



BNR UDYOG LIMITED

Shri. B. N. Rathi



Founder Chairman
(18th Feb., 1922 - 10th Jan., 2013)

Shri B.N. Rathi was the founder of BNR Group. He served as the Chairman of the Company since its incorporation, till his demise. Our respected Chairman was an exceptional human being and was an outstanding leader. A man always ahead of his times. The Company has always flourished with his wise advices. His life and achievements proved that backed by confidence, courage and conviction, man can achieve the impossible. His leadership qualities, uncompromising pursuit of excellence, simplicity and to motivating people will continue to guide us at BNR group. We are proud and privileged to inherit this invaluable legacy of our beloved Chairman.



BNR UDYOG LIMITED

| | |
|--|--|
| Board of Directors | : Shri J. Vikramdev Rao Shri T. Bharadwaj Dr. B. Priyadarshini Shri Sandeep Rathi - Executive Director Shri Kamal Rathi - Managing Director |
| Auditors | : M/s. Laxminiwas & Jain, Chartered Accountants, Station Road, Nampally, Hyderabad - 500 001. |
| Bankers | : HDFC Bank Ltd. The A.P. Mahesh Co-op. Urban Bank Ltd. ICICI Bank Ltd. State Bank of India |
| Registered Office | : 6-3-650, 218, 2nd Floor, Maheshwari Chambers, Somajiguda, Hyderabad - 500 082 A.P. INDIA Ph. : +91-40-23375791, 23375793 |
| Registrar & Share Transfer Agents | : Karvy Computer Share Private Limited Plot No. 17 to 24, Vittal Rao Nagar, Madhapur, Hyderabad - 500 081 Ph. : +91-40-44655000, 44655180 Fax No. : 040-23420814 www.karvy.com |
| Stock Exchange (Listed) | : The Bombay Stock Exchange Ltd. Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai - 400 001 : www.bseindia.com |
| Scrip Code | : 530809 |
| Website | : www.bnrul.com |
| Email address | : info@bnrul.com |



BNR UDYOG LIMITED

NOTICE

NOTICE is hereby given that the 19th Annual General Meeting of the members of BNR Udyog Limited will be held on 21st September, 2013 at 10 A.M. at Rajasthani Graduate Association, 5-4-790/1, 1st Floor, Abids, Hyderabad-500 001 to transact the following Business:

Ordinary Businesses:

1. To consider and adopt the Audited Balance Sheet of the Company as at March 31, 2013, the Statement of Profit & Loss for the financial year ended on that date and the Reports of the Directors and Auditors thereon.
2. To declare dividend on the equity shares of the Company for the Financial year 2012-13
3. To appoint a Director in place of Mr. T. Bharadwaj who retires by rotation and being eligible, offers himself for reappointment.
4. To appoint M/s. Laxminiwas & Jain, Chartered Accountants, as the Statutory Auditors of the Company and to authorise the Board of Directors to fix their remuneration.

The following resolution is proposed to be passed, with or without modifications, as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 224(1) and other applicable provisions, if any, of the Companies Act, 1956, M/s. Laxminiwas & Jain, Chartered Accountants, be and are hereby appointed as the Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company, on such remuneration as shall be fixed by the Board of Directors.”

By order of the Board
For **BNR Udyog Limited**

Place: Hyderabad
Date: 25.07.2013

Kamal Rathi
(Managing Director)

NOTES:

1. A member entitled to attend and vote at the Annual General Meeting (“the Meeting”) is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a member of the Company. The instrument appointing the proxy should, however, be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.
2. Corporate members intending to send their authorised representatives to attend the Meeting are requested to send a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting.



BNR UDYOG LIMITED

3. Members who hold shares in dematerialised form are requested to write their Client ID and DP ID and those who hold shares in physical form are requested to write their Folio number in the attendance slip for attending the Meeting. Members are requested to bring their attendance slips along with their copy of Annual Report to the Meeting.
4. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
5. The Register of Members and Share Transfer Books of the Company shall remain closed from 14th September, 2013 to 20th September, 2013 (both days inclusive) for the purpose of Annual General Meeting & Payment of Dividend.
6. Members are requested to quote their Registered Folio Number/Client ID on all correspondence with the Company/RTA and notify the Company's RTA, or the Depository Participants, in case of shares in dematerialised form, immediately of change, if any, in their registered address.
7. Dividend on shares as recommended by the Directors, if declared, at this Annual General Meeting, will be paid to those members whose names will appear on the Register of Members as on 21st September 2013 (Date of AGM). In respect of the shares in the electronic form, the dividend will be payable on the basis of beneficial ownership as per details furnished by National Securities Depository Limited and Central Depository Services (India) Limited for this purpose.
8. Reappointment of Director Mr. T. Bharadwaj:

At the ensuing AGM, Mr. T. Bharadwaj is retiring by rotation and being eligible, offers himself for reappointment. His brief resume and other relevant details are as follows:

| | |
|--|--|
| Name | Mr. Turlapati Bharadwaj |
| Date of birth | 27.09.1959 |
| Date of appointment | 30.07.2005 |
| Expertise | Over 10 years of experience in the field of Commerce, Accounts and Taxation. |
| Qualifications | Chartered Accountant |
| No. of shares held in the Company | Nil |
| Relationship with other directors of the Company | Nil |
| Directorship in other companies | I Analysis Solutions Private Limited |
| Chairman/Member of the Committee of the Board of the companies in which he is a Director | Nil |

By order of the Board
For **BNR Udyog Limited**

Place : Hyderabad
Date : 25.07.2013

Kamal Rathi
(Managing Director)



BNR UDYOG LIMITED

Dear Shareholder,

Subject: Green Initiative - Registration of E-mail address

The Ministry of Corporate Affairs, (MCA) had taken a "Green Initiative in the Corporate Governance" vide its Circular Nos. 17/2011 and 18/2011 dated 21.04.2011 and 29.04.2011, respectively had permitted the companies to serve the documents viz. annual reports, notices of general meetings/ postal ballot, other documents etc. to the shareholders through electronic mode. SEBI, vide its circular ref. No. CIF/CFD/DIL/2011 dated 5 October 2011, and has directed listed companies to supply soft copies of full Annual Reports to all those shareholders who have registered their email addresses.

Your Company, being dedicated towards preserving and protecting environment, continuously seeks opportunities to reduce adverse impact on the planet. In order to support "Green Initiative", your Company has decided to have paperless documentation to the maximum possible extent by forwarding the above referred documents to you through electronic mode from the end of this Annual General Meeting. This will also ensure prompt receipt of communication and avoid loss in postal transit.

We therefore request you to register your E-mail address and / or changes therein from time to time with the Company's Registrar & Share Transfer Agent (RTA) viz. Karvy Computershare Private Limited. In case you do not have your email address registered with the Company or Company's RTA you may send us an email to info@bnrul.com by quoting the name of first/sole shareholder, Folio no./DP ID and Client ID or in case you are holding shares in physical mode by filling up the form appearing on reverse of this communication so that the Company can make a note of it and start sending you the communications through electronic mode to your respective email id's.

We request your whole-hearted support to this "Green Initiative" by opting for electronic mode of communication.

Thanking you.

Yours faithfully,
For **BNR Udyog Limited**

Kamal Rathi
(Managing Director)

Place : Hyderabad
Date : 25.07.2013



BNR UDYOG LIMITED

REGISTRATION OF E-MAIL ADDRESS FORM

(In terms of circular Nos.17/2011 and 18/2011 dated 21.04.2011 and 29.04.2011,
respectively issued by Ministry of Corporate Affairs)
(For shares in physical mode)

Karvy Computershare Private Limited
(Unit: BNR Udyog Limited)
Plot No. 17 to 24,
Vithal Rao Nagar, Madhapur
Hyderabad-500081

I/We shareholder(s) of BNR Udyog Limited hereby accord my/our approval to receive documents viz. annual reports, notices of general meetings/ postal ballot and such other documents that Ministry of Corporate Affairs may allow, to be sent in electronic mode.

I/we request you to note my/our latest email address, as mentioned below. If there is any change in the E-mail address, I/we will promptly communicate the same to you. I/we attach the self attested copy of PAN Card / Passport towards identification proof for the purpose of verification.

| | |
|-------------------------------------|--|
| Folio No. | |
| Name of first/sole shareholder | |
| Name of joint shareholder(s) if any | |
| Registered Address | |
| E-mail address (to be registered) | |

Place:

Date:

(Signature of shareholder)

Note : This form is available on Company's website www.bnrul.com



BNR UDYOG LIMITED

DIRECTORS' REPORT

To,
The Members,

Your Directors have pleasure in presenting the 19th Annual Report and the Audited Accounts for the year ending March 31, 2013.

1. Financial Results:

The financial results for the year ended March 31, 2013 are summarised as under:

| Particulars | Amount (in Rs.) | |
|---------------------------------------|-----------------|-------------|
| | 2012-13 | 2011-12 |
| Total Revenue | 3,50,27,941 | 3,63,02,498 |
| Add Exceptional Items | (15,589) | 92,454 |
| Less Total Expenses | 2,59,06,500 | 2,64,82,505 |
| Profit before Tax | 91,05,852 | 99,12,447 |
| Less : Tax Expenses | 25,65,269 | 29,87,489 |
| Profit for the year after Tax | 65,40,583 | 69,24,958 |
| Balance of Profit brought forward | 1,39,49,035 | 1,08,10,752 |
| Profit available for appropriation | 2,03,89,618 | 1,77,35,710 |
| Less : (i) Proposed Dividend | 30,00,000 | 30,00,000 |
| Less : (ii) Tax on Dividend | 5,09,850 | 4,86,675 |
| Less : (iii) Transfer to Reserve Fund | 18,50,000 | 3,00,000 |
| Balance Carried to Balance Sheet | 1,51,29,768 | 1,39,49,035 |

2. Dividend:

Your Directors are pleased to recommend dividend @ 10% i.e. Rs. 1/- per equity share of Rs. 10/- each aggregating to Rs. 30,00,000/- on the paid up equity share capital of the Company.

3. Operations and Overview:

Apart from Medical Transcription, Billing & Coding services from US Clientele, Your Company has further diversified into E-Governance projects in India. Your company is empanelled with UIDAI & Currently working for the prestigious Aadhaar project in the state of Andhra Pradesh and Karnataka. Your company has also got awarded with Scanning and Digitisation of Documents for Khammam & Mahaboobnagar District in the state of Andhra Pradesh. We are also trying to get empanelled with other Government Authorities and Registrars and looking for good opportunities in other States of India.

Your company has good work orders in hand and expects to increase the turnover and profitability for the current financial year 2013-14.

4. Directors:

As per the Articles of Association of the Company, Shri T. Bharadwaj, retires by rotation at the forthcoming AGM and being eligible offer himself for reappointment. Brief resume of the retiring Director, as stipulated under Clause 49 of the Listing Agreements is provided in the Notice calling the AGM.



5. Auditors:

M/s Laxminiwas & Jain, Chartered Accountants are retiring at the forthcoming Annual General Meeting and will hold office up to the conclusion of the AGM and are eligible for re-appointment.

The Company has received a letter from them that their reappointment, if made, would be within the prescribed limits under Section 224(1B) of the Companies Act, 1956 and that they are not disqualified for such reappointment within the meaning of Section 226 of the said Act.

6. Secretarial Compliance Certificate:

Pursuant to the proviso to sub-section (1) of Section 383A read with the Companies (Compliance Certificate) Rules, 2001, a Secretarial Compliance Certificate from M/s. VSS & Associates, Company Secretaries, is attached to this Report as **Annexure-I**.

7. Particulars of Employees:

There was no employee of the Company who received remuneration in excess of the limits prescribes under Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of employees) Rules, 1975 as by Companies (Particulars of Employees) Amendment Rules, 2011 read with General Circular No. 23/2011 issued by the Ministry of Corporate Affairs, Government of India.

8. Conservation of Energy & Technology absorption and Foreign Exchange Earnings and Outgo:

Conservation of energy is an ongoing process in the Company's activities. As the core activities of the Company are not energy intensive, no information is to be furnished regarding Technology Absorption. Your Company has not undertaken any research and development activity nor was any specific technology obtained from any external sources which needs to be absorbed or adapted. The earnings in foreign currency is Rs. 1,40,62,411/- Equivalent to US \$ 258536.

9. Listing :

The equity shares of your company are listed at The Bombay Stock Exchange Ltd. and the requisite Annual Listing Fee is paid.

10. Public deposits:

Your Company has not accepted/renewed any deposits U/S 58A of the Companies Act, 1956.

11. Corporate Governance:

The Directors adhere to the requirements set out by Clause 49 of the Listing Agreement. The Report on Corporate Governance as stipulated under Clause 49 of the Listing Agreement forms part of the Annual Report. The requisite Certificate from M/s. Laxminiwas & Jain, Chartered Accountants, confirming compliance with the conditions of Corporate Governance as stipulated under the aforesaid Clause 49, is attached to this Report.

12. Segment wise Performance:

Your Company considers IT & ITS, E-Governance, Constrution, Investment and Finance as the primary segment for reporting.



13. Subsidiary Company

As on March 31, 2013 the Company has only one (1) wholly owned Subsidiary Company namely M/s. BNR Pashamylaram Enterprises Private Limited.

A statement, pursuant to section 212, is attached as **Annexure-II** to this Report.

In accordance with the general circular issued by the Ministry of Corporate Affairs, Govt. of India, the Balance Sheet, Statement of Profit & Loss and other documents of the subsidiary company is not being attached with the Balance Sheet of the Company. However the financial information of the subsidiary company is disclosed in the Annual Report in Compliance with the said circular. The Company will make available the Annual Accounts of the subsidiary company the related details informations to any member of the company who may be interested in obtaining the same. The Annual Accounts of the subsidiary company will also be kept open for inspection at the Registered Office of the Company.

14. Consolidated Financial Statements

In accordance with the Accounting Standard AS-21 on Consolidated Financial Statements read with Accounting Standard AS-23 on Accounting for Investments in Associates, the audited Consolidated Financial Statements are provided in the Annual Report.

15. Un paid / Un claimed Dividend:

As per provisions of the Section 205A read with Section 205C of the Companies Act, 1956 the company is required to transfer unpaid dividends remaining unclaimed and unpaid for a period of 7 years from the due date (s) to the Investor Education and Protection Fund (IEPF) set up by the Central Government. Accordingly on expiry of 7 years period. Unclaimed dividend for the year 2005-2006 is due for transfer to IEPF on or before 27th October, 2013. Those members who have not encashed their dividend warrants(s) for the said year and for the years mentioned below are requested to make the claims to the company without any further delay. **It may be noted that once the unclaimed dividend is transferred to the IEPF as above, no claim shall lie against the IEPF or the company in respect of any amounts which were unclaimed/unpaid for a period of 7 years from the dates that they first became due for payment and no payment shall be made in respect of any such claims.**

Given below are the proposed dates for transfer of the unclaimed dividend to IEPF by the company.

| Financial year ended | Date of Declaration of Dividend | Last date for Claiming Unpaid Dividend amt. (on or before) | Last date for Transfer to IEPF Fund |
|----------------------|---------------------------------|--|-------------------------------------|
| 31/03/2006 | 29/09/2006 | 28/09/2013 | 27/10/2013 |
| 31/03/2007 | 22/09/2007 | 21/09/2014 | 20/10/2014 |
| 31/03/2008 | 25/09/2008 | 24/09/2015 | 23/10/2015 |
| 31/03/2009 | 10/09/2009 | 09/09/2016 | 08/10/2016 |
| 31/03/2010 | 22/09/2010 | 21/09/2017 | 20/10/2017 |
| 31/03/2012 | 05/09/2012 | 04/09/2019 | 03/10/2019 |



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Shareholders who have not yet claimed the dividends for the above periods are requested to contact the Secretarial Department at the Registered Office of the Company.

16. Dividend Payments through Bank :

The Securities & Exchange Board of India (SEBI) has made it mandatory for all. Companies to use the Bank account details furnished by the Depositories for depositing dividend through Electronic Clearing Services (ECS) to investors where ECS and Bank details are available. Members may, therefore give instructions regarding bank accounts in which they wish to receive dividend, directly to their Depository Participants. The company will not entertain any direct request from such members for deletion of/change in such bank details. Further instructions, if any, already given by them in respect of shares held physical form will not be automatically applicable to dividend paid on shares in electronic form. Prescribed Form (ECS) is annexed to this report which may be duly filled in and sent to the company.

17. Consolidation of folio :

Shareholders holding share in identical order of names in more than one folio are requested to write to the company enclosing their share certificates to enable the company to consolidate their holding in one folio to facilitate better service.

18. CEO/CFO Certifications :

The Managing Director had given a certificate to the board as contemplated in clause 49 of the listing Agreement.

19. Management Discussion and Analysis :

Management Discussion and Analysis Report for the year ended March 31, 2013 as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges, is attached as **Annexure- III** to this Report.

20. Directors' Responsibility Statement:

Pursuant to Provisions of Sec.217 (2AA) of the Companies Act, 1956 Directors of your Company hereby confirm that:

- (i) The Annual Accounts of the Company have been prepared in accordance with applicable Accounting Standards.
- (ii) The Company has been consistently following selected accounting policies and made judgment and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the Profit & Loss account of the Company.
- (iii) The Company has taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 1956 for safe guarding assets of the Company and for preventing and detecting fraud and other irregularities.
- (iv) The Annual Accounts have been prepared on going concern basis.



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21. Acknowledgement:

Your Directors would like to express their appreciation for assistance and co-operation received from the Shareholders, Employees, Banks and Government authorities during the year and We thanks all the share holders for the confidence reposed on us.

For and on behalf of the Board of Directors
For **BNR Udyog Limited**

Place : Hyderabad
Date : 25.07.2013

Kamal Rathi
(Managing Director)

J. Vikram Dev Rao
(Director)



BNR UDYOG LIMITED

Annexure-I

COMPLIANCE CERTIFICATE

(In terms of Section 383 A (1) of the Companies Act, 1956)

CIN: L67120AP1994PLC018841

Authorised Capital : Rs. 5,00,00,000 (Rupees Five Crore)
Paid-up Capital : Rs. 3,00,00,000 (Rupees Three Crore)

**To,
The Members,
BNR UDYOG LIMITED
6-3-650, 218, 2nd Floor,
Maheshwari Chambers,
Somajiguda, Hyderabad-82**

We have examined the registers, records, books and papers of **BNR UDYOG LIMITED** (the "Company") as required to be maintained under the Companies Act, 1956, and the rules made thereunder and also the provisions contained in the Memorandum and Articles of Association of the company for the financial year ended on 31st March, 2013 (Financial year). In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished to us by the company, its officers and agents. We certify that in respect of the aforesaid financial year:

1. The Company has kept and maintained all registers as stated in Annexure 'A' to this certificate, as per the provisions and the rules made thereunder and all entries therein have been duly recorded.
2. The Company has duly filed the forms and the returns as stated in Annexure 'B' to this Certificate, with the Registrar of Companies, Regional Director, Central Government, Company Law Board or other authorities with the prescribed under the Act and the rules made there under.
3. The Company being a Public Limited company, comments are not required.
4. The Board of Directors duly met **4(Four) times on 30.05.12, 25.07.12, 07.11.12 and 06.02.13** in respect of which meetings proper notices were given and the proceedings were properly recorded and signed in the minutes book maintained for the purpose.
5. The Company closed its Register of Members, from 28th August, 2012 to 4th September, 2012 and necessary compliance of section 154 of the Act has been made.
6. The Annual General Meeting for the financial year ended 31.03.2012 was held on 05.09.2012 after giving due notice to the members of the company and the resolutions passed thereat were recorded in the Minutes book maintained for the purpose.
7. No extra ordinary general meeting was held during the financial year under review.
8. The Company has not advanced any loans to Directors or persons or firms or companies referred to U/s 295 of the Act.



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9. The Company has not entered into any contracts in contravention to the provisions of section 297 of the Act.
10. The company has made necessary entries in the register maintained under section 301 of the Act.
11. As there was no instance falling within the purview of section 314 of the Act, the Company has not obtained any approvals from the Board of Directors, Members or Central Government.
12. The Company has not issued any duplicate share certificates during the financial year under review.
13. (a) There was no allotment / transfer / transmission of securities during the financial year under review.
(b) The Company has deposited equivalent amount in a separate bank account as dividend @ 10% per equity share of Rs.10/- each was declared during the financial year under review.
(c) The Company has posted warrants to all the member(s) of the Company as dividend was declared during the financial year under review.
(d) Matters relating to transfer to the unpaid dividend account, application money due for refund, matured deposits, matured debentures and the interest accrued there on etc are not applicable.
(e) The Company has duly complied with the requirements of Section 217 of the Act.
14. The Board of Directors of the Company is duly constituted. There was an appointment of additional director however alternate directors or directors to fill casual vacancies are not appointed during the financial year under review.
15. The Company has appointed Mr. Sandeep Rathi as Executive director of the Company for a period of 5 years and no appointment of Managing Director/Manager has been made during the financial year under review.
16. The Company has not appointed any sole-selling agents during the financial year under review.
17. The Company was not required to obtain any approvals of the Central Government, Company Law Board, Regional Director, Registrar and/or such other authorities prescribed under the various provisions of the Act, during the financial year under review.
18. The Directors have disclosed their interest in other firms/companies to the Board of Directors pursuant to the provisions of the Act and the rules made thereunder.
19. The Company has not issued any shares, debentures or other securities during the financial year under review.
20. The Company has not bought back any shares during the financial year under review.
21. There was no redemption of preference shares or debentures during the financial year under review.
22. There was no transaction necessitating the Company to keep in abeyance the rights to dividend, rights shares and bonus shares pending registration of transfer of shares during the financial year under review.
23. The Company has not invited/accepted any deposits including any unsecured loans falling within the purview of section 58A during the financial year under review.



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24. The amount borrowed by the Company from directors/public financial institutions/ banks and others during the financial year under review is within the borrowing limits of the Company and the necessary resolutions have been passed.
25. The Company has not made any loans or advances or given guarantees or provided securities to other bodies corporate and consequently no entries have been made in the register kept for the purpose.
26. The Company has not altered the provisions of the Memorandum with respect to the situation of the company's registered office from one state to another during the financial year under review.
27. The Company has not altered the provisions of the Memorandum with respect to the Objects of the company during the financial year under review.
28. The Company has not altered the provisions of Memorandum with respect to the name of the Company during the financial year under review.
29. The Company has not altered the provisions of the Memorandum with respect to the Share Capital of the Company during the financial year under review.
30. The Company has not altered the Articles of Association of the company during the financial year under review.
31. There was/were no prosecution initiated against or show cause notice received by the company and no fines or penalties or any other punishment was imposed on the company during the financial year under review for offences under the Act.
32. The Company has not received any money as security from its employees during the financial year under review.
33. The Company has not constituted a separate provident fund trust for its employees or class of employees as contemplated under section 418 of the Act.

**For VSS & Associates
Company Secretaries**

Place: Hyderabad
Date: 25.05.2013

Vidya Harkut
C.P. No.7534



BNR UDYOG LIMITED

Annexure – 'A'

Registers as maintained by the company:

| | |
|---|------------|
| 1. Register of Investments | U/s 49 |
| 2. Register of Members | U/s 150 |
| 3. Registers and Returns | U/s 163 |
| 4. Minutes and Proceedings of General Meeting and of Board Meetings | U/s 193(1) |
| 5. Books of Accounts | U/s 209(1) |
| 6. Register of Directors, Managing Directors | U/s 303(3) |
| 7. Shareholding Register of Directors' | U/s 307(1) |

Other Registers:

1. Register of Directors Attendance
2. Register of Share Holders' Attendance
3. Register of Proxies
4. Register of Share Transfers
5. Register of Fixed Assets

**For VSS & Associates
Company Secretaries**

Place: Hyderabad
Date: 25.05.2013

Vidya Harkut
C.P. No.7534



BNR UDYOG LIMITED

Annexure – ‘B’

- (1) Forms and Returns as filed by the Company with the Registrar of Companies, Andhra Pradesh, Hyderabad during the financial year ending 31st March, 2013.

| Sl. No | Form No/ Return | Filed u/s | Description | Date of filing |
|--------|---------------------------------|------------------|--|----------------|
| 1 | Form 32 | 260 | Appointment of Additional Director | 12.06.2012 |
| 2 | Form 23 | 257 | Re-Appointment as Director on Board | 17.09.2012 |
| | | 269, 198, 309 | Appointment of Mr. Sandeep Rathi as Executive Director of the Company for a period of 5 years | 17.09.2012 |
| 3 | Form 32 | 257 | Change in designation of a Director. | 17.09.2012 |
| 4 | Form 66 | 383A | Compliance certificate for the financial year ended on 31 st March, 2012 | 17.09.2012 |
| 5 | Form 20B | 159 & 160 | Annual Return of the Company made upto 05 th September 2012 | 29.10.2012 |
| 6 | Form 23AC XBRL & ACA XBRL | 220 | Balance sheet and Profit & Loss Account for the financial year ended on 31 st March, 2012 | 15.01.2013 |
| 7 | Form 32 | 303(2) | Cessation of Mr. B.N.Rathi as Chairman (due to death). | 19.01.2013 |

- (2) Form filed after the closure of the financial year 31st March, 2013 but before the date of this report: Nil

**For VSS & Associates
Company Secretaries**

Place: Hyderabad
Date: 25.05.2013

Vidya Harkut
C.P. No.7534



BNR UDYOG LIMITED

Annexure-II

Statement Pursuant to Section 212 of the Companies Act, 1956, relating to Company's Interest in Subsidiary Company for the financial year 2012-13

| | |
|---|---|
| Name of Subsidiary Company | BNR Pashamylaram Enterprises Private Limited |
| The Financial Year of the Subsidiary Companies ended on | March 31, 2013 |
| Date from which it became Subsidiary Company | May 03, 2012 |
| Number of shares held by the Company along with its nominees in the subsidiary at the end of the financial year of the Subsidiary | 10,000 equity shares of Rs. 10 each |
| Extent of Interest of the Company at the end of the financial year of the Subsidiary Company | 100% |
| The net aggregate amount of the Subsidiary Company Profit/(Loss) so far as it concerns the members of the Holding Company not dealt with in the Company's accounts: | |
| (a) for the current financial year | Rs. NIL |
| (b) for the previous financial year | Rs. NIL |
| The net aggregate amount of the Subsidiary Company Profit/(Loss) so far as it concerns the members of the Holding Company dealt with in the Company's accounts | |
| (a) for the current financial year | Rs. NIL |
| (b) for the previous financial year | Rs. NIL |

For and on behalf of the Board of Directors
For **BNR Udyog Limited**

Place : Hyderabad
Date : 25.05.2013

Kamal Rathi
(Managing Director)

J. Vikram Dev Rao
(Director)



Management Discussion and Analysis Report

Industry Overview

India has a wide scope of business opportunities in the field of IT & ITES for both Domestic & Overseas Markets. It has huge clientele in the US and provides employment opportunities to the huge mass of English speaking and computer literate people in the country. The success of the surviving companies proves that Medical transcription can hold a vital link in altering the Indian job scenario.

Future outlook

With rising dollar rates and availability of skilled employees, the future of the Medical Transcription, Billing & Coding services industry looks fairly positive. Demand for skilled medical transcriptionists to transcribe dictations may decrease as voice recognition technology may replace the need for human transcribers. Currently, medical transcriptionists are responsible for capturing information from a dictation or other type of recording, and creating accurate reports with this information. Medical transcriptionists may work with various types of computer software programs and technologies to create these reports. When these activities are replaced by computers and software programs like voice recognition software, medical transcription services by employees may become obsolete, whereas the industry will keep moving forward.

The national e-Governance plan of Indian government seeks to lay the foundation and provide long-term growth of e-governance projects in India. Setting up the core infrastructure and policies and implementation of a number of Mission mode projects at the Center & State, good business opportunities are available in the Indian markets. It has tremendous scope for the next two decades.

Risk Factors

Today's technology service and support business model is rapidly changing. To successfully navigate the shifting landscape, leaders in the services industry need to anticipate these changes and identify strategic options to "future proof" their services business. Future Scenarios for Technology Services identifies key market and other forces that could potentially impact the future of the support services industry. Particular attention was paid to exploring the relationship between uncertainties that pose the greatest threat to the well-entrenched business model, value chain and customer value proposition that have defined the technology support services business for decades and which are already showing signs of weakening in the market place.

Strengths & Human Resource

Although growth of the Indian IT industry has slowed down in recent years given the economic certainties, favorable exchange rates during the year enabled it to grow ahead of earlier estimates.

Medical Transcription, Billing & Coding services are a highly specialized skill, which requires a high degree of training and dedication and proficiency in English language. Medical records benefit greatly from experience, and especially by handing records from a wide variety of medical specialties. Hence, the Company recruits & train experienced medical transcriptionists. All the employees are par at Quality and deliverability. To provide quality and accurate services, quality control analysis are implemented and run on a day-to-day basis.



BNR UDYOG LIMITED

During the year, the company has renewed its focus on e-Governance projects and was successful in getting contracts from the Central & State Government. The company is poised for significantly superior growth in the coming years by reinforcing its strategies and action plans.

For and on behalf of the Board of Directors
For **BNR Udyog Limited**

Place : Hyderabad
Date : 25.07.2013

Kamal Rathi
(Managing Director)

J. Vikram Dev Rao
(Director)



BNR UDYOG LIMITED

Report on Corporate Governance

The Company has always adhered to the requirements set out by Clause 49 of the Listing Agreement.

Board Composition, its meetings and procedure

The Board of Directors of the Company, as on the date of this Report, comprises of Mr. J. Vikramdev Rao, Mr. T. Bharadwaj, Dr. B. Priyadarshini-Independent directors, Mr. Kamal Rathi-Managing Director, Mr. Sandeep Rathi-Executive Director,.

During the financial year, Four (4) board meetings were held on May 30, 2012, July 25, 2012, November 07, 2012, and February 06, 2013.

Attendance of Directors at Board Meetings, last Annual General Meeting (AGM) and number of other Directorships and Chairmanships/Memberships of Committees of each Director in various companies are as follows:

| Name of the Director | DIN | Attendance | | No. of Directorships and Committee Memberships/ Chairmanships including the Company | | |
|----------------------|----------|----------------|----------|---|-------------------------|---------------------------|
| | | Board Meetings | Last AGM | Other Directorships # | Committee Memberships @ | Committee Chairmanships @ |
| Mr. B.N. Rathi * | 00011259 | 3 | Yes | 3 | 2 | 1 |
| Mr. J. Vikramdev Rao | 00173556 | 4 | Yes | 1 | - | 1 |
| Mr.T. Bharadwaj | 00211834 | 4 | Yes | 1 | - | - |
| Dr. B. Priyadarshini | 02268397 | 4 | Yes | - | - | - |
| Mr. Kamal Rathi | 00011549 | 4 | Yes | 1 | - | - |
| Mr. Sandeep Rathi | 05261139 | 4 | Yes | 1 | - | - |

*Ceased to be a director w.e.f January 10, 2013

Other directorships excludes directorships in Indian private limited companies, section 25 companies, foreign companies, and alternate directorships. @ Represents Memberships/ Chairmanships of Audit Committee & Shareholders/Investors Grievance Committee.

The Board of the Company is regularly presented with all information, in specific, the information stipulated under Clause 49 of the Listing Agreement to ensure adequate disclosure and a transparent decision making. Detailed agenda with explanatory notes and information is circulated among the members of the Board, in advance of each meeting. However, urgent matters are also considered and adopted by passing resolutions through circulation as and when the need arises, which are noted at the next meeting of the Board

Committees of the Board

(I) Audit Committee

As on March 31, 2013, this Committee comprised of Mr. J. Vikramdev Rao (Chairman) and Mr. T. Bharadwaj, Dr. B. Priyadarshini and Mr. B.N. Rathi (Member till January 10, 2013). The terms of reference of Audit Committee are in accordance with Section 292A of the Companies Act, 1956 and the guidelines set out in Clause 49 of the Listing Agreement.



BNR UDYOG LIMITED

Meetings and attendance of the Audit Committee during the year

Four (4) meetings of the Audit Committee were held during the year on May 30, 2012, July 25, 2012, November 7, 2012, and February 06, 2013.

| Members | No. of Meetings held | No. of Meetings attended |
|----------------------|-----------------------------|---------------------------------|
| Mr. J. Vikramdev Rao | 4 | 4 |
| Mr. T. Bharadwaj | 4 | 4 |
| Dr. B. Priyadarshini | 4 | 4 |
| Mr. B.N. Rathi | 3* | 3 |

*As Mr. B.N.Rathi, ceased to be a director w.e.f January 10, 2013

(II) Shareholders /Investors' Grievance Committee

As on March 31, 2013, this Committee comprised of Mr. Kamal Rathi, Mr. Sandeep Rathi and Mr. B.N. Rathi (Chairman, till January 10, 2013). Mr. Prakash N. Rathi, Compliance Officer of the Company takes care of the transfers and transmission of securities, issuance of duplicate share certificates, redressal of investors' grievances. It also suggests and monitors measures to improve investor relations.

During the year, there was no meeting of the Shareholders'/Investors' Grievance Committee as there were no complaints/grievances received from any shareholder of the Company.

General Body Meetings

A. Annual General Meetings

Location, date and time of the Annual General Meetings held during the preceding 3 years and the Special Resolutions passed thereat are as follows:

| Year | Venue | Date & Time | Special resolutions passed |
|-------------|---|-----------------------------------|-----------------------------------|
| 2009-10 | Rajasthan Graduate Association, 5-4-790/1, First Floor, Abids, Hyderabad-01 | September 22, 2010 10:30 AM | 01 |
| 2010-11 | Rajasthan Graduate Association, 5-4-790/1, First Floor, Abids, Hyderabad-01 | September 15, 2011 10:00 AM | NIL |
| 2011-12 | Quality in Residency, Public Garden Road, Hyderabad-01 | September 5, 2012 10:00 AM | NIL |

During the year, no Extra-Ordinary General Meeting was held and no resolution was passed through Postal Ballot.

Disclosures

- (i) During the year, there were no materially significant related party transactions that may have potential conflict with the interests of the Company. The Company's related party transactions are generally with its associate companies. All related party transactions are intended to further the business interests of the Company.



BNR UDYOG LIMITED

- (ii) There was no non-compliance during the last three years by the Company on any matter related to Capital Markets. There were no penalties imposed nor strictures passed on the Company by Stock Exchanges, SEBI or any statutory authority.
- (iii) All mandatory requirements as per Clause 49 of the Listing Agreement have been complied with by the Company.
- (iv) The Company follows Accounting Standards issued by the Institute of Chartered Accountants of India and there are no statutory audit qualifications in this regard.
- (v) In terms of Clause 49(V) of the Listing Agreement, two directors have made a certification to the Board of Directors in the prescribed format for the year under review which has been reviewed by the Audit Committee and taken on record by the Board.

Means of Communication

The Company announced the Quarterly/Half-yearly/Annual results within the prescribed period and published the same in Business Standard (in English) and in Surya (in Telugu).

Annual Report containing inter-alia, Audited Accounts, Consolidated Financial Statements, Directors' Report, Auditors' Report, Management Discussion & Analysis Report and Corporate Governance Report including information for the Shareholders and other important information is circulated to the members and others entitled thereto.

General Shareholders Information

| | |
|---|--|
| Registered Office | 6-3-650, 218, 2 nd Floor, Maheshwari Chambers, Somajiguda, Hyderabad-500082 |
| Registrar and Transfer Agent | Karvy Computershare Private Limited Plot No. 17 to 24, Vithal Rao Nagar, Madhapur, Hyderabad – 500081 |
| Date, place and time of Annual General Meeting | September 21st, 2013, at 10 A.M. at Rajasthani Graduate Association, 5-4-790/1, 1st Floor, Abids, Hyderabad-500 001 |
| Date of Book Closure | September 14th, 2013 to September 20th, 2013 (Both days inclusive) |
| Financial Calendar 2013-14 | Adoption of Quarterly results for the quarter ending: June, 2013 - 15th August, 2013 September, 2013 - 15th November, 2013 December, 2013 - 15th February, 2014 March, 2014 - 31st May, 2014 Instead of publishing unaudited quarterly financial results for the last quarter, the Company may also opt to publish audited annual accounts by May 30, 2014. |
| Listing on Stock Exchanges at | The Equity Shares of the Company are listed on the Bombay Stock Exchange Limited ('BSE'). |
| Reuters code | Bombay Stock Exchange- BNRUDY |
| Stock code | 530809 - BSE |



BNR UDYOG LIMITED

Price Information

The details of monthly highest and lowest closing quotations of the equity shares of the company at the Bombay Stock Exchange Ltd. during financial year 2012-2013 are as under :-

Price at Bombay Stock Exchange Ltd.

| Month | High | Low |
|-----------|-------|-------|
| April | 13.91 | 10.03 |
| May | 14.59 | 10.67 |
| June | 14.80 | 11.95 |
| July | 14.40 | 11.25 |
| August | 14.01 | 11.53 |
| September | 14.60 | 11.20 |

| Month | High | Low |
|----------|-------|-------|
| October | 13.90 | 15.59 |
| November | 14.36 | 12.31 |
| December | 14.11 | 11.49 |
| January | 14.65 | 13.50 |
| February | 15.47 | 13.88 |
| March | 15.00 | 11.80 |

Distribution of Shareholding as on March 31, 2013

The distribution of shareholding as on March 31, 2013 was as follows:

As on March 31, 2013

| No. of Equity shares held | No. of shareholders | % of shareholders | No. of shares | % of shareholdings |
|---------------------------|---------------------|-------------------|-----------------|--------------------|
| 1-5000 | 986 | 80.95 | 158033 | 5.27 |
| 5001- 10000 | 97 | 7.96 | 82254 | 2.74 |
| 10001- 20000 | 62 | 5.09 | 92321 | 3.08 |
| 20001- 30000 | 31 | 2.55 | 82602 | 2.75 |
| 30001- 40000 | 12 | 0.99 | 42543 | 1.42 |
| 40001- 50000 | 8 | 0.66 | 36515 | 1.22 |
| 50001- 100000 | 7 | 0.57 | 49341 | 1.64 |
| 100001 & Above | 15 | 1.23 | 2456391 | 81.88 |
| Total | 1218 | 100.00 | 3,00,000 | 100.00 |

Share holding Pattern as on March 31, 2013

| Category | No. of shares | Percentage of Holding |
|---------------------------|----------------|-----------------------|
| Promoters, their family | 2101059 | 70.04 |
| Private, Corporate Bodies | 212951 | 7.10 |
| Indian Public / NRI | 685990 | 22.86 |
| Total | 3000000 | 100.00 |



BNR UDYOG LIMITED

Corporate Governance Certificate

A Certificate from a Practicing Chartered Accountant confirming compliance with the conditions of Corporate Governance as stipulated under Clause 49 is attached to the Directors' Report forming part of the Annual Report. This Certificate is also being forwarded to the Bombay Stock Exchange Limited.

Capital Integrity Audit

The Reconciliation certificate, confirming that the total issued capital of the Company is in agreement with the total number of shares in physical form and the total number of dematerialised shares held with National Securities Depository Limited and Central Depository Services (India) Limited, is placed before the Board on a quarterly basis. A copy of the Reconciliation Certificate Audit Report is submitted to the Bombay Stock Exchange Limited every quarter.

For and on behalf of the Board of Directors
For **BNR Udyog Limited**

Place : Hyderabad
Date : 25.07.2013

Kamal Rathi J. Vikram Dev Rao
(Managing Director) (Director)



BNR UDYOG LIMITED

CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of M/s. BNR Udyog Limited

We have examined the compliance of conditions of corporate governance by BNR Udyog Limited (“**the Company**”) for the year ended March 31, 2013, as stipulated in Clause 49 of the Listing Agreement of the Company with stock exchanges.

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

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

On the basis of our review of the relevant records and documents furnished to us and the report on Corporate Governance as approved by the Board of Directors and according to the information and explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the listing agreements. We also state that no investor grievance(s) are pending for a period exceeding one month against the Company as per the records of the Company.

**For Laxminiwas & Jain
Chartered Accountants
Firm Registration No. 001859S**

**B. Ramesh Kumar
(Partner) M.No.200304**

Place : Hyderabad
Date : 25.07.2013



BNR UDYOG LIMITED

INDEPENDENT AUDITORS' REPORT

To
The Members of
BNR UDYOG LIMITED
6-3-650, Maheshwari Chambers,
218, 2nd Floor, Somajiguda,
Hyderabad - 500 082

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Principles generally accepted in India including 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.

Auditor's Responsibility

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

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.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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:



BNR UDYOG LIMITED

- 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.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) order, 2003 ("the order") issued by the Central Government of India in terms of Sub-Section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the order.
2. As required by section 227(3) of the Act, we report that:
 - a) We have obtained all the information and explanations which to the best of knowledge and belief, were necessary for the purpose of our audit.
 - b) In our opinion, proper Books of Accounts, as required by law, have been kept by the Company so far as appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit & Loss, and the 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 the Cash Flow Statement complying with the accounting standards referred to in Sub-Section (3C) of Section 211 of the Act,
 - 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 the terms of clause (g) of sub-section (1) of section 274 of the Act.

For LAXMINIWAS & JAIN
Chartered Accountants
Firm Registration No. 001859S

B. Ramesh Kumar
Partner
Membership No. 200304

Place: Hyderabad
Date: 25.05.2013



ANNEXURE TO INDEPENDENT AUDITOR'S REPORT

BNR UDYOG LIMITED

[Referred to in paragraph 1 under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date]

- (i). a. According to the information & explanation furnished to us, the company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
b. According to the information & explanation furnished to us, all the assets have been physically verified by the Management during the year through a regular programme of verification, which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
c. According to the information & explanation furnished to us, the company has not disposed of a substantial part of its fixed assets during the year.
- (ii). a. According to the information & explanation furnished to us, the inventory has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable.
b. In our opinion, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
c. According to the information & explanation furnished to us, the Company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material.
- (iii). In respect of the loans, secured or unsecured, granted or taken by the company to /from companies, firms or other parties covered in the register maintained Under Section 301 of the Companies Act, 1956
(a) According to the information and explanations given to us, the company has not granted any loans secured or Unsecured to a party covered in the register maintained under section 301 of the Companies Act, 1956, hence clauses iii (a to d) are not applicable.
(b) According to the information & explanation furnished to us, the Company had taken Unsecured Loans of Rs. 48.75 Lacs from three parties and repaid the same, covered under register maintained under Section 301 of the Companies Act, 1956. The year-end balances of loans taken from such parties were Nil.
(c) According to the information and explanations given to us, the rate of interest and other terms and conditions on which loan are taken are not, prima-facie, prejudicial to the interest of the company.
(d) According to the information and explanations given to us, the payment of the principal amount is regular.
- (iv). In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to the purchases of property, shares, and other securities and fixed assets and with regard to sale of property, shares and other securities and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal controls.
- (v). a. According to the information and explanations given to us, we are of the opinion that the transactions that need to be entered into the register maintained under section 301 of the Companies Act, 1956 have been so entered.



BNR UDYOG LIMITED

- b. In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements exceeding the value of Rupees Five Lakhs have been entered during the financial year at price which are reasonable having regard to prevailing market prices at relevant time.
- (vi). The Company has not accepted any deposits from the public within the meaning of Sections 58A, 58AA or any other relevant provisions of the Companies Act, 1956 and the 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). The maintenance of cost records under section 209(1)(d) of the companies Act, 1956, has not been prescribed by the Central government for the products of the company.
- (ix). a. According to the information and explanations given to us and the records of the company examined by us, the company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education and protection fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, customs duty, excise duty, cess and other material statutory dues applicable to it.
- b. According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, wealth tax, service tax, sales tax, customs duty, excise duty and cess were in arrears, as at 31.03.2013 for a period of more than six months from the date they became payable.
- c. According to the information and explanations given to us, there are no dues of sales tax, income tax, customs duty, wealth tax, service tax, excise duty and cess which are not deposited on account of dispute.
- (x). In our opinion, the company has no accumulated losses as at 31.03.2013 and it has not incurred any cash losses in the financial year ended on that date or in the immediately preceding financial year.
- (xi). According to the information and explanation given to us, the company has not defaulted in repayment of dues to financial institutions, bank and debenture holders as at balance sheet date.
- (xii). In our opinion and according to the information and explanations given to us, the company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities. Accordingly the provisions of clause 4(xii) of the Companies (Auditors' Report) Order, 2003 are not applicable to the Company.
- (xiii). In our opinion, the company is not a chit fund or a nidhi/mutual benefit fund/ society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditors' Report) Order, 2003 are not applicable to the company.
- (xiv). According to information and explanations furnished to us, the company has maintained proper records of transactions and contracts in respect of trading in shares, debentures and other securities and timely entries have been made therein. The Investments are held by the company in its own name or held with valid transfer forms.
- (xv). According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions during the year.
- (xvi). According to the information & explanation given to us, the company has not obtained any term loans. Therefore, the provision of clause 4 (XVI) of the companies (Auditors Report) Order, 2003 are not applicable.



BNR UDYOG LIMITED

- (xvii). According to the information and explanations given to us and on the overall examination of the balance sheet of the company, we report that no funds raised on short-term basis have been used for long term investments.
- (xviii). According to the information and explanation given to us, the company has not made preferential allotment of shares to parties covered in the register maintained under Section 301 of the Companies Act, 1956. Accordingly the provision of clause 4(Xviii) of the companies (Auditors Report) order, 2003 are not applicable to the company.
- (xix). According to the information and explanation given to us, the Company has not issued any debentures. Therefore, the provisions of clause 4(xix) of the Companies (Auditors' Report) Order, 2003 are not applicable to the Company.
- (xx). According to the information and explanation given to us, the company has not raised any money by public issues during the year. Accordingly, the provisions of clause 4(xx) of the Companies (Auditors' Report) Order, 2003 are not applicable to the Company.
- (xxi). According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the course of our audit.

For LAXMINIWAS & JAIN
Chartered Accountants
Firm Registration No. 001859S

B. Ramesh Kumar
Partner
Membership No. 200304

Place: Hyderabad
Date: 25.05.2013



BNR UDYOG LIMITED

BALANCE SHEET AS AT 31st March, 2013

(Value in Rs.)

| PARTICULARS | Note | As at 31-03-2013 | As at 31-03-2012 |
|--------------------------------|------|---------------------------|---------------------------|
| EQUITY AND LIABILITIES | | | |
| Shareholders' funds | | | |
| Share Capital | 2.1 | 3,00,00,000 | 3,00,00,000 |
| Reserves and Surplus | 2.2 | 2,54,79,768 | 2,24,49,035 |
| | | 5,54,79,768 | 5,24,49,035 |
| Non-current liabilities | | | |
| Long-term borrowings | 2.3 | 4,91,604 | 2,13,018 |
| Deferred tax liabilities (net) | 2.4 | 46,81,809 | 39,74,665 |
| | | 51,73,413 | 41,87,683 |
| Current liabilities | | | |
| Short-term borrowings | 2.5 | 57,53,077 | --- |
| Trade payables | 2.6 | 58,23,506 | 16,30,939 |
| Other current liabilities | 2.7 | 32,30,727 | 18,72,904 |
| Short-term provisions | 2.8 | 45,01,977 | 39,85,844 |
| | | 1,93,09,287 | 74,89,687 |
| TOTAL | | <u>7,99,62,468</u> | <u>6,41,26,405</u> |
| ASSETS | | | |
| Non-current assets | | | |
| Fixed assets | 2.9 | | |
| Tangible assets | | 2,09,16,007 | 94,77,383 |
| Intangible Assets | | --- | --- |
| Capital work-in-progress | | --- | --- |
| Non-current Investments | 2.10 | 1,56,26,107 | 1,70,15,205 |
| Long term loans and advances | 2.11 | 86,792 | 80,727 |
| Other non-current assets | 2.12 | 1,55,11,396 | 88,03,569 |
| | | 5,21,40,302 | 3,53,76,884 |
| Current assets | | | |
| Current investments | 2.13 | --- | --- |
| Inventories | 2.14 | 73,32,876 | 73,32,876 |
| Trade receivables | 2.15 | 1,62,83,723 | 1,29,98,743 |
| Cash and cash equivalents | 2.16 | 6,17,893 | 35,34,437 |
| Short-term loans and advances | 2.17 | 24,85,278 | 28,63,345 |
| Other current assets | 2.18 | 11,02,396 | 20,20,120 |
| | | 2,78,22,166 | 2,87,49,521 |
| TOTAL | | <u>7,99,62,468</u> | <u>6,41,26,405</u> |

Significant accounting policies and notes on accounts 1 & 2

The notes referred to above form an integral part of the accounts

As per our report of even date attached.

For and on behalf of the Board

For **LAXMINIWAS & JAIN**

Chartered Accountants

Firm Registration No. 001859S

B. Ramesh Kumar

Partner M.No. 200304

Place : Hyderabad

Date : 25.05.2013

KAMAL RATHI
Managing Director

J. VIKRAM DEV RAO
Director



BNR UDYOG LIMITED

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

| PARTICULARS | Note | Value in Rs. | |
|---|------|---------------------|---------------------|
| | | As at 31-03-2013 | As at 31-03-2012 |
| Revenue | | | |
| I Revenue from operations | | | |
| Revenue from operations | 2.19 | 3,18,26,070 | 3,43,43,644 |
| Other Operating revenue | | 17,10,103 | 11,82,150 |
| Total Revenue from Operations | 2.19 | 3,35,36,173 | 3,55,25,794 |
| II Other Income | 2.20 | 14,91,768 | 7,76,704 |
| III Total Revenue (I+II) | | 3,50,27,941 | 3,63,02,498 |
| IV Expenses: | | | |
| Changes in Inventories | 2.21 | — | — |
| Employee benefits expenses | 2.22 | 1,33,38,155 | 1,14,29,047 |
| Finance costs | 2.23 | 4,29,827 | 1,29,510 |
| Depreciation and amortization expense | 2.9 | 18,86,664 | 6,38,517 |
| Other expenses | 2.24 | 1,02,51,854 | 1,42,85,431 |
| Total Expenses | | 2,59,06,500 | 2,64,82,505 |
| V Profit before Exceptional items and Tax (III-IV) | | 91,21,441 | 98,19,993 |
| VI Exceptional Items | 2.25 | (15,589) | 92,454 |
| VII Profit Before Tax (V-VI) | | 91,05,852 | 99,12,447 |
| VIII Tax Expenses: | | | |
| (a) Current tax | 2.26 | 18,00,000 | 19,34,704 |
| (b) Deferred tax Add / (Less) | 2.26 | 7,07,144 | 10,11,958 |
| (c) Adjustment for earlier year | 2.26 | 58,125 | 40,827 |
| Total Tax Expenses | | 25,65,269 | 29,87,489 |
| IX Profit for the period (VII) | | 91,05,852 | 99,12,447 |
| X Profit for the period after Tax (IX-VIII) | | 65,40,583 | 69,24,958 |
| XI Earnings per equity share: | | | |
| (a) Basic | | 2.18 | 2.31 |
| (b) Diluted | | 2.18 | 2.31 |

The notes referred to above form an integral part of the accounts

As per our report of even date attached.

For **LAXMINIWAS & JAIN**

Chartered Accountants

Firm Registration No. 001859S

For and on behalf of the Board

KAMAL RATHI

Managing Director

B. Ramesh Kumar

Partner M.No. 200304

Place : Hyderabad

Date : 25.05.2013

J. VIKRAM DEV RAO

Director



BNR UDYOG LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2013

(Amount in Rs' 000)

| PARTICULARS | 2012-2013 | 2011-2012 |
|---|-----------------|----------------|
| A. CASH FLOW FROM OPERATING ACTIVITIES: | | |
| Net profit before tax and extraordinary items | 9,106 | 9,912 |
| Depreciation | 1,887 | 639 |
| Financial Charges | 430 | 130 |
| LESS : Profit on Sale on Assets | 16 | (10) |
| Operating profit before working capital changes | 11,439 | 10,671 |
| Adjustments for: Trade and other receivables | (3,285) | (5,767) |
| Inventories | — | — |
| Current Assets | 912 | (1,136) |
| Loans and advances | 378 | 955 |
| Current Liabilities & Provision/Trade payables | 6,066 | 2,261 |
| Tax | (1,858) | (1,975) |
| Cash generated from operations | 13,652 | 5,009 |
| Cash flow before extraordinary items | 13,652 | 5,009 |
| NET CASH FLOW FROM OPERATING ACTIVITIES | 13,652 | 5,009 |
| B. CASH FLOW FROM INVESTING ACTIVITIES: | | |
| Increase in Fixed Deposit | (6,708) | (8,200) |
| Purchase of Fixed Assets | (13,770) | (2,333) |
| Sale of Fixed Asset | 430 | 335 |
| Investments (Shares) / Other Investments | 1,389 | 7,067 |
| NET CASH FLOW FROM INVESTING ACTIVITIES | (18,659) | (3,131) |
| C. CASH FLOW FROM FINANCING ACTIVITIES | | |
| Secured Loans accepted | 6,031 | 374 |
| Dividend / Tax on Dividend paid | (3,510) | — |
| Financial Charges | (430) | (130) |
| NET CASH USED IN FINANCING ACTIVITIES | 2,091 | 244 |
| Cash flow during the Year (A+B+C) | 2,916 | (2,122) |
| Add: Cash and Cash equivalent as at 01-04-2012 | 3,534 | 1,412 |
| Cash and Cash equivalent as at 31-03-2013 | 618 | 3,534 |

As per our report of even date attached.

For **LAXMINIWAS & JAIN**

Chartered Accountants

Firm Registration No. 001859S

B. Ramesh Kumar

Partner M.No. 200304

Place : Hyderabad

Date : 25.05.2013

For and on behalf of the Board

KAMAL RATHI

Managing Director

J. VIKRAM DEV RAO

Director



BNR UDYOG LIMITED

Notes to financial statements for the year ended 31 March 2013

| | As at 31-03-2013 (Rupees) | As at 31-03-2012 (Rupees) |
|--|---------------------------------|---------------------------------|
| Note 2.1 SHARE CAPITAL | | |
| Authorised Capital : 50,00,000 (Previous Year 50,00,000) Equity Shares of Rs.10/- each | 5,00,00,000 | 5,00,00,000 |
| Issued, Subscribed & Paid up 30,00,000 (Previous Year 30,00,000) Equity Shares of Rs.10/- each. | 3,00,00,000 | 3,00,00,000 |
| TOTAL | 3,00,00,000 | 3,00,00,000 |

Notes :

| Particulars | 2012-13 | | 2011-12 | |
|--|--------------------|--------------------|--------------|-------------|
| | No of Shares | Value (Rs.) | No of Shares | Value (Rs.) |
| Issued, subscribed and paid-up capital | 3,00,00,000 | 3,00,00,000 | 3,00,00,000 | 3,00,00,000 |
| At the beginning of the period | 3,00,00,000 | 3,00,00,000 | 3,00,00,000 | 3,00,00,000 |
| At the closing of the period | 3,00,00,000 | 3,00,00,000 | 3,00,00,000 | 3,00,00,000 |

Equity shareholder holding more than 5% of equity shares along with the number of equity shares held is as given below:

| Name of the Shareholder | As at 31 st March 2013 | | As at 31 st March 2012 | |
|-------------------------|-----------------------------------|------------------|-----------------------------------|---------------|
| | % | No. of Shares | % | No. of Shares |
| Badri Narayan Rathi | 5.87 | 1,76,000 | 5.87 | 1,76,000 |
| Kamal Narayan Rathi | 50.46 | 15,13,934 | 50.46 | 15,13,934 |



BNR UDYOG LIMITED

Notes to financial statements for the year ended 31 March 2013

| Note 2.2 | As at 31-03-2013 (Rupees) | As at 31-03-2012 (Rupees) |
|--|---------------------------------|---------------------------------|
| Reserves and Surplus | | |
| General Reserve | | |
| Opening balance of General Reserve | 85,00,000 | 82,00,000 |
| Add: Transferred from P&L Account during the year | 18,50,000 | 3,00,000 |
| | 1,03,50,000 | 85,00,000 |
| Surplus in the Statement of Profit and Loss | | |
| Opening balance | 1,39,49,035 | 1,08,10,752 |
| Add : Profit for the period | 65,40,583 | 69,24,958 |
| Less : Proposed dividend (inclusive of tax) | 35,09,850 | 34,86,675 |
| Less: Transferred to general reserve during the year | 18,50,000 | 3,00,000 |
| Net Surplus in the Statement of Profit and Loss | 1,51,29,768 | 1,39,49,035 |
| TOTAL | 2,54,79,768 | 2,24,49,035 |

Note 2.3

Long-term borrowings

| | | |
|---|-----------------|-----------------|
| A.Secured Loans | | |
| i) Vehicle Loan from HDFC Bank & Axis Bank (Refer Note 'a & b') | 4,91,604 | 2,13,018 |
| SUB TOTAL A | 4,91,604 | 2,13,018 |
| a) Secured against hypothecation of vehicles and is repayable in 36 monthly instalments of Rs.16,332 each inclusive of interest till May' 14 | | |
| b) Secured against hypothecation of vehicles and is repayable in 36 monthly instalments of Rs.29,151 each inclusive of interest till August' 15 | | |
| B. Unsecured loans | --- | --- |
| SUB TOTAL B | --- | --- |
| TOTAL (A+B) | 4,91,604 | 2,13,018 |

Note: 2.4

Deferred Tax Liabilities (Net)

| | | |
|------------------------|------------------|------------------|
| Opening balance | 39,74,665 | 29,62,707 |
| Provision for the year | 7,07,144 | 10,11,958 |
| Closing Balance | 46,81,809 | 39,74,665 |

Note: 2.5

| | | |
|--|------------------|-----|
| Short-term borrowings | 57,53,077 | --- |
| The A.P. Mahesh Co-op. Urban Bank Ltd. OD against FD's | | |



BNR UDYOG LIMITED

Notes to financial statements for the year ended 31 March 2013

| Note: 2.6 Trade payables | As at 31-03-2013 (Rupees) | As at 31-03-2012 (Rupees) |
|-----------------------------|---------------------------------|---------------------------------|
| | Trade payables | 58,23,506 |
| Total | 58,23,506 | 16,30,939 |

Note: Out of the said amount NIL amount pertains to Micro, Small and Medium Enterprises as defined under Micro, Small and Medium Enterprises Development Act, 2006. The information has been given in respect of such vendors to the extent they could be identified as Micro and Small enterprises on the basis of information available with the company on records.

Note: 2.7 Other current liabilities

| | | |
|--|------------------|------------------|
| Other Liabilities | 22,70,575 | 13,01,769 |
| Unclaimed Dividend | 4,92,833 | 4,09,876 |
| Vehicle loan instalments due less than 12 months | 4,67,319 | 1,61,259 |
| Total | 32,30,727 | 18,72,904 |

Note: 2.8 Short-term provisions

| | | |
|---|------------------|------------------|
| Provision for taxation (Net of Advance Tax/TDS) | 9,92,127 | 4,99,169 |
| Proposed Dividend (Incl. Tax) | 35,09,850 | 34,86,675 |
| Total | 45,01,977 | 39,85,844 |

Note 2.9 Fixed Assets

| PARTICULARS Description | GROSS BLOCK | | | DEPRECIATION | | | NET BLOCK | | |
|----------------------------|--------------------------|---|---------------------------|-------------------------|------------------------------------|------------------------------------|--------------------------|---------------------------|---------------------------|
| | As at 1-4-2012 Rs. | Addition (Deletion) for the year Rs. | As at 31-3-2013 Rs. | Upto 1-4-2012 Rs. | Addition for the year Rs. | Deletion for the year Rs. | Upto 31-3-2013 Rs. | As at 31-3-2013 Rs. | As at 31-3-2012 Rs. |
| 1. Land | 45,31,100 | ---- | 45,31,100 | ---- | ---- | --- | ---- | 45,31,100 | 45,31,100 |
| 2. Building | 11,21,954 | ---- | 11,21,954 | 5,44,791 | 37,473 | --- | 5,82,264 | 5,39,690 | 5,77,163 |
| 3. Plant & Machinery | 13,87,721 | 5,46,785 | 19,34,506 | 6,09,053 | 69,406 | --- | 6,78,459 | 12,56,047 | 7,78,668 |
| 4. Computers (Off. Equip) | 95,16,695 | 1,01,38,399 | 1,96,55,094 | 86,24,122 | 12,45,608 | --- | 98,69,730 | 97,85,364 | 8,92,573 |
| 5. Furniture & Fixtures | 33,03,189 | 1,02,761 | 34,05,950 | 25,54,765 | 2,13,016 | --- | 27,67,781 | 6,38,169 | 7,48,424 |
| 6. Vehicles | 25,21,275 | 29,82,931 (4,45,588) | 50,58,618 | 5,71,820 | 3,21,161 | --- | 8,92,981 | 41,65,637 | 19,49,455 |
| TOTAL | 2,23,81,934 | 1,37,70,876 | 3,57,07,222 | 1,29,04,551 | 18,86,664 | --- | 1,47,91,215 | 2,09,16,007 | 94,77,383 |
| PREVIOUS YEAR | 2,05,96,356 | 17,85,578 | 2,23,81,934 | 1,24,87,996 | 6,38,517 | 2,21,962 | 1,29,04,551 | 94,77,383 | 81,08,360 |



BNR UDYOG LIMITED

Note 2.10 Non Current Investments

Trade Investments (Investment in Equity Instruments)

| Name of the Company | As at 31-03-2013 | | As at 31-03-2012 | |
|--|-----------------------------------|---------------|-----------------------------------|---------------|
| | Quantity Shares/ Debentures | Amount Rs. | Quantity Shares/ Debentures | Amount Rs. |
| Quoted Investment | | | | |
| Anant Raj Industries Limited | 700 | 85,551 | 700 | 85,551 |
| Assam Company Ltd. | 2000 | 78,562 | 2000 | 78,562 |
| Ballarpur Industries Ltd. | 2000 | 40,460 | 1000 | 24,430 |
| Bharat Immunologicals & Biologicals Corp. Ltd. | 1000 | 74,390 | 1000 | 74,390 |
| Bharatiya International Ltd. | ---- | ---- | 1000 | 1,84,366 |
| Cambridge Solutions Ltd. | 500 | 1,29,525 | 500 | 1,29,525 |
| Consolidated Finvest & Holding Ltd. | 4650 | 4,21,755 | 4650 | 4,21,755 |
| Cummins India Limited | ---- | ---- | 546 | 3,02,148 |
| Deccan Chronicle Ltd. | 5000 | 39,800 | ---- | ---- |
| Development Credit Bank | 6000 | 2,69,900 | 8000 | 3,58,600 |
| Dishman Pharma Limited | 2000 | 1,74,180 | 2000 | 4,33,674 |
| Facor Steel Ltd. | 25000 | 2,99,000 | 25000 | 2,99,000 |
| Frontline Soft Limited | 5000 | 1,13,750 | 5000 | 1,13,750 |
| Gilada Fin. & Invest Limited | 26000 | 2,60,000 | 26000 | 2,60,000 |
| GMR Infrastructure Ltd. | 3000 | 2,91,935 | 3000 | 2,91,935 |
| Goldstone Infratech Limited | 2300 | 3,19,054 | 2300 | 3,19,054 |
| Gujarat Ambuja Exports Limited | 12000 | 4,80,155 | 12000 | 4,80,155 |
| Hazoor Multi Media Ltd. | 4265 | 96,858 | 4265 | 96,858 |
| HDIL Ltd. | 1000 | 7,04,222 | 1000 | 7,04,222 |
| IFCI Ltd. | 2000 | 71,980 | ---- | ---- |
| IDFC Ltd. | ---- | ---- | 500 | 75,010 |
| India Cement Ltd. | 3300 | 5,80,098 | 3300 | 5,80,098 |
| ISMT-New (Indian Seamless Metal Tubes) | 1000 | 1,17,393 | 1000 | 1,17,393 |
| ITC Ltd. | ---- | ---- | 2500 | 6,49,800 |
| ITD Cementation India Ltd. | 700 | 3,70,901 | 700 | 3,70,901 |
| Jaiprakash Hydro Ltd. | 500 | 67,140 | 500 | 67,140 |
| JMC Project Limited | 890 | 1,94,762 | 890 | 1,94,762 |
| Jupiter Bio Science Limited | 1000 | 80,190 | 1000 | 80,190 |
| JVL Agro Limited | 5000 | 2,10,715 | 5000 | 2,10,715 |
| KS Oils Ltd. | 2500 | 2,16,520 | 2500 | 2,16,520 |
| Kingfisher Air Lines (Deccan Aviation Ltd.) | 500 | 1,23,202 | 500 | 1,23,202 |
| KLG Systel Ltd. | 4369 | 15,94,004 | 4369 | 15,94,004 |
| Nagarjuna Fer & Chem. Ltd. | 1100 | 15,546 | 1100 | 15,546 |
| NMDC Ltd. | 1800 | 6,52,254 | 1800 | 6,52,254 |
| Pentamedia Graphics Limited | 900 | 1,19,800 | 900 | 1,19,800 |
| Pioneer Embroideries Ltd. | 9189 | 9,50,339 | 9189 | 9,50,339 |
| Praj Industries Ltd. | 500 | 1,24,885 | 500 | 1,24,885 |
| Punj Lloyd Ltd. | 2000 | 3,19,762 | 2000 | 3,19,762 |
| PVP Venture Ltd. (SSI Ltd.) | 3500 | 5,67,730 | 3500 | 5,67,730 |
| RDB Industries Ltd. | 4424 | 4,16,709 | 4424 | 4,16,709 |
| RDB Reality and Infra Ltd. | 1424 | 2,07,597 | 1424 | 2,07,597 |
| Reliance Communication Ltd. | 200 | 1,61,862 | 200 | 1,61,862 |



BNR UDYOG LIMITED

| Name of the Company | As at 31-03-2013 | | As at 31-03-2012 | |
|--|-----------------------------------|--------------------|-----------------------------------|--------------------|
| | Quantity Shares/ Debentures | Amount Rs. | Quantity Shares/ Debentures | Amount Rs. |
| Reliance Industries Ltd. | 1000 | 13,91,878 | 1000 | 13,91,878 |
| Rohit Ferro Tech Ltd. | 12235 | 14,57,131 | 12235 | 14,57,131 |
| Samtel Color Limited | 2000 | 31,840 | 2000 | 31,840 |
| Seshachal Tec. (Javelin Technologies Ltd.) | 2000 | 1,70,124 | 2000 | 1,70,124 |
| Silver Line Animation Ltd. | 200 | ---- | 200 | ---- |
| Soma Textiles Industries Ltd. | 15000 | 2,00,931 | 15000 | 2,00,931 |
| Spicejet Ltd. | ---- | ---- | 1000 | 91,585 |
| SSPDL (Srinivasa Shipping Co.) | 1000 | 62,124 | 1000 | 62,124 |
| Suzlon Energy Ltd. | 3400 | 2,76,209 | 3400 | 2,76,209 |
| Tech Mahindra Ltd. | 100 | 1,97,767 | 100 | 1,97,767 |
| Tata Steel Ltd. | 1000 | 5,28,867 | 1000 | 5,28,867 |
| The Shipping Corporation of India | 756 | 1,05,840 | 756 | 1,05,840 |
| Tilak Nagar Industries Ltd. | ---- | ---- | 300 | 21,715 |
| West Coast Paper Ltd. | 500 | 55,910 | ---- | ---- |
| SUB TOTAL (A) | | <u>1,55,21,107</u> | | <u>1,70,10,205</u> |
| Aggregate Market Value | | <u>39,23,579</u> | | <u>58,70,814</u> |
| Unquoted Investments | | | | |
| A.P. Mahesh Co-op. Urban Bank | 250 | 5,000 | 250 | 5,000 |
| SUB TOTAL (B) | | <u>5,000</u> | | <u>5,000</u> |
| Total of Investments in Shares (A+B) | | <u>1,55,26,107</u> | | <u>1,70,15,205</u> |
| Other Investments | | | | |
| BNR Pashamylaram Enterprises Pvt. Ltd. Equity Shares of Subsidy Company | 10000 | 1,00,000 | | ---- |
| TOTAL Non Current Investments | | <u>1,56,26,107</u> | | <u>1,70,15,205</u> |



BNR UDYOG LIMITED

Notes to financial statements for the year ended 31 March 2013

| Note 2.11 Long term loans and advances Unsecured, considered good | As at 31-03-2013 (Rupees) | As at 31-03-2012 (Rupees) |
|--|--|--|
| Telephone Deposit | 11,065 | 6,000 |
| Deposits with Govt, bodies | 75,727 | 74,727 |
| Total | 86,792 | 80,727 |

Note 2.12 **Other non-current assets**

| | | |
|------------------------|--------------------|------------------|
| Fixed Deposit Receipts | 1,38,82,000 | 83,75,000 |
| Interest from FDR's | 16,29,396 | 4,28,569 |
| Total | 1,55,11,396 | 88,03,569 |

Note 2.13

| | | |
|----------------------------|-----|------|
| Current Investments | --- | ---- |
|----------------------------|-----|------|

Notes : 2.14 **Inventories**

| | | |
|--|------------------|------------------|
| Stock in trade (in respect of goods acquired for trading at lower of cost or Net realisable value) | 73,32,876 | 73,32,876 |
| TOTAL | 73,32,876 | 73,32,876 |

Notes: 2.15 **Trade Receivables**

| | | |
|---|--------------------|--------------------|
| (Unsecured, considered good) | | |
| Outstanding for a period exceeding six months | 1,13,205 | 35,15,041 |
| Others | 1,61,70,518 | 94,83,702 |
| TOTAL | 1,62,83,723 | 1,29,98,743 |

Note 2.16 **Cash and Cash Equivalents** **Balances with banks**

| | | |
|--|-----------------|------------------|
| On Current Accounts | 82,710 | 30,64,217 |
| On Unclaimed dividend account | 4,92,833 | 4,09,876 |
| On HDFC Bank Gratuity Employees Scheme | 10,000 | 10,000 |
| Cash on Hand | 32,350 | 50,344 |
| TOTAL | 6,17,893 | 35,34,437 |



BNR UDYOG LIMITED

Notes to financial statements for the year ended 31 March 2013

| Note 2.17 | As at | As at |
|--|-------------------|-------------------|
| Short-term loans and advances | 31-03-2013 | 31-03-2012 |
| (Unsecured and considered good) | (Rupees) | (Rupees) |
| Security and other Deposit | 17,60,000 | 17,65,000 |
| Other Loans and Advances Recoverable | 5,00,000 | 10,00,000 |
| Prepaid expenses | 1,33,154 | 7,858 |
| Advance for expenses | 92,124 | 90,487 |
| TOTAL | 24,85,278 | 28,63,345 |

Note: 2.18 **Other current assets**

| | | |
|------------------------------------|------------------|------------------|
| Income Tax/ Service Tax Receivable | 10,31,471 | 10,08,818 |
| Rent Receivable | 58,363 | 25,000 |
| Interest Accrued but not due | 12,562 | 21,227 |
| Work in Progress | — | 9,65,075 |
| Total | 11,02,396 | 20,20,120 |

Notes 2.19 **Revenues from Operations**

| | | |
|--|--------------------|--------------------|
| Business Support Services | 1,77,63,659 | 2,04,88,375 |
| Medical Transcription Services | 1,40,62,411 | 1,38,55,269 |
| Revenue from Operations | 3,18,26,070 | 3,43,43,644 |
| Other Operating Revenue | | |
| Brokerage from primary market/Misc. Income | 15,249 | 2,765 |
| Profit on foreign exchange | 6,23,727 | 8,84,634 |
| Rent | 6,18,931 | 5,45,330 |
| Profit/(Loss) on Shares & Commodities | 4,52,196 | (2,50,579) |
| TOTAL | 17,10,103 | 11,82,150 |

Notes 2.20 **Other Income**

| | | |
|---|------------------|-----------------|
| Interest (TDS Rs.30,536/- Previous year Rs.21,337/-) | 14,02,225 | 6,46,454 |
| Dividend | 89,543 | 1,30,250 |
| TOTAL | 14,91,768 | 7,76,704 |



BNR UDYOG LIMITED

Notes to financial statements for the year ended 31 March 2013

| Note 2.21 Changes in inventories of Work-in-process, finished goods and Scrap | As at 31-03-2013 (Rupees) | As at 31-03-2012 (Rupees) |
|--|--|--|
| A. Opening stocks: | | |
| Work-in-process | | |
| Finished goods | 73,32,876 | 73,32,876 |
| Scrap | | |
| TOTAL - A | 73,32,876 | 73,32,876 |
| B. Closing stocks: | | |
| Work-in-process | | |
| Finished goods | 73,32,876 | 73,32,876 |
| Scrap | | |
| TOTAL - B | 73,32,876 | 73,32,876 |
| C. Increase/(Decrease) in stocks (B-A) | — | — |

Note 2.22 **Employee Benefit Expense**

| | | |
|--------------------------------------|--------------------|-------------|
| Employees remuneration and benefits | 1,20,29,143 | 1,03,28,989 |
| Contribution to PF/ESI/Gratuity | 2,76,385 | 1,73,016 |
| Remuneration to Managerial personnel | 7,99,751 | 7,93,251 |
| Staff welfare expenses | 2,32,876 | 1,33,791 |
| TOTAL | 1,33,38,155 | 1,14,29,047 |

Note 2.23 **Finance Costs**

| | | |
|-------------------|-----------------|----------|
| Interest on Loans | 3,75,231 | 98,139 |
| Bank Charges | 54,596 | 31,371 |
| TOTAL | 4,29,827 | 1,29,510 |

Note 2.24 **Other Expenses**

| | | |
|--------------------------|------------------|-------------|
| Business Support Charges | 66,12,186 | 1,03,84,020 |
| Share Transfer Expenses | 41,029 | 41,582 |
| Repairs & Maintenance : | | |
| Plant & Machinery | 94,665 | 1,88,721 |
| Building | 43,990 | 86,966 |
| Vehicles | 3,73,621 | 2,81,907 |
| Postage & Telegram | 1,51,603 | 22,025 |
| Security Expenses | — | 7,57,790 |



BNR UDYOG LIMITED

Notes to financial statements for the year ended 31 March 2013

| | As at 31-03-2013 (Rupees) | As at 31-03-2012 (Rupees) |
|---|---------------------------------|---------------------------------|
| Travelling & Conveyance | 5,06,207 | 2,39,275 |
| Insurance | 90,090 | 45,258 |
| Bad Debts | — | 2,49,533 |
| Rates & Taxes (Excluding Taxes on Income) | 2,52,759 | 1,81,257 |
| Remuneration to auditors : | | |
| Audit Fee | 30,000 | 30,000 |
| Tax Audit Fee | 15,000 | 15,000 |
| Certification Fee /Taxation matter | — | — |
| Communication Expenses | 3,15,953 | 4,14,822 |
| Subscription | 26,243 | 30,522 |
| Advertisement Expenses | 79,940 | 96,899 |
| Printing & Stationery | 5,84,917 | 4,61,904 |
| Electricity Charges | 3,15,629 | 2,61,742 |
| Professional charges | 56,000 | 1,01,150 |
| Director Sitting Fees | 30,000 | 28,000 |
| Business Promotion Expenses | 1,43,862 | 1,34,740 |
| Office, General & Miscellaneous Expenses | 2,47,299 | 1,45,803 |
| Transportation Expenses | 36,670 | 46,150 |
| Tender Fee & Operators exam fee | 83,165 | — |
| Share Transfer Stamps/Demat/Dly Expenses | 1,21,026 | 40,365 |
| TOTAL | 1,02,51,854 | 1,42,85,431 |

Note 2.25

Exceptional Items

| | | |
|--|-----------------|---------------|
| Profit on sale of Assets | (15,589) | 9,592 |
| Profit on sale of Flat at Singapore City | — | 82,862 |
| TOTAL | (15,589) | 92,454 |

Note 2.26

Tax Expenses

| | | |
|------------------------------|------------------|------------------|
| Current Tax | | |
| Provision for Tax | 18,00,000 | 19,34,704 |
| Less: MAT Credit | — | — |
| Total Current Tax | 18,00,000 | 19,34,704 |
| Deferred (Credit) / Expenses | 7,07,144 | 10,11,958 |
| Adjustment for earlier year | 58,125 | 40,827 |
| TOTAL | 25,65,269 | 29,87,489 |



NOTES FORMING PART OF THE ACCOUNTS:

1. Significant Accounting Policies :

- (a) **FIXED ASSETS** : Fixed Assets are stated at Cost less depreciation and inclusive of expenses upto Commissioning/putting the assets to use.
- (b) **DEPRECIATION** : Depreciation on the Fixed Assets has been provided on the Straight Line Method at the rates provided and in the manner prescribed in the Schedule - XIV of the Companies Act, 1956.
- (c) **INVENTORIES** : Inventories of landed properties are valued at cost of acquisition to the Company or market rate which ever is lower. In respect of construction work-in-progress, the Company has adopted completed Contract method of accounting and hence carried over the cost of work-in progress.
- (d) **INVESTMENTS** : No Provision for diminution in the value of investment is made in the books as the Company is valuing investments at cost consistently and provision for diminution in value of long term Investments is made only if such decline is permanent in the opinion of the Management.
- (e) **RECOGNITION OF INCOME AND EXPENDITURE** : Items of Income and Expenditure are Recognised on accrual basis except otherwise stated in notes to Accounts or where the same are not in the knowledge in the ordinary course of business.
- (f) **FOREIGN EXCHANGE TRANSACTIONS**: The transactions in foreign currency are recorded at the exchange rate prevailing on the date of the transactions which define to be date of invoice. Monetary Assets & Liabilities denominated in Foreign currency are translated at the rate of exchange at the balance sheet date and resultant gain or loss is recognised in the profit & loss account.
- (g) **IMPAIRMENT OF ASSETS** : The Carrying amounts of assets are reviewed at each Balance Sheet date for any indication of impairment based on internal/external factors. An asset is treated as impaired when the carrying cost of the asset exceeds its recoverable value. An impairment loss if any, is charged to Profit and Loss Account in the year in which an asset is identified as impaired. Reversal of impairment losses recognised in prior years is recorded when there is an indication that the impairment losses recognised for the assets no longer exist or have decreased.
- (h) **RETIREMENT & OTHER BENEFITS** :
 - (i) Contribution to the Provident Fund are charged to revenue each year.
 - (ii) The company has opted for the Group Gratuity-cum-Life Assurance Fund of the Life Insurance Corporation of India (LIC). The company's contribution to the scheme is charged to the Profit & Loss A/c for the year.
- (i) **TAXES ON INCOME** : The Company is providing and determining current Tax as the amount of tax payable in respect of taxable income for the period. Deferred Tax is recognised on timing difference between taxable income and accounting income subject to prudence.
- (j) **SEGMENT REPORTING** : Segments are identified having regard to the dominant source and nature of risks and returns the internal organisation and management structure. Inter segment revenue are accounted on the basis of transactions which are primarily market led. Revenue and expenses which relate to the enterprise as a whole and are not attributable to segments are included in unallocable expenses.



BNR UDYOG LIMITED

2. Notes to financial statements for the year ended 31 March 2013

| i. MANAGERIAL REMUNERATION: | 2012-2013 | 2011-2012 |
|--------------------------------|-----------------|-----------------|
| | Rs. | Rs. |
| Salary to Managing Director | 7,20,000 | 7,20,000 |
| Contribution to Provident Fund | 57,600 | 57,504 |
| Medical Reimbursement | 22,151 | 15,747 |
| | 7,99,751 | 7,93,251 |

ii. SEGMENT REPORTING - ACCOUNTING STANDARD —17

A. Primary Segment

(Rs. In Lakhs)

| | | Medical Transcription | Business Support | Finance & Others Act. | Total |
|----|---|------------------------------|------------------------------|--------------------------------|--------------------------------|
| a. | Segment Revenue Less : Inter Seg.Revenue | 146.86 | 177.64 | 25.78 | 350.28 |
| b. | Segment Results Less : Interest Unallocable Expenses Profit before Tax | 37.02 --- --- 37.02 | 62.12 --- --- 62.12 | (2.57) --- --- (2.57) | 96.57 3.75 1.76 91.06 |
| c. | Segment Assets | 261.88 | 126.20 | 411.54 | 799.62 |
| d. | Segment Liabilities | 28.81 | 60.22 | 155.79 | 244.82 |
| e. | Net Assets | 233.07 | 65.98 | 255.75 | 554.80 |

B. Secondary Segment (Geographical Segment) : The Group's Business is organised into two key geography segments comprising United States of America (USA) and India

| | | 2012-2013 | | 2011-2012 | |
|----|-----------------|-----------|--------|-----------|--------|
| | | USA | INDIA | USA | INDIA |
| a. | Segment Revenue | 146.86 | 203.42 | 147.40 | 216.54 |
| b. | Segment Assets | 233.07 | 321.73 | 114.52 | 444.84 |

iii. DISCLOSURE IN RESPECT OF RELATED PARTIES PURSUANT TO ACCOUNTING STANDARD 18

A) List of related parties

- I) Parties where control exist - nil
- II) Other parties with whom company entered into transactions during the year - nil
- III) Key Management personnel and enterprises having common key management personnel or their relatives.

Key Management Personnel :

Shri B.N.Rathi – Chairman (upto 10-1-2013)

Shri Kamal Rathi – Managing Director

Shri Sandeep Rathi – Executive Director

Enterprises having common Key Management Personnel

B.N.Rathi Securities Ltd., BNR Capital Services Private Ltd. and BN Rathi Comtrade Pvt. Ltd.

Relatives of Key Management Personnel

Smt. Mayura Rathi – Daughter-in-law of Shri Kamal Rathi & W/o. Shri Sandeep Rathi



BNR UDYOG LIMITED

(B) During the year following transactions were carried out with related parties in ordinary course of Business (Amount in Rs.)

| Nature of Transactions | Key Management Personnel & Relatives of Key Management Personnel | | Enterprises / having common Management Personnel | |
|--------------------------------|--|-----------|--|-------------|
| | 2012-2013 | 2011-2012 | 2012-2013 | 2011-2012 |
| 1. Purchases, Sales & Services | - | - | 9,27,57,054 | 1,70,04,261 |
| 2. Commission | - | - | 59,131 | 30,738 |
| 3. Managerial Remuneration | 7,99,751 | 7,93,251 | - | - |
| 4. Directors Sitting Fees | 7,500 | 10,000 | - | - |
| 5. Salary | 7,01,000 | 7,01,000 | - | - |
| 6. Loan Accepted | | | | |
| Sunita Rathi | 9,00,000 | - | - | - |
| Kamalnarayan Rathi | 18,00,000 | - | - | - |
| BNR Capital Services | 21,75,000 | - | - | - |
| 7. Loan Repaid | | | | |
| Sunita Rathi | 9,00,000 | - | - | - |
| Kamalnarayan Rathi | 18,00,000 | - | - | - |
| BNR Capital Services | 21,75,000 | - | - | - |

| iv. EARNINGS PER SHARE | 2012-2013 Rs. | 2011-2012 Rs. |
|--|--------------------------|--------------------------|
| <u>Earnings per share has been calculated as under</u> | | |
| Profit after Taxation | 65,40,583 | 69,24,958 |
| Number of Ordinary shares | 30,00,000 | 30,00,000 |
| Basic & Diluted Earnings per share (Face value Rs.10/- per share) | 2.18 | 2.31 |

v. DEFERRED TAX (Amount in Rs.)

| | Deferred Tax Asset / (Liability) as at 1-4-2012 | Current Year Charges (Credit) | Deferred Tax Asset / (Liability) as at 31-3-2013 |
|--|---|-------------------------------|--|
| 1. Deferred Tax Liabilities | | | |
| a) Difference in Valuation of Investments | (36,41,390) | (5,740) | (36,47,130) |
| Total | (36,41,390) | (5,740) | (36,47,130) |
| 2. Deferred Tax Assets | | | |
| a) Difference between book and tax depreciation. | (3,33,275) | (7,01,404) | (10,34,679) |
| Total | (3,33,275) | (7,01,404) | (10,34,679) |
| Total (1-2) | (39,74,665) | (7,07,144) | (46,81,809) |



BNR UDYOG LIMITED

vi. EARNINGS IN FOREIGN CURRENCY

(Amount in Rs.)

| Particulars | 2012-2013 | 2011-2012 |
|---------------------------------|-------------|-------------|
| Medical Transcription Income | 1,46,86,138 | 1,47,39,903 |
| Expenditure in Foreign Currency | NIL | NIL |

vii. CONTINGENT LIABILITIES

(Amount in Rs.)

| Particulars | 2012-2013 | 2011-2012 |
|---|---------------|--------------|
| a) Counter Guarantee against Bank Gaurantee | Rs. 38,82,000 | Rs. 1,75,000 |

viii. There are no Micro Small and Medium Enterprises to whom the company owes dues, which are standing for more than 45 days as at 31st March 2013. This information as required to be disclosed under the Micro, small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.

ix. Balances shown under Trade receivable are subject to Confirmation/ reconciliation

x. Figures of the Previous Years have been re-grouped - re- arranged, wherever considered necessary and rounded off to nearest rupee.

xi. EMPLOYEE BENEFITS

Employee Benefits have been provided as per provisions of Revised Accounting Standard 15AS(15) issued by the Institute of Chartered Accountants of India with effect from 01.04.2007

| DEFINED CONTRIBUTION PLAN : | 31-3-2013 in Rs. | 31-3-2012 in Rs. |
|---|---------------------|---------------------|
| Contribution to Defined Contribution Plan, recognised as expenses for the year are as under : | | |
| Employer's Contribution to Provident / pension Fund | 1,50,018 | 1,53,477 |
| Employer's Contribution to Employees State Insurance | 1,44,027 | 45,868 |
| Employees Deposit Linked Insurance | 2,998 | 4,602 |

The Company contributes applicable rates of salary of all eligible employees towards Provident Fund and Employees State Insurance managed by the Central Government.

DEFINED BENEFIT PLAN

The employee's gratuity fund scheme managed by LIC Group Gratuity is a defined benefit plan. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The company is having fair value of plan assets which is more than the present value of obligations. The same is not taken into account considering the prudence.



BNR UDYOG LIMITED

| | As on 31/03/2013 Amount in Rs. | As on 31/03/2012 Amount in Rs. |
|---|--------------------------------------|--------------------------------------|
| a. Table showing changes in present value of obligations | | |
| Present value of obligations as at beginning of year | 6,54,366 | 5,89,540 |
| Interest cost | 52,349 | 47,163 |
| Current Service Cost | 44,282 | 45,955 |
| Benefits paid | ---- | ---- |
| Actuarial Gain/Loss on obligations | (18,604) | (28,292) |
| Present values of obligations as at end of year | <u>7,32,393</u> | <u>6,54,366</u> |
| b. Assumptions | | |
| Discount Rate | 8.00% | 8.00% |
| Salary Escalation | 4.00% | 4.00% |
| c. Table showing fair value of Plan Assets | | |
| Fair values of plan assets at beginning of year | 7,61,074 | 6,91,752 |
| Actual return on plan assets | 68,882 | 62,426 |
| Contributions | 17,369 | 6,896 |
| Benefits paid | ---- | ---- |
| Fair value of plan assets at the end of year | <u>8,47,325</u> | <u>7,61,074</u> |

As per our report of even date attached.

For **LAXMINIWAS & JAIN**

Chartered Accountants

Firm Registration No. 001859S

For and on behalf of the Board

KAMAL RATHI
Managing Director

B. Ramesh Kumar

Partner M.No. 200304

J. VIKRAM DEV RAO
Director

Place : Hyderabad

Date : 25.05.2013



BNR UDYOG LIMITED

Additional information as required under Part-IV of Schedule VI to the Companies Act, 1956
Balance Sheet Abstract and Company's General Business Profile

I. Registration No. 18841 State Code 01 Balance Sheet Date 31st March, 2013

II. CAPITAL RAISED DURING THE YEAR (Amount in Rs.)

| | |
|--------------|-------------------|
| Public Issue | Rights Issue |
| Nil | Nil |
| Bonus Issue | Private Placement |
| Nil | Nil |

III. POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS (Amount in Rs.)

| | |
|-------------------|--------------|
| Total Liabilities | Total Assets |
| 79962468 | 79962468 |

SOURCES OF FUNDS

| | |
|-----------------|--------------------------|
| Paid up Capital | Reserves & Surplus |
| 30000000 | 25479768 |
| Secured Loans | Deferred Tax (Liability) |
| 491604 | 4681809 |
| | Current Liabilities |
| | 19309287 |

APPLICATION OF FUNDS

| | |
|--------------------|----------------------|
| Net Fixed Assets | Investments |
| 20916007 | 15626107 |
| Net Current Assets | Misc. Expenditure |
| 43420354 | NIL |
| Accumulated Losses | Deferred Tax(Assets) |
| NIL | NIL |

IV. PERFORMANCE OF COMPANY (AMOUNT IN RS.)

| | |
|----------------------------|---------------------------|
| Turnover (Income) | Total Expenditure |
| 35027941 | 25906500 |
| +/- Profit/Loss Before Tax | +/- Profit/Loss After Tax |
| + 9105852 | + 6540583 |
| Earning per Share in Rs. | Dividend Rate % |
| 2.18 | 10 |

V. GENERIC NAME OF PRINCIPAL SERVICES OF THE COMPANY

Item Code No. (ITC Code) : NIL
 Product description : INVESTMENT/REAL ESTATE DEVELOPMENT /
 CONSTRUCTION / MEDICAL TRANSCRIPTION

As per our report of even date attached.

For and on behalf of the Board

For LAXMINIWAS & JAIN

Chartered Accountants

Firm Registration No. 001859S

KAMAL RATHI
Managing Director

B. Ramesh Kumar

Partner M.No. 200304

J. VIKRAM DEV RAO
Director

Place : Hyderabad

Date : 25.05.2013



BNR UDYOG LIMITED

CONSOLIDATED FINANCIAL STATEMENTS & NOTES



INDEPENDENT AUDITORS' REPORT

**To
The Board of Directors
BNR UDYOG LIMITED**

Report on the Consolidated Financial Statements

We have audited the accompanying financial statements of BNR UDYOG LIMITED ("the Company"), and its subsidiary (BNR Pashamylaram Enterprises (P) Limited) 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 Financial Statements

Management is responsible for the preparation of these Consolidated financial statements that give a true and fair view of the financial position, Consolidated financial performance and Consolidated cash flows of the Company in accordance with the Accounting Principles generally accepted in India including 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 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 misstatements.

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 judgment, 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 fair presentation of the consolidated 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 consolidated financial statements.

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



BNR UDYOG LIMITED

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated 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 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 LAXMINIWAS & JAIN
Chartered Accountants
Firm Registration No. 001859S

B. Ramesh Kumar
Partner
Membership No. 200304

Place: Hyderabad
Date: 25.05.2013



BNR UDYOG LIMITED

CONSOLIDATED BALANCE SHEET AS AT 31st March, 2013 (Value in Rs.)

| Particulars | Note | As at | As at |
|--------------------------------|------|---------------------------|---------------------------|
| | | 31-03-2013 | 31-03-2012 |
| EQUITY AND LIABILITIES | | | |
| Shareholders' funds | | | |
| Share Capital | 2.1 | 3,00,00,000 | 3,00,00,000 |
| Reserves and Surplus | 2.2 | 2,54,79,768 | 2,24,49,035 |
| | | 5,54,79,768 | 5,24,49,035 |
| Non-current liabilities | | | |
| Long-term borrowings | 2.3 | 4,91,604 | 2,13,018 |
| Deferred tax liabilities (net) | 2.4 | 46,81,809 | 39,74,665 |
| | | 51,73,413 | 41,87,683 |
| Current liabilities | | | |
| Short-term borrowings | 2.5 | 57,53,077 | --- |
| Trade payables | 2.6 | 58,23,506 | 16,30,939 |
| Other current liabilities | 2.7 | 32,34,098 | 18,72,904 |
| Short-term provisions | 2.8 | 45,01,977 | 39,85,844 |
| | | 1,93,12,658 | 74,89,687 |
| TOTAL | | <u>7,99,65,839</u> | <u>6,41,26,405</u> |
| ASSETS | | | |
| Non-current assets | | | |
| Fixed assets | 2.9 | | |
| Tangible assets | | 2,09,16,007 | 94,77,383 |
| Intangible Assets | | --- | --- |
| Capital work-in-progress | | --- | --- |
| Non-current Investments | 2.10 | 1,55,26,107 | 1,70,15,205 |
| Long term loans and advances | 2.11 | 86,792 | 80,727 |
| Other non-current assets | 2.12 | 1,55,28,837 | 88,03,569 |
| | | 5,20,57,743 | 3,53,76,884 |
| Current assets | | | |
| Current investments | 2.13 | --- | --- |
| Inventories | 2.14 | 73,32,876 | 73,32,876 |
| Trade receivables | 2.15 | 1,62,83,723 | 1,29,98,743 |
| Cash and cash equivalents | 2.16 | 7,03,823 | 35,34,437 |
| Short-term loans and advances | 2.17 | 24,85,278 | 28,63,345 |
| Other current assets | 2.18 | 11,02,396 | 20,20,120 |
| | | 2,79,08,096 | 2,87,49,521 |
| TOTAL | | <u>7,99,65,839</u> | <u>6,41,26,405</u> |

Significant accounting policies and notes on accounts 1 & 2

The notes referred to above form an integral part of the accounts

As per our report of even date attached.

For and on behalf of the Board

For **LAXMINIWAS & JAIN**

Chartered Accountants

Firm Registration No. 001859S

B. Ramesh Kumar

Partner M.No. 200304

Place : Hyderabad

Date : 25.05.2013

KAMAL RATHI
Managing Director

J. VIKRAM DEV RAO
Director



BNR UDYOG LIMITED

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

| Particulars | Note | Value in Rs. | |
|---|------|---------------------|---------------------|
| | | As at 31-03-2013 | As at 31-03-2012 |
| Revenue | | | |
| I Revenue from operations | | | |
| Revenue from operations | 2.19 | 3,18,26,070 | 3,43,43,644 |
| Other Operating revenue | | 17,10,103 | 11,82,150 |
| Total Revenue from Operations | 2.19 | 3,35,36,173 | 3,55,25,794 |
| II Other Income | 2.20 | 14,91,768 | 7,76,704 |
| III Total Revenue (I+II) | | 3,50,27,941 | 3,63,02,498 |
| IV Expenses: | | | |
| Changes in Inventories | 2.21 | — | — |
| Employee benefits expenses | 2.22 | 1,33,38,155 | 1,14,29,047 |
| Finance costs | 2.23 | 4,29,827 | 1,29,510 |
| Depreciation and amortization expense | 2.9 | 18,86,664 | 6,38,517 |
| Other expenses | 2.24 | 1,02,51,854 | 1,42,85,431 |
| Total Expenses | | 2,59,06,500 | 2,64,82,505 |
| V Profit before Exceptional items and Tax (III-IV) | | 91,21,441 | 98,19,993 |
| VI Exceptional Items | 2.25 | (15,589) | 92,454 |
| VII Profit Before Tax (V-VI) | | 91,05,852 | 99,12,447 |
| VIII Tax Expenses: | | | |
| (a) Current tax | 2.26 | 18,00,000 | 19,34,704 |
| (b) Deferred tax Add / (Less) | 2.26 | 7,07,144 | 10,11,958 |
| (c) Adjustment for earlier year | 2.26 | 58,125 | 40,827 |
| Total Tax Expenses | | 25,65,269 | 29,87,489 |
| IX Profit for the period (VII) | | 91,05,852 | 99,12,447 |
| X Profit for the period after Tax (IX-VIII) | | 65,40,583 | 69,24,958 |
| XI Earnings per equity share: | | | |
| (a) Basic | | 2.18 | 2.31 |
| (b) Diluted | | 2.18 | 2.31 |

The notes referred to above form an integral part of the accounts

As per our report of even date attached.

For and on behalf of the Board

For **LAXMINIWAS & JAIN**

Chartered Accountants

Firm Registration No. 001859S

KAMAL RATHI
Managing Director

B. Ramesh Kumar

Partner M.No. 200304

Place : Hyderabad

Date : 25.05.2013

J. VIKRAM DEV RAO
Director



BNR UDYOG LIMITED

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2013

(Amount in Rs' 000)

| PARTICULARS | 2012-2013 | 2011-2012 |
|---|-----------------|----------------|
| A. CASH FLOW FROM OPERATING ACTIVITIES: | | |
| Net profit before tax and extraordinary items | 9,106 | 9,912 |
| Depreciation | 1,887 | 639 |
| Financial Charges | 430 | 130 |
| LESS : Profit on Sale on Assets | 16 | (10) |
| Operating profit before working capital changes | 11,439 | 10,671 |
| Adjustments for: Trade and other receivables | (3,285) | (5,767) |
| Inventories | — | — |
| Current Assets | 912 | (1,136) |
| Loans and advances | 378 | 955 |
| Current Liabilities & Provision/Trade payables | 6,069 | 2,261 |
| Tax | (1,858) | (1,975) |
| Cash generated from operations | 13,655 | 5,009 |
| Cash flow before extraordinary items | 13,655 | 5,009 |
| NET CASH FLOW FROM OPERATING ACTIVITIES | 13,655 | 5,009 |
| B. CASH FLOW FROM INVESTING ACTIVITIES: | | |
| Increase in Fixed deposit | (6,725) | (8,200) |
| Purchase of Fixed Assets | (13,770) | (2,333) |
| Sale of Fixed Asset | 430 | 335 |
| Investments (Shares) / Other Investments | 1,489 | 7,067 |
| NET CASH FLOW FROM INVESTING ACTIVITIES | (18,756) | (3,131) |
| C. CASH FLOW FROM FINANCING ACTIVITIES | | |
| Secured Loans accepted | 6,031 | 374 |
| Dividend / Tax on Dividend paid | (3,510) | — |
| Financial Charges | (430) | (130) |
| NET CASH USED IN FINANCING ACTIVITIES | 2,091 | 244 |
| Cash flow during the Year (A+B+C) | (2,830) | (2,122) |
| Add: Cash and Cash equivalent as at 01-04-2012 | 3,534 | 1,412 |
| Cash and Cash equivalent as at 31-03-2013 | 704 | 3,534 |

As per our report of even date attached.

For **LAXMINIWAS & JAIN**

Chartered Accountants

Firm Registration No. 001859S

B. Ramesh Kumar

Partner M.No. 200304

Place : Hyderabad

Date : 25.05.2013

For and on behalf of the Board

KAMAL RATHI

Managing Director

J. VIKRAM DEV RAO

Director



BNR UDYOG LIMITED

Consolidated Notes to financial statements for the year ended 31 March 2013

| | As at 31-03-2013 (Rupees) | As at 31-03-2012 (Rupees) |
|--|---------------------------------|---------------------------------|
| Note 2.1 SHARE CAPITAL | | |
| Authorised Capital : 50,00,000 (Previous Year 50,00,000) Equity Shares of Rs.10/- each | 5,00,00,000 | 5,00,00,000 |
| Issued, Subscribed & Paid up 30,00,000 (Previous Year 30,00,000) Equity Shares of Rs.10/- each. | 3,00,00,000 | 3,00,00,000 |
| TOTAL | 3,00,00,000 | 3,00,00,000 |

Notes :

| Particulars | 2012-13 | | 2011-12 | |
|--|--------------|-------------|--------------|-------------|
| | No of Shares | Value (Rs.) | No of Shares | Value (Rs.) |
| Issued, subscribed and paid-up capital | 3,00,00,000 | 3,00,00,000 | 3,00,00,000 | 3,00,00,000 |
| At the beginning of the period | 3,00,00,000 | 3,00,00,000 | 3,00,00,000 | 3,00,00,000 |
| At the closing of the period | 3,00,00,000 | 3,00,00,000 | 3,00,00,000 | 3,00,00,000 |

Equity shareholder holding more than 5% of equity shares along with the number of equity shares held is as given below:

| Name of the Shareholder | As at 31 st March 2013 | | As at 31 st March 2012 | |
|-------------------------|-----------------------------------|---------------|-----------------------------------|---------------|
| | % | No. of Shares | % | No. of Shares |
| Badri Narayan Rathi | 5.87 | 1,76,000 | 5.87 | 1,76,000 |
| Kamal Narayan Rathi | 50.46 | 15,13,934 | 50.46 | 15,13,934 |



BNR UDYOG LIMITED

Consolidated Notes to financial statements for the year ended 31 March 2013

| Note 2.2 Reserves and Surplus | As at 31-03-2013 (Rupees) | As at 31-03-2012 (Rupees) |
|--|--|--|
| General Reserve | | |
| Opening balance of General Reserve | 85,00,000 | 82,00,000 |
| Add: Transferred from P&L Account during the year | 18,50,000 | 3,00,000 |
| | 1,03,50,000 | 85,00,000 |
| Surplus in the Statement of Profit and Loss | | |
| Opening balance | 1,39,49,035 | 1,08,10,752 |
| Add : Profit for the period | 65,40,583 | 69,24,958 |
| Less : Proposed dividend (inclusive of tax) | 35,09,850 | 34,86,675 |
| Less: Transferred to general reserve during the year | 18,50,000 | 3,00,000 |
| Net Surplus in the Statement of Profit and Loss | 1,51,29,768 | 1,39,49,035 |
| TOTAL | 2,54,79,768 | 2,24,49,035 |

Note 2.3

Long-term borrowings

| | | |
|---|-----------------|----------|
| A.Secured Loans | | |
| i) Vehicle Loan from HDFC Bank & Axis Bank (Refer Note 'a & b') | 4,91,604 | 2,13,018 |
| SUB TOTAL A | 4,91,604 | 2,13,018 |
| a) Secured against hypothecation of vehicles and is repayable in 36 monthly instalments of Rs.16,332 each inclusive of interest till May' 14 | | |
| b) Secured against hypothecation of vehicles and is repayable in 36 monthly instalments of Rs.29,151 each inclusive of interest till August' 15 | | |
| B. Unsecured loans | --- | --- |
| SUB TOTAL B | --- | --- |
| TOTAL (A+B) | 4,91,604 | 2,13,018 |

Note: 2.4

Deferred Tax Liabilities (Net)

| | | |
|------------------------|------------------|-----------|
| Opening balance | 39,74,665 | 29,62,707 |
| Provision for the year | 7,07,144 | 10,11,958 |
| Closing Balance | 46,81,809 | 39,74,665 |

Note: 2.5

| | | |
|--|------------------|------|
| Short-term borrowings | 57,53,077 | ---- |
| The A.P. Mahesh Co-op. Urban Bank Ltd. OD against FD's | | |



BNR UDYOG LIMITED

Consolidated Notes to financial statements for the year ended 31 March 2013

| Note: 2.6 Trade payables | As at 31-03-2013 (Rupees) | As at 31-03-2012 (Rupees) |
|-----------------------------|---------------------------------|---------------------------------|
| | Trade payables | 58,23,506 |
| Total | 58,23,506 | 16,30,939 |

Note: Out of the said amount NIL amount pertains to Micro, Small and Medium Enterprises as defined under Micro, Small and Medium Enterprises Development Act, 2006. The information has been given in respect of such vendors to the extent they could be identified as Micro and Small enterprises on the basis of information available with the company on records.

Note: 2.7 Other current liabilities

| | | |
|--|------------------|------------------|
| Other Liabilities | 22,73,946 | 13,01,769 |
| Unclaimed Dividend | 4,92,833 | 4,09,876 |
| Vehicle loan instalments due less than 12 months | 4,67,319 | 1,61,259 |
| Total | 32,34,098 | 18,72,904 |

Note: 2.8 Short-term provisions

| | | |
|---|------------------|------------------|
| Provision for taxation (Net of Advance Tax/TDS) | 9,92,127 | 4,99,169 |
| Proposed Dividend (Incl. Tax) | 35,09,850 | 34,86,675 |
| Total | 45,01,977 | 39,85,844 |

Note 2.9 Fixed Assets

| PARTICULARS Description | GROSS BLOCK | | | DEPRECIATION | | | NET BLOCK | | |
|----------------------------|--------------------------|---|---------------------------|-------------------------|------------------------------------|------------------------------------|--------------------------|---------------------------|---------------------------|
| | As at 1-4-2012 Rs. | Addition (Deletion) for the year Rs. | As at 31-3-2013 Rs. | Upto 1-4-2012 Rs. | Addition for the year Rs. | Deletion for the year Rs. | Upto 31-3-2013 Rs. | As at 31-3-2013 Rs. | As at 31-3-2012 Rs. |
| 1. Land | 45,31,100 | ---- | 45,31,100 | ---- | ---- | ---- | 45,31,100 | 45,31,100 | |
| 2. Building | 11,21,954 | ---- | 11,21,954 | 5,44,791 | 37,473 | ---- | 5,82,264 | 5,39,690 | 5,77,163 |
| 3. Plant & Machinery | 13,87,721 | 5,46,785 | 19,34,506 | 6,09,053 | 69,406 | ---- | 6,78,459 | 12,56,047 | 7,78,668 |
| 4. Computers (Off. Equip) | 95,16,695 | 1,01,38,399 | 1,96,55,094 | 86,24,122 | 12,45,608 | ---- | 98,69,730 | 97,85,364 | 8,92,573 |
| 5. Furniture & Fixtures | 33,03,189 | 1,02,761 | 34,05,950 | 25,54,765 | 2,13,016 | ---- | 27,67,781 | 6,38,169 | 7,48,424 |
| 6. Vehicles | 25,21,275 | 29,82,931 (4,45,588) | 50,58,618 | 5,71,820 | 3,21,161 | ---- | 8,92,981 | 41,65,637 | 19,49,455 |
| TOTAL | 2,23,81,934 | 1,37,70,876 | 3,57,07,222 | 1,29,04,551 | 18,86,664 | ---- | 1,47,91,215 | 2,09,16,007 | 94,77,383 |
| PREVIOUS YEAR | 2,05,96,356 | 17,85,578 | 2,23,81,934 | 1,24,87,996 | 6,38,517 | 2,21,962 | 1,29,04,551 | 94,77,383 | 81,08,360 |



BNR UDYOG LIMITED

Note 2.10 Non Current Investments

Trade Investments (Investment in Equity Instruments)

| Name of the Company | As at 31-03-2013 | | As at 31-03-2012 | |
|--|-----------------------------------|---------------|-----------------------------------|---------------|
| | Quantity Shares/ Debentures | Amount Rs. | Quantity Shares/ Debentures | Amount Rs. |
| Quoted Investment | | | | |
| Anant Raj Industries Limited | 700 | 85,551 | 700 | 85,551 |
| Assam Company Ltd. | 2000 | 78,562 | 2000 | 78,562 |
| Ballarpur Industries Ltd. | 2000 | 40,460 | 1000 | 24,430 |
| Bharat Immunologicals & Biologicals Corp. Ltd. | 1000 | 74,390 | 1000 | 74,390 |
| Bharatiya International Ltd. | ---- | ---- | 1000 | 1,84,366 |
| Cambridge Solutions Ltd. | 500 | 1,29,525 | 500 | 1,29,525 |
| Consolidated Finvest & Holding Ltd. | 4650 | 4,21,755 | 4650 | 4,21,755 |
| Cummins India Limited | ---- | ---- | 546 | 3,02,148 |
| Deccan Chronicle Ltd. | 5000 | 39,800 | ---- | ---- |
| Development Credit Bank | 6000 | 2,69,900 | 8000 | 3,58,600 |
| Dishman Pharma Limited | 2000 | 1,74,180 | 2000 | 4,33,674 |
| Facor Steel Ltd. | 25000 | 2,99,000 | 25000 | 2,99,000 |
| Frontline Soft Limited | 5000 | 1,13,750 | 5000 | 1,13,750 |
| Gilada Fin. & Invest Limited | 26000 | 2,60,000 | 26000 | 2,60,000 |
| GMR Infrastructure Ltd. | 3000 | 2,91,935 | 3000 | 2,91,935 |
| Goldstone Infratech Limited | 2300 | 3,19,054 | 2300 | 3,19,054 |
| Gujarat Ambuja Exports Limited | 12000 | 4,80,155 | 12000 | 4,80,155 |
| Hazoor Multi Media Ltd. | 4265 | 96,858 | 4265 | 96,858 |
| HDIL Ltd. | 1000 | 7,04,222 | 1000 | 7,04,222 |
| IFCI Ltd. | 2000 | 71,980 | ---- | ---- |
| IDFC Ltd. | ---- | ---- | 500 | 75,010 |
| India Cement Ltd. | 3300 | 5,80,098 | 3300 | 5,80,098 |
| ISMT-New (Indian Seamless Metal Tubes) | 1000 | 1,17,393 | 1000 | 1,17,393 |
| ITC Ltd. | ---- | ---- | 2500 | 6,49,800 |
| ITD Cementation India Ltd. | 700 | 3,70,901 | 700 | 3,70,901 |
| Jaiprakash Hydro Ltd. | 500 | 67,140 | 500 | 67,140 |
| JMC Project Limited | 890 | 1,94,762 | 890 | 1,94,762 |
| Jupiter Bio Science Limited | 1000 | 80,190 | 1000 | 80,190 |
| JVL Agro Limited | 5000 | 2,10,715 | 5000 | 2,10,715 |
| KS Oils Ltd. | 2500 | 2,16,520 | 2500 | 2,16,520 |
| Kingfisher Air Lines (Deccan Aviation Ltd.) | 500 | 1,23,202 | 500 | 1,23,202 |
| KLG Systel Ltd. | 4369 | 15,94,004 | 4369 | 15,94,004 |
| Nagarjuna Fer & Chem. Ltd. | 1100 | 15,546 | 1100 | 15,546 |
| NMDC Ltd. | 1800 | 6,52,254 | 1800 | 6,52,254 |
| Pentamedia Graphics Limited | 900 | 1,19,800 | 900 | 1,19,800 |
| Pioneer Embroideries Ltd. | 9189 | 9,50,339 | 9189 | 9,50,339 |
| Praj Industries Ltd. | 500 | 1,24,885 | 500 | 1,24,885 |
| Punj Lloyd Ltd. | 2000 | 3,19,762 | 2000 | 3,19,762 |
| PVP Venture Ltd. (SSI Ltd.) | 3500 | 5,67,730 | 3500 | 5,67,730 |
| RDB Industries Ltd. | 4424 | 4,16,709 | 4424 | 4,16,709 |
| RDB Reality and Infra Ltd. | 1424 | 2,07,597 | 1424 | 2,07,597 |
| Reliance Communication Ltd. | 200 | 1,61,862 | 200 | 1,61,862 |



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| Name of the Company | As at 31-03-2013 | | As at 31-03-2012 | |
|---|-----------------------------------|--------------------|-----------------------------------|--------------------|
| | Quantity Shares/ Debentures | Amount Rs. | Quantity Shares/ Debentures | Amount Rs. |
| Reliance Industries Ltd. | 1000 | 13,91,878 | 1000 | 13,91,878 |
| Rohit Ferro Tech Ltd. | 12235 | 14,57,131 | 12235 | 14,57,131 |
| Samtel Color Limited | 2000 | 31,840 | 2000 | 31,840 |
| Seshachal Tec. (Javelin Technologies Ltd.) | 2000 | 1,70,124 | 2000 | 1,70,124 |
| Silver Line Animation Ltd. | 200 | ---- | 200 | ---- |
| Soma Textiles Industries Ltd. | 15000 | 2,00,931 | 15000 | 2,00,931 |
| Spicejet Ltd. | ---- | ---- | 1000 | 91,585 |
| SSPDL (Srinivasa Shipping Co.) | 1000 | 62,124 | 1000 | 62,124 |
| Suzlon Energy Ltd. | 3400 | 2,76,209 | 3400 | 2,76,209 |
| Tech Mahindra Ltd. | 100 | 1,97,767 | 100 | 1,97,767 |
| Tata Steel Ltd. | 1000 | 5,28,867 | 1000 | 5,28,867 |
| The Shipping Corporation of India | 756 | 1,05,840 | 756 | 1,05,840 |
| Tilak Nagar Industries Ltd. | ---- | ---- | 300 | 21,715 |
| West Coast Paper Ltd. | 500 | 55,910 | ---- | ---- |
| SUB TOTAL (A) | | <u>1,55,21,107</u> | | <u>1,70,10,205</u> |
| Aggregate Market Value | | <u>39,23,579</u> | | <u>58,70,814</u> |
| Unquoted Investments | | | | |
| A.P. Mahesh Co-op. Urban Bank | 250 | 5,000 | 250 | 5,000 |
| SUB TOTAL (B) | | <u>5,000</u> | | <u>5,000</u> |
| Total of Investments in Shares (A+B) | | | | |
| Other Investments | | | | |
| TOTAL Non Current Investments | | <u>1,55,26,107</u> | | <u>1,70,15,205</u> |



BNR UDYOG LIMITED

Consolidated Notes to financial statements for the year ended 31 March 2013

| Note 2.11 Long term loans and advances Unsecured, considered good | As at 31-03-2013 (Rupees) | As at 31-03-2012 (Rupees) |
|--|--|--|
| Telephone Deposit | 11,065 | 6,000 |
| Deposits with Govt, bodies | 75,727 | 74,727 |
| Total | 86,792 | 80,727 |

Note 2.12 **Other non-current assets**

| | | |
|--|--------------------|------------------|
| Fixed Deposit Receipts | 1,38,82,000 | 83,75,000 |
| Interest from FDR's | 16,29,396 | 4,28,569 |
| Other Non Current Assets of Subsidiary | 17,441 | --- |
| Total | 1,55,28,837 | 88,03,569 |

Note 2.13

| | | |
|----------------------------|-----|-----|
| Current Investments | --- | --- |
|----------------------------|-----|-----|

Notes : 2.14 **Inventories**

| | | |
|--|------------------|------------------|
| Stock in trade (in respect of goods acquired for trading at lower of cost or Net realisable value) | 73,32,876 | 73,32,876 |
| TOTAL | 73,32,876 | 73,32,876 |

Notes: 2.15 **Trade Receivables**

| | | |
|---|--------------------|--------------------|
| (Unsecured, considered good) | | |
| Outstanding for a period exceeding six months | 1,13,205 | 35,15,041 |
| Others | 1,61,70,518 | 94,83,702 |
| TOTAL | 1,62,83,723 | 1,29,98,743 |

Note 2.16 **Cash and Cash Equivalents** **Balances with banks**

| | | |
|--|-----------------|------------------|
| On Current Accounts | 82,710 | 30,64,217 |
| On Unclaimed dividend account | 4,92,833 | 4,09,876 |
| On HDFC Bank Gratuity Employees Scheme | 10,000 | 10,000 |
| Cash on Hand | 1,18,280 | 50,344 |
| TOTAL | 7,03,823 | 35,34,437 |



BNR UDYOG LIMITED

Consolidated Notes to financial statements for the year ended 31 March 2013

| Note 2.17 | As at | As at |
|--|------------------|------------------|
| Short-term loans and advances | 31-03-2013 | 31-03-2012 |
| (Unsecured and considered good) | (Rupees) | (Rupees) |
| Security and other Deposit | 17,60,000 | 17,65,000 |
| Other Loans and Advances Recoverable | 5,00,000 | 10,00,000 |
| Prepaid expenses | 1,33,154 | 7,858 |
| Advance for expenses | 92,124 | 90,487 |
| TOTAL | 24,85,278 | 28,63,345 |

Note: 2.18 Other current assets

| | | |
|------------------------------------|------------------|------------------|
| Income Tax/ Service Tax Receivable | 10,31,471 | 10,08,818 |
| Rent Receivable | 58,363 | 25,000 |
| Interest Accrued but not due | 12,562 | 21,227 |
| Work in Progress | — | 9,65,075 |
| Total | 11,02,396 | 20,20,120 |

Notes 2.19 Revenues from Operations

| | | |
|--|--------------------|--------------------|
| Business Support Services | 1,77,63,659 | 2,04,88,375 |
| Medical Transcription Services | 1,40,62,411 | 1,38,55,269 |
| Revenue from Operations | 3,18,26,070 | 3,43,43,644 |
| Other Operating Revenue | | |
| Brokerage from fixed deposits/primary market | 15,249 | 2,765 |
| Profit on foreign exchange | 6,23,727 | 8,84,634 |
| Rent | 6,18,931 | 5,45,330 |
| Profit/(Loss) on Shares & Commodities | 4,52,196 | (2,50,579) |
| TOTAL | 17,10,103 | 11,82,150 |

Notes 2.20 Other Income

| | | |
|---|------------------|-----------------|
| Interest (TDS Rs.30,536/- Previous year Rs.21,337/-) | 14,02,225 | 6,46,454 |
| Dividend | 89,543 | 1,30,250 |
| TOTAL | 14,91,768 | 7,76,704 |



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Consolidated Notes to financial statements for the year ended 31 March 2013

Note 2.21
Changes in inventories of Work-in-process, finished goods and Scrap

As at
31-03-2013
(Rupees)

As at
31-03-2012
(Rupees)

| | | |
|---|------------------|-----------|
| A. Opening stocks: | | |
| Work-in-process | | |
| Finished goods | 73,32,876 | 73,32,876 |
| Scrap | | |
| TOTAL - A | 73,32,876 | 73,32,876 |
| B. Closing stocks: | | |
| Work-in-process | | |
| Finished goods | 73,32,876 | 73,32,876 |
| Scrap | | |
| TOTAL - B | 73,32,876 | 73,32,876 |
| C. Increase/(Decrease) in stocks (B-A) | — | — |

Note 2.22
Employee Benefit Expense

| | | |
|--------------------------------------|--------------------|-------------|
| Employees remuneration and benefits | 1,20,29,143 | 1,03,28,989 |
| Contribution to PF/ESI/Gratuity | 2,76,385 | 1,73,016 |
| Remuneration to Managerial personnel | 7,99,751 | 7,93,251 |
| Staff welfare expenses | 2,32,876 | 1,33,791 |
| TOTAL | 1,33,38,155 | 1,14,29,047 |

Note 2.23
Finance Costs

| | | |
|-------------------|-----------------|----------|
| Interest on Loans | 3,75,231 | 98,139 |
| Bank Charges | 54,596 | 31,371 |
| TOTAL | 4,29,827 | 1,29,510 |

Note 2.24
Other Expenses

| | | |
|--------------------------|------------------|-------------|
| Business Support Charges | 66,12,186 | 1,03,84,020 |
| Share Transfer Expenses | 41,029 | 41,582 |
| Repairs & Maintenance : | | |
| Plant & Machinery | 94,665 | 1,88,721 |
| Building | 43,990 | 86,966 |
| Vehicles | 3,73,621 | 2,81,907 |
| Postage & Telegram | 1,51,603 | 22,025 |
| Security Expenses | — | 7,57,790 |



BNR UDYOG LIMITED

Consolidated Notes to financial statements for the year ended 31 March 2013

| | As at 31-03-2013 (Rupees) | As at 31-03-2012 (Rupees) |
|---|---------------------------------|---------------------------------|
| Travelling & Conveyance | 5,06,207 | 2,39,275 |
| Insurance | 90,090 | 45,258 |
| Bad Debts | — | 2,49,533 |
| Rates & Taxes (Excluding Taxes on Income) | 2,52,759 | 1,81,257 |
| Remuneration to auditors : | | |
| Audit Fee | 30,000 | 30,000 |
| Tax Audit Fee | 15,000 | 15,000 |
| Certification Fee /Taxation matter | — | --- |
| Communication Expenses | 3,15,953 | 4,14,822 |
| Subscription | 26,243 | 30,522 |
| Advertisement Expenses | 79,940 | 96,899 |
| Printing & Stationery | 5,84,917 | 4,61,904 |
| Electricity Charges | 3,15,629 | 2,61,742 |
| Professional charges | 56,000 | 1,01,150 |
| Director Sitting Fees | 30,000 | 28,000 |
| Business Promotion Expenses | 1,43,862 | 1,34,740 |
| Office, General & Miscellaneous Expenses | 2,47,299 | 1,45,803 |
| Transportation Expenses | 36,670 | 46,150 |
| Tender Fee & Operators exam fee | 83,165 | --- |
| Share Transfer Stamps/Demat/Dly Expenses | 1,21,026 | 40,365 |
| TOTAL | 1,02,51,854 | 1,42,85,431 |

Note 2.25

Exceptional Items

| | | |
|--|-----------------|---------------|
| Profit on sale of Assets | (15,589) | 9,592 |
| Profit on sale of Flat at Singapore City | — | 82,862 |
| TOTAL | (15,589) | 92,454 |

Note 2.26

Tax Expenses

| | | |
|------------------------------|------------------|------------------|
| Current Tax | | |
| Provision for Tax | 18,00,000 | 19,34,704 |
| Less: MAT Credit | — | --- |
| Total Current Tax | 18,00,000 | 19,34,704 |
| Deferred (Credit) / Expenses | 7,07,144 | 10,11,958 |
| Adjustment for earlier year | 58,125 | 40,827 |
| TOTAL | 25,65,269 | 29,87,489 |



NOTES FORMING PART OF THE ACCOUNTS:

1. Significant Accounting Policies :

- (a) **FIXED ASSETS** : Fixed Assets are stated at Cost less depreciation and inclusive of expenses upto Commissioning/putting the assets to use.
- (b) **DEPRECIATION** : Depreciation on the Fixed Assets has been provided on the Straight Line Method at the rates provided and in the manner prescribed in the Schedule - XIV of the Companies Act, 1956.
- (c) **INVENTORIES** : Inventories of landed properties are valued at cost of acquisition to the Company or market rate which ever is lower. In respect of construction work-in-progress, the Company has adopted completed Contract method of accounting and hence carried over the cost of work-in progress.
- (d) **INVESTMENTS** : No Provision for diminution in the value of investment is made in the books as the Company is valuing investments at cost consistently and provision for diminution in value of long term Investments is made only if such decline is permanent in the opinion of the Management.
- (e) **RECOGNITION OF INCOME AND EXPENDITURE** : Items of Income and Expenditure are Recognised on accrual basis except otherwise stated in notes to Accounts or where the same are not in the knowledge in the ordinary course of business.
- (f) **FOREIGN EXCHANGE TRANSACTIONS:** The transactions in foreign currency are recorded at the exchange rate prevailing on the date of the transactions which define to be date of invoice. Monetary Assets & Liabilities denominated in Foreign currency are translated at the rate of exchange at the balance sheet date and resultant gain or loss is recognised in the profit & loss account.
- (g) **IMPAIRMENT OF ASSETS** : The Carrying amounts of assets are reviewed at each Balance Sheet date for any indication of impairment based on internal/external factors. An asset is treated as impaired when the carrying cost of the asset exceeds its recoverable value. An impairment loss if any, is charged to Profit and Loss Account in the year in which an asset is identified as impaired. Reversal of impairment losses recognised in prior years is recorded when there is an indication that the impairment losses recognised for the assets no longer exist or have decreased.
- (h) **RETIREMENT & OTHER BENEFITS :**
 - (i) Contribution to the Provident Fund are charged to revenue each year.
 - (ii) The company has opted for the Group Gratuity-cum-Life Assurance Fund of the Life Insurance Corporation of India (LIC). The company's contribution to the scheme is charged to the Profit & Loss A/c for the year.
- (l) **TAXES ON INCOME** : The Company is providing and determining current Tax as the amount of tax payable in respect of taxable income for the period. Deferred Tax is recognised on timing difference between taxable income and accounting income subject to prudence.
- (j) **SEGMENT REPORTING** : Segments are identified having regard to the dominant source and nature of risks and returns the internal organisation and management structure. Inter segment revenue are accounted on the basis of transactions which are primarily market led. Revenue and expenses which relate to the enterprise as a whole and are not attributable to segments are included in unallocable expenses.



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2. Notes to financial statements for the year ended 31 March 2013

| i. MANAGERIAL REMUNERATION: | 2012-2013 | 2011-2012 |
|--------------------------------|-----------------|-----------------|
| | Rs. | Rs. |
| Salary to Managing Director | 7,20,000 | 7,20,000 |
| Contribution to Provident Fund | 57,600 | 57,504 |
| Medical Reimbursement | 22,151 | 15,747 |
| | <u>7,99,751</u> | <u>7,93,251</u> |

ii. SEGMENT REPORTING - ACCOUNTING STANDARD —17

A. Primary Segment

(Rs. In Lakhs)

| | | Medical Transcription | Business Support | Finance & Others Act. | Total |
|----|---|-----------------------|------------------|-----------------------|--------|
| a. | Segment Revenue Less : Inter Seg.Revenue | 146.86 | 177.64 | 25.78 | 350.28 |
| b. | Segment Results | 37.02 | 62.12 | (2.57) | 96.57 |
| | Less : Interest | --- | --- | --- | 3.75 |
| | Unallocable Expenses | --- | --- | --- | 1.76 |
| | Profit before Tax | 37.02 | 62.12 | (2.57) | 91.06 |
| c. | Segment Assets | 261.88 | 126.20 | 411.54 | 799.62 |
| d. | Segment Liabilities | 28.81 | 60.22 | 155.79 | 244.82 |
| e. | Net Assets | 233.07 | 65.98 | 255.75 | 554.80 |

B. Secondary Segment (Geographical Segment) : The Group's Business is organised into two key geography segments comprising United States of America (USA) and India

| | | 2012-2013 | | 2011-2012 | |
|----|-----------------|-----------|--------|-----------|--------|
| | | USA | INDIA | USA | INDIA |
| a. | Segment Revenue | 146.86 | 203.42 | 147.40 | 216.54 |
| b. | Segment Assets | 233.07 | 321.73 | 114.52 | 444.84 |

iii. DISCLOSURE IN RESPECT OF RELATED PARTIES PURSUANT TO ACCOUNTING STANDARD 18

A) List of related parties

- I) Parties where control exist - nil
- II) Other parties with whom company entered into transactions during the year - nil
- III) Key Management personnel and enterprises having common key management personnel or their relatives.

Key Management Personnel:

Shri B.N.Rathi – Chairman (upto 10-1-2013)

Shri Kamal Rathi – Managing Director

Shri Sandeep Rathi – Executive Director

Enterprises having common Key Management Personnel

B.N.Rathi Securities Ltd., BNR Capital Services Private Ltd. and BN Rathi Comtrade Pvt. Ltd.

Relatives of Key Management Personnel

Smt. Mayura Rathi – Daughter-in-law of Shri Kamal Rathi & W/o. Shri Sandeep Rathi



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(B) During the year following transactions were carried out with related parties in ordinary course of Business (Amount in Rs.)

| Nature of Transactions | Key Management Personnel & Relatives of Key Management Personnel | | Enterprises / having common Management Personnel | |
|--------------------------------|--|-----------|--|-------------|
| | 2012-2013 | 2011-2012 | 2012-2013 | 2011-2012 |
| 1. Purchases, Sales & Services | — | — | 9,27,57,054 | 1,70,04,261 |
| 2. Commission | — | — | 59,131 | 30,738 |
| 3. Managerial Remuneration | 7,99,751 | 7,93,251 | — | — |
| 4. Directors Sitting Fees | 7,500 | 10,000 | — | — |
| 5. Salary | 7,01,000 | 7,01,000 | — | — |
| 6. Loan Accepted | | | | |
| Sunita Rathi | 9,00,000 | — | — | — |
| Kamalnarayan Rathi | 18,00,000 | — | — | — |
| BNR Capital Services | 21,75,000 | — | — | — |
| 7. Loan Repaid | | | | |
| Sunita Rathi | 9,00,000 | — | — | — |
| Kamalnarayan Rathi | 18,00,000 | — | — | — |
| BNR Capital Services | 21,75,000 | — | — | — |

| iv. EARNINGS PER SHARE | 2012-2013 Rs. | 2011-2012 Rs. |
|---|------------------|------------------|
| <u>Earnings per share has been calculated as under</u> | | |
| Profit after Taxation | 65,40,583 | 69,24,958 |
| Number of Ordinary shares | 30,00,000 | 30,00,000 |
| Basic & Diluted Earnings per share (Face value Rs. 10/- per share) | 2.18 | 2.31 |

v. DEFERRED TAX (Amount in Rs.)

| | Deferred Tax Asset / (Liability) as at 1-4-2012 | Current Year Charges (Credit) | Deferred Tax Asset / (Liability) as at 31-3-2013 |
|--|---|-------------------------------|--|
| 1. Deferred Tax Liabilities | | | |
| a) Difference in Valuation of Investments | (36,41,390) | (5,740) | (36,47,130) |
| Total | (36,41,390) | (5,740) | (36,47,130) |
| 2. Deferred Tax Assets | | | |
| a) Difference between book and tax depreciation. | (3,33,275) | (7,01,404) | (10,34,679) |
| Total | (3,33,275) | (7,01,404) | (10,34,679) |
| Total (1-2) | (39,74,665) | (7,07,144) | (46,81,809) |



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vi. EARNINGS IN FOREIGN CURRENCY

(Amount in Rs.)

| Particulars | 2012-2013 | 2011-2012 |
|---------------------------------|-------------|-------------|
| Medical Transcription Income | 1,46,86,138 | 1,47,39,903 |
| Expenditure in Foreign Currency | NIL | NIL |

vii. CONTINGENT LIABILITIES

(Amount in Rs.)

| Particulars | 2012-2013 | 2011-2012 |
|---|---------------|--------------|
| a) Counter Guarantee against Bank Gaurantee | Rs. 38,82,000 | Rs. 1,75,000 |

viii. There are no Micro Small and Medium Enterprises to whom the company owes dues, which are standing for more than 45 days as at 31st March 2013. This information as required to be disclosed under the Micro, small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.

ix. Balances shown under Trade receivable are subject to Confirmation/ reconciliation

x. Figures of the Previous Years have been re-grouped - re- arranged, wherever considered necessary and rounded off to nearest rupee.

xi. EMPLOYEE BENEFITS

Employee Benefits have been provided as per provisions of Revised Accounting Standard 15AS(15) issued by the Institute of Chartered Accountants of India with effect from 01.04.2007

| DEFINED CONTRIBUTION PLAN : | 31-3-2013 in Rs. | 31-3-2012 in Rs. |
|---|---------------------|---------------------|
| Contribution to Defined Contribution Plan, recognised as expenses for the year are as under : | | |
| Employer's Contribution to Provident / pension Fund | 1,50,018 | 1,53,477 |
| Employer's Contribution to Employees State Insurance | 1,44,027 | 45,868 |
| Employees Deposit Linked Insurance | 2,998 | 4,602 |

The Company contributes applicable rates of salary of all eligible employees towards Provident Fund and Employees State Insurance managed by the Central Government.

DEFINED BENEFIT PLAN

The employee's gratuity fund scheme managed by LIC Group Gratuity is a defined benefit plan. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The company is having fair value of plan assets which is more than the present value of obligations. The same is not taken into account considering the prudence.



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| | As on 31/03/2013 Amount in Rs. | As on 31/03/2012 Amount in Rs. |
|---|--------------------------------------|--------------------------------------|
| a. Table showing changes in present value of obligations | | |
| Present value of obligations as at beginning of year | 6,54,366 | 5,89,540 |
| Interest cost | 52,349 | 47,163 |
| Current Service Cost | 44,282 | 45,955 |
| Benefits paid | — | — |
| Actuarial Gain/Loss on obligations | (18,604) | (28,292) |
| Present values of obligations as at end of year | <u>7,32,393</u> | <u>6,54,366</u> |
| b. Assumptions | | |
| Discount Rate | 8.00% | 8.00% |
| Salary Escalation | 4.00% | 4.00% |
| c. Table showing fair value of Plan Assets | | |
| Fair values of plan assets at beginning of year | 7,61,074 | 6,91,752 |
| Actual return on plan assets | 68,882 | 62,426 |
| Contributions | 17,369 | 6,896 |
| Benefits paid | — | — |
| Fair value of plan assets at the end of year | <u>8,47,325</u> | <u>7,61,074</u> |

As per report of even date.
For **LAXMINIWAS & JAIN**
Chartered Accountants
Firm Registration No. 001859S

For and on behalf of the Board

KAMAL RATHI
Managing Director

B. Ramesh Kumar
Partner M.No. 200304

Place : Hyderabad
Date : 25.05.2013

J. VIKRAM DEV RAO
Director



BNR UDYOG LIMITED

Additional information as required under Part-IV of Schedule VI to the Companies Act, 1956
Balance Sheet Abstract and Company's General Business Profile

I. Registration No. 18841 State Code 01 Balance Sheet Date 31st March, 2013

II. CAPITAL RAISED DURING THE YEAR (Amount in Rs.)

Public Issue

Nil

Rights Issue

Nil

Bonus Issue

Nil

Private Placement

Nil

III. POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS (Amount in Rs.)

Total Liabilities

79965839

Total Assets

79965839

SOURCES OF FUNDS

Paid up Capital

30000000

Reserves & Surplus

25479768

Secured Loans

491604

Deferred Tax (Liability)

4681809

Current Liabilities

19312658

APPLICATION OF FUNDS

Net Fixed Assets

20916007

Investments

15526107

Net Current Assets

43523725

Misc. Expenditure

NIL

Accumulated Losses

NIL

Deferred Tax(Assets)

NIL

IV. PERFORMANCE OF COMPANY (AMOUNT IN RS.)

Turnover (Income)

35027941

Total Expenditure

25906500

+/- Profit/Loss Before Tax

+ 9105852

+/- Profit/Loss After Tax

+ 6540583

Earning per Share in Rs.

2.18

Dividend Rate %

10

V. GENERIC NAME OF PRINCIPAL SERVICES OF THE COMPANY

Item Code No. (ITC Code) : NIL

Product description : INVESTMENT/REAL ESTATE DEVELOPMENT /
CONSTRUCTION / MEDICAL TRANSCRIPTION

As per our report of even date attached.

For and on behalf of the Board

For **LAXMINIWAS & JAIN**

Chartered Accountants

Firm Registration No. 001859S

KAMAL RATHI
Managing Director

B. Ramesh Kumar

Partner M.No. 200304

J. VIKRAM DEV RAO
Director

Place : Hyderabad

Date : 25.05.2013



BNR UDYOG LIMITED

BNR UDYOG LIMITED

Regd. Office: 6-3-650, 218, 2nd Floor, Maheshwari Chambers,
Somajiguda, Hyderabad-500 082 A.P. India

ATTENDANCE SLIP

Nineteenth Annual General Meeting - Saturday, 21st September, 2013 at 10.00 a.m. at Rajasthani Graduate Association, 5-4-790/1, 1st Floor, Abids, Hyderabad - 500 001.

Regd.Folio No./Client _ ID.....

No. of Shares

I certify that I am a registered shareholder/proxy for the registered shareholder of the Company. I hereby record my presence at the 19th ANNUAL GENERAL MEETING of the Company. at Rajasthani Graduate Association, 5-4-790/1, 1st Floor, Abids, Hyderabad - 500 001.on Saturday, the 21st day of September, 2013.

Member's/Proxy's name in Block Letter

Member's/Proxy's Signature

Note: Please fill this attendance slip and hand it over at the ENTRANCE OF THE HALL

----- (TEAR HEAR) -----

BNR UDYOG LIMITED

Regd. Office: 6-3-650, 218, 2nd Floor, Maheshwari Chambers,
Somajiguda, Hyderabad-500 082 A.P. India

FORM OF PROXY

I/We.....
of.....in the district of
being a member/members of the above-named company hereby appoint
or failing himof in the district of as
my/our proxy to vote for me/us on my behalf at the 19th ANNUAL GENERAL MEETING of the
Company to be held on Saturday the 21st day of September, 2013
Signed this day..... 2013

Regd.Folio No./Client _ ID

1 Rupee
Revenue
Stamp

Signature



BNR UDYOG LIMITED

BNR UDYOG LIMITED

Regd.Off: 6-3-650, 218, 2nd Floor, Maheshwari Chambers, Somajiguda, Hyderabad-82 A.P. India

ELECTRONIC CLEARING SERVICE (CREDIT CLEARING) ECS MANDATE FORM FOR PAYMENT OF DIVIDEND ON EQUITY SHARES HELD IN PHYSICAL FORM.

SHAREHOLDERS HOLDING SHARES IN DEMATS MODE SHOULD INFORM THEIR DPS DIRECTLY

1. First shareholder's Name (in Block Letters): _____

2.Shareholders Folio No. _____

3.Particulars of Bank Account:

A) Bank Name _____

B) Branch Name, Address & Ph. No. _____

C) Account No. (as appearing on the Cheque Book): _____

D) Account Type S.B.A/c _____ Current A/c. _____ Cash Credit. A/c _____

E) Ledger Folio No: _____

F) 9 Digit Code No. of the Bank & Branch : _____

Appearing on the MICR Cheque Issued by the bank

G) IFSC Code No. _____

Please attach the photocopy of a cheque of a blank cancelled cheque issued by your bank relating to your above account for verifying the accuracy of the code numbers.

DECLARATION

I hereby declare that the particulars given above are correct and complete. If the transaction is delayed or not effected at all for reasons of incomplete information. I would not hold the company responsible.

Signature of the first Shareholder

Name: _____

Address: _____

Date: _____ Pin code: _____

Place: _____ Tel Ph. No _____

For office use: ECS No _____

Note: Share holders are requested to furnish their Folio No/ Cl.Id No. without fail.



BNR UDYOG LIMITED

PRINTED MATTER
BOOK-POST

If undelivered please return to :

BNR UDYOG LIMITED

Registered Office :

6-3-650, 218, Maheshwari Chambers,
Somajiguda, Hyderabad - 500 082 A.P. INDIA



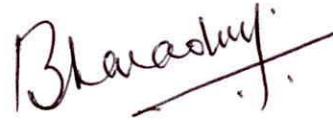


BNR UDYOG LIMITED

Regd. Off: 6-3-650, 218, 2nd Floor, Maheshwari Chambers, Somajiguda, Hyderabad - 500082
Phone: + 91- 40-23375791 Fax: +91- 40- 23375793 Email: info@bnrul.com web: www.bnrul.com

FORM A

(Format of covering letter of the annual audit report to be filed with the Stock Exchange)

| | | |
|----|--|---|
| 1. | Name of the company | BNR UDYOG LIMITED |
| 2. | Annual financial statements for the year ended | March 31, 2013 |
| 3. | Type of Audit observation | Unqualified |
| 4. | Frequency of observation | Not Applicable |
| 5. | To be signed by- CEO/Managing Director CFO Auditor of the company Audit Committee Chairman | <div style="text-align: center;"> (Managing Director)</div> <hr/> <div style="text-align: center;">For LAXMINIWAS & JAIN Chartered Accountants Firm Registration No: 001859 S  (B. RAMESH KUMAR) PARTNER M.No: 200304 (Auditor of the Company)</div> <hr/> <div style="text-align: center;"> (Audit Committee Chairman)</div> |