Rs.22.00 (Rupees Twenty Two Only), into equal number of fully paid Equity Shares of Rs.10.00 (Rupees Ten only ) at a premium of Rs.12.00 ( Rupees Twelve only) on 4th October,2011.	



Note No.	As at 31.03.2013 Rupees	As at 31.03.2012 Rupees
<b>4 Reserves and Surplus</b>		
<b>Capital Reserves</b>	<u>1,58,00,000</u>	1,58,00,000
Balance as at the beginning of the year	<u>1,58,00,000</u>	-
Add : capital Subsidy	-	15,00,000
Add : Convertible warrants forfeited	-	1,43,00,000
Balance as at the end of the year	<u>1,58,00,000</u>	1,58,00,000
<b>Capital Reserve on Consolidation</b>		
<b>Securities Premium Reserve</b>	<u>2,94,34,800</u>	<u>2,14,84,800</u>
Balance as at the beginning of the year	<u>2,94,34,800</u>	1,59,64,800
Add : Premium on Warrant converted in shares	-	55,20,000
Balance as at the end of the year	<u>2,94,34,800</u>	<u>2,14,84,800</u>
<b>General Reserve</b>	<u>6,00,00,000</u>	<u>5,00,00,000</u>
Balance as at the beginning of the year	<u>5,00,00,000</u>	4,50,00,000
Add : Amount Transferred from Surplus Balance in Statement of profit & Loss	<u>1,00,00,000</u>	<u>50,00,000</u>
Balance as at the end of the year	<u>6,00,00,000</u>	<u>5,00,00,000</u>
<b>Surplus in the statement of Profit and loss</b>	<u>9,40,26,869</u>	<u>8,23,90,738</u>
Balance as per last financial statements	<u>8,23,90,738</u>	6,77,69,663
Profit for the Year	<u>2,59,36,364</u>	2,39,21,308
<b>Less : Appropriations</b>		
Proposed dividend on Equity shares for the year	<u>37,00,000</u>	37,00,000
Dividend distribution Tax on proposed dividend on Equity shares	<u>6,00,233</u>	6,00,233
Transfer to General Reserve	<u>1,00,00,000</u>	50,00,000
Balance as at the end of the year	<u>9,40,26,869</u>	<u>8,23,90,738</u>
<b>Total</b>	<u>19,92,61,669</u>	<u>16,96,75,538</u>
4.1 Capital Reserves Includes Capital subsidy received from DIC as per terms & agreement for the period from 17.03.2011 to 16.03.2016.		
4.2 During the previous year company forfeited 26,00,000 convertible warrant as per the terms & condition of agreement & Board resolution. forfeited warrants issued at 5.5/-per warrant application money and balance amount not paid by the warrant holders so the amount forfeited & transferred to the capital reserve account.		
<b>5 Long-term borrowings</b>		
<b>Secured</b>		
Term Loans from Banks :		
a) HDFC Bank Ltd. (Term Loan)	-	55,83,935
b) HDFC Bank Ltd. (Car Loan)	<u>1,99,444</u>	6,78,109
c) S.B. of India (Car Loan)	<u>1,11,786</u>	5,70,072
d) HDFC Bank Ltd (Truck Loan)	<u>5,12,905</u>	-
d) HDFC Bank Ltd. (WCTL)	<u>1,88,88,891</u>	-
<b>Un Secured</b>		
a) Loans & advances from Related Parties	-	-
b) Other Loans & Advances	<u>25,45,000</u>	-
<b>Total</b>	<u>2,22,58,026</u>	<u>68,32,116</u>
<b>5.1 Nature of Security and terms of repayment for secured borrowings</b>		
<b>Nature of Security</b>		<b>Terms of Repayment</b>
a) Term Loan From HDFC Bank amounting Rs. 200/- Lakh is secured by way of Hypothecation by First and exclusive charges of Plant & Machinery & Copllateral security by way of first mortgage of industrial property situated at village: Sejwaya, Gram Ghatabillod, District Dhar & Personal Guarantee of Mr. Harsh Vora & Mr. Madhusudan Jain.		Repayble in 38 Month installment of Rs. 650049/-@12.70% starting from 07/12/2010
b) Two Vehicle Loans from HDFC Bank amounting to Rs. 16.25 Lakh is secured against respective Vehicles. & Personal Guarantee of Mr. Harsh Vora.		Repayble in 24 Month & 36 Month installment of Rs. 34126/-@12% & 29570/- 11.25% statrtting from

Note No.	As at 31.03.2013 Rupees	As at 31.03.2012 Rupees
c)	Two Vehicle Loan from State Bank Of India amounting Rs. 10 Lakh is secured against respective Vehicles. & Personal Guarantee of Mr. Harsh Vora & Mr. Madhusudan Jain.	20/09/11 & 08.11.11 respectively Repayble in 36 Month installment of Rs. 33000/-@11.25% starting from 04/11/2011
d)	Commercial Vehicle Loans from HDFC Bank amounting to Rs. 14.00 Lakh is secured against respective Vehicles. & Personal Guarantee of Mr. Harsh Vora.	Repayble in 48 installment of Rs. 36190/-@11% starting from 01/07/11
e)	Term Loan From HDFC Bank amounting Rs. 400/- Lakh is secured by way of Hypothecation by First and exclusive charges of Plant & Machinery & Copllateral security by way of first mortgage of industrial property situated at village: Sejwaya, Gram Ghatabillod, District Dhar & Personal Guarantee of Mr. Harsh Vora & Mr. Madhusudan Jain.	Repayble in 36 Month installment of Rs. 11,11,111/- @ BR + 2.55% starting from 03/08/2012
<b>6</b>	<b>Deferred Tax Liability (Net)</b> Deferred Tax Liability on timing difference on account of difference between written down value of fixed assets under the companies Act, 1956 and the Income Tax Act, 1961. Deferred Tax Assets on Other timing Differences U/s 43B of I.T. Act, 1961	
	<b>1,58,66,065</b>	1,36,38,536
	<b>14,64,501</b>	11,74,307
	<b><u>1,44,01,654</u></b>	<b><u>1,24,64,229</u></b>
6.1	Deferred Tax Assets and Deferred Tax Liabilities have been offset as they relate to the same governing taxation laws.	
<b>7</b>	<b>Short-terms borrowing from Banks</b>	
	<b>Secured from Banks</b>	
	Loans repayable on demand from HDFC Banks(CC A/c)	95,62,531
	<b>Total</b>	<b><u>95,62,531</u></b>
7.1	Working capital limit are secured by hypothecation of present and future stock of raw materials, stock-inprocess, finished goods, stores and spares (not relating to plant and machinery), book debts. & Personal Guarantee of Mr. Harsh Vora & Mr. Madhusudan Jain.	
7.2	As on 31.03.2013 CC Account having Debit balance and the same being shown under Cash & Cash Equivalent.	
<b>8</b>	<b>Other current liabilities</b>	
	Current maturities of long term debt	75,68,484
	Deposit from Dealers	31,33,837
	Sundry Staff Payble	8,51,118
	Interest Accrued but not due on borrowings	1,09,608
	Cheque In Transit	61,57,983
	Other payables*	84,72,550
	<b>Total</b>	<b><u>2,62,93,580</u></b>
8.1	Other Payables Includes Statutory Liabilities ,Advance received from customers.	
<b>9</b>	<b>Short-term provisions</b>	
	Provision for employee benefits	15,97,323
	Provision for Income Tax (Net of Advance Tax)	36,00,000
	Proposed Dividend	37,00,000
	Tax on Dividend	6,00,233
	Provision for Wealth Tax	45,811
	Others*	1,11,90,214
	<b>Total</b>	<b><u>2,07,33,581</u></b>
9.1	Other Short term provisions includes the diff. of excise duty on opening & closing stock of finished goods.(also refer note no.30)	

## 10.1 TANGIBLE ASSETS

Particulars	Gross Block			As on 31.03.13 Rupees	Up To 31.03.12 Rupees	Depreciation		For The Year Rupees	Net Block		
	As on 01.04.12 Rupees	Addition Rupees	Adjustment Rupees			Adjustment Rupees	Rate %		Up To 31.03.13 Rupees	As on 31.03.13 Rupees	As on 31.03.12 Rupees
Lease Hold Land	89750	4904571	0	4994321	0	0	0.00	0.00	0	4994321	89750
Free Hold Land	4853296	0	0	4853296	0	0	0.00	0.00	0	4853296	4853296
Office Building	2504370	0	0	2504370	266654	0	1.63	40821.00	307475	2196895	2237716
Factory Building	57986426	3717120	0	61703546	10826913	0	3.34	1994343.00	12821256	48882290	47159513
Plant & Machinery	107871840	4511873	499189	111884524	32019907	0	4.75	5187607.00	37207514	74677010	73606346
Electric Installation	10100324	219504	0	10319828	1865205	0	4.75	484322.00	2349527	7970301	8235119
Laboratory Equip.	820459	55937	0	876396	413720	0	4.75	38972.00	452692	423704	406739
Vehicles	13213300	0	1839237	11374063	3701351	794829	9.50	1088369.00	3994891	7379172	8959450
Vehicle (Crane)	6138593	0	2024754	4113839	1911185	564030	11.31	625261.00	1972416	2141423	0
Furniture & Fixtures	3823348	203869	0	4027217	1949553	0	6.33	249518.00	2199071	1828146	1866076
Office Equipment	2744115	343339	43250	3044204	976246	25507	4.75	139835.00	1090574	1953630	1767869
Computers	3398030	571169	0	3969199	3227365	0	16.21	64507.00	3291872	677327	127082
<b>Total</b>	<b>213543850</b>	<b>14527382</b>	<b>4406430</b>	<b>223664803</b>	<b>57158099</b>	<b>1384366</b>		<b>9913555</b>	<b>65687288</b>	<b>157977515</b>	<b>149308956</b>
Previous Year	179008829	25296745	597577	203707997	46004424	351903		8746521	54399042	149308956	133004406

Note - 10.2 : Intangible Assets under development Includes SAP Under Development.

Note No.	As at 31.03.2013 Rupees	As at 31.03.2012 Rupees	Note No.	As at 31.03.2013 Rupees	As at 31.03.2012 Rupees
<b>11 Non-current investments</b>					
Investment in Unquoted			(4269.363 Units)	<b>1,00,000</b>	1,00,000
Equity instrument	<b>90,000</b>	42,10,000	HSBC Brazil fund dividend (C.Y. 55000 Units)	<b>5,50,000</b>	5,50,000
<b>Other Investment</b>			Aggregate amount of quoted investments	<b>7,50,000</b>	<b>7,50,000</b>
Investments in Quoted			Market Value of quoted investments	<b>7,24,685</b>	7,54,172
Equity instruments	<b>16,22,199</b>	16,22,199	<b>c. Unquoted Shares</b>		
Investments in Mutual funds	<b>7,50,000</b>	7,50,000	Commonwealth Mining Pvt.Ltd. (C.Y. 9000 & P.Y. 1000 Shares)	<b>90,000</b>	10,000
Other Non current investment :			V&H Fabricators Pvt.Ltd. (P.Y. 140000 Shares) Associate become Wholly Owned Subsidiary		42,00,000
Share Application Money	-	79,80,000	Aggregate amount of unquoted investments	<b>90,000</b>	<b>42,10,000</b>
<b>Total</b>	<b>24,62,199</b>	<b>1,45,62,199</b>	<b>12. Long Term Loans and Advances</b>		
<b>a. Quoted Shares</b>			Secured considered good		
Tata Consultancy Services			Security Deposits	<b>20,46,467</b>	-
Face Value Rs. 1.00(616 Shares)	<b>1,30,900</b>	1,30,900	Total	<b>20,46,467</b>	-
Hindalco Industries (200 Shares)	<b>8,810</b>	8,810	<b>13. Other non-current assets</b>		
National Aluminium (400 Shares)	<b>14,689</b>	14,689	Security Deposits	<b>34,63,171</b>	31,50,311
J.K.Agri Genetics Ltd. (C.Y. 2008 Shares)	<b>8,80,680</b>	-	<b>Total</b>	<b>34,63,171</b>	<b>31,50,311</b>
Florence Investech Ltd. (C.Y. 1338 & P.Y. 3347 Shares)	<b>5,87,120</b>	14,67,800	<b>14 Inventories</b>		
Aggregate amount of quoted investments	<b>16,22,199</b>	<b>16,22,199</b>	Raw materials	<b>2,91,56,674</b>	4,36,28,190
	-	17,44,824	Work in progress	<b>1,80,32,556</b>	99,58,944
<b>b. Units of Mutual Fund</b>			Finished goods	<b>2,97,82,179</b>	3,14,67,658
SBI Magnum Equity Fund (C.Y. 2427.275 Units)	<b>1,00,000</b>	-	Stock in trade	<b>75,27,808</b>	35,66,274
SBI One India Fund (P.Y. 10000 Units)	-	1,00,000	Stores and spares	<b>8,85,526</b>	26,79,164
IDFC Premier Equity Fund			<b>Total</b>	<b>8,53,84,743</b>	<b>9,13,00,230</b>

Note No.	As at 31.03.2013 Rupees	As at 31.03.2012 Rupees	Note No.	As at 31.03.2013 Rupees	As at 31.03.2012 Rupees
<b>15 Trade receivables</b>			<b>20 Cost of Material Consumed</b>		
Unsecured & considered good :			Imported	2,60,18,450	29,36,425
Exceeding Six month	2,33,59,419	1,60,86,074	% of Consumption	5.92	0.63
Others	11,03,13,625	9,72,47,718	Indigenous	42,07,70,376	46,26,91,307
<b>Total</b>	<b>13,36,73,044</b>	<b>11,33,33,792</b>	% of Consumption	95.68	99.37
<b>16 Cash and cash equivalents</b>			<b>21 Changes In Inventories Of Finished Goods, Stock-In-Process And Stock-In-Trade</b>		
Balances with banks in india	92,70,384	34,78,919	<b>Inventories at Close</b>		
Cheques on Hand	-	17,89,276	Finished Goods	2,97,82,179	3,14,67,658
Cash on hand	6,16,008	1,70,723	Semi Finished Goods	1,80,32,556	99,58,944
FDR with Banks	2,12,13,749	24,38,384	Stock In Trade	75,27,808	35,66,274
<b>Total</b>	<b>3,11,00,141</b>	<b>78,77,302</b>	<b>Total</b>	<b>5,53,42,543</b>	<b>4,49,92,876</b>
16.1 Fixed deposits with banks include deposits of Rs. 19847723/- (Previous Year Rs. 831000/-) with maturity of more than 12 months.			<b>Inventories at Commencement</b>		
<b>17 Short term loans and advances</b>			Finished Goods	3,14,67,658	2,84,65,406
Unsecured Considered good			Semi Finished Goods	1,63,08,944	79,85,159
Loans & Advances to related parties	2,35,350	2,10,572	Stock In Trade	35,66,274	10,77,617
Other Loans and advances *	1,74,66,823	67,21,630	<b>Total</b>	<b>5,13,42,876</b>	<b>3,75,28,182</b>
Balance with Custom, Excise, VAT & Income Tax Authorities	55,72,732	55,22,787	<b>Increase In Inventories</b>	<b>(39,99,667)</b>	<b>(74,64,694)</b>
Prepaid Expenses	9,46,360	2,80,676	<b>22 Finance Costs</b>		
<b>Total</b>	<b>2,42,21,265</b>	<b>1,27,35,665</b>	Interest expenses	58,39,782	20,76,502
17.1 *Other Loans and advances includes Advance to Vendors / Service Providers.			Other borrowing costs	2,83,699	3,81,931
<b>18 Revenue from Operations</b>			<b>Total</b>	<b>61,23,481</b>	<b>24,58,433</b>
Revenue from - Sale of products/			22.1 Interest expenses is net of Interest Subsidy received from DIC Dhar for Ghatabillod Unit amounting to Rs. C.Y. 460527/- P.Y. 984308/-		
Contracts	77,24,78,333	71,94,05,868	<b>23 Employee Benefits Expense</b>		
Other operating revenues	2,87,624	2,88,424	Salaries and wages	4,21,23,171	3,95,64,095
Less: Excise Duty	8,36,81,897	6,84,43,945	Contribution to provident and other funds	37,82,061	34,10,964
<b>Total</b>	<b>68,90,84,060</b>	<b>65,12,50,347</b>	Allowances	2,25,35,910	1,50,09,844
18.1 Particulars Of Sale Of Products			Staff welfare expenses	12,70,794	15,11,288
Electrodes , Flux, Wire etc.	75,31,71,693	71,85,46,437	<b>Total</b>	<b>6,97,11,936</b>	<b>5,94,96,191</b>
Wires (Trading)	1,11,89,332	5,25,323	23.1 As per Accounting Standard 15 "Employee benefits", the disclosures as defined in the Accounting Standard are given below :		
Welding Equipments (Trading)	38,000	3,34,108	a) Short Term Employee Benefits		
Contract Receipts	80,79,308		All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages, and short term compensated absences, etc. are recognized in the period in which the employee renders the related services.		
<b>Total</b>	<b>76,43,99,025</b>	<b>71,94,05,868</b>			
<b>19 Other Income</b>					
Interest income (Other)	12,40,282	2,32,154			
Dividend income (Non Current Investment)	23,071	11,332			
Profit on sale of Assets	42,638	-			
Exchange Diff. in Foreign Currency Transaction	6,03,659	2,06,194			
Other non-operating income	3,93,262	78,00,000			
<b>Total</b>	<b>23,02,912</b>	<b>82,49,680</b>			

Note No.	As at 31.03.2013 Rupees	As at 31.03.2012 Rupees	Note No.	As at 31.03.2013 Rupees	As at 31.03.2012 Rupees
<b>b) Long Term Benefits</b>			Loss on Sale of Forward Contract		
Defined Contribution Plans :			Loss on Sale of Investment		
The Employee State Insurance Scheme and Contributory Provident Fund administered by Provident Fund Commissioner are defined contribution plans. The Company's contribution paid/payable under the schemes is recognized as expense in the profit and loss account during the period in which the employee renders the related service.			-		
Employers Contribution to Provident fund & ESI			9,29,941		
37,82,061			3,410,964		
<b>Defined Benefit plans :</b>			<b>Selling &amp; Distribution Expense :</b>		
a. The employees' gratuity fund scheme managed by Life Insurance Corporation of India for the Company is a defined benefit plan. During the year company paid amount Rs. 223300/- for future gratuity benefits of the employees of company.			Duties & Taxes		
b. Benefit related to the Leave Encashment company made provision amounting Rs.919120/- as per the policy of the company.			Freight & Cartage Outward		
			Advertisement & Publicity		
			Sales Promotion etc.		
			Commission & Discount		
			Bad Debts Written off		
			<b>Total</b>		
			11,07,09,161		
			9,15,64,393		
<b>24 Other Expenses</b>			24.1 The Excise duty related to the difference between the closing stock and opening stock Rs.(3,37,272)/-(Previous Year Rs. 8,86,143/-) has been shown in other manufacturing expenses and excise duty related to sales amounting to Rs.8,36,81,897/- .(Pr.Yr. Rs.6,84,43,945/-) has been reduced from gross sales.		
<b>Manufacturing Expenses :</b>			<b>24.2 Payment to Auditors</b>		
Consumption of stores and spare parts & Others(Indigenous)			i Audit Fees		
13,56,993			43,090		
Power and fuel			ii Tax Audit Fees		
1,81,38,807			14,030		
Repairs to buildings			iii Other Services		
10,26,172			11,030		
Repairs to machinery			iv Certificate fees		
60,23,971			5,000		
Repairs to others			73,150		
8,06,595			68,110		
Laboratory Expenses			<b>25 Earning Per Share</b>		
5,57,951			i Net Profit after tax as per Statement of Profit and Loss attributable to Equity Shareholders		
Packing & Other Expenses			2,59,36,364		
9,004			2,39,21,308		
Difference In Excise Duty on Opening / Closing Stock			ii Weighted Average number of equity shares used as denominator for calculating EPS(Issued C.Y. 7400000, P.Y. 6940000)		
(3,37,272)			74,00,000		
8,86,143			71,66,230		
<b>Administrative Expenses :</b>			iii Basic earning per share		
Rates and Taxes, excluding taxes on income			3.50		
1,28,845			3.23		
Rent			v Face Value per equity share		
11,73,916			10		
Printing & Stationery			<b>26 Related Party Disclosures</b>		
8,96,904			In accordance with accounting standard 18 " Related Party Disclosure" issued by the Institute of Chartered Accountant of India, the Company has compiled the required information is as under :-		
Postage & Telegram			<b>Associates</b>		
3,64,570			Vora Wires Industries (India) Limited		
Telephone Charges			International Steel		
13,28,472			Good Creation Investment & finance limited		
Travelling Exp. (Directors)			V & H Fabricators Pvt. Ltd.		
13,73,592			Commonwealth Mining Pvt. Ltd.		
Travelling Exp. Staff & others			V & H Infra Pvt. Ltd.		
41,44,390			Smt. Suchita Kakrecha		
Vehicle Expenses			Saurabh Vora		
34,77,009					
Payment To Auditors					
74,180					
Legal & Professional Charges					
23,87,631					
Membership & Testing Fees					
21,22,098					
Insurance Expenses					
7,69,263					
Office General & Misc. Exp.					
19,82,682					
Loss on sale of assets					
58,592					
Director's Sitting Fees					
45,000					
Donation					
2,31,950					

Note No.	As at 31.03.2013 Rupees	As at 31.03.2012 Rupees	Note No.	As at 31.03.2013 Rupees	As at 31.03.2012 Rupees
<b>Key Managerial Persons</b>			in the ordinary course of the business.		
Shri Harsh Vora (Managing Director)			30	In the absence of information from suppliers of their status being small scale/ ancillary undertakings amount overdue and interest payable there on cannot be quantified.	
Shri V.S. Bhate (Director-Technical)			31	Amortization of lease hold land is not being done as the same is on perpetual lease.	
Shri Madhusudan Jain (Whole Time Director)			32	<b>Segment Reporting</b>	
V. Manoharan (Director)			<b>a) Business Segment :</b>		
<b>Transactions with related Parties</b>			The Holding Company is mainly engaged in the business of welding consumables. All other activities of the Company revolve around the main business and as such there is no separate reportable business segment.		
Nature of Transactions	Associates/Key Management Persons	Associates/Key Management Persons	<b>b) Geographical Segment:</b>		
	31.03.2013	31.03.2012	Since all the operations of the Company are conducted within India as such there is no separate reportable geographical segment.		
Sale of Goods	36,018	2,68,779	<b>33 Contingent Liabilities &amp; Commitments</b>		
Sale of Assets	----	----	i Guarantees given on behalf of the		
Purchase of Capital Goods	10,17,000	26,53,805	company		
Purchase of Raw Material	1,13,189	----	ii CST Demand (in appeal)		
Receiving of Services	60,000	25,818	iii Entry Tax Demand (in appeal)		
Unsecured Loan Taken	1,39,49,350	1,42,50,000	<b>Total</b>		
Repayment of Unsecured Loan	1,19,51,219	1,43,00,000	34 Value of Imports on(CIF Basis)		
Interest Paid	9,16,652	2,31,731	Raw Material		
Managerial Remuneration	1,40,04,003	97,51,591	Capital Goods		
Sale of Keyman insurance Policy	----	78,00,000	Trading Goods		
Outstanding Balances			<b>Total</b>		
As on 31.03.2013			35 Expenditure in foreign exchange		
Trade Receivables	13572	1234118	<b>36 Earning in foreign exchange</b>		
Trade & Other Paybles	2375208	1934093	Value of Export		
27 Pursuant to accounting standard 28 " Impairment of Assets" issued by the Institute of Chartered Accountants of India, the company has reviewed its carrying cost of assets with value in use (determined based on future earnings ) and Net realizable value on an approximate basis. Based on such review, the management is of the view that in the current financial year, Provision for impairment of assets is not considered necessary.			37 These financial statements have been prepared in the format prescribed by the revised Schedule VI to the companies Act 1956. Previous period figures have been recasted/ restated to confirm to the current period. Figures have been rounded off to the nearest Rupee.		
28 Various items included under the head Current Assets, Loan & Advances, as well as Current Liabilities are subject to confirmation /reconciliation.			38 Previous Period Figure is showing abridged Financial data of Holding Company.		
29 In the opinion of the Management, the value on realization of loans and advances, and other current assets will be at least equal to the amounts stated in the books of accounts, if realized					
<b>As per our report of even date attached</b>			<b>For and on behalf of the board</b>		
<b>For and on behalf of M/s ABN &amp; CO.</b>			<b>V.S.Bhate</b>		
<b>Chartered Accountant</b>			Technical Director		
<b>(B.M. Bhandari)</b>			<b>Harsh Vora</b>		
Partner			Managing Director		
M.No. 071232					
<b>Place: Indore</b>			<b>Rajesh sen</b>		
Dated: 27th May 2013			Company Secretary		
			<b>Sushil Rawka</b>		
			Director		

## D & H INDIA LIMITED

Regd. Office: A-204, Kailash Esplanade, Opp. Shreyas Cinema,  
L. B. S. Marg, Ghatkopar (W), Mumbai- 400 086.

### ADMISSION SLIP

Equity Folio No. :  
DP ID\* :  
Client ID\* :  
No. of Shares held. :

I hereby record my presence at the 28th Annual General Meeting of the Company being held at A-507, Kailash Esplanade, Opp. Shreyas Cinema, L.B.S. Marg, Ghatkopar (W), Mumbai- 400086 on Monday the 30th day of September, 2013 at 10.00 A.M.

Name of the Member \_\_\_\_\_  
(In block letters)

Name of the Proxy holder \_\_\_\_\_  
(In block letters)

Signature of the Member / Proxy

Note: A member/ proxy wishing to attend the meeting must complete this Admission slip before coming to the meeting and hand it over at the entrance.

\* Applicable for shares held in electronic form

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## D & H INDIA LIMITED

Regd. Office: A-204, Kailash Esplanade, Opp. Shreyas Cinema,  
L. B. S. Marg, Ghatkopar (W), Mumbai- 400 086.

### PROXY FORM

I/We \_\_\_\_\_  
of \_\_\_\_\_ being a member / members of D & H INDIA LIMITED hereby appoint  
Mr. / Smt/ Ku. \_\_\_\_\_ of \_\_\_\_\_ or failing him  
Mr./ Smt/ Ku. \_\_\_\_\_ of \_\_\_\_\_ as my / our proxy  
in my / our absence to attend and vote for me / us and on my/ our behalf at the 28th Annual General Meeting of  
the Company to be held on 30th September, 2013 at 10.00 a.m. and at any adjournment thereof.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2013.

Equity Folio No. :  
DP ID\* :  
Client ID\* :  
No. of Shares held. :

Signature (s)

Affix Re. 1/- Revenue Stamp
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\* Strike out whichever is not applicable.

Note: The Proxy, in order to be effective, should be duly completed, stamped, and signed and must be deposited at the Registered Office of the Company not less than 48 hours before the time fixed for the Meeting.

**BOOK-POST**

To,

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If Undelivered, please return to :

**D & H INDIA LIMITED**

Plot 'A', Sector 'A', Industrial Area,  
Sanwer Road, Indore - 452 015 (M.P.)