



# APAR INDUSTRIES LTD.

REGD. OFFICE ;  
301, PANORAMA COMPLEX,  
R. C. DUTT ROAD,  
VADODARA - 390 007, INDIA.  
TEL. : (+91) (265) 2339906, 2331935  
FAX : (+91) (265) 2330309, 2313648  
E-mail : com\_sec@apar.com  
url : www.apar.com

SEC/ 173 /2013

By Fax &amp; Hand Del.

31<sup>st</sup> May, 2013.

National Stock Exchange of India Ltd. "Exchange Plaza", C-1, Block G, Bandra- Kurla Complex, Bandra (E), Mumbai – 400 051.  Scrip Symbol : APARINDS  <b>Kind Attn.: The Manager, Listing Dept.</b>	BSE Ltd. Corporate Relationship Department, 14 <sup>th</sup> Floor, Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai - 400 001.  Scrip Code : 532259  <b>Kind Attn. : Corporate Relationship Dept.</b>
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### Sub.: Intimation under Clause 20 & 41 of the Listing Agreement

Dear Sir,

With reference to above, we have pleasure to inform the Exchange that the Board of Directors of the Company at its Meeting held to-day (i.e. 31<sup>st</sup> May, 2013) transacted, *inter alia*, the following businesses:

- a) Approved the Audited Annual Accounts (both Standalone and Consolidated) for the Financial Year ended 31<sup>st</sup> March, 2013. The summarised details of the accounts are as under :

Standalone results for the year 2012-13 include effect of amalgamation of erstwhile Marine Cables and Wires Private Limited, Wholly-owned Subsidiary Company (MCWPL) with the Company. However, the same for the year 2011-12 are without such inclusion and, therefore, not comparable.

(Rs. in Crores)

Sr. No.	Particulars	Standalone		Consolidated	
		Year ended 31st March (Audited)		Year ended 31st March (Audited)	
		2013	2012	2013	2012
1	Total Income (Net of Excise)	4,539.89	3,453.80	4,652.94	3,595.61
2	Total Expenditure	4,260.65	3,278.15	4,363.43	3,401.36
3	Profit before finance cost, tax and amortization	279.24	175.65	289.51	194.25
4	Profit from ordinary activities before tax	140.31	59.57	150.32	76.76

CORPORATE OFFICE :  
APAR HOUSE, CORPORATE PARK,  
SION-TROMBAY ROAD, CHEMBUR,  
MUMBAI - 400 071, INDIA.  
PHONE: 2526 3400 / 6780 0400  
FAX:(+91) (22) 2524 6326  
e-mail:corporate@apar.com



ISO 9001:2008  
CERTIFIED COMPANY

APAR INDUSTRIES LTD.

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CONTINUATION SHEET NO.

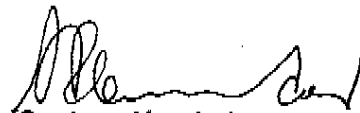
5	Tax expense	38.14	0.26	40.17	2.65
6	Net Profit From ordinary activities after tax	102.17	59.31	110.15	74.11
7	Reserves	521.74	432.49	588.15	484.84
8	Earnings per Share (In Rs.)	26.56	15.55	28.46	19.15

- b) Approved the Audited Financial Results for the year ended 31<sup>st</sup> March, 2013 pursuant to Clause 41 of the Listing Agreement which is attached as - **Annexure 1** and copy of the Independent Auditors' Report on the Financial Statement as at 31<sup>st</sup> March, 2013 to the Members of the Company is also enclosed herewith as **Annexure 2**.
- c) Recommended Final Dividend @ Rs. 5.25 (52.50 %) per equity share of Rs. 10/- each fully paid on the capital of Rs. 384,704,310/- for the financial year 2012-2013. This will be paid after declaration by members at the ensuing Annual General Meeting.

Please bring the above to the notice of members and investors.

Thanking you,

Yours faithfully,  
For Apar Industries Limited

  
(Sanjaya Kunder)  
Company Secretary.

Encl. : As above



# APAR INDUSTRIES LIMITED

(AN ISO 9001:2000 COMPANY)

Registered Office : 301, Panorama Complex, R.C. Dutt Road, Vadodara - 390 007.

AUDITED FINANCIAL RESULTS FOR THE QUARTER AND FOR THE YEAR ENDED 31ST MARCH, 2013

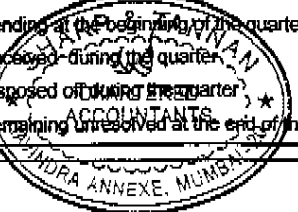
PART I		Standalone						Consolidated	
Sr. No.	Particulars	3 months ended			Financial year ended		Financial year ended		
		31.03.2013	31.12.2012	31.03.2012	31.03.2013	31.03.2012	31.03.2013	31.03.2012	
		Un-audited	Un-audited	Un-audited	Audited	Audited	Audited	Audited	
1	<b>Income from operations</b>								
	(a) Net sales/income from operations (net of excise duty)	1,154.77	1,131.05	1,015.51	4,497.66	3,421.98	4,612.92	3,562.23	
	(b) Other operating income	9.74	7.00	9.28	34.53	31.29	37.77	32.67	
	<b>Total income from operations (net)</b>	<b>1,164.51</b>	<b>1,138.05</b>	<b>1,024.79</b>	<b>4,532.19</b>	<b>3,453.27</b>	<b>4,650.69</b>	<b>3,594.90</b>	
2	<b>Expenses</b>								
	(a) Cost of materials consumed	877.06	879.26	799.54	3,554.66	2,849.91	3,644.58	2,945.43	
	(b) Purchases of stock-in-trade	4.67	6.73	2.19	29.33	10.74	29.33	10.74	
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	9.70	2.83	16.60	(19.70)	(61.48)	(19.63)	(61.56)	
	(d) Employee benefits expense	12.66	12.67	11.55	51.81	43.94	57.26	47.81	
	(e) Depreciation and amortisation expense	7.52	5.47	5.39	23.86	21.28	24.01	21.77	
	(f) Other expenses	180.35	137.78	131.01	620.69	413.76	627.88	437.17	
	<b>Total expenses</b>	<b>1,091.96</b>	<b>1,044.74</b>	<b>966.28</b>	<b>4,260.65</b>	<b>3,278.15</b>	<b>4,363.43</b>	<b>3,401.36</b>	
3	<b>Profit from operations before other income, finance costs and exceptional items (1-2)</b>	<b>72.55</b>	<b>93.31</b>	<b>58.51</b>	<b>271.54</b>	<b>175.12</b>	<b>287.26</b>	<b>193.54</b>	
4	Other income	6.07	0.75	0.20	7.70	0.53	2.25	0.71	
5	<b>Profit from ordinary activities before finance costs and exceptional items (3+4)</b>	<b>78.62</b>	<b>94.06</b>	<b>58.71</b>	<b>279.24</b>	<b>175.65</b>	<b>289.51</b>	<b>194.25</b>	
6	<b>Finance costs (net)</b>								
	Interest (net) and other borrowing costs	(1.96)	2.58	7.24	9.32	20.13	9.58	21.54	
	Applicable net loss on foreign currency transactions and translation	37.78	44.43	0.06	124.99	93.99	124.99	93.99	
	<b>Total</b>	<b>35.82</b>	<b>47.01</b>	<b>7.30</b>	<b>134.31</b>	<b>114.12</b>	<b>134.57</b>	<b>115.53</b>	
7	<b>Profit / (Loss) from ordinary activities after finance costs but before exceptional items (5-6)</b>	<b>42.80</b>	<b>47.05</b>	<b>51.41</b>	<b>144.93</b>	<b>61.53</b>	<b>154.94</b>	<b>78.72</b>	
8	Exceptional items	4.49	-	0.48	4.62	1.96	4.62	1.96	
9	<b>Profit / (Loss) from ordinary activities before tax (7-8)</b>	<b>38.31</b>	<b>47.05</b>	<b>50.93</b>	<b>140.31</b>	<b>59.57</b>	<b>150.32</b>	<b>76.76</b>	
10	Tax expense	8.69	14.08	(1.13)	38.14	0.26	40.17	2.65	
11	<b>Net Profit / (Loss) from ordinary activities after tax (9-10)</b>	<b>29.62</b>	<b>32.97</b>	<b>52.06</b>	<b>102.17</b>	<b>59.31</b>	<b>110.15</b>	<b>74.11</b>	
12	Extraordinary items (net of tax expense)	-	-	-	-	-	-	-	
13	<b>Net Profit / (Loss) for the period/year (11-12)</b>	<b>29.62</b>	<b>32.97</b>	<b>52.06</b>	<b>102.17</b>	<b>59.31</b>	<b>110.15</b>	<b>74.11</b>	
14	Minority interest (profit)/loss	-	-	-	-	-	(0.68)	(1.06)	
15	<b>Net Profit / (Loss) after taxes, minority interest (13+14)</b>	<b>29.62</b>	<b>32.97</b>	<b>52.06</b>	<b>102.17</b>	<b>59.31</b>	<b>109.47</b>	<b>73.05</b>	
16	Paid-up equity share capital (Face value of the share ₹ 10 each)	38.47	38.47	35.97	38.47	35.97	38.47	35.97	
17	Reserves excluding Revaluation Reserve as per balance sheet of previous accounting year				521.74	432.49	588.15	484.84	
18	<b>Earnings Per Share (EPS) (₹)</b> - Basic and Diluted (not annualised)	<b>7.70</b>	<b>8.57</b>	<b>13.53</b>	<b>26.56</b>	<b>15.55</b>	<b>26.46</b>	<b>19.15</b>	

## PART II

### SELECT INFORMATION

A PARTICULARS OF SHAREHOLDING		3 months ended 31.03.2013		3 months ended 31.03.2012		3 months ended 31.03.2013		3 months ended 31.03.2012	
1	Public Shareholding								
	Number of shares	1,58,00,143	1,58,87,143	1,52,24,776	1,58,00,143	1,52,24,776	1,58,00,143	1,52,24,776	
	Percentage of shareholding	41.07%	41.30%	42.32%	41.07%	42.32%	41.07%	42.32%	
2	Promoters and Promoter Group Shareholding								
	a) Pledged / encumbered								
	Number of shares	Nil	Nil	Nil	Nil	Nil	Nil	Nil	
	Percentage of shares (as a % of the total shareholding of Promoter and Promoter Group)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	
	Percentage of shares (as a % of the total share capital of the Company)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	
	b) Non-encumbered								
	Number of shares	2,26,70,288	2,25,83,288	2,07,47,618	2,26,70,288	2,07,47,618	2,26,70,288	2,07,47,618	
	Percentage of shares (as a % of the total shareholding of Promoter and Promoter Group)	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	
	Percentage of shares (as a % of the total share capital of the Company)	58.93%	58.70%	57.68%	58.93%	57.68%	58.93%	57.68%	

B INVESTOR COMPLAINTS		3 months ended 31.03.2013	
	Particulars		
	Pending at the beginning of the quarter		Nil
	Received during the quarter		2
	Disposed of during the quarter		2
	Remaining unresolved at the end of the quarter		Nil



*[Handwritten Signature]*



# APAR INDUSTRIES LIMITED

(AN ISO 9001:2000 COMPANY)

Registered Office : 301, Panorama Complex, R.C. Dutt Road, Vadodara - 390 007.

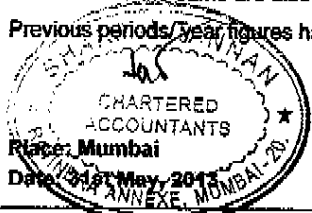
## AUDITED SEGMENT-WISE REVENUE, RESULTS AND CAPITAL EMPLOYED UNDER CLAUSE 41 OF THE LISTING AGREEMENT FOR THE QUARTER AND YEAR ENDED 31ST MARCH, 2013

(₹ In crore)

Particulars	Standalone					Consolidated	
	3 months ended			Financial year ended		Financial year ended	
	31.03.2013	31.12.2012	31.03.2012	31.03.2013	31.03.2012	31.03.2013	31.03.2012
	Un-audited	Un-audited	Un-audited	Audited	Audited	Audited	Audited
<b>Segment Revenue</b>							
Conductors	556.14	582.65	422.53	2,226.26	1,362.56	2,226.26	1,362.56
Transformer and Speciality Oils	501.20	439.68	469.92	1,920.86	1,816.64	2,039.37	1,958.03
Power/Telecom Cable	108.09	114.50	134.90	418.53	354.30	418.53	354.55
Others/Unallocated	4.24	4.24	2.41	15.10	7.17	15.10	7.17
<b>Total</b>	<b>1,169.67</b>	<b>1,141.07</b>	<b>1,029.76</b>	<b>4,580.75</b>	<b>3,540.67</b>	<b>4,699.26</b>	<b>3,682.31</b>
Less: Inter-Segment Revenue	5.16	3.02	4.97	48.56	87.40	48.57	87.41
<b>Net Sales/Income from operations</b>	<b>1,164.51</b>	<b>1,138.05</b>	<b>1,024.79</b>	<b>4,532.19</b>	<b>3,453.27</b>	<b>4,650.69</b>	<b>3,594.90</b>
<b>Segment Results before tax and finance costs</b>							
Conductors	45.24	76.62	26.89	197.08	58.39	197.08	58.39
Transformer and Speciality Oils	41.14	23.37	27.46	113.17	140.10	123.43	159.02
Power/Telecom Cable	(1.66)	2.33	11.85	(0.86)	2.84	(0.86)	2.52
Others	0.23	0.34	0.22	1.14	0.76	1.14	0.76
<b>Total</b>	<b>84.95</b>	<b>102.66</b>	<b>66.42</b>	<b>310.53</b>	<b>202.09</b>	<b>320.79</b>	<b>220.69</b>
Less : Finance costs (net)	35.82	47.01	7.30	134.31	114.12	134.57	115.53
: Un-allocable expenditure net of income	10.82	8.60	8.19	35.91	28.40	35.90	28.40
<b>Total Profit/(Loss) before tax</b>	<b>38.31</b>	<b>47.05</b>	<b>50.93</b>	<b>140.31</b>	<b>59.57</b>	<b>160.32</b>	<b>76.76</b>
<b>Capital Employed</b>							
(Segment Assets - Segment Liabilities)							
Conductors	157.06	165.38	111.23	157.06	111.23	157.06	111.23
Transformer and Speciality Oils	201.86	282.30	295.71	201.86	295.71	267.69	366.38
Power/Telecom Cable	231.12	239.63	204.43	231.12	204.43	231.12	203.58
Others/Unallocated	138.58	113.42	65.89	114.95	65.89	114.95	65.89
<b>Total</b>	<b>728.62</b>	<b>800.73</b>	<b>677.26</b>	<b>704.99</b>	<b>677.26</b>	<b>770.82</b>	<b>747.08</b>

### Notes:-

- The above audited financial results were reviewed by the Audit Committee of Directors and approved by the Board of Directors at their meeting held on 31st May, 2013. The Company's auditors have issued an unqualified audit opinion on the financial results. The audit report has been filed with the stock exchanges and is also available on the Company's website.
- The Rehabilitation Scheme of Marine Cables & Wires Private Limited (MCWPL), Company's wholly-owned subsidiary, envisaging its amalgamation with the Company with effect from 1st April, 2012 (the Transfer Date) has been approved by the Board for Industrial and Financial Reconstruction (BIFR) at its hearing on 16th May, 2013. Accordingly, the Scheme has been given effect to in these results. Consequent to the amalgamation, the results of each of the quarter from 1st April, 2012 (including the quarter ended 31st March, 2013 as reported) have been recast, the results for the quarter and the year ended 31st March, 2013 are not strictly comparable with the corresponding previous periods.
- In line with Notification No G.S.R. 914(E) dated 29th December, 2011 issued by the Ministry of Corporate Affairs, Government of India, in respect of accounting periods commencing on or after the 1st April, 2011 for an enterprise which had earlier exercised the option under paragraph 46 and at the option of any other enterprise, the exchange differences arising on reporting of long-term foreign currency monetary items at rates different from those at which they were initially recorded during the period, or reported in previous financial statements, in so far as they relate to the acquisition of a depreciable capital asset, can be added to or deducted from the cost of the asset and shall be depreciated over the balance life of the asset. Accordingly, ₹ 4.65 crore (Previous year ₹ 0.26 crore) has been capitalised to Plant and machinery and ₹ nil; (Previous year ₹ 2.69 crore) debited to Capital work-in-progress. The unamortised amount of such exchange differences, as at 31st March, 2013 is ₹ 4.61 crore (Previous year ₹ 2.95 crore).
- The Board of the Company at its meeting held today, recommended final dividend for the financial year 2012-13 @ ₹ 5.25/- per share aggregating to ₹ 23.63 crore (including dividend tax ₹ 3.43 crore) on 38,470,431 Equity shares of ₹ 10 each fully paid. This will be paid after approval by members at the ensuing Annual General Meeting.
- The figures for the last quarter are the balancing figures between audited figures in respect of the full financial year upto 31st March, 2013 and the unaudited published year to date figures upto 31st December, 2012 being the date of the end of the third quarter of the financial year, which were subjected to Limited Review.
- Statement of Assets and Liabilities is given below.
- The financial results of the Company are being forwarded to the Stock Exchanges (BSE and NSE) for uploading on their respective websites and the same are also made available on the Company's website viz. www.apar.com.
- Previous periods/year figures have been regrouped, wherever necessary.



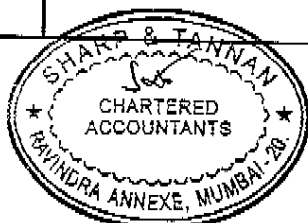
For Apar Industries Limited

(Kushal N. Desai)  
Managing Director

**APAR INDUSTRIES LIMITED**  
**STATEMENT OF ASSETS AND LIABILITIES**

(₹ in crore)

Sr. No	Particulars	Standalone		Consolidated	
		As at 31.03.2013	As at 31.03.2012	As at 31.03.2013	As at 31.03.2012
<b>A</b>	<b>EQUITY AND LIABILITIES</b>				
1	<b>Shareholders' funds</b>				
	(a) Share capital	38.47	35.97	38.47	35.97
	(b) Share capital suspense account	-	2.50	-	2.50
	(c) Reserves and surplus	521.74	432.49	588.15	484.84
	<b>Sub-total- Shareholders' funds</b>	<b>560.21</b>	<b>470.96</b>	<b>626.62</b>	<b>523.31</b>
2	<b>Minority Interest</b>	-	-	1.78	1.16
3	<b>Non-current liabilities</b>				
	(a) Long-term borrowings	32.94	34.65	32.94	34.65
	(b) Deferred tax liabilities (net)	10.95	13.47	10.31	13.11
	(c) Other long-term liabilities	13.79	41.05	13.79	41.05
	(d) Long-term provisions	2.58	2.42	2.81	2.62
	<b>Sub-total- Non-current liabilities</b>	<b>60.26</b>	<b>91.59</b>	<b>59.85</b>	<b>91.43</b>
4	<b>Current liabilities</b>				
	(a) Short-term borrowings	940.32	932.32	940.32	948.98
	(b) Trade payables	1,327.69	855.63	1,305.41	839.98
	(c) Other current liabilities	293.31	401.97	300.21	409.51
	(d) Short-term provisions	24.22	18.84	24.25	18.96
	<b>Sub-total- Current liabilities</b>	<b>2,585.54</b>	<b>2,208.76</b>	<b>2,570.19</b>	<b>2,217.43</b>
	<b>TOTAL -EQUITY AND LIABILITIES</b>	<b>3,206.01</b>	<b>2,771.31</b>	<b>3,258.44</b>	<b>2,833.33</b>
<b>B</b>	<b>ASSETS</b>				
1	<b>Non-current assets</b>				
	(a) Fixed assets	287.69	203.29	287.96	206.57
	(b) Goodwill on consolidation	-	-	20.65	-
	(c) Non-current investments	28.49	5.98	-	0.02
	(d) Long-term loans and advances	45.72	46.33	50.03	45.50
	<b>Sub-total-Non- current assets</b>	<b>361.90</b>	<b>255.60</b>	<b>358.64</b>	<b>252.09</b>
2	<b>Current assets</b>				
	(a) Current investments	79.62	-	79.62	-
	(b) Inventories	740.85	666.25	751.48	683.53
	(c) Trade receivables	793.56	832.05	813.77	865.35
	(d) Cash and cash equivalents	1,032.09	824.58	1,054.93	831.93
	(e) Short-term loans and advances	131.46	138.36	133.47	145.96
	(f) Other current assets	66.53	54.47	66.53	54.47
	<b>Sub-total-Current assets</b>	<b>2,844.11</b>	<b>2,515.71</b>	<b>2,899.80</b>	<b>2,581.24</b>
	<b>TOTAL -ASSETS</b>	<b>3,206.01</b>	<b>2,771.31</b>	<b>3,258.44</b>	<b>2,833.33</b>





# SHARP & TANNAN

Chartered Accountants

ANNEXURE - 2

## INDEPENDENT AUDITORS' REPORT To the Members of Apar Industries Limited

### Report on the Financial Statements

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

### Management's Responsibility for the Financial Statements

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

### Auditor's Responsibility

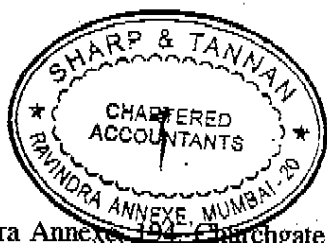
Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform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

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

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

### Opinion

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



Ravindra Annex, 154, Churchgate Reclamation, Dinshaw Vachha Road, Mumbai - 400 020, India.

Tel. (22) 2204 7722/23, 6633 8343 - 47 Fax (22) 6633 8352 E-mail : sharp@bom3.vsnl.net.in

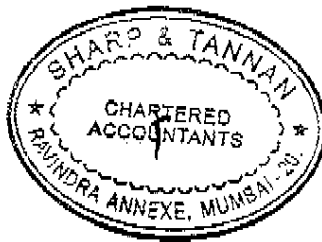
Farook M. Kobla Shreedhar T. Kunte Milind P. Phadke L. Vaidyanathan Rannath D. Kare Ashwin B. Chopra  
Edwin Augustine Raghunath P. Acharya Firdosh D. Bachia Tirtharaj A. Khot Pavan K. Aggarwal

Also at Pune. Associate Offices : Bangalore, Chennai, Goa, Hyderabad & New Delhi

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

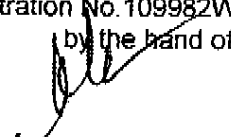
**Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2003 and as amended by the Companies (Auditor's Report) (Amendment) Order, 2004 (together the 'Order') issued by the Central Government of India in terms of Section 227 (4A) of the Companies Act, 1956, we give in the Annexure, a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by Section 227(3) of the Companies Act, 1956, we report that:
  - (a) we have obtained all information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - (b) in our opinion, proper books of account as required by law have been kept by the Company, so far as appears from our examination of those books;
  - (c) the Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this report are in agreement with the books of account;
  - (d) in our opinion, the Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement comply with the accounting standards referred to in Section 211 (3C) of the Companies Act, 1956; and
  - (e) on the basis of the written representations received from directors of the Company as on 31st March, 2013, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2013, from being appointed as a director in terms of Section 274 (1)(g) of the Companies Act, 1956.



Mumbai, 31<sup>st</sup> May, 2013

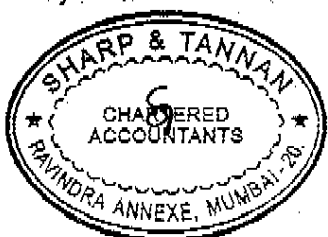
SHARP & TANNAN  
Chartered Accountants  
Registration No. 109982W  
by the hand of

  
MILIND P. PHADKE  
Partner  
Membership No. 033013

**ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT**

(Referred to in Paragraph 1 of our report of even date)

- (i) (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) As explained to us, these fixed assets have been physically verified by the management during the year, which in our opinion is reasonable. No material discrepancies were noticed on such verification.
- (c) The Company has not disposed off any substantial part of its fixed assets during the year so as to affect its going concern status.
- (ii) (a) As explained to us, inventories have been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable.
- (b) As per the information given to us, the procedures of physical verification of inventory followed by the management are, in our opinion, reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) The Company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records, which were not material, have been properly dealt with in the books of account.
- (iii) (a) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms and other parties covered in the register maintained under Section 301 of the Companies Act, 1956. Accordingly, the Paragraphs 4(iii) (b), (c) and (d) of the Order are not applicable to the Company.
- (b) According to the information and explanations given to us, the Company has taken unsecured loans from eleven parties covered in the register maintained under Section 301 of the Companies Act, 1956. The maximum amount of loans outstanding during the year and the year-end balances of such loans was Rs. 10.51 crore and Rs. 8.00 crore respectively.
- (c) In our opinion and according to the information and explanations given to us, the rate of interest and other terms and conditions of the loans taken by the Company, are *prima facie*, not prejudicial to the interest of the Company.
- (d) In our opinion and according to the information and explanations given to us, the Company is regular in repayment of principle and interest, where stipulations have been made. In cases where there are no stipulations and repayment of both principal and interest are stated at call, the Company is regular in the payment of principle and interest as and when demanded.
- (iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods and services. During the course of audit, we have neither come across nor have been informed of any continuing failure to correct major weaknesses in internal control system.

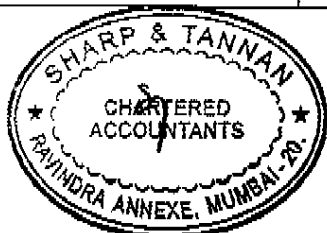


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- (v) (a) According to the information and explanations given to us, we are of the opinion that the particulars of contracts or arrangements that need to be entered in the register maintained under Section 301 of the Companies Act, 1956, have been entered.
- (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of such contracts or arrangements entered in the register maintained under Section 301 of the Companies Act, 1956 and 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.
- (vi) The Company has accepted deposits from the public and in our opinion and according to the information and explanations given to us, the directives issued by the Reserve Bank of India and the provisions of Sections 58A, 58AA and other relevant provisions of the Companies Act, 1956 and the rules framed thereunder, where applicable, have been complied with. We are informed that no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal.
- (vii) In our opinion, the Company has an internal audit system commensurate with its size and the nature of its business.
- (viii) We have broadly reviewed the books of account and records maintained by the Company pursuant to the rules prescribed by the Central Government for the maintenance of cost records under Section 209 (1) (d) of the Companies Act, 1956 in respect of manufacturing activities and are of the opinion that *prima facie* the prescribed accounts and records have been made and maintained. The contents of these accounts and records have not been examined by us.
- (ix) (a) According to the information and explanations given to us, in our opinion, the Company has been regular in depositing 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 and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, there are no arrears of outstanding statutory dues as at the last day of the financial year for a period of more than six months from the date they become payable.
- (b) According to the information and explanations given to us and the records of the Company examined by us, the particulars of income tax, sales tax, service tax, excise duty and cess as at 31st March, 2013, which have not been deposited on account of a dispute, are as under:

Name of the Statute	Nature of the disputed dues	Amount Rs. crore	Period to which the amount relates	Forum where disputes are pending
The Central Sales Tax Act, 1956, Local Sales Tax Acts and Works Contract Tax Act	Tax, interest and penalty	4.12	1998-99 2001-02 to 2004-05 and 2006-07	Assistant Commissioner



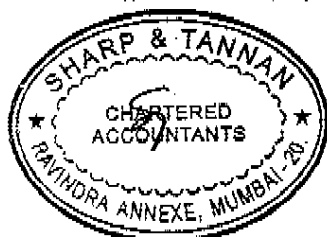
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		0.01	2003-04 and 2004-05	Commercial Tax Officer
		6.12	2002-03 to 2006-07	Commissioner VAT
		0.14	1998-99 and 2008-09	Tribunal
The Central Excise Act, 1944, the Customs Act ,1962 and Service tax under the Finance Act, 1994	Duty, service tax, interest and penalty	2.67	1997-98 to 2000-01, 2004-05 to 2009-10	CESTAT
		0.64	2001-02 to 2011-12	Commissioner (Appeals)
		2.50	1993-94, 1998-98 to 2003-04, 2005-06 to 2006-07	High Court
		5.30	1995-96 to 2001-02	Supreme Court

(\*net of pre-deposit paid in getting the stay / appeal admitted)

- (x) The Company has no accumulated losses as at 31st March, 2013 and it has not incurred any cash losses in the financial year ended on that date and in the immediately preceding financial year.
- (xi) According to the information and explanations given to us and as per the records of the Company examined by us, the Company has not defaulted in repayment of dues to banks. The Company did not have any outstanding dues to any financial institutions. The Company has not issued any debentures. Accordingly, the Paragraph 4(xi) of the Order is not applicable to the Company.
- (xii) According to the information and explanations given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities. Accordingly, the Paragraph 4(xii) of the Order is not applicable to the Company.
- (xiii) According to the information and explanations given to us, the provisions of any special statute applicable to chit fund / nidhi / mutual benefit fund / societies are not applicable to the Company.
- (xiv) According to the information and explanations given to us, the Company is not dealing or trading in shares, securities, debentures and other investments. The Company has invested surplus funds in mutual funds. According to the information and explanations given to us, proper records have been maintained of the transactions and contracts and timely entries have been made therein. The investments in mutual funds have been held by the Company in its own name.
- (xv) According to the information and explanations given to us, the terms and conditions of guarantee given by the Company for loans taken by others from banks or financial institutions are not *prima facie* prejudicial to the interests of the Company.

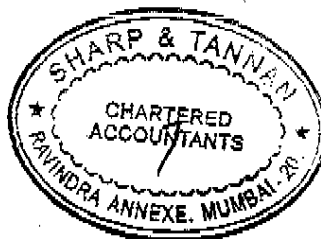


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- (xvi) In our opinion and according to the information and explanations given to us, on an overall basis, the term loans have been applied for the purposes for which they were obtained.
- (xvii) According to the information and explanations given to us and on overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term investments.
- (xviii) The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Companies Act, 1956, during the year. Accordingly, the Paragraph 4 (xviii) of the Order is not applicable to the Company.
- (xix) The Company has not issued any debentures during the year. Accordingly, the Paragraph 4(xix) of the Order is not applicable to the Company.
- (xx) The Company has not raised any money by public issues during the year. Accordingly, the Paragraph 4(xx) of the Order is not applicable to the Company.
- (xxi) During the course of our examination of books and records of the Company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, we have neither come across any instances of material fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the management.

Mumbai, 31<sup>st</sup> May, 2013

SHARP & TANNAN  
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Registration No. 109982W  
by the hand of

MILIND P. PHADKE  
Partner  
Membership No. 033013