

**27th  
Annual Report  
2011-12**

**FUSION FITTINGS (I) LIMITED**

<b>Board of Directors</b>	<i>Kulbhushan Arora Sunil Choudhry Pawan Kumar</i>
<b>Auditors</b>	<i>K.K. Jain &amp; Co., Chartered Accountants, 184A, Garud Apartments Pocket IV, Mayur Vihar Phase-I Delhi-110 091</i>
<b>Bankers</b>	<i>Punjab National Bank, L.C.B., Sector-29 Gurgaon Haryana</i>
<b>Registered Office</b>	<i>106, Vishwadeep Towers Plot No.4, District Centre Janakpuri, New Delhi-110058</i>

<b>INDEX</b>	
	<b>Page No.</b>
<i>Notice .....</i>	<i>1</i>
<i>Directors' Report .....</i>	<i>4</i>
<i>Report on Corporate Governance .....</i>	<i>9</i>
<i>Standalone Financial Statements</i>	
<i>Auditors' Report.....</i>	<i>17</i>
<i>Balance Sheet .....</i>	<i>20</i>
<i>Statement of Profit &amp; Loss.....</i>	<i>21</i>
<i>Cash Flow Statement .....</i>	<i>22</i>
<i>Notes to Financial Statements.....</i>	<i>23</i>
<i>Consolidated Financial Statement</i>	
<i>Auditors' Report.....</i>	<i>35</i>
<i>Consolidated Balance Sheet.....</i>	<i>36</i>
<i>Consolidated Statement of Profit &amp; Loss.....</i>	<i>37</i>
<i>Consolidated Cash Flow Statement.....</i>	<i>38</i>
<i>Notes to Consolidated Financial Statements .....</i>	<i>39</i>

## FUSION FITTINGS (I) LIMITED

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### NOTICE

Notice is hereby given that the 27<sup>th</sup> Annual General Meeting of the members of the Company will be held on Saturday, the 29<sup>th</sup> day of September, 2012 at 10:00 a.m. at 'ASSOCHAM House', 47, Prithviraj Road, (Opposite Safdarjung Tomb), New Delhi-110011 to transact the following businesses:

#### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31<sup>st</sup> March, 2012 and the Statement of Profit & Loss for the year ended on that date and the reports of Directors and Auditors thereon.
2. To appoint a director in place of Mr. Sunil Choudhry, Director who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint M/s. K.K. Jain & Co., Chartered Accountants, as Statutory Auditors of the Company, to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

#### SPECIAL BUSINESS:

4. To consider and if thought fit, to pass with or without modification(s), the following resolution as a special resolution:

**"RESOLVED THAT** pursuant to section 372A of the Companies Act, 1956 the consent of the Company be and is hereby accorded to the

Corporate Guarantee given by the Company on February 14, 2012 in favour of State Bank of India, Leather & International Branch, Kilpauk, Chennai-600010 ("SBI"), for securing the credit facilities granted by SBI to the tune of Rs.2166.58 crore to Tecpro Systems Limited ("TSL") by way of various fund based and non fund based facilities together with interest, commission, charges or any other amount payable by TSL to SBI in connection with the said credit facilities notwithstanding the fact that the aggregate of the guarantee so far given, securities so far provided, loans/investments so far made by the Company along with this guarantee exceed 60% of the paid up share capital and free reserves of the Company or 100% of the free reserves of the Company whichever is more.

**RESOLVED FURTHER THAT** the acts, deeds and things done by the Board of Directors for purpose of the Corporate Guarantee given as above be and are hereby ratified and the Board of Directors be and is hereby further authorised to do all such acts, deeds and things as may be necessary to give effect to this resolution."

By order of the Board

Sd/-

Place: Gurgaon

Mukesh Kumar

Date : May 28, 2012

Dy. Company Secretary

## FUSION FITTINGS (I) LIMITED

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### Notes:

1. *A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND ON A POLL TO VOTE INSTEAD OF HIMSELF. THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. A BLANK PROXY FORM IS ENCLOSED HERE WITH AND, IF INTENDED TO BE USED, IT MUST BE SUBMITTED DULY COMPLETED AT COMPANY'S REGISTERED OFFICE AT LEAST 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.*
2. *Members/Proxies should bring the Attendance Slip sent herewith duly filled in for attending the Annual General Meeting.*
3. *All the registers/documents as required in terms of the provisions of the Companies Act, 1956, are open for inspection at the registered office of the Company on all working days except Sundays and other holidays, between 11.00 a.m. and 1.00 p.m.*
4. *The Register of Members and share transfer book shall remain closed from September 22, 2012 to September 29, 2012 (both days inclusive).*
5. *In case you have any query relating to the Annual Accounts of the company you are requested to send the same to the Dy. Company Secretary at the registered office of the company at least 10 days before the date of the Annual General Meeting so as to enable the management to keep the information ready.*
6. *As a measure of economy, copies of Annual Report will not be distributed at the venue of the meeting. Members/Proxies are, therefore, requested to bring their own copies of the Annual Report to the meeting.*
7. *Members holding shares in the physical form and desirous of making a nomination in respect of their shareholding in the Company, as permitted under section 109A of the Companies Act, 1956, are requested to submit to the Registrar & Transfer Agent of the company an application in prescribed Form 2B.*
8. *To facilitate trading of shares of the Company in demat form the Company has entered into agreements with National Securities Depository Limited and Central Depository Services (India) Limited. Shareholders in their own interest, can open their demat account and trading account with any of the Depository Participant registered with these depositories and get their shares dematerialized. After dematerialization of the shares, the shareholders in addition to other benefits can transfer their holding in dematerialized form with convenience and in a cost effective manner.*
9. *Pursuant to Clause 49 of the Listing Agreement of stock exchanges on Corporate Governance, the information about the director proposed to be re-appointed is given below :*

*Mr. Sunil Choudhry, 52 years, is BE (Mech.) and is into business for more than 29 years. He possesses rich experience in manufacturing industry. He is also a director on the board of Productive Technologies Private Limited and Zwick Roell Testing Machines Private Limited. Mr. Sunil Choudhry does not hold any shares (either in his name or in the name of any other person on a beneficial basis) in the Company.*

**EXPLANATORY STATEMENT**

**(Pursuant to the provisions of section 173 (2) of the Companies Act, 1956)**

*The Company had, in past, furnished a Corporate Guarantee of Rs 1971.58 crore in favour of State Bank of India, Leather & International Branch, Kilpauk, Chennai-600010 ("SBI") to secure the credit facilities availed by M/s. Tecpro Systems Limited (TSL). Subsequently, the State Bank of India vide its Sanction Letter Nos. L&IBC/RM-I/214 dated 14<sup>th</sup> January 2012 and L&IBC/RM-I/235 dated 10<sup>th</sup> February 2012 ("the Sanction Letters") had enhanced the credit facilities to TSL to the extent of Rs. 2166.58 crore. The Sanction Letters of SBI stipulated the condition of extension of Corporate Guarantee of your Company for securing the enhanced credit facilities to TSL. Pursuant to the terms of sanction of above facilities, TSL requested your Company to furnish a Corporate Guarantee in favour of SBI, for securing the Credit Facilities to the tune of Rs.2166.58 crore together with interest, commission, charges or any other amount payable by TSL to SBI in connection with the said credit facilities. Considering the need of funds of TSL and other circumstances your Company extended the Corporate Guarantee in favour of SBI by passing a Board Resolution under section 372A of the Companies Act, 1956.*

*Your Company has a substantial shareholding in TSL and extension of the Corporate Guarantee would assist TSL to further enhance its business, which would ultimately benefit your Company. Therefore, it was decided by the Board of your Company to extend the existing Corporate Guarantee for the enhanced limit. As per section 372A of the Companies Act, 1956, the resolution passed by the Board for giving the Corporate Guarantee is required to be confirmed by the members in a general meeting by way of a special resolution.*

*None of the Directors of your Company is concerned or interested in the resolution.*

*Your Directors commend the resolution for approval by way of a special resolution.*

*By the order of the Board*

*Sd/-*

*Mukesh Kumar*

*Place: Gurgaon*

*Date : May 28, 2012*

*Dy. Company Secretary*

**DIRECTORS' REPORT**

Dear Members,

Your Directors have pleasure in presenting the Twenty Seventh Annual Report together with the Audited Annual Accounts for the financial year ended March 31, 2012.

**FINANCIAL HIGHLIGHTS**

The financial results of your Company for the year ended March 31, 2012 and March 31, 2011 are set forth below:

Particulars	(Rs. in lac)	
	Financial Year ended March 31, 2012	Financial Year ended March 31, 2011
Income	278.12	401.60
Profit before Interest, Depreciation, Amortization & Taxation	250.13	355.76
Interest	5.43	0.05
Depreciation	0.25	0.33
Profit/(Loss) before tax	244.44	355.38
Less: Provision for taxation		
Income Tax for Current Year	3.64	23.95
Income Tax for Prior Years	3.45	0.77
Deferred Tax Charge/(Release)	0.03	0.01
Profit/(Loss) after tax	237.39	330.66
Profit/(Loss) brought forward from the previous year	346.51	15.85
Total reserve and surplus as on Balance Sheet date	583.90	346.51

**OPERATIONS**

The total income in the Financial Year ended March 31, 2012 was Rs. 278.12 lac and Profit after tax was Rs. 237.39 lac as against total income of Rs. 401.60 lac and Profit after tax of Rs. 330.66 lac in the previous year ended March 31, 2011.

**DIVIDEND**

Considering the need of funds for the business of the Company, your Directors do not recommend any dividend for the year 2011-12.

**VOLUNTARY DELISTING OF SHARES FROM JAIPUR STOCK EXCHANGE LIMITED AND AHMEDABAD STOCK EXCHANGE LIMITED**

Pursuant to clause 7 (1) (b) and 7(2) of the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009, the Company on May 7, 2012 made applications for voluntary delisting of its 29,36,200 fully paid-up equity shares of Re. 1 each i.e. entire equity shares of the Company from Jaipur Stock Exchange Limited (JSE) and Ahmedabad Stock Exchange Limited (ASE). The delisting applications filed with ASE and JSE are still in process.

The Board has a view that the benefits accruing to the investors by keeping the equity shares listed on ASE and JSE do not commensurate with the cost incurred by the Company for the continued listing on these Stock Exchanges. The company's equity shares will remain listed on Bombay Stock Exchange Limited (BSE) and Delhi Stock Exchange Limited (DSE). BSE has nationwide trading terminals affording the investors convenient access to trade and deal in the Company's equity shares across the country. The delisting of the company's equity shares from JSE and ASE will not be prejudicial to or affect the interests of the investors.

**DIRECTORS**

Mr. Sunil Choudhry, non-executive independent Director retires by rotation at the forthcoming Annual General Meeting of the Company and being eligible, offers himself for re-appointment.

Mr. Sunil Choudhry, 52 years, is BE (Mech.) and is into business for more than 29 years. He possesses rich experience in manufacturing industry. He is also a director on the board of Productive Technologies Private Limited and Zwick Roell Testing Machines Private Limited. Mr. Sunil Choudhry does not hold any shares (either in his name or in the name of any other person on a beneficial basis) in the Company.

## FUSION FITTINGS (I) LIMITED

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### SUBSIDIARY

During the financial year ended March 31, 2012 the Company has acquired 34,000 fully paid up equity shares in HIQ Power Associate Private Limited ("HIQ") comprising 85% of HIQ's issued, subscribed and paid-up share capital, thereby making HIQ as its subsidiary company.

As per Section 212 of the Companies Act, 1956, the Company is required to attach the Balance Sheet, Profit and Loss account, the Reports of the Board of Directors and Auditors of the subsidiary company with the Balance Sheet of the Company. The Ministry of Corporate Affairs, Government of India vide its circular no. 2/2011 dated February 8, 2011 has provided an exemption to companies from complying with Section 212, provided such companies publish the audited consolidated financial statements in the annual report. Accordingly, the annual report of financial year 2011-12 contains the consolidated financial statements of the Company instead of the separate financial statements of our subsidiary. The audited annual accounts and related information of subsidiaries of your Company will be made available upon request. The annual accounts of the subsidiary companies shall be available for inspection during business hours at our administrative office and registered office and at the registered office of the subsidiary. The same will also be made available on our website, [www.fusionfittings.com](http://www.fusionfittings.com).

### AUDITORS

M/s K.K. Jain & Co., Chartered Accountants, the Statutory Auditors of the Company, hold office until the conclusion of the ensuing Annual General Meeting and, being eligible, offer themselves for re-appointment as Statutory Auditors of the Company. The Company has received a certificate from them to the effect that their re-appointment, if made, would be within the limits prescribed under Section 224(1B) of the Companies Act, 1956 and that they are not disqualified from such re-appointment within the meaning of Section 226 of the said Act.

### AUDIT REPORT AND EXPLANATION

The Auditors' Report and annexure to the Auditors' Report are self explanatory except point no.7 of the Annexure to the Auditors' Report with respect to the absence of internal audit system. The Board of Directors hereby clarifies that considering the size and operations of the Company the existing control system is sufficient to meet out the requirement of the internal audit.

### EMPLOYEES

The Company did not have any employee drawing salary more than the limit prescribed under Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 during the Financial Year ended March 31, 2012, therefore, particulars required to be disclosed thereunder have not been given.

### PUBLIC DEPOSITS AND LOANS/ADVANCES

The Company has not accepted any deposits from the public or its employees during the year under review.

### AUDIT COMMITTEE

The Audit Committee consists of Mr. Kulbhushan Arora as Chairman, Mr. Sunil Choudhry and Mr. Pawan Kumar as members of the Committee.

### CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING OUTGO

Since the company is not carrying on any manufacturing activity, no particulars are required to be furnished under the provisions of Section 217(1)(e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules 1988, relating to conservation of energy and technology absorption. There was no foreign exchange earning and outgo during the year.

## FUSION FITTINGS (I) LIMITED

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### DIRECTORS' RESPONSIBILITY STATEMENT

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

- (i) That in the preparation of the Annual Accounts for the financial year ended March 31, 2012, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (ii) That the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit of the company for the year under review;
- (iii) That the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the company and for preventing and detecting frauds and other irregularities; and

- (iv) That the Directors had prepared the annual accounts for the financial year ended March 31, 2012 on a going concern basis.

### ACKNOWLEDGEMENT

Your Directors wish to place on record their deep sense of appreciation for the continued cooperation and support the Company has received from various departments of the Central and State Governments, bankers, employees and shareholders of the company and expects to receive the same in the future.

For and on behalf of the Board

Sd/-

Kulbushan Arora  
Director

Sd/-

Sunil Choudhry  
Director

Place:Gurgaon  
Date : May 28, 2012



## **MANAGEMENT DISCUSSION AND ANALYSIS**

### **1) Industry Structure and Development**

*After two successive years of fairly robust growth of 8.4 per cent, GDP is estimated to decelerate sharply to 6.9 per cent during 2011-12, with a marked slowdown in agriculture, mining and quarrying, manufacturing and construction sectors. Global uncertainties and domestic cyclical and structural factors resulted in growth slowing down considerably to the estimated level of 6.9 per cent during 2011-12. All three major sectors of the economy – agriculture, industry and services – slowed down. Despite the sluggish global and Indian economic development the engineering industry is on high growth path.*

*Engineering industry forms the backbone of any economy as it is intensely linked with many other core sectors. It is true the case with the Indian engineering sector also. In the engineering field India has achieved a markable landmark. Design engineering is vital for application of engineering knowledge in industry or for the advancement of well being of mankind. Without design engineering the advancement of engineering knowledge can not be put in use for satisfying human needs. Engineering industry is the largest segment of the Indian industry. Engineering goods account for 30.5 per cent of the share in index of industrial production (IIP), 29.9 per cent of share in total investment and 62.8 per cent of share in foreign collaborations. The sector is also the largest foreign exchange earner for the country. Going by the data compiled by the Engineering Export Promotion Council (EEPC), the apex body of engineering exporters, engineering exports increased by 17 per cent to US\$ 58.2 billion during 2011-12, as against US\$ 49.7 billion in the previous fiscal. The Ministry of Commerce has formulated a strategy paper targeting engineering exports at US\$ 125 billion by 2013-14.*

### **2) Opportunities and Threats**

*The Indian economy has a long way to go, so that it can pose true challenge to the developed countries. For supporting sustainable and high growth of Indian economy the infrastructure development will remain*

*core concern for the government of India and it will be main thrust of the policymaker of the Country too. Large investment in infrastructure sector, which is expected, will boost the demand of Design engineering about which the Company is optimistic. However, increase in inflation sluggish global and Indian economic growth associated with the increase in cost especially the cost of technical personnel required to carry on design engineering activities and competitive market may act as major threats which may have adverse bearing on industry.*

### **3) Outlook**

*In order to achieve high GDP growth rate, large amount of investments are expected to be made in diverse sectors of Indian economy. The prospect of the Company to a large extent is dependent on the macro economic determinants of the Indian industry. The Company caters to the design engineering needs of engineering and project execution companies. The work of the Company is dependent on the orders received from these companies. It is expected that the Government of India will take some bold steps to stimulate the rate of economic development of the country. It is expected that in the years to come the company will be able to fetch more work from the companies using the design engineering services of the Company consequently the Company.*

### **4) Segment wise or Product wise performance**

*Fusion Fittings (I) Limited is a technology led Company, specialized in process design engineering for various process plants and is primarily engaged in design engineering for electricity tower, electricity lines and related works. The Company largely deals with two groups of services one for erection of electricity towers and another for laying of electricity lines. The development of the Company primarily hinges on the growth plan of its user industries.*

## FUSION FITTINGS (I) LIMITED

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*The global industrial sluggish performance since last three years affected adversely the Indian industrial performance and engineering industry. Consequently, the demand of the services offered by the Company has reduced materially. The total income of the Company in the Financial Year ended March 31, 2012 is Rs. 278.12 lac and Profit after tax is Rs. 237.39 lac as against total income of Rs. 401.60 lac and Profit after tax of Rs. 330.66 lac in the previous year ended March 31, 2011.*

### **5) Risks and Concerns**

*Design engineering is the main business activity of the company which constituted major part of operating income of the Company during the year under review and it is expected that this trend will continue in the years to come. Your Company expects recovery of industrial growth of the country which will provide momentum to the demand of the engineering design services offered by the Company. The Company caters to the design engineering needs of engineering and project execution companies. The work of the Company is dependent on the orders received from these companies. The Company offers quality services of industrial design for structures and equipment for user industries in the power, steel, cement and other sectors. The performance of the Company is exposed*

*to the uncertainties prevailing in these user industries. Further, the clientele of the Company is limited therefore the profitability of the Company is exposed to risk to some extent. In addition the micro and macro determinants of economy pose risk to the business of the Company.*

### **6) Internal control systems and their adequacy**

*The Company has effective internal control systems and all the monetary transactions are carried on strictly in accordance with the internal control procedure. The management of the Company had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with sound accounting principles and standards for safeguarding the interest and assets of the Company and for preventing and detecting frauds and other irregularities.*

### **7) Human Resource Development**

*Your Company considers human resources as its most critical asset and is putting in place various practices to ensure healthy work environment. Industrial relations continued to be cordial and harmonious throughout the year.*

## **REPORT ON CORPORATE GOVERNANCE**

### **Company's philosophy on Corporate Governance**

*The Company believes in adopting the best practices of Corporate Governance. Corporate Governance is self governance and can be achieved by transparency, integrity, honesty and accountability in the acts and deeds of the management of the company.*

### **Board of Directors**

*The composition of the Board is in conformity with Clause 49 of the Listing Agreement.*

*During the financial year 2011-12 eight Board meetings were held on 25.04.2011, 28.05.2011, 06.07.2011, 10.08.2011, 02.09.2011, 08.09.2011, 29.10.2011 and 14.02.2012. The gap between any two consecutive Board meetings did not exceed four months.*

*Details regarding the category of Directors, attendance of Directors at Board Meetings during the financial year ended March 31, 2012 and the last Annual General Meeting are given below:*

Name of the Director	Category	Attendance at last AGM	Number of Board Meetings attended during the year	No. of other Board/Committee membership / chairmanship			
				Board		Committee	
				Member-ship	Chairman-ship	Member-ship	Chairman-ship
Mr. Kulbushan Arora	Non-Executive Director, Independent	Yes	8	2	Nil	Nil	Nil
Mr. Sunil Choudhry	Non-Executive Director, Independent	Yes	8	2	Nil	Nil	Nil
Mr. Pawan Kumar	Non-Executive Director, Independent	Yes	8	Nil	Nil	Nil	Nil

*No sitting fee was paid to the Non-Executive Directors attending the Board Meetings or Committee Meetings of the Company.*

### **Audit Committee**

*The Audit Committee constituted by the Board of Directors consists of the following members:*

- 1. Mr. Kulbushan Arora, Chairman;*
- 2. Mr. Sunil Choudhry; and*
- 3. Mr. Pawan Kumar.*

*The Audit Committee comprises of three non-executive independent directors and meets the requirements of Section 292A of the Companies Act, 1956 as well as Clause 49 of the Listing Agreement. All the members of*

## FUSION FITTINGS (I) LIMITED

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*the Audit Committee are financially literate and the Chairman of the Audit Committee has expertise in accounting and related financial management matters.*

*During the year 2011-12, four meetings of Audit Committee were held on 28.05.2011, 10.08.2011, 29.10.2011 and 14.02.2012.*

*The attendance of members of Audit Committee during above mentioned meetings was as under:*

<b>Name of the Director</b>	<b>Category</b>	<b>Designation</b>	<b>No. of Meetings attended</b>
<i>Mr. Kulbhushan Arora</i>	<i>Non-Executive Director, Independent</i>	<i>Chairman</i>	<i>4</i>
<i>Mr. Sunil Choudhry</i>	<i>Non-Executive Director, Independent</i>	<i>Member</i>	<i>4</i>
<i>Mr. Pawan Kumar</i>	<i>Non-Executive Director, Independent</i>	<i>Member</i>	<i>4</i>

*Mr. Mukesh Kumar, Deputy Company Secretary acts as the Secretary of the Committee.*

### **Shareholders' Grievance Committee**

*The Shareholders' Grievance Committee has been constituted to look into transfer/transmission of shares, issue of duplicate/split/consolidated share certificates and redressal of investors' complaints etc. The Committee comprises of three non-executive independent directors.*

*During the Financial Year 2011-12, twelve meetings of the Shareholders' Grievance Committee were held on 30.04.2011, 16.05.2011, 31.05.2011, 15.06.2011, 30.06.2011, 16.08.2011, 30.09.2011, 31.10.2011, 30.11.2011, 31.12.2011, 31.01.2012 and 15.02.2012.*

*The Composition of Shareholders Grievance Committee as on March 31, 2012 and attendance of the members in the meetings of the Committee during the year are as follows:*

<b>Name of the Director</b>	<b>Category</b>	<b>Designation</b>	<b>No. of Meetings attended</b>
<i>Mr. Pawan Kumar</i>	<i>Non-Executive Director, Independent</i>	<i>Chairman</i>	<i>12</i>
<i>Mr. Kulbhushan Arora</i>	<i>Non-Executive Director, Independent</i>	<i>Member</i>	<i>9</i>
<i>Mr. Sunil Choudhry</i>	<i>Non-Executive Director, Independent</i>	<i>Member</i>	<i>10</i>

*Mr. Mukesh Kumar, Deputy Company Secretary acts as the Secretary of the Committee.*

*During the year, the Company received 5 (five) complaints from the shareholders and all the complaints were resolved during the year. No shareholder complaint was pending as on March 31, 2012.*

## FUSION FITTINGS (I) LIMITED

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### Code of Conduct and Compliance

*The Code of Conduct applicable to all the Board Members and Senior Management Personnel of the Company has been laid down by the Board. All the Board members and senior management personnel of the Company have affirmed the compliance of Code of Conduct for the financial year ended March 31, 2012. A declaration to this effect is enclosed at the end of this report.*

*The Code of Conduct is available on the website of the company [www.fusionfittings.com](http://www.fusionfittings.com).*

### Insider Trading

*The Company's shares are listed at Bombay Stock Exchange Limited, Delhi Stock Exchange Limited, Jaipur Stock Exchange Limited and Ahmedabad Stock Exchange Limited. The company has implemented an "Insider Trading Policy" in accordance with the Securities and Exchange Board of India (Prevention of Insider Trading) Regulations, 1992, as amended. During the year under review no insider trading was reported in the Company.*

### General Body Meetings

*The details of last three annual general meetings are given below :*

<b>Date of Meeting</b>	<b>Time</b>	<b>Venue</b>
29.09.2009	11.00 a.m.	Gabrani Farms, Khasra No. 15/21, Village Rewla Khanpur, New Delhi-110 043
30.07.2010	11.00 a.m	Gabrani Farms, Khasra No. 15/21, Village Rewla Khanpur, New Delhi-110 043
27.08.2011	9:00 a.m.	'ASSOCHAM HOUSE', 47, Prithviraj Road (Opposite Safdarjung Tomb), New Delhi-110011

*One Special Resolution under Section 372A of the Companies Act, 1956 was passed at the annual general meeting of the company held on August 27, 2011.*

*Details of the special resolutions passed during last financial year through postal ballot are given below:*

- (i) *Two special resolutions pertaining to providing inter-corporate loan to Hythro Power Corporation Limited and providing corporate guarantee for Tecpro Systems Limited were passed on October 20, 2011 through postal ballot process. The details of voting pattern of such resolutions are given as under:*

## FUSION FITTINGS (I) LIMITED

Particulars	Granting loan to Hythro Power Corporation Limited under Section 372A of the Companies Act, 1956.	Accordinging consent to the Corporate Guarantee given by the Company in favour of State Bank of India ("SBI"), for securing the credit facilities granted by SBI to the tune of Rs. 1971.58 crore to Tecpro Systems Limited
Total votes	29,36,200	29,36,200
Total valid votes cast	25,72,900	25,72,900
Total votes cast in favour of the resolution	25,72,900	25,72,900
Total votes cast against the resolution	NIL	NIL
%age of valid votes cast in favour of the resolution	100	100
%age of valid votes cast against the resolution	NIL	NIL

- (ii) Two special resolutions pertaining to providing corporate guarantee to State Bank of India for securing credit facility given to Tecpro Systems Limited by SBI and alteration of the Articles of Association of the Company were passed on April 16, 2012 through postal ballot process. The details of voting pattern of such resolutions are given as under:

Particulars	Accordinging consent to the Corporate Guarantee given by the Company in favour of State Bank of India ("SBI"), for securing the credit facilities granted by SBI to the tune of Rs. 2,166.58 Crore to Tecpro Systems Limited	Alteration of Articles of Association of the Company with respect to provision of affixation of Common Seal
Total votes	29,36,200	29,36,200
Total valid votes cast	25,70,700	25,70,700
Total votes cast in favour of the resolution	25,70,700	25,70,700
Total votes cast against the resolution	NIL	NIL
%age of valid votes cast in favour of the resolution	100	100
%age of valid votes cast against the resolution	NIL	NIL

## FUSION FITTINGS (I) LIMITED

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The Company has followed the procedure laid down in section 192A of the Companies Act, 1956 and the Companies (Passing of Resolution by Postal Ballot) Rules, 2011 for postal ballot process.

Mr. Kulbhushan Arora, Director of the Company and Mr. Mukesh Kumar, Deputy Company Secretary of the Company were jointly and severally authorized to conduct the postal ballot process and Mr. Rajesh Sharma, a Practicing Company Secretary and Mr. Himanshu Kumar, a Practicing Chartered Accountant were appointed as Scrutinizer and Alternate Scrutinizer respectively in terms of the Companies (Passing of Resolutions by Postal Ballot) Rules, 2011.

### Disclosures

1. The Company has disclosed the transactions entered into with the related parties in Note 23 of the Annual Accounts. During the year, no transaction took place between the Company and any of its Directors or the management. The Audit Committee of the Company reviews the related party transactions at its meetings.
2. There has been no documented whistle blower policy, however, no personnel has been denied access to the audit committee.
3. All mandatory required Accounting Standards have been followed in preparation of financial statements and no deviation has been made in following the same.
4. There are no instances of non-compliance by the Company or strictures imposed by Stock Exchanges, SEBI or any other regulatory authority on any matter related to capital markets, during the last three years.
5. Management Discussion and Analysis forms part of the Annual Report to the shareholders and it includes discussion on matters as required under the provisions of Clause 49 of the listing agreement with Stock Exchanges.
6. As of now, the Company is not complying with the Non-mandatory requirements mentioned in Annexure-ID of Clause 49 of the Listing Agreement.

### Means of Communication

Information like quarterly/half yearly financial results and annual financial results is published by the company in leading newspapers of Delhi/New Delhi viz. the Business Standard, Hindi and English editions. The quarterly shareholding pattern and quarterly/half yearly/yearly results are also sent to all the stock exchanges where the shares of the Company are listed. Requisite reports and returns are also filed with the Stock Exchanges and the Registrar of Companies, NCT of Delhi & Haryana. In addition the information as required under the listing agreement is placed on the website of the company, [www.fusionfittings.com](http://www.fusionfittings.com).

### General Shareholders Information and Financial Calendar 2012-13

- (i) The ensuing Annual General Meeting of the Shareholders of the Company shall be held at 10:00 a.m. on Saturday, the 29<sup>th</sup> day of September 2012 at 'ASSOCHAM House', 47, Prithviraj Road, (Opp: Safdarjung Tomb), New Delhi.
- (ii) Financial year: April to March next year.
- (iii) Details of Book Closure: 22<sup>nd</sup> September, 2012 to 29<sup>th</sup> September, 2012 (both days inclusive).
- (iv) Listing of the Shares of the Company

The Shares of the Company are listed at four stock exchanges. The names and addresses of the stock exchanges are as follows:

1. Bombay Stock Exchange Limited  
Floor 25, P J Towers, Dalal Street,  
Mumbai- 400 001  
Stock Code: 531760
2. Delhi Stock Exchange Limited  
DSE House, 3/1, Asaf Ali Road,  
New Delhi – 110002

## FUSION FITTINGS (I) LIMITED

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3. Ahmedabad Stock Exchange Limited\*  
Kamdhenu Complex, Opp. Sahajanand College,  
Panjarapole, Ambawadi, Ahmedabad – 380001

4. Jaipur Stock Exchange Limited\*  
Stock Exchange Building, JLN Marg,  
Malviya Nagar, Jaipur – 302017

\*Pursuant to clause 7(1)(b) and 7(2) of the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009, the Company on May 7, 2012 made applications for voluntary delisting of its 29,36,200 fully paid-up equity shares of Re. 1 each i.e. entire equity shares of the Company from Jaipur Stock Exchange Limited (JSE) and Ahmedabad Stock Exchange Limited (ASE). The delisting applications filed with ASE and JSE are in process.

The Annual Listing fee for the year 2012-13 has been paid by the Company to all the above stock exchanges.

### Stock Codes:

1. Bombay Stock Exchange Limited : 531760
2. Delhi Stock Exchange Limited : -
3. Ahmedabad Stock Exchange Limited : -
4. Jaipur Stock Exchange Limited : -

### (v) Registrar and Share Transfer Agents

The Company has appointed Link Intime (India) Private Limited as its Registrar and Share Transfer Agent (RTA). Other particulars of the RTA are as follows:

Link Intime (India) Private Limited

A-40, 2<sup>nd</sup> Floor, Naraina Industrial Area, Phase-II, Near  
Batra Banquet Hall, New Delhi-110 028.

Ph. No. : +91 11 41410592-94

Fax No. : +91 11 41410591

Contact Person: Mr. V. M. Joshi.

### (vi) Share Transfer System

Shares received for transfer in physical form are registered within a fortnight in case share transfer documents are found in order and complete in all respects. In compliance with the Clause 47 (c) of the Listing Agreement, a Practicing Company Secretary audits the system of transfers every six months and a compliance certificate to that effect is issued, which, in turn, is submitted to the stock exchanges whereat the shares of the Company are listed.

### (vii) Plant Locations

The Company does not have any manufacturing plant.

(viii) Market Price Data : High and low market index/ price data during each month in last financial year is as under:



## FUSION FITTINGS (I) LIMITED

Month	BSE Sensex		Fusion Fittings (I) Limited	
	High	Low	High Price (Rs.per share)	Low Price (Rs.per share)
April 2011	19,811.14	18,976.19	120.50	76.05
May 2011	19,253.87	17,786.13	120.00	120.00
June 2011	18,873.39	17,314.38	114.05	108.35
July 2011	19,131.70	18,131.86	102.95	79.90
August 2011	18,440.07	15,765.53	97.00	80.00
September 2011	17,211.80	15,801.01	92.00	83.20
October 2011	17,908.13	15,745.43	88.00	85.00
November 2011	17,702.26	15,478.69	88.05	88.00
December 2011	17,003.71	15,135.86	94.00	90.00
January 2012	17,258.97	15,358.02	96.00	85.55
February 2012	18,523.78	17,061.55	108.50	95.00
March 2012	18,040.69	16,920.61	106.90	106.90

Source : BSE

(ix) Distribution of shareholding (as on March 31, 2012):

No. of equity shares held	No. of shareholders	Shares held in physical mode	Shares held in demat mode	Total shares	% of total shareholding
Upto 2,500	468	246400	44812	291212	9.918
2,501- 5,000	11	18500	27288	45788	1.560
5,001- 10,000	2	NIL	12100	12100	0.412
10,001- 20,000	1	17700	NIL	17700	0.603
20,001 - 30,000	NIL	NIL	NIL	NIL	NIL
30,001 - 40,000	2	69000	NIL	69000	2.350
40,001 - 50,000	NIL	NIL	NIL	NIL	NIL
50,001 -1,00,000	4	NIL	300000	300000	10.217
1,00,001 & Above	2	NIL	2200400	2200400	74.940
<b>Total</b>	<b>490</b>	<b>351600</b>	<b>2584600</b>	<b>2936200</b>	<b>100.000</b>

(x) Dematerialization of shares and liquidity

To facilitate trading in demat form, in India, there are two depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). The Company has entered into agreements with both these depositories. Shareholders can open their accounts with any of the Depository Participants registered with these depositories and get their shares dematerialized.

## FUSION FITTINGS (I) LIMITED

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As on March 31, 2012, 88.03% shares of the Company were held in Demat form.

- (xi) Address for correspondence  
The Compliance Officer,  
Fusion Fittings (I) Limited,  
'Tecpro House', 78, Near Hero Honda Chowk, NH-8, Sector-34, Gurgaon, Haryana-122004.
- (xii) The Company has complied with mandatory requirements of Clause 49 of the Listing Agreement. Since the present size of the company in terms of business activities and resources etc. is small, the Company did not adopt the non-mandatory requirements of the Clause 49 of the Listing Agreement. However, gradually the Company will resort to adopt the non-mandatory requirements also.
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### Annual Declaration under Clause 49 I (D) (ii) of the Listing Agreement

It is hereby declared that all the Board members and senior management of the Company have affirmed compliance with the Company's Code of Conduct for the Financial Year 2011-12.

Place: Gurgaon  
Date: 28<sup>th</sup> May, 2012

Sd/-  
Kulbhushan Arora  
(Director)

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### Auditors Certificate on compliance with the conditions of corporate governance under clause 49 of the listing agreement

To the Members of  
Fusion Fittings (I) Limited

We have examined the compliance of conditions of corporate governance by **FUSION FITTINGS (I) LIMITED** ("the Company") for the year ended March 31, 2012 as stipulated in Clause 49 of the Listing Agreement of the said Company with the stock exchanges.

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

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of corporate governance as stipulated in clause 49 of the Listing Agreement.

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.

Place: Gurgaon  
Date : May 28, 2012

For **K. K. Jain & Co.**  
Chartered Accountants  
FRN : 002465N  
Sd/-  
**(R. K. Mittal)**  
Partner  
M.No.095459

## FUSION FITTINGS (I) LIMITED

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### AUDITORS' REPORT

To the Members of  
Fusion Fittings (I) Limited  
New Delhi

1. We have audited the attached Balance Sheet of Fusion Fittings (I) Limited ("the Company") as at 31<sup>st</sup> March, 2012 together with the Statement of Profit and Loss and the Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said order.
4. Further to our comments in the Annexure referred to above we report that:
  - a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b) In our opinion, proper books of accounts as required by law have been kept by the Company, so far as appears from our examination of the books;
  - c) The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this report are in agreement with the books of account;
  - d) In our opinion, the Balance Sheet, Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report comply with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956;
  - e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2012 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31<sup>st</sup> March, 2012 from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.
  - f) In our opinion and to the best of our information and according to the explanations given to us, the Balance Sheet and the Statement of Profit and Loss read with the Schedules and Notes thereon, give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
    - i) in the case of the Balance Sheet, of the state of affairs of the Company as at 31<sup>st</sup> March, 2012;
    - ii) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
    - iii) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

For **K. K. Jain & Co.**,  
Chartered Accountants  
Firm Registration No.002465N  
Sd/-  
**(R. K. Mittal)**  
Partner  
M.No.95459

Place : Gurgaon  
Date :28 May 2012

## FUSION FITTINGS (I) LIMITED

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### Annexure to the Auditors' report

Annexure referred to in paragraph (3) of the Auditors' Report of even date to the Members of Fusion Fittings (I) Limited for the year ended 31<sup>st</sup> March, 2012.

- 1 (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) As explained to us, the fixed assets have been physically verified by the management during the year in a phased periodical manner, which in our opinion is reasonable having regard to the size of the Company and nature of its assets. No material discrepancies between the book records and the physical inventory were noticed in respect of the assets physically verified.
- (c) In our opinion, the Company has not disposed off substantial part of fixed assets during the year and the going concern status of the Company is not affected.
- 2 The Company had no inventory.
- 3 The Company has neither granted nor taken any loans, secured or unsecured, to/from any Company, firm or other party covered in the register maintained under section 301 of the Companies Act, 1956.
- 4 In our opinion and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the Company and the nature of its business with regard to purchase of inventory and fixed assets and for the sale of goods and services. During the course of our audit, no major weakness has been noticed in the internal control system in respect of these areas.
- 5 (a) According to the information and explanations given to us, we are of the opinion, that the transactions that needed to be entered into the register maintained under section 301 of the Companies Act, 1956 have been so entered.
- (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangement entered in the register maintained under section 301 of the Companies Act, 1956 exceeding the value of Rupees five lakhs in respect of any party during the year have been made at prices, which are reasonable having regard to the prevailing market prices at the relevant time.
- 6 The Company has not accepted any deposits from the public to which the provisions of section 58A & section 58AA or any other relevant provisions of the Companies Act, 1956 and the Rules framed there under apply.
- 7 The Company did not have any internal audit system.
- 8 To the best of our knowledge and according to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under section 209 (1) (d) of the Companies Act, 1956.
- 9 (i) Undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess have been regularly deposited with the appropriate authorities.
- (ii) According to the information and explanations given to us, no undisputed amounts payable in respect of Income-Tax, Sales-Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty and Cess were outstanding at the year end for a period of more than six months from the date they became payable.
- (iii) According to the record of the Company and information and explanation given to us, there were no disputed dues outstanding as at 31<sup>st</sup> March, 2012 in respect of Sales Tax, Income Tax, Custom Duty, Wealth Tax, Service Tax, Excise Duty and Cess.

## FUSION FITTINGS (I) LIMITED

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- 10 *The Company has no accumulated losses as at 31<sup>st</sup> March 2012. The Company has not incurred cash losses during the year nor in the immediately preceding financial year.*
- 11 *In our opinion and according to the information and explanation given to us, the Company has not defaulted in repayment of dues to financial institutions, bank or debenture holder.*
- 12 *According to the information and explanations given to us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.*
- 13 *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 (Auditor's Report) Order, 2003 are not applicable to the Company.*
- 14 *In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.*
- 15 *In our opinion and according to the information and explanation given to us, the term and conditions on which the Company has given guarantees for loans taken by others from banks or financial institutions are not prejudicial to the interest of the Company.*
- 16 *The Company has not raised any term loan during the year.*
- 17 *According to the information and explanations given to us and on an overall examination of the Balance Sheet and Cash Flow Statement of the Company, we report that no funds raised on short-term basis have been used for long term investments.*
- 18 *The Company has not made any preferential allotment of shares to parties or companies covered in the register maintained under section 301 of the Companies Act, 1956, during the year.*
- 19 *No secured debenture were issued by the Company. Therefore, no securities have been created.*
- 20 *The Company has not raised any money by a public issue during the year.*
- 21 *According to the information and explanation given to us, no fraud on or by the Company has been noticed or reported during the year.*

*For K. K. Jain & Co.,  
Chartered Accountants  
Firm Registration No.002465N*

*Place : Gurgaon  
Date : 28 May 2012*

*Sd/-  
(R. K. Mittal)  
Partner  
M.No.95459*

## FUSION FITTINGS (I) LIMITED

### Balance Sheet as at 31 March 2012

(All amounts are in Rupees)

	Note No.	As at 31 March 2012	As at 31 March 2011
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholders' funds</b>			
(a) Share capital	3	2,936,200	2,936,200
(b) Reserves and surplus	4	58,389,866	34,651,243
		<b>61,326,066</b>	<b>37,587,443</b>
<b>(2) Non-current liabilities</b>			
(a) Deferred tax liabilities (Net)	5	5,598	8,598
		<b>5,598</b>	<b>8,598</b>
<b>(3) Current liabilities</b>			
(a) Trade payables	6	89,705	41,641
(b) Other current liabilities	7	165,536	456,438
(c) Short-term provisions	8	-	1,222,007
		<b>255,241</b>	<b>1,720,086</b>
<b>TOTAL</b>		<b>61,586,905</b>	<b>39,316,127</b>
<b>II. ASSETS</b>			
<b>(1) Non-current assets</b>			
<b>(a) Fixed assets</b>			
(i) Tangible assets	9.1	30,079	50,131
(ii) Intangible assets	9.2	10,000	-
(iii) Capital work-in-progress		-	-
		<b>40,079</b>	<b>50,131</b>
(b) Non-current investments	10.1	45,027,230	-
		<b>45,027,230</b>	<b>-</b>
<b>(2) Current assets</b>			
(a) Current investments	10.2	8,508,328	5,000,000
(b) Trade receivables	11	6,448,500	2,551,820
(c) Cash and bank balances	12	1,322,289	832,927
(d) Short-term loans and advances	13	240,479	30,881,249
		<b>16,519,596</b>	<b>39,265,996</b>
<b>TOTAL</b>		<b>61,586,905</b>	<b>39,316,127</b>
<b>Significant accounting policies</b>	<b>2</b>		

The accompanying notes form an integral part of the financial statements.

As per our report attached.

For **K. K. Jain & Co.**  
Chartered Accountants  
F.R.No.002465N

For and on behalf of the Board of Directors of **Fusion Fittings (I) Limited**

Sd/-  
**R. K. Mittal**  
Partner  
Membership No.: 95459

Sd/-  
**Kulbhusan Arora**  
Director

Sd/-  
**Sunil Choudhry**  
Director

Sd/-  
**Mukesh Kumar**  
Dy. Company Secretary

Place: Gurgaon  
Date: 28 May 2012

Place: Gurgaon  
Date: 28 May 2012

## FUSION FITTINGS (I) LIMITED

### Statement of Profit and Loss for the year ended 31 March 2012

(All amounts are in Rupees)

	Note No.	For the year ended 31 March 2012	For the year ended 31 March 2011
<b>Income</b>			
I	15	5,000,000	16,637,261
II	16	22,811,964	23,523,212
III		<u>27,811,964</u>	<u>40,160,473</u>
<b>IV Expenses :</b>			
	17	1,387,926	2,239,984
	18	1,411,410	2,344,168
		<u>2,799,336</u>	<u>4,584,152</u>
V		<b>25,012,628</b>	<b>35,576,321</b>
VI	19	543,272	4,570
VII		<u>24,469,356</u>	<u>35,571,751</u>
VIII	9	25,052	33,420
IX		<u>24,444,304</u>	<u>35,538,331</u>
X			
		363,848	2,394,673
		344,833	76,543
		(3,000)	804
XI		<u>23,738,623</u>	<u>33,066,311</u>
	14	8.08	11.26

Basic and diluted earnings per equity share (in Rs.)

[face value Re. 1 each]

**Significant accounting policies**

2

The accompanying notes form an integral part of the financial statements.

As per our report attached.

For **K. K. Jain & Co.**  
Chartered Accountants  
F.R.No.002465N

For and on behalf of the Board of Directors of **Fusion Fittings (I) Limited**

**Sd/-**  
**R. K.Mittal**  
Partner  
Membership No.: 95459

**Sd/-**  
**Kulbhushan Arora**  
Director

**Sd/-**  
**Sunil Choudhry**  
Director

**Sd/-**  
**Mukesh Kumar**  
Dy. Company Secretary

Place: Gurgaon  
Date: 28 May 2012

Place: Gurgaon  
Date: 28 May 2012

## FUSION FITTINGS (I) LIMITED

### Cash Flow Statement for the year ended on 31 March 2012

( All amounts are in Rupees )

	For the year ended 31 March 2012	For the year ended 31 March 2011
<b>A. Cash flow from operating activities</b>		
Net profit before tax	24,444,304	35,538,331
<b>Adjustment for</b>		
Depreciation	25,052	33,420
Interest income	(236,712)	(947,960)
Interest /Financial expenses	543,129	4,570
Dividend income	(22,575,252)	(22,575,252)
Operating profit before working capital changes	2,200,521	12,053,109
(Increase) / decrease in trade and other receivables	(3,896,680)	(2,547,656)
(Increase) / decrease in short term loans and advances and other current assets	29,719	(668,815)
Increase / (decrease) in trade payables	48,064	(32,962)
(Decrease) / increase in other current liabilities	(290,902)	95,416
Cash generated from operations	(1,909,278)	8,899,092
Direct tax paid	(2,145,171)	(1,579,750)
Net cash flow from operating activities	(4,054,449)	7,319,342
<b>B. Cash Flow from Investing activities</b>		
Non current investment in HIQ Power Associates Pvt Ltd.	(45,027,230)	-
Purchase of investments	(3,508,328)	-
Interest received/other income	236,712	947,960
Dividend received	22,575,252	22,575,252
Purchase of fixed and intangible assets	(15,000)	-
Net cash from investing activities	(25,738,594)	23,523,212
<b>C. Cash flow from financing activities</b>		
Repayment of loans	-	(97,156)
Loans/advances given	-	(30,000,000)
Loans/advances received back from other companies	30,825,534	-
Interest/Financial expenses	(543,129)	(4,570)
Net cash flow from financing activities	30,282,405	(30,101,726)
Net increase/(Decrease) in cash & cash equivalents (A+B+C)	489,362	740,827
Opening balance of Cash & Cash equivalents	832,927	92,100
Closing balance of Cash & Cash equivalents	1,322,289	832,927
<b>Component of cash &amp; cash equivalents:</b>		
Cash in hand	25,451	22,104
Balances with schedule banks		
-On current accounts	1,296,838	810,823
	1,322,289	832,927

The above Cash Flow Statement has been prepared under the indirect method set out in Accounting Standard - 3 "Cash Flow Statement" prescribed by the Companies (Accounting Standards) Rules, 2006.

As per our report of date, attached

For **K. K. Jain & Co.**  
Chartered Accountants  
F.R.No.002465N

For and on behalf of the Board of Directors of **Fusion Fittings (I) Limited**

Sd/-  
**R. K. Mittal**  
(Partner)  
M.No. 95459

Sd/-  
**Kulbhushan Arora**  
Director

Sd/-  
**Sunil Choudhry**  
Director

Sd/-  
**Mukesh Kumar**  
Dy. Company Secretary

Place: Gurgaon  
Date: 28 May 2012

Place: Gurgaon  
Date: 28 May 2012



## FUSION FITTINGS (I) LIMITED

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### Notes to the financial statements for the year ended 31 March 2012.

#### Note 1 Background

*Fusion Fittings (I) Limited was initially engaged in the business of all types of sanitary fittings for household and industrial purposes, trading & dealing in mechanical instruments, machines & machine parts and design engineering. However, presently the Company is engaged in the business of design engineering and trading in future and options.*

#### Note 2 Significant Accounting Policies

##### a. Basis of Accounting

*The Accounts are prepared on historical cost conventions on a going concern basis. All expenditure and income are accounted on accrual basis. These statements have been prepared in accordance with applicable mandatory Accounting Standards. Accounting Policies not specifically referred to otherwise are consistent and in consonance with Generally Accepted Accounting Policies.*

*This is the first year of application of the revised Schedule VI to the Companies Act, 1956 for the preparation of the financial statements of the company. The revised Schedule VI introduces some significant conceptual changes as well as new disclosures. These include classification of all assets and liabilities into current and non-current. The previous year figures have also undergone a major reclassification to comply with the requirements of the revised Schedule VI.*

##### b. Fixed Assets

*Fixed assets are stated at historical cost, which includes expenditure incurred in acquisition or construction and other related preoperative expenses up to the commissioning/installation of the assets. Finance cost such as interest up to the date of commissioning of the assets on borrowed funds attributable to the acquisition of assets is also capitalized to relevant assets.*

##### c. Depreciation

*Depreciation is provided as per written down value method as per rates given in Schedule XIV of the Companies Act, 1956. Depreciation on addition/ deletion of assets has been calculated on pro-rata basis from the date of addition or up to the date of sale/discarding of assets. Lease hold land is capitalized on cash price basis and no writes off is being made on it, as lease is perpetual and long term.*

*Intangible asset (web site development) is amortised on a straight line basis over three years.*

##### d. Inventories

*Inventories are valued at the lower of cost and net realisable value. Cost includes all applicable costs incurred in bringing goods to their present location and condition, determined on a first in first out basis.*

##### e. Recognition of Revenue

*i) Revenue from sale of goods is recognised on transfer of all significant risks and rewards of ownership in the goods to the customer.*

*ii) Service income is recognized as per the terms of contracts with customers when the related services are performed or the agreed milestones are achieved.*

*iii) All other miscellaneous receipts are recognized when the amounts are actually received or the realisability is certain.*

##### f. Provisions and Contingent liabilities

*Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognised but are disclosed, while Contingent Assets are neither recognised nor disclosed, in the financial statements.*

## FUSION FITTINGS (I) LIMITED

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- g. Employee Benefits*
- i) All employee benefits payable within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages and bonus etc., are recognized in the profit & loss account in the period in which the employee renders the related service.*
  - ii) Provision of Gratuity and Provident fund act are not applicable to the Company as the total numbers of employees on roll of the Company are below threshold limit specified in the relevant statutes.*
- h. Income Tax*
- i) Current Income Tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act.*
  - ii) Deferred taxes are recognized, on timing differences between taxable income and accounting income/expenditure that originate in one period and are capable of reversal in one or more subsequent period. Deferred Tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised.*
- i. Impairments*
- i) The carrying amounts of assets are reviewed at each Balance Sheet date to determine whether there is any indication of impairment. If any indications exist, the assets recoverable amount is estimated.*
- An impairment loss is recognised wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the assets net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value based on the average pre-tax borrowing rate, adjusted for risk specified to the assets.*
- ii) A previously recognised impairment loss is increased or decreased depending on changes in circumstances.*
  - iii) After impairment, depreciation is provided on the assets revised carrying amount over its remaining useful life.*
- j. Investments*
- i) Long term investments are valued at their cost including brokerage, fees and duty. However, if there is decline in value of investment, other than temporary, the carrying amount of investment is reduced recognizing the decline in value of each investment.*
  - ii) Current investments are valued at cost or market price, whichever is lower.*
- k. Earnings Per Share*
- In accordance with the Accounting Standard-20 (AS-20) "Earning Per Share" issued by The Institute of Chartered Accountants of India, Basic & Diluted Earnings Per Share is computed using the weighted average number of shares outstanding during the period.*

## FUSION FITTINGS (I) LIMITED

### Notes to financial statements for the year ended 31 March 2012

(All amounts are in Rupees)

#### Note 3. Share capital

	As at 31 March 2012	As at 31 March 2011
<b>Authorised</b>		
60,000,000 ( previous year 60,000,000) equity shares of Re. 1/- each	60,000,000	60,000,000
<b>Issued, subscribed and fully paid-up</b>		
2,936,200 ( previous year 2,936,200 ) equity shares of Re. 1/- each	2,936,200	2,936,200
	<b>2,936,200</b>	<b>2,936,200</b>

1. During the current year and in the previous year, there have been no movements in the number of equity shares outstanding.

2. Pursuant to the scheme of capital reduction as approved by the Hon'ble Delhi High Court vide order dated December 15, 2009, the face and paid up value of each share of the company has been reduced by 90%, i.e., from Rs. 10 per share to Re. 1 per share. Further, the balance lying in the share forfeiture account also stands cancelled as per the terms of the scheme of capital reduction.

3. Shares in the Company held by each shareholder holding more than 5% shares are as under:-

Names	As at 31 March 2012		As at 31 March 2011	
	No. of Shares	% of shares held	No. of Shares	% of shares held
M/s. Vasundhra Technologies (India) Pvt. Ltd.	1,100,200	37.47	1,100,200	37.47
M/s Experienced Hi- tech Consultancy Services Pvt Ltd.	1,100,200	37.47	1,100,200	37.47

#### Note 4: Reserves and surplus

	As at 31 March 2012	As at 31 March 2011
<b>Surplus in the Statement of Profit and Loss</b>		
Opening balance	34,651,243	1,584,932
Profit for the year	23,738,623	33,066,311
<b>Net surplus in the Statement of Profit and Loss</b>	<b>58,389,866</b>	<b>34,651,243</b>
<b>Total reserves and surplus</b>	<b>58,389,866</b>	<b>34,651,243</b>

#### Note 5: Deferred tax liabilities (net)

##### Deferred tax liability on account of :

-Fixed assets	5,598	8,598
<b>Net deferred tax liability/(assets)</b>	<b>5,598</b>	<b>8,598</b>

## FUSION FITTINGS (I) LIMITED

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### Notes to financial statements for the year ended 31 March 2012

(All amounts are in Rupees)

	<b>As at 31 March 2012</b>	<b>As at 31 March 2011</b>
<b>Note 6: Trade payables</b>		
<i>Sundry creditors</i>		
- <i>micro and small enterprises (refer note 21)</i>	-	-
- <i>others</i>	<u>89,705</u>	<u>41,641</u>
	<b><u>89,705</u></b>	<b><u>41,641</u></b>
<b>Note 7: Other current liabilities</b>		
<i>Accrued Expenses :-</i>		
<i>Salaries, wages and bonus</i>	87,396	113,342
<i>Other Expenses</i>	66,000	203,231
<i>Statutory dues payable</i>	12,140	139,865
	<u>165,536</u>	<u>456,438</u>
<b>Note 8: Short-term provisions</b>		
<b>Others</b>		
<i>Provision for tax (net of advance tax)</i>	-	1,222,007
	<u>-</u>	<u>1,222,007</u>
	<b><u>-</u></b>	<b><u>1,222,007</u></b>

## FUSION FITTINGS (I) LIMITED

Notes to financial statements for the year ended 31 March 2012

(All amounts are in Rupees)

### Note 9.1 Fixed Assets - Tangible assets

As at 31 March 2012

Asset description	Gross block (at cost)		Disposals / adjustments during the year	As at 31 March 2012	Up to 1 April 2011	Accumulated depreciation For the year	In respect of disposals/adjustments during the year	Up to 31 March 2012	Net block	
	As at 1 April 2011	Additions during the year							As at 31 March 2012	As at 31 March 2012
Computers	86,600	-	-	86,600	36,469	20,052	-	56,521	30,079	50,131
<b>Total</b>	<b>86,600</b>	<b>-</b>	<b>-</b>	<b>86,600</b>	<b>36,469</b>	<b>20,052</b>	<b>-</b>	<b>56,521</b>	<b>30,079</b>	<b>50,131</b>

As at 31 March 2011

Asset description	Gross block (at cost)		Disposals / adjustments during the year	As at 31 March 2011	Up to 1 April 2010	Accumulated depreciation For the year	In respect of disposals/adjustments during the year	Up to 31 March 2011	Net block	
	As at 1 April 2010	Additions during the year							As at 31 March 2011	As at 31 March 2010
Computer	86,600	-	-	86,600	3,049	33,420	-	36,469	50,131	83,551
<b>Total</b>	<b>86,600</b>	<b>-</b>	<b>-</b>	<b>86,600</b>	<b>3,049</b>	<b>33,420</b>	<b>-</b>	<b>36,469</b>	<b>50,131</b>	<b>83,551</b>

### Note 9.2 Fixed assets - Intangible assets

As at 31 March 2012

Asset description	Gross block (at cost)		Disposals / adjustments during the year	As at 31 March 2012	Up to 1 April 2011	Accumulated depreciation For the year	In respect of disposals/adjustments during the year	Up to 31 March 2012	Net block	
	As at 1 April 2011	Additions during the year							As at 31 March 2012	As at 31 March 2011
Website development	-	15,000	-	15,000	-	5,000	-	5,000	10,000	-
<b>Total</b>	<b>-</b>	<b>15,000</b>	<b>-</b>	<b>15,000</b>	<b>-</b>	<b>5,000</b>	<b>-</b>	<b>5,000</b>	<b>10,000</b>	<b>-</b>

## FUSION FITTINGS (I) LIMITED

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Notes to financial statements for the year ended 31 March 2012

(All amounts are in Rupees)

Note 10.1 Non-current investments (trade investment)	As at 31 March 2012	As at 31 March 2011
<b>Long-term investments (at cost less diminution)</b>		
<b>Investments in subsidiaries (unquoted equity instruments)</b>		
<i>HIQ Power Associates Private Limited</i>	45,027,230	-
<i>[34,000 (previous year nil) equity share of Rs. 10 each fully paid up]</i>	<u>45,027,230</u>	<u>-</u>
<b>Note 10.2 Current investments</b>		
<b>Current investments (at the lower of cost and fair value, unless stated otherwise)</b>		
<b>Investment in equity instrument (Quoted)</b>		
<i>Tecpro Systems Limited</i>	8,508,328	5,000,000
<i>[7540784 (previous year 7525084) equity shares of Rs. 10 each fully paid up]</i>	<u>8,508,328</u>	<u>5,000,000</u>
<b>Total</b>	<b>8,508,328</b>	<b>5,000,000</b>

**Additional disclosures for current investments:**

	<u>As at 31 March 2012</u>		<u>As at 31 March 2011</u>	
	<u>Aggregate Book Value</u>	<u>Market Value</u>	<u>Aggregate Book Value</u>	<u>Market Value</u>
<b>Quoted investments</b>				
<i>Equity shares</i>	<u>8,508,328</u>	<u>1,281,933,280</u>	<u>5,000,000</u>	<u>2,056,981,711</u>
	<u>8,508,328</u>	<u>1,281,933,280</u>	<u>5,000,000</u>	<u>2,056,981,711</u>

**Note 11: Current trade receivables**

	As at 31 March 2012	As at 31 March 2011
<b>Unsecured, considered good unless stated otherwise</b>		
<b>Outstanding for a period exceeding six months from the date they are due for payment</b>		
<i>Unsecured, considered good</i>	6,448,500	-
(A)	<u>6,448,500</u>	<u>-</u>
<b>Other receivables</b>		
<b>Unsecured, considered good</b>		
<i>Unsecured, considered good</i>	-	2,551,820
(B)	<u>-</u>	<u>2,551,820</u>
<b>Total (A + B)</b>	<b>6,448,500</b>	<b>2,551,820</b>

## FUSION FITTINGS (I) LIMITED

Notes to financial statements for the year ended 31 March 2012

(All amounts are in Rupees)

### Note 12: Cash and bank balances

	<u>As at 31 March 2012</u>	<u>As at 31 March 2011</u>
<b>Cash and cash equivalents</b>		
Balances with banks:		
- Current accounts	1,296,838	810,823
Cash on hand	25,451	22,104
	<u><b>1,322,289</b></u>	<u><b>832,927</b></u>

### Note 13 : Short-term loans and advances

(Unsecured, considered good )

	<u>As at 31 March 2012</u>	<u>As at 31 March 2011</u>
Service tax recoverable	15,460	6,140
Advance tax (net of income tax provision)	225,019	10,536
Loan/advances to other company*	-	30,825,534
Advances to vendors	-	39,039
	<u><b>240,479</b></u>	<u><b>30,881,249</b></u>

\* Loan given to Hythro Power Corporation Ltd. [company under same management as defined under section 370(1-B) of the Companies Act 1956]

### Note 14: Earnings per equity share (EPS)

	<u>For the year ended 31 March 2012</u>	<u>For the year ended 31 March 2011</u>
Net profit as per Statement of Profit and Loss	23,738,623	33,066,311
Number of equity shares of Re 1 each at the beginning of the year	2,936,200	2,936,200
Number of equity shares of Re 1 each at the end of the year	2,936,200	2,936,200
Weighted average number of equity shares of Re 1 each at the end of the year for calculation of basic and diluted EPS	2,936,200	2,936,200
Basic and diluted earnings per share (in Rs.) (Per share of Re 1 each)	8.08	11.26

## FUSION FITTINGS (I) LIMITED

Notes to financial statements for the year ended 31 March 2012

(All amounts are in Rupees)

	For the year ended 31 March 2012	For the year ended 31 March 2011
<b>Note 15 - Revenue from operations (gross)</b>		
Sale of services	5,000,000	9,800,000
<b>Other operating revenue</b>		
Trading in future and option	-	6,837,261
	<u>5,000,000</u>	<u>16,637,261</u>
<b>Note 16 - Other Income</b>		
Interest income		
- From others	236,712	947,960
Dividend income from current investment	22,575,252	22,575,252
	<u>22,811,964</u>	<u>23,523,212</u>
<b>Note 17 - Employee benefits expenses</b>		
Salaries, wages and bonus	1,384,426	2,225,576
Staff welfare	3,500	14,408
	<u>1,387,926</u>	<u>2,239,984</u>
<b>Note 18 - Operating , Administrative and Selling expenses</b>		
Travel and conveyance	300,764	349,685
Rent	126,312	92,704
Communication	14,938	16,668
Advertising and marketing	218,361	81,689
Printing and stationery	25,463	60,026
Rates and taxes	5,084	557,979
Auditor's remuneration	44,120	40,000
Legal and professional	606,325	1,075,997
Listing fees	46,690	49,105
Share transaction	-	12,876
Miscellaneous expenses	23,353	7,439
	<u>1,411,410</u>	<u>2,344,168</u>
<b>Note 19 - Finance costs</b>		
Interest on short term borrowings	526,027	-
Interest others	17,102	56
Other borrowing costs	143	4,514
	<u>543,272</u>	<u>4,570</u>



## FUSION FITTINGS (I) LIMITED

### Notes to financial statements for the year ended 31 March 2012

(All amounts are in Rupees)

#### 20. Contingent Liabilities not provided for

	As at 31 March 2012	As at 31 March 2011
Guarantees issued by the company on behalf of other corporate	21,665,800,000	5,600,000,000

21. Based on the information available with the company, it did not owe any sum to any party identified as supplier within the meaning of Micro, Small and Medium Enterprises Development Act, 2006.

#### 22. Segment Reporting

In accordance with the paragraph 27 of AS-17, Segment whose total revenue/profit from external sales and inter segment sales is 10% or more of the total revenue / profit of all segments, external and internal should be identified as reportable segments. Therefore segment (A.) Design engineering services and (B.) Trading in futures and options are reportable segment.

##### A. Business Segment (Primary)

For the year ended 31<sup>st</sup> March 2012

	Design engineering Services	Trading in futures and options	Total
Segment Revenue			
Sales and Other Income	5,000,000	-	5,000,000
Total Revenue	5,000,000	-	5,000,000
Segment Result	3,334,106	-	3,334,106
Unallocated Expenses			1,175,739
Operating Profit			2,158,367
Interest Expenses			526,027
Interest Income			236,712
Dividend Income			22,575,252
Income Tax			708,681
Deferred Tax			(3,000)
Profit after tax			23,738,623
Segment Assets	6,478,579	-	6,478,579
Unallocated Assets			55,108,326
Total Assets			61,586,905
Segment Liabilities	112,800	-	112,800
Unallocated Liabilities			148,039
Total Liabilities			260,839
Capital Expenditure			15,000
Depreciation			25,052

## FUSION FITTINGS (I) LIMITED

### Notes to financial statements for the year ended 31 March 2012

(All amounts are in Rupees)

	Design engineering Services	Trading in futures and options	Total
<i>Segment Revenue</i>			
<i>Sales and Other Income</i>	9,800,000	6,837,261	16,637,261
<i>Total Revenue</i>	<b>9,800,000</b>	<b>6,837,261</b>	<b>16,637,261</b>
<i>Segment Result</i>	6,841,421	6,824,386	13,665,807
<i>Unallocated Expenses</i>			1,650,688
<i>Operating Profit</i>			12,015,119
<i>Interest Expenses</i>			-
<i>Interest Income</i>			947,960
<i>Dividend Income</i>			22,575,252
<i>Income Tax</i>			2,471,216
<i>Deferred Tax</i>			804
<i>Profit after tax</i>			33,066,311
<i>Segment Assets</i>	2,601,951	39,039	2,640,990
<i>Unallocated Assets</i>			36,675,137
<i>Total Assets</i>			39,316,127
<i>Segment Liabilities</i>	349,545	-	349,545
<i>Unallocated Liabilities</i>			1,370,540
<i>Total Liabilities</i>			1,720,085
<i>Capital Expenditure</i>			-
<i>Depreciation</i>			33,420

- i) *Segment assets include net block, current assets and loans & advances.*
- ii) *Revenue and expenses have been identified to segment on basis of their relationship to the operating activities of the segment. Revenue and expenses which relate to the enterprise a whole and are not allocable to segment on a reasonable basis, have been included under "Unallocated expenses"*
- B. *All operations of the company and customers are located in India therefore geographical segment disclosure is not required.*
23. *Related Party Disclosure:*
- a. *Related party and nature of relationship where control exists.*

	Year ended 31 March 2012	Year ended 31 March 2011
<i>Subsidiary</i>	HIQ Power Associates Private Ltd	-
<i>Key Management personnel</i>	Mukesh Kumar	Mukesh Kumar
<i>Individuals owing directly or indirectly, an interest in voting power and significant influence over the enterprise (including relatives of such individual)</i>	Amul Gabrani Amita Bishnoi	Amul Gabrani Amita Bishnoi

## FUSION FITTINGS (I) LIMITED

### Notes to financial statements for the year ended 31 March 2012

(All amounts are in Rupees)

<i>Enterprises over which such individuals exercise significant influence</i>	<i>Tecpro Systems Limited Hythro Power Corporation Limited</i>	<i>Tecpro Systems Limited Hythro Power Corporation Limited</i>
<i>Related Party and nature of the related party relationship with whom transactions have taken place during the year</i>		
<i>Key Management personnel</i>	<i>Mukesh Kumar</i>	<i>Mukesh Kumar</i>
<i>Enterprises over which Individuals owing directly or indirectly, an interest in voting power and significant influence over the company, exercise significant influence</i>	<i>Tecpro Systems Limited Hythro Power Corporation Limited</i>	<i>Tecpro Systems Limited Hythro Power Corporation Limited</i>

#### b. Transactions during the year

	<i>Key Management personnel</i>	<i>Enterprises over which individuals owing directly or indirectly, an interest in voting power exercise significant influence</i>
<i>Remuneration Paid</i>	<i>573,450 (490,760)</i>	<i>- (-)</i>
<i>Rent Paid</i>	<i>- (-)</i>	<i>126,312 (42,104)</i>
<i>Loan given</i>	<i>- (-)</i>	<i>- (30,000,000)</i>
<i>Recovery of Loan given</i>	<i>- (-)</i>	<i>30,000,000 (-)</i>
<i>Service income</i>	<i>- (-)</i>	<i>5,000,000 (6,600,000)</i>
<i>Dividend Received</i>	<i>- (-)</i>	<i>22,575,252 (22,575,252)</i>
<i>Interest Received</i>	<i>- (-)</i>	<i>236,712 (917,260)</i>
<i>Guarantee given by Company on behalf of other party</i>	<i>- (-)</i>	<i>16,065,800,000 (-)</i>
<i>c. Balance outstanding at the end of year debit / (credit)</i>		
<i>Remuneration payable</i>	<i>34,322 (27,985)</i>	<i>- (-)</i>
<i>Loan given</i>	<i>- (-)</i>	<i>- (30,000,000)</i>
<i>Service income</i>	<i>- (-)</i>	<i>6,448,500 (2,551,820)</i>
<i>Interest Receivable</i>	<i>- (-)</i>	<i>- (825,534)</i>
<i>Guarantee given by Company on behalf of other party (figures in bracket refer to previous year)</i>	<i>- (-)</i>	<i>21,665,800,000 (5,600,000,000)</i>

## FUSION FITTINGS (I) LIMITED

### Notes to financial statements for the year ended 31 March 2012

(All amounts are in Rupees)

d. Details of related parties with whom transaction exceed 10% of the class of transaction.

Name of Related Party	Nature of Transaction	Year ended 31 March 2012	Year ended 31 March 2011
Mukesh Kumar	Remuneration Paid	573,450	490,760
Tecpro Systems Limited	Rent Paid	126,312	42,104
Hythro Power Corporation Limited	Loan given	-	30,000,000
Hythro Power Corporation Limited	Recovery of Loan given	30,000,000	-
Hythro Power Corporation Limited	Sale of services	5,000,000	6,600,000
Tecpro Systems Limited	Dividend Received	22,575,252	22,575,252
Hythro Power Corporation Limited	Interest Received	236,712	917,260
Tecpro Systems Limited	Guarantee given by Company on behalf of other party	16,065,800,000	-

24. Figures have been rounded off to the nearest rupee.

25. Previous year figures in balance sheet have been regrouped / recast wherever necessary to conform to the current year's classification/presentation.

For **K.K. Jain & Co.**

For and on behalf of the Board of Fusion Fittings (I) Limited

Chartered Accountant

F.R.No.002465N

Sd/-

**(R. K. Mittal)**

Partner

M.No.95459

Place: Gurgaon

Date: 28 May 2012

Sd/-

**Kulbhushan Arora**

Director

Place: Gurgaon

Date: 28 May 2012

Sd/-

**Sunil Choudhry**

Director

Sd/-

**Mukesh Kumar**

Dy. Company

Secretary

**AUDITORS' REPORT ON THE CONSOLIDATED  
FINANCIAL STATEMENTS**

*The Board of Directors,  
Fusion Fittings (I) Limited  
New Delhi*

1. *We have audited the attached Consolidated Balance Sheet of Fusion Fittings (I) Limited ("the Company") and its subsidiary, HIQ Power Associates Private Limited [hereinafter called "Subsidiary" and along with Company called "Group"] as at 31<sup>st</sup> March 2012, and also the Consolidated Profit and Loss Account and the Consolidated Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management and have been prepared by the management on the basis of separate financial statements and other financial information regarding components. Our responsibility is to express an opinion on these financial statements based on our audit.*
2. *We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes, examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.*
3. *We did not audit the financial statements of Subsidiary whose financial statements reflect total assets of Rs. 2,06,80,937/- lacs, total revenue of Rs. 2,09,30,640/- lacs and net cash inflows of Rs.(-)22,00,005/- lacs for the year ended 31<sup>st</sup> March, 2012. These financial statements and other financial information have been audited by other auditors, whose reports have been furnished to us and our opinion is based solely on the report of other auditors.*
4. *We report that the Consolidated Financial Statements have been prepared by the Company's management in accordance with the requirements of Accounting Standard (AS) 21 Consolidated Financial Statements issued by The Institute of Chartered Accountants of India.*
5. *Based on our audit and on consideration of report of other auditors on separate financial statements and on other financial information of the components, and to the best of our information and according to the explanations given to us, we are of the opinion that the attached consolidated financial statements give a true and fair view in conformity with the Accounting Principles generally accepted in India:*
  - a) *in the case of the Consolidated Balance Sheet, of the state of affairs of the Group as at 31<sup>st</sup> March, 2012;*
  - 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 K. K. Jain & Co.,  
Chartered Accountants**

**Sd/-  
(R. K. Mittal)  
Partner  
M.No.95459**

*Place : Gurgaon  
Date : 28 May 2012*

## FUSION FITTINGS (I) LIMITED

### Consolidated Balance Sheet as at 31 March 2012

(All amounts are in Rupees)

	Note No.	As at 31 March 2012
<b>I. EQUITY AND LIABILITIES</b>		
<b>(1) Shareholders' funds</b>		
(a) Share capital	2	2,936,200
(b) Reserves and surplus	3	61,035,182
		<b>63,971,382</b>
<b>(2) Minority interest</b>		
		<b>2,961,570</b>
<b>(3) Non-current liabilities</b>		
(b) Deferred tax liabilities (Net)	4	303,218
		<b>303,218</b>
<b>(4) Current liabilities</b>		
(a) Short-term borrowings	5	4,314
(b) Trade payables	6	724,908
(c) Other current liabilities	7	165,536
		<b>894,758</b>
<b>TOTAL</b>		<b>68,130,928</b>
<b>II. ASSETS</b>		
<b>(1) Non-current assets</b>		
(a) Fixed assets		
(i) Tangible assets	8.1	6,310,912
(ii) Intangible assets	8.2	31,542,105
(iii) Capital work-in-progress		-
		<b>37,853,017</b>
(b) Non-current investments	9.1	500,000
(c) Long-term loans and advances	10.1	44,262
(d) Other non-current assets	11.1	25,000
		<b>569,262</b>
<b>(2) Current assets</b>		
(a) Current investments	9.2	8,508,328
(b) Trade receivables	12	11,062,240
(c) Cash and bank balances	13	9,481,791
(d) Short-term loans and advances	10.2	656,290
		<b>29,708,649</b>
<b>TOTAL</b>		<b>68,130,928</b>
<b>Significant accounting policies</b>		
The accompanying notes form an integral part of the financial statements.		
As per our report attached.		

For **K. K. Jain & Co.**  
Chartered Accountants  
F.R.No.002465N

Sd/-  
**R. K. Mittal**  
Partner  
Membership No. : 95459

Place: Gurgaon  
Date: 28 May 2012

For and on behalf of the Board of Directors of **Fusion Fittings (I) Limited**

Sd/-  
**Kulbushan Arora**  
Director

Sd/-  
**Sunil Choudhry**  
Director

Sd/-  
**Mukesh Kumar**  
Dy. Company Secretary

Place: Gurgaon  
Date: 28 May 2012

## FUSION FITTINGS (I) LIMITED

### Consolidated Statement of Profit and Loss for the year ended 31 March 2012

(All amounts are in Rupees)

	Note No.	For the year ended 31 March 2012
<b>Income</b>		
I Revenue from operations	15	24,125,197
II Other income	16	23,400,546
III Total revenue (I+II)		<u>47,525,743</u>
<b>IV Expenses :</b>		
Employee benefit expenses	17	12,172,603
Operating, administrative and selling expenses	18	4,767,839
<b>Expenditure before finance costs and depreciation/amortisation cost</b>		<u><b>16,940,442</b></u>
V Profit before finance costs, depreciation/amortisation and tax (III-IV)		<b>30,585,301</b>
VI Finance costs	19	606,576
VII Profit before depreciation/amortisation and tax (V-VI)		<b>29,978,725</b>
VIII Depreciation and amortisation expenses	8	538,953
IX Profit before tax (VII-VIII)		<b>29,439,772</b>
X Tax expenses		
Current tax		2,298,848
Tax for prior years		344,833
Deferred tax		(54,668)
XI Profit for the year		<u>26,850,759</u>
Minority share in profit		(466,820)
XII Profit for the year		<b>26,383,939</b>
Basic and diluted earnings per equity share (in Rs.) [face value Re. 1 each]	14	8.99
Significant accounting policies	1	

The accompanying notes form an integral part of the financial statements.

As per our report attached.

For K. K. Jain & Co.  
Chartered Accountants  
F.R.No.002465N

For and on behalf of the Board of Directors of Fusion Fittings (I) Limited

Sd/-  
R. K. Mittal  
Partner  
Membership No.: 95459

Sd/-  
Kulbhushan Arora  
Director

Sd/-  
Sunil Choudhry  
Director

Sd/-  
Mukesh Kumar  
Dy. Company Secretary

Place: Gurgaon  
Date: 28 May 2012

Place: Gurgaon  
Date: 28 May 2012

## FUSION FITTINGS (I) LIMITED

### Consolidated Cash Flow Statement for the year ended on 31 March 2012

(All amounts are in Rupees )

	<b>For the year ended 31 March 2012</b>
<b>A. Cash flow from operating activities</b>	
Net profit before tax	29,439,772
<b>Adjustment for</b>	
Depreciation	538,953
Interest income	(799,313)
Loss on discard / disposal of fixed asset	8,869
Bad debts written off	63,829
Interest /Financial expenses	567,061
Dividend income	(22,601,233)
<i>Operating profit before working capital changes</i>	<u>7,217,938</u>
(Increase) / decrease in trade and other receivables	(8,574,249)
(Increase) / decrease in short term loans and advances and other current assets	29,719
Decrease / (increase) in long term loans and advances	(44,262)
(Increase) / decrease in other non current assets	(25,000)
Increase / (decrease) in trade payables	683,267
(Decrease) / increase in other current liabilities	2,553,136
<i>Cash generated from operations</i>	<u>1,840,549</u>
Direct tax paid	(4,495,982)
<i>Net cash flow from operating activities</i>	<u>(2,655,433)</u>
<b>B. Cash Flow from Investing activities</b>	
Purchase of investments	(4,008,328)
Interest received/other income	799,313
Dividend received	22,601,233
Purchase of fixed and intangible assets	(38,366,523)
Sale of fixed and intangible assets	15,815
<i>Net cash from investing activities</i>	<u>(18,958,490)</u>
<b>C. Cash flow from financing activities</b>	
Repayment of loans	-
Loans/advances given	-
Short term borrowings (net)	4,314
Loans/advances received back from other companies	30,825,534
Interest /Financial expenses	(567,061)
<i>Net cash flow from financing activities</i>	<u>30,262,787</u>
Net increase / (Decrease) in cash & cash equivalents (A+B+C)	<u>8,648,864</u>
Opening balance of Cash & Cash equivalents	832,927
Closing balance of Cash & Cash equivalents	<u>9,481,791</u>
<b>Component of cash &amp; cash equivalents:</b>	
Cash in hand	185,186
Balances with schedule banks	
- On current accounts	1,999,849
Fixed deposits with banks	7,296,756
	<u>9,481,791</u>

The above Cash Flow Statement has been prepared under the indirect method set out in Accounting Standard - 3 "Cash Flow Statement" prescribed by the Companies (Accounting Standards) Rules, 2006.

As per our report of date, attached

For **K. K. Jain & Co.**  
Chartered Accountants  
F.R.No.002465N

For and on behalf of the Board of Directors of Fusion Fittings (I) Limited

Sd/-  
R. K. Mittal  
(Partner)  
M.No. 95459

Sd/-  
**Kulbhushan Arora**  
Director

Sd/-  
**Sunil Choudhry**  
Director

Sd/-  
**Mukesh Kumar**  
Dy. Company Secretary

Place: Gurgaon  
Date: 28 May 2012

Place: Gurgaon  
Date: 28 May 2012



## FUSION FITTINGS (I) LIMITED

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### Notes to the consolidated financial statements for the year ended 31 March 2012.

#### Note 1 Significant Accounting Policies

##### a. Basis of Preparation of Financial Statements

The financial statements have been prepared under the historical cost convention, on the accrual basis of accounting and in accordance with the Companies Act, 1956 and comply with the Accounting Standards issued by the Institute of Chartered Accountants of India, to the extent applicable.

##### b. Principles of Consolidation

i. The consolidated financial statements relate to Fusion Fittings (I) Limited, the Parent Company, and its majority owned subsidiary viz. HIQ Power Associates Private Limited (collectively referred to as the Group). The consolidation of accounts of the Company with its subsidiary has been prepared in accordance with Accounting Standard (AS) 21 – Consolidated Financial Statements and Accounting for Investments in Subsidiaries in Separate Financial Statements. The financial statements of the parent and its subsidiary are combined on a line by line basis and intra group balances, intra group transactions and unrealised profits or losses are fully eliminated.

ii. The financial statements of the subsidiary, used in the consolidation are drawn up to the same reporting date as of the Company i.e. up to March 31, 2012.

iii. Accordingly, the consolidated financial statements include the results of the subsidiary for the year ended March 31, 2012 and its assets and liabilities as on the Balance Sheet date.

iv. In the consolidated financial statements, 'Goodwill' represents the excess of the cost to the Company of at the date on which the investment is made in the equity share capital.

v. Minority interest in the net assets of the consolidated subsidiary consists of the amounts of equity attributable to the minority shareholders at the date on which investment are made by the company in the subsidiary company and future movement in their share in the equity, subsequent to the date of investment.

##### c. Other Significant Accounting Policies

i. These are set out in the separate financial statements of Fusion Fittings (I) Limited and its subsidiary.

ii. Goodwill arising on the consolidation is not amortised but is tested for impairment on an annual basis.

## FUSION FITTINGS (I) LIMITED

Notes to the Consolidated financial statements for the year ended 31 March 2012

(All amounts are in Rupees)

### Note 2. Share capital

	<u>As at 31 March 2012</u>
<b>Authorised</b>	
60,000,000 ( previous year 60,000,000) equity shares of Re. 1/- each	<u>60,000,000</u>
<b>Issued, subscribed and fully paid-up</b>	
2,936,200 ( previous year 2,936,200 ) equity shares of Re. 1/- each	<u>2,936,200</u>
	<u><b>2,936,200</b></u>

1. During the current year and in the previous year, there have been no movements in the number of equity shares outstanding.

2. Pursuant to the scheme of capital reduction as approved by the Hon'ble Delhi High Court vide order dated December 15, 2009, the face and paid up value of each share of the company has been reduced by 90%, i.e., from Rs. 10 per share to Re. 1 per share

3. Shares in the Company held by each shareholder holding more than 5% shares are as under:-

Names	<u>As at 31 March 2012</u>	
	<u>No. of Shares</u>	<u>% of shares held</u>
M/s. Vasundhara Technologies (India) Pvt. Ltd.	1,100,200	37.47
M/s Experienced Hi- tech Consultancy Services Pvt Ltd.	1,100,200	37.47

### Note 3: Reserves and surplus

	<u>As at 31 March 2012</u>
<b>Surplus in the Statement of Profit and Loss</b>	
Opening balance	34,651,243
Profit for the year	<u>26,383,939</u>
<b>Net surplus in the Statement of Profit and Loss</b>	<b>61,035,182</b>
<b>Total reserves and surplus</b>	<u><b>61,035,182</b></u>

### Note 4: Deferred tax assets (net)

#### Deferred tax liability on account of :

-Fixed assets	<u>303,218</u>
<b>Net deferred tax liability/(assets)</b>	<u><b>303,218</b></u>

### Note 5 : Short-term borrowings

#### Loans repayable on demand (Secured)

##### From banks :

Short term loan	4,314
	<b>4,314</b>
<b>The above amount includes</b>	
Secured borrowings	<u>4,314</u>
	<u><b>4,314</b></u>

## FUSION FITTINGS (I) LIMITED

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Notes to the Consolidated financial statements for the year ended 31 March 2012

(All amounts are in Rupees)

**Note 6: Trade payables**

*Sundry creditors*

- *micro and small enterprises (refer note 23)*

- *others*

As at  
**31 March 2012**

-  
724,908

**724,908**

**Note 7: Other current liabilities**

*Salaries, wages and bonus*

*Expense payable*

*Statutory dues payable*

87,396

66,000

12,140

**165,536**

# FUSION FITTINGS (I) LIMITED

Notes to the Consolidated financial statements for the year ended 31 March 2012

(All amounts are in Rupees)

## Note 8.1 Fixed Assets - Tangible assets

As at 31 March 2012

Asset description	Gross block (at cost)			Accumulated depreciation			Net block As at 31 March 2012		
	As at 1 April 2011	Additions during the year	Added on acquisition	Disposals / adjustments during the year	As at 31 March 2012	Up to 1 April 2011		For the year	Up to 31 March 2012 in respect of disposals/ adjustments
Land	-	-	4,486,231	-	4,486,231	-	-	-	4,486,231
Building	-	-	861,903	-	861,903	-	-	-	743,549
Furniture & Fixtures	-	150,401	499,405	-	649,806	-	-	-	183,286
Computers	86,600	214,100	1,503,827	-	1,804,527	36,469	1,087,764	-	420,167
Office equipments	-	56,299	242,393	32,450	266,242	-	77,489	7,766	184,021
Vehicles	-	-	14,500	-	14,500	-	2,793	-	4,076
<b>Total</b>	<b>86,600</b>	<b>420,800</b>	<b>7,608,259</b>	<b>32,450</b>	<b>8,083,209</b>	<b>36,469</b>	<b>1,423,774</b>	<b>7,766</b>	<b>6,310,912</b>

## Note 8.2 Fixed assets - Intangible assets

As at 31 March 2012

Asset description	Gross block (at cost)			Accumulated depreciation			Net block As at 31 March 2012		
	As at 1 April 2011	Additions during the year	Added on acquisition	Disposals / adjustments during the year	As at 31 March 2012	Up to 1 April 2011		For the year	Up to 31 March 2012 in respect of disposals/ adjustments
Computers software	-	179,779	1,244,878	-	1,424,657	-	563,734	219,133	651,790
Technical know-how	-	-	30,890,315	-	30,890,315	-	-	-	30,890,315
<b>Total</b>	<b>-</b>	<b>179,779</b>	<b>32,135,193</b>	<b>-</b>	<b>32,314,972</b>	<b>-</b>	<b>563,734</b>	<b>219,133</b>	<b>31,542,105</b>

## FUSION FITTINGS (I) LIMITED

Notes to the Consolidated financial statements for the year ended 31 March 2012

(All amounts are in Rupees)

### Note 9.1 Non-current investments (other than trade)

	<b>As at</b>
	<b>31 March 2012</b>
<b>Investment in Mutual funds</b>	<u>500,000</u>
	<b>500,000</b>

### Note 9.2 Current investments

Current investments (at the lower of cost and fair value, unless stated otherwise)

#### Investment in equity instrument (Quoted)

<i>Tecpro Systems Ltd.</i>	8,508,328
<i>[7540784 (previous year 7525084) equity shares of Rs. 10 each fully paid up]</i>	
<i>Total</i>	<u>8,508,328</u>

#### Additional disclosures for current investments:

	<u>As at 31 March 2012</u>	
	<u>Aggregate Book Value</u>	<u>Market Value</u>
<b>Quoted investments</b>		
-Equity shares	<u>8,508,328</u>	<u>1,281,933,280</u>
	<b>8,508,328</b>	<b>1,281,933,280</b>

### Note 10.1 : Long-term loans and advances

(Unsecured)

Considered good :

<i>Security deposits</i>	44,262
	<u>44,262</u>

### Note 10.2 : Short-term loans and advances

(Unsecured)

Considered good :

<i>Service Tax recoverable</i>	15,460
<i>Advance tax (net of income tax provision )</i>	640,830
	<u>656,290</u>

### Note 11.1 : Other non-current assets

Others :

<i>Others assets</i>	25,000
	<u>25,000</u>

## FUSION FITTINGS (I) LIMITED

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Notes to the Consolidated financial statements for the year ended 31 March 2012

(All amounts are in Rupees)

### Note 12: Trade receivables

	<u>Current</u> <u>As at</u> <u>31 March 2012</u>
<b>Unsecured, considered good unless stated otherwise</b>	
<b>Outstanding for a period exceeding six months from the date they are due for payment</b>	
<i>Unsecured, considered good</i>	
	<u>7,347,274</u>
(A)	<u>7,347,274</u>
<b>Other receivables</b>	
<b>Unsecured, considered good</b>	
<i>Unsecured, considered good</i>	
	<u>3,714,966</u>
(B)	<u>3,714,966</u>
<i>Total (A + B)</i>	<u><u>11,062,240</u></u>

### Note 13: Cash and bank balances

#### Cash and cash equivalents

Balances with banks:

- Current accounts

1,999,849

Cash on hand

185,186

Fixed deposits with banks

7,296,756

9,481,791

### Note 14: Earnings per equity share (EPS)

**For the year ended**  
**31 March 2012**

*Net profit as per Statement of Profit and Loss* 26,383,939

*Number of equity shares of Re 1 each at the beginning of the year* 2,936,200

*Number of equity shares of Re 1 each at the end of the year* 2,936,200

*Weighted average number of equity shares of Re 1 each at the* 2,936,200

*end of the year for calculation of basic and diluted EPS*

*Basic and diluted earnings per share (in Rs.) (Per share of Re 1 each)* 8.99

## FUSION FITTINGS (I) LIMITED

### Notes to the Consolidated financial statements for the year ended 31 March 2012

(All amounts are in Rupees)

	<b>For the year ended 31 March 2012</b>
<b>Note 15 - Revenue from operations (gross)</b>	
<b>Sale of services</b>	24,125,197
<b>Note 16 - Other Income</b>	
Interest income	
- From fixed deposits	562,601
- From others	236,712
Dividend income from non trade investment	22,601,233
	<u>23,400,546</u>
<b>Note 17 - Employee benefit expenses</b>	
Salaries, wages and bonus	11,504,768
Contributions to Provident fund,ESI	376,013
Gratuity	128,826
Staff welfare	162,996
	<u>12,172,603</u>
<b>Note 18 - Operating , administrative and selling expenses</b>	
Contract Services	816,125
Travel and conveyance	1,248,829
Rent	156,312
Electricity	237,948
Communication	212,691
Advertising and marketing	220,961
Printing and stationery	117,177
Rates and taxes	76,854
Auditor's remuneration	94,120
Legal and professional	1,067,802
Listing fees	46,690
Repair and maintenance -buildings	22,385
-others	171,980
Bad debts written off during the year	63,829
Loss on sale of fixed assets	8,869
Insurance	31,258
Miscellaneous expenses	174,009
	<u>4,767,839</u>
<b>Note 19 - Finance costs</b>	
Interest on borrowings	526,027
Interest others	41,034
Other borrowing costs	39,515
	<u>606,576</u>

## FUSION FITTINGS (I) LIMITED

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### Notes to the Consolidated financial statements for the year ended 31 March 2012

20. The company holds 85% shares of HIQ Power Associates Private Limited. These shares were acquired in the financial year 2011-12 and thus, previous year figures are not given.
21. Short term borrowings of Rs. 4,314 are out of cash credit limit of Rs 17.00 lacs sanctioned by State bank of India and are secured by way of hypothecation of book debts.
22. Contingent Liabilities not provided for:

As at  
31 March 2012

Guarantees issued by the company on behalf of other corporate Rs.21,665,800,000

23. Based on the information available with the company, it did not owe any sum to any party identified as supplier within the meaning of Micro, Small and Medium Enterprises Development Act, 2006.
24. Fusion Fittings (I) limited and its subsidiary HIQ Power Associates Private Limited provides design and engineering services, which constitutes one business segment, during the year the Company and its subsidiary has not made any export sales /service. Accordingly there is only one geographical segment. Hence the requirement of disclosure of segment information is not applicable.
25. Related Party Disclosure:
- a. Related party and nature of relationship where control exists.

	Year ended 31 March 2012
Subsidiary	HIQ Power Associates Private Ltd
Key Management personnel	Mukesh Kumar P.V.Ramakrishnan Kanthi Saravanan (resigned w.e.f.06.05.2011)
Individuals owing directly or indirectly, an interest in voting power and significant influence over the enterprise (including relatives of such individual)	Amul Gabrani Amita Bishnoi
Enterprises over which such individuals exercise significant influence	Tecpro Systems Limited Hythro Power Corporation Limited

Related Party and nature of the related party relationship with whom transactions have taken place during the year

Key Management personnel	Mukesh Kumar P.V.Ramakrishnan Kanthi Saravanan (resigned w.e.f.06.05.2011)
Enterprises over which Individuals owing directly or indirectly, an interest in voting power and significant influence over the company, exercise significant influence	Tecpro Systems Limited Hythro Power Corporation Limited



## FUSION FITTINGS (I) LIMITED

### Notes to the Consolidated financial statements for the year ended 31 March 2012

(All Amounts are in Rupees)

#### b. Transactions during the year

	<i>Key Management personnel</i>	<i>Enterprises over which individuals owing directly or indirectly, an interest in voting power exercise significant influence</i>
Remuneration Paid	3,625,669	-
Rent Paid	-	126,312
Service income	-	15,924,985
Dividend Received	-	22,575,252
Interest Received	-	236,712
Repayment of loan given	-	30,000,000
Guarantee given by Company on behalf of other party	-	16,065,800,000

#### c. Balance outstanding at the end of year debit / (credit)

Remuneration payable	34,322	-
Service income	-	8,292,549
Guarantee given by Company on behalf of other party	-	21,665,800,000

#### d. Details of related parties with whom transaction exceed 10% of the class of transaction.

<i>Name of Related Party</i>	<i>Nature of Transaction</i>	<i>Year ended 31 March 2012</i>
Mukesh Kumar	Remuneration Paid	573,450
P.V.Ramakrishnan	Remuneration Paid	2,438,219
Kanthi Saravanan	Remuneration Paid	614,000
Tecpro Systems Limited	Rent Paid	126,312
Tecpro Systems Limited	Sale of services	10,924,985
Hythro Power Corporation Limited	Sale of services	5,000,000
Tecpro Systems Limited	Dividend Received	22,575,252
Hythro Power Corporation Limited	Interest Received	236,712
Tecpro Systems Limited	Guarantee given by Company on behalf of other party	16,065,800,000

26. Figures have been rounded off to the nearest rupee.

27. Previous year figures in balance sheet have been regrouped / recast wherever necessary to conform to the current year's classification/presentation.

For **K.K. Jain & Co.**

Chartered Accountant

F.R.No.002465N

For and on behalf of the Board of Fusion Fittings (I) Limited

Sd/-  
(R. K. Mittal)

Partner  
M.No.95459

Place: Gurgaon  
Date: 28 May 2012

Sd/-  
Kulbhushan Arora

Director

Place: Gurgaon  
Date: 28 May 2012

Sd/-  
Sunil Choudhry

Director

Sd/-  
Mukesh Kumar

Dy. Company  
Secretary

## FUSION FITTINGS (I) LIMITED

Registered Office: 106, Vishwadeep Tower, Plot No. 4, District Centre, Janakpuri, New Delhi-110058

### PROXY FORM

I/We.....r/o. ....  
being a member/members of M/s Fusion Fittings (I) Ltd., hereby appoint .....  
r/o.....  
..... as my/our Proxy to vote for me/us on my/our behalf at the **Twenty Seventh Annual General Meeting** of the Company to be held on **Saturday, the 29<sup>th</sup> day of September 2012 at 10.00 A.M.** at "ASSOCHAM House", 47, Prithviraj Road (Opposite Safdarjung Tomb), New Delhi- 110011, and at any adjournment thereof.

Signed this ..... day of ..... 2012  
Signatures .....  
Folio/DP Id & Client Id No. ....

Affix Re 1/-  
Revenue  
Stamp  
here

#### Note :

1. The form should be signed across the revenue stamp as per specimen signatures registered with the Company.
2. If it is intended to appoint a proxy, the form of proxy should be completed and deposited at the Registered Office of the Company at least 48 hours before the commencement of the meeting.

## FUSION FITTINGS (I) LIMITED

Registered Office: 106, Vishwadeep Tower, Plot No. 4, District Centre, Janakpuri, New Delhi-110058

### ATTENDANCE SLIP

Registered Folio/DP Id & Client Id No.: .....No. of shares held .....  
Name(s) of the Member(s)/Proxy : .....

I hereby record my presence at the **Twenty Seventh Annual General Meeting** of Fusion Fittings (I) Ltd. on **Saturday, the 29<sup>th</sup> day of September 2012 at 10.00 A.M.** at "ASSOCHAM House", 47, Prithviraj Road (Opposite Safdarjung Tomb), New Delhi- 110011

\_\_\_\_\_  
Signature of Member/Proxy

#### Notes :

1. Members/ Proxies are requested to produce the attendance slip duly signed for admission to the meeting hall.
2. Members are requested to bring their copy of the Annual Report.
3. Eatables, Briefcases and Hand Bags will not be allowed to be carried inside the meeting hall.

## **BOOK-POST**

*If undelivered please return to :*

**FUSION FITTINGS (I) LIMITED**  
Tecpro House, Plot No. 78, NH. 8, Sector 34,  
Near Hero Honda Chowk, Gurgaon, Haryana-122004