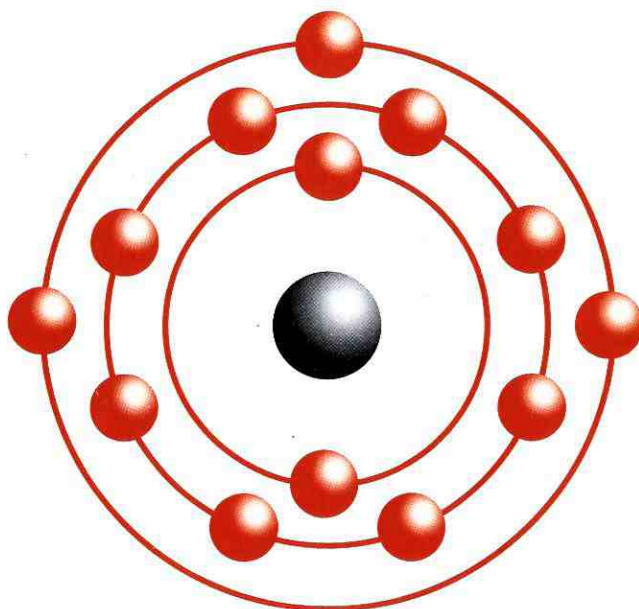


41st ANNUAL REPORT
2013 - 14



MMP

MMP INDUSTRIES LIMITED

(Formerly Known as Maharashtra Metal Powders Ltd.)

211 SHRIMOHINI, 345 KINGSWAY, NAGPUR - 440001, INDIA.

TELEPHONES : 91-712-2524645, 91-7104-668000

Fax : 91-712-2530461, 91-7104-668032 E-mail : sales@mmpil.com

NOTICE

NOTICE is hereby given that the 41st Annual General Meeting of the members of **MMP INDUSTRIES LIMITED** (Formerly known as Maharashtra Metal Powders Ltd.) will be held on Saturday the 2nd August, 2014 at 11 A.M. at the registered office of the company at 211, Shreemohini, 345 Kingsway, Nagpur - 440 001, Maharashtra to transact the following business :

ORDINARY BUSINESSES

1. To receive consider and adopt the profit and Loss Account for the year ended on 31st March, 2014 and the Balance sheet as at that date and the reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Shri Shri M.M.Jain (Holding DIN: 02281318), who retires by rotation and is eligible for re-appointment.
3. To appoint a Director in place of Shri S.V.Bhagwat (Holding DIN: 02370691), who retires by rotation and is eligible for re-appointment.
4. To consider and if thought fit, to pass with or without modification, the following Resolution as an Ordinary Resolution :

APPOINTMENT OF AUDITORS :

“**RESOLVED THAT** pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 and Rules framed thereunder, as amended from time to time, M/s. N.S.Rathore & Co., (Firm Registration No. 012414C), Chartered Accountants, Jaipur be and is hereby re-appointed as Auditors of the Company to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of the 44th AGM of the Company to be held in the year 2017 (subject to ratification of their appointment at every AGM), and that their remuneration be fixed by the Board of directors in consultation with them.”

SPECIAL BUSINESSES:

RE-APPOINTMENT OF WHOLE-TIME DIRECTOR:

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

"**RESOLVED THAT** pursuant to the provisions of the Articles of Association of the Company, Section 203 and Schedule V to the Companies Act, 2013 and all other applicable provisions of the Companies Act, 2013 (“Act”), and rule made there under (including any statutory modification or re-enactment thereof for the time being in force) approval be and is hereby accorded to the re-appointment of SHRI MADANMOHAN CHANDULAL AGRAWAL (holding DIN 02281318) as WHOLE-TIME DIRECTOR to look after General Administration and Sales and Purchase Subject to superintendence and Control of the Board of Directors and Direct supervision and Control of the Managing Director for a period of 1 year (One Year) effective from 01/08/2014 and that he shall be paid remuneration as detailed below:

Salary: Rs. 22,222/- p.m. plus conveyance Rs.1500/- p.m.

Perquisite: As permissible as per Schedule V of the Act.”

APPOINTMENT OF DIRECTOR :

6. To consider and if thought fit, to pass with or without modification the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Articles of Association and all other applicable provisions if any, of the Companies Act, 2013, Shri Hemant Jahagirdar (Holding DIN 00010908) be and is hereby appointed as Director of the Company w.e.f. 02/08/2014."

REGISTERED OFFICE :
211, SHRIMOHINI,
345, KINGSWAY,
NAGPUR-440 001

By Order of the Board
For MMP INDUSTRIES LIMITED

Dated : 07.07.2014
Place : **Nagpur**

(ARUN BHANDARI)
Managing Director

NOTES :

!A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and such proxy need not be a member of the company.

!The proxy forms duly stamped and signed must be deposited at the Registered Office of the Company not less than 48 hours before the time fixed for holding the meeting.

!Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, in respect of the Special Businesses to be transacted at the Annual General Meeting as set out in the Notice is annexed hereto.

!Corporate Members intending to send their authorised representative(s) to attend the Meeting are requested to send a certified copy of the Board resolution authorizing their representative to attend and vote on their behalf at the Annual General Meeting.

!Please bring your copy of annual report at the meeting.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 FOR THE ITEMS OF SPECIAL BUSINESS:

Item No. 5

The Board of Directors have re-appointed SHRI MADANMOHAN CHANDULAL AGRAWAL (holding DIN 02281318) as WHOLE-TIME DIRECTOR for a period of 1 year (One Year) with effect from 01/08/2014 to look after General Administration and Sales and Purchase Subject to superintendence and Control of the Board of Directors and Direct supervision and Control of the Managing Director. He has wide experience in Finance and Accounts and his re-appointment as WHOLE-TIME DIRECTOR will be in the interest of the Company. Therefore the Board recommends

approval of his re-appointment for a period of 1 year (One Year) as WHOLE-TIME DIRECTOR.

Pursuant to the provisions of Schedule V, remuneration committee has approved the remuneration payable to him.

According to the provisions of Schedule V Part I Clause c of the Companies Act, 2013, appointment of Managing Director on completing the age of 70 years requires the approval of the members of the Company by passing a special resolution in the general meeting.

SHRI MADANMOHAN CHANDULAL AGRAWAL has completed the age of 70 year on 4th August, 2014. Therefore, his appointment requires the approval of Members.

The resolution mentioned hereinabove might be treated as an abstract of the terms of re-appointment between the Company and SHRI MADANMOHAN CHANDULAL AGRAWAL (holding DIN 02281318) pursuant to Section 190, of the Companies Act, 2013.

SHRI MADANMOHAN CHANDULAL AGRAWAL (holding DIN 02281318) is deemed to be concerned or interested in the resolution, which pertains to his re-appointment.

None of the other Directors is interested in passing of this resolution.

Your directors commend passing of this resolution as a special resolution.

Item No. 6

Shri Hemant Jahagirdar (Holding DIN 00010908) is a Master of Science (education) and has over 45 years of experience in corporate commercial functions. A notice was received from Shri Jugal Kumar Gupta a member of the company proposing a resolution for appointment of Shri Hemant Jahagirdar (Holding DIN 00010908) as a director on the board of the company.

Shri Hemant Jahagirdar (Holding DIN 00010908) has consented to act as director of the company. The Directors expect that his induction on the board will be in the interest of the company.

Section 152(2) provides that Directors of a company are appointed by the members at General Meetings. A deposit of Rs. 1.00 lac has been received.

Shri Hemant Jahagirdar (Holding DIN 00010908) is deemed to be concerned or interested in the resolution, which pertains to his appointment.

None of the other Directors is interested in passing of this resolution.

Your directors commend passing of this resolution as an ordinary resolution.

REGISTERED OFFICE :
211, SHRIMOHINI,
345, KINGSWAY,
NAGPUR-440 001

By Order of the Board
For MMP INDUSTRIES LIMITED

Dated :07.07.2014
Place : **Nagpur**

(**ARUN BHANDARI**)
Managing Director

REPORT OF THE DIRECTORS TO THE MEMBERS

Your Directors have pleasure in presenting their Forty First Annual Report on the performance of your company together with Audit Report and Audited accounts for the year ended on 31st, March, 2014.

Particulars	Year ended 31.03.2014 ₹ Lacs	Year ended 31.03.2013 ₹ Lacs
<u>FINANCIAL HIGHLIGHTS</u>		
Sales and other income (Gross)	13467.89	11572.10
Profit before financial cost, depreciation and tax	1084.01	890.41
Less : Depreciation	173.10	172.06
Financial Cost	547.39	498.44
Profit / (Loss) before Taxation	363.52	219.90
Less : Provision for Taxation (Current year)	75.00	50.00
(Deferred Tax)	20.06	15.50
Profit after Taxation	268.46	154.40
Less : Income Tax of Earlier Year	8.94	10.16
Net Profit for the period	259.52	144.24

REVIEW OF OPERATIONS

Your company's overall performance has shown a satisfactory growth both in terms of revenue and earnings. This has been possible inspite of the Indian Economic situation struggling for equitable growth because of issues like inflation, lack of infrastructural investment and signs of policy paralysis in the Central Government.

The consolidated revenue of Rs. 13467.89 Lacs is up by 16.37% compared to Rs. 11572.10 Lacs in 2012-13. The operating profit (EBIDT) at Rs. 1084.01 Lacs is 21.74% higher than Rs. 890.41 Lacs in 2012-13.

a) Aluminium Powder and Paste Division.

The total revenue of this division at Rs. 10633.29 Lacs is up by 4.45% compared to Rs. 10179.82 in 2012-13. The segment result (EBIDT) at Rs. 1076.22 Lacs is up by 13.58% compared to Rs. 947.53 lacs in 2012-13.

The increase in operating profit is inspite of input costs (Metal, Electricity, Fuel & Wages) rising in a weak national economy. The margins of our products have risen because of consistent efforts at better financial management, optimum product mix and higher capacity utilization as well as improvements in product pricing. Our valued customers who are with your company for 25 years have appreciated the product consistency, timely deliveries and strong personalized after sales services and favoured us with better prices. There is a strong demand growth for your company's products specially aluminium powders used in slurry explosives and AAC/ALC applications. The coming years are also expected to show consistent growth in export potential of our products specially aluminium powders for the AAC/ALC industry.

In view of the growth in demand, your company expect to significantly increase its dry milling capacity during 2014-15.

b) Aluminium Conductors Divisions :

The Aluminium Conductor division continued to work below capacity but sales over last year were higher by 121%. The margins are well under pressure but your company has received approvals from the MSEDCL / MSETCL and others. The Aluminium conductors of various grades are well accepted in the market and with the capacity growth in infrastructural investment with the new Govt. in place, this division is expected to add to the top line significantly in the coming years.

c) Manganese Dioxide / Manganese Oxide Powder Division :

This division has shown signs of revival in this year and is expected to grow by 10/15% in the current year.

DIVIDEND

Your company proposes to retain all earnings for growth of the business and hence does not propose any dividend for the year under review. The Company has capacity expansion under implementation and earnings are therefore partially to be used for the capacity expansions.

ENVIRONMENT AND POLLUTION CONTROL

There is no emission of any pollutants from the company's operations. The company has been regularly receiving renewal to the consent to operate from the MPCB.

FUTURE PLANS

Your company has undertaken significant expansion of the dry milling capacity and partial capacity has been commissioned already during March/April 2014.

The new capacity (approx. 350 MT per month) will be fully commissioned in phases during 2014-15. The capacity addition will be used to meet the ever rising demand of the slurry explosives, AAC/ALC and aluminium phosphide industries. Your company expect to utilize 80-85% of the additional capacity during 2015-16.

MMP products are the preferred choice of all our customers and command a slight premium over our competitors because of the goodwill built over the last so many years. We expect this premium pricing to continue with our added capacity.

Your company is in contact with one of the major Aluminium paste manufacturers in the world namely TOYO ALUMINIUM K.K. and it is expected that a joint Toyo-MMP sales and marketing study for aluminium powder and pastes will be completed by Sept. 2014. Future steps on this proposed co-operation are under discussion.

One of the investments that the company is planning in this year is a new capacity for making atomized aluminium powder to ensure that the captive requirement of the added capacity is fully met with the right grades. This new capacity is expected to be on stream during 2015-16.

Your company has recently got approval from the South Bihar Power Distribution Co. Ltd. and expects to begin supplies from August 2014. This has opened a new market for the company's conductor capacity and will significantly add to the top line. In the coming months the company will start producing the Zebra & Panther grades for becoming eligible for Registration with Power Grid Corporation of India during 2015.

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

The details as required under the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 are annexed.

The company has already installed a producer gas plant and has installed Variable Frequency Drives wherever applicable to conserve energy.

The company has halved the consumption of furnace oil used for the boiler by better loading of vacuum dryers.

Your company has replaced high energy consuming two stage reciprocating compressor with an energy saving lower HP Screw Type Compressor this year, which will result into significant energy saving in the current year. Based on this performance, company is planning to replace another high energy saving compressor in the current year.

DIRECTORS

Shri M. M. Jain and Shri S. V. Bhagwat retire by rotation and both being eligible, offer themselves for re-appointment.

AUDIT COMMITTEE

According to the provisions of the Companies (Amendment) Act, 2000 the company had set up Audit Committee on 02.01.2001 to ensure full compliance of all relevant provisions.

COMPOSITION

As on 31.03.2014 The audit committee consists of three directors : namely Shri Arun Bhandari, (Chairman), Shri S.V. Bhagwat and Shri M.M. Jain.

DIRECTORS' RESPONSIBILITY STATEMENT

As required by sub-section (2AA) of section 217 of the Companies Act, 1956, the Directors hereby confirm :

- i) That in the preparation of annual accounts, the applicable accounting standard have been followed along with proper explanation relating to material departures except that the liability for gratuity and bonus has not been provided for, which is accounted for on cash basis.
- ii) That the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are a 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 that period.
- iii) That the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
- iv) That the annual accounts have been prepared on a going concern basis.

AUDITORS

The Statutory auditors M/s N.S. Rathore & Co., Chartered Accountants retire at the conclusion of the ensuing Annual General Meeting. The Company has received a letter from M/s N.S. Rathore & Co. to the effect that their appointment, if made, would be within the limits under Section 224(1-B) of the Companies Act, 1956.

AUDITORS' REPORT

The Notes on the Accounts referred to in the Auditors' Report are self explanatory and therefore do not call for any further comments. This will have to be changed in case the qualification is in the Audit Report.

PERSONNEL

Relation with employees remained cordial throughout the year. None of the employees were covered by the disclosure requirements of Section 217(2A) of the Companies Act, 1956 read with the relevant Rules.

APPRECIATION

Your Directors wish to place on record their appreciation for the untiring efforts of the staff and workers for achieving the company's objectives. Your Directors also wish to thank the Axis Bank and Bank of Baroda for the timely assistance that has always been rendered by them in connection with the financial needs of the company.

For and on behalf of the Board

Place : Nagpur

Dated : 07-07-2014

-sd-
ARUN BHANDARI
(Managing Director)

-sd-
LALIT BHANDARI
(Director)

ANNEXURE TO DIRECTORS' REPORT

The Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988.

A. CONSERVATION OF ENERGY

a) Measures taken for conservation of Energy :

The company has been giving utmost priority to conservation of various forms of energy used in the manufacturing process. The major conservation measures implemented so far are optimization of utility output to match process requirement thereby reducing wasteful running of equipment and timely replacement or servicing wherever required.

b) Replacement of high energy consumption compressor with low HP energy saving compressor.

Total energy consumption and energy consumption per unit production :

	2013-14	2012-13
A. Power & Fuel Consumption		
1) Electricity / Diesel		
Purchased Units (Lacs)	75.98	77.39
Total Amount (₹/Lacs)	520.00	529.86
Rate/Unit (₹)	6.84	6.84
2) Furnace Oil		
Quantity (M.T.)	344.127	363.430
Total Amount(₹/Lacs)	155.46	156.69
Average Rate/Kg. (₹)	45.18	43.11
3) Coal Lumps & Fire Wood		
Quantity (M.T.)	990.885	877.760
Total Amount (₹/Lacs)	40.29	30.44
Average Rate/KG (₹)	4.07	3.47

c) Progressively we are replacing normal Star Delta Startors with VFD's for various machines.

B. TECHNOLOGY ABSORPTION

The Company has Imported a technology from a foreign company for producing a special grade of Aluminium Powder and fully absorbed.

C. FOREIGN EXCHANGE EARNING AND OUTGO

The company has been exploring demand of its product in foreign market and during the year under review company received good response. Export continue to be thrust area.

	2013-14 (₹/Lacs)	2012-13 (₹/Lacs)
a) Foreign Exchange Earning		
On Account of Export - FOB Value	<u>1455.87</u>	<u>1341.30</u>
b) Foreign Exchange Outgo		
i) Raw Material	16.07	12.99
ii) Trading Goods	--	--
iii) Capital Goods	16.33	--
	-----	-----
Total (i+ii+iii)	32.40	12.99
	-----	-----
iv) Expenditure in Foreign Currency (Remitted)		
Commission on Export sales	15.49	8.85
Royalty on Technical know how	24.05	14.85
Travelling Expense - others	--	0.87
	-----	-----
Total (iv)	39.54	24.57
	-----	-----
Grand Total (i+ii+iii+iv)	<u>71.94</u>	<u>37.56</u>

For and on behalf of the Board

Place : Nagpur
Date : 07-07-2014

-sd-
(Arun Bhandari)
Managing Director

-sd-
(Lalit Bhandari)
Director

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
MMP INDUSTRIES LIMITED
(Formerly Known as Maharashtra Metal Powders Ltd.)

Report on the Financial Statement

We have audited the accompanying financial statements of MMP Industries Limited (Formerly Known as Maharashtra Metal Powders Ltd.) ("the Company"), which comprise the Balance Sheet as at March 31, 2014, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

Opinion

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

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
- b) in the case of the Statement of Profit and Loss Account, of the profit for the year ended on that date; and
- c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.

2. As required by section 227(3) of the Act, we report that:

a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

b) in our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;

c) the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account;

d) in our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956;

e) on the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

For **N. S. RATHORE & COMPANY**
Chartered Accountants
Registration No. - 012414C

Place : Jaipur

Date : 07-07-2014

-sd-
(N.S. VYAS)
PARTNER
Membership No. 010937

Annexure to Auditor's Report

(REFERRED TO IN PARAGRAPH (1) OF OUR REPORT OF EVEN DATE FOR
THE YEAR ENDED 31.03.2014

- i) On the basis of such checks as we considered appropriate and in terms of information & explanation given to us, we state that :
 - a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
 - b) All the assets have not been physically verified by the management during the year but there is a regular program of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. As informed no material discrepancies were noticed on such verification.
 - c) The Company has not disposed of any substantial part of its fixed assets so as to affect its going concern status.
- ii)
 - a) According to the information & explanations given to us, the physical verification of the finished goods, stores spares parts and raw materials was conducted by management during the year. In our opinion, the frequency of the verification is reasonable.
 - b) In our opinion and according to information and explanations give to us, the procedure of physical verification of inventory followed by management were found reasonable and adequate in relation to the size of the company and nature of its business.
 - c) The Company has maintained proper records of inventory. As explained to us, there were no material discrepancies noticed on physical verification of inventories as compared to book records. However, the deficiencies noticed on physical verification have been properly dealt with in the books of account.
- (iii) a) The Company has not taken / granted any loan, secured or unsecured, during the year to or from any of the companies, firm or other parties covered in the register maintained U/s 301 of the Companies Act, 1956. Accordingly the provision of sub clause (b),(c),(d),(e),(f) and (g) of paragraph 4 clause (iii) of the Companies (Auditor's Report) order, 2003. (as amended) are not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, there is adequate internal control system commensurate with the size of the Company and nature of its business with regard to purchase of inventory, fixed assets, and to the sale of goods. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal controls system.
- v)
 - a) According to the information and explanation given to us, the transactions that need 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 explanation given to us, the transaction made in pursuance of 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 prevailing market prices at the relevant time.
- vi) The Company has not accepted any deposit from a public. Therefore, the provision of Clause(vi) of Paragraph 4 of the Order are not applicable to the Company.
- vii) The Company is having an in-house Internal Audit System, which in our opinion is commensurate with the size of the Company and nature of its business.

- viii) We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Accounting Records) Rule, 2011 prescribed by the Central Government for the maintenance of cost records under section 209(i)(d) of the Companies Act, 1956 and we are of the opinion that the prime facie the prescribed cost records have been made and maintained. We have however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- ix) (a) In our opinion and according to the information and explanation given to us, the Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education and protection fund, employee's state insurance, income tax, sales tax, wealth tax, service tax, custom duty, excise duty, cess and other material statutory dues applicable to it and there were no arrears of such dues at the year end which have remained outstanding for a period of more than six months from the date they become payable.
- (b) According to the information and explanations given to us, there are no dues of Income-Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty or Cess which have not been deposited with the appropriate authorities on account of any dispute. The disputed Statutory dues of Sales Tax which has not been deposited on account of dispute, the particulars of which and the forum where the dispute is pending is given below :-

Name of the Statute	Nature of the Dues	Amount (₹ in lacs)	Period to which the amount is related	Forum where dispute is pending
Central Sales Tax Act	Sales Tax Incentive	37.88	1993	High Court (Nagpur Bench)

- x) The company has no accumulated losses at the end of the financial year. The Company has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.
- xi) In our opinion and according to the information and explanation given to us, the Company has not defaulted in repayment of dues to any financial institutions, banks and debenture holders.
- xii) The Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- xiii) In our opinion, the Company is not a chit fund or a nidhi/mutual benefit fund/ society. Therefore, the provisions of Paragraph 4 Clause (xiii) of the Companies (Auditor's Report) Order, 2003(as amended) are not applicable to the company.
- xiv) In our opinion, the company is not dealing in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Companies (Auditor's Report) Order, 2003(as amended) are not applicable to the company.
- xv) In our opinion and according to the information & explanation given to us, the Company has not given any guarantees for loans taken by others from banks or financial institutions. Thus Paragraph 4 Clause (xv) of the Companies (Auditor's Report) Order, 2003(as amended) are not applicable to the company.
- xvi) In our opinion, the term loans have been applied for the purpose for which they were raised.
- xvii) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that the 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 during the year to parties or companies covered in the Register maintained under section 301 of the Companies Act, 1956.
- xix) The Company has not issued any debentures during the year.

- xx) The Company has not raised money by way of public issues during the year.
- xxi) According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the course of our audit.

Place : Jaipur

Date : 07-07-2014

For N. S. RATHORE & COMPANY
Chartered Accountants
Registration No. - 012414C

-sd-
(N.S. VYAS)
PARTNER
Membership No. 010937

BALANCE SHEET AS AT MARCH 31, 2014

Particulars	Note No.	As at 31 st March, 2014 (Amount in ₹.)	As at 31 st March, 2013 (Amount in ₹.)
<u>EQUITY AND LIABILITIES</u>			
Shareholders' Funds :			
Share Capital	2	82900500.00	82900500.00
Reserve & Surplus	3	113342339.98	87390246.44
		<u>196242839.98</u>	<u>170290746.44</u>
Non-Current Liabilities :			
Long Term Borrowing	4	60621064.64	95387424.66
Deferred Tax Liabilities	5	23987307.12	21981353.08
		<u>84608371.76</u>	<u>117368777.74</u>
Current Liabilities :			
Short-term Borrowings	6	227699983.36	217416432.62
Trade Payables	7	140229664.68	122707954.04
Other Current Liabilities	8	48578739.32	38306075.31
Short-term provisions	9	1630962.00	1402607.37
		<u>418139349.36</u>	<u>379833069.34</u>
		<u>698990561.10</u>	<u>667492593.52</u>
<u>ASSETS</u>			
Non Current Assets			
Fixed Assets			
Tangible Assets	10	243803984.44	201956244.94
Intangible Assets	10	27500.00	27500.00
Capital Work-in-Progress	10	8727140.00	8089981.28
		<u>252558624.44</u>	<u>210073726.22</u>
Non Current Investment	11	11154890.00	11154890.00
Long-term Loans and Advances	12	2625500.00	2801480.00
		<u>13780390.00</u>	<u>13956370.00</u>
Current Assets			
Inventories	13	224205044.04	208496383.55
Trade Receivable	14	185077837.41	205052441.03
Cash & Bank Balance	15	3329471.60	10139432.29
Short Term Loans & Advances	16	3354577.90	2959558.90
Other Current Assets	17	16684615.71	16814681.53
		<u>432651546.66</u>	<u>443462497.30</u>
		<u>698990561.10</u>	<u>667492593.52</u>
SIGNIFICANT ACCOUNTING POLICIES			
	1		

THE ACCOMPANYING NOTES ARE FORMING INTEGRAL PART OF FINANCIAL STATEMENTS.

As per our report of even date attached.

FOR N.S. RATHORE & CO.
Chartered Accountants
(FRN-012414C)

For and on behalf of the Board

-sd-
(N. S. Vyas)
Partner (M. No. - 010937)
Place : Jaipur
Date : 07-07-2014-sd-
(ARUN BHANDARI)
Managing Director
Place : Nagpur
Date : 07-07-2014-sd-
(LALIT BHANDARI)
Director

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED MARCH 31, 2014

Particulars	Note No.	Year Ended 31 st March, 2014 (Amount in ₹.)	Year Ended 31 st March, 2013 (Amount in ₹.)
INCOME			
Revenue from operations (Gross)	18	1345243163.20	1155949193.00
Less : Excise Duty		129413817.00	111715387.00
Revenue from operations (Net)		1215829346.20	1044233806.00
Other Income	19	1545909.81	1260915.30
TOTAL INCOME		1217375256.01	1045494721.30
EXPENDITURE			
Cost of Material Consumed	20	880369393.76	760523802.89
Purchase of Stock-in-trade		1105522.35	275657.62
Changes in inventories of finished goods, Work in progress and Stock-in-trade	21	(10379833.50)	(8523587.61)
Employee benefit expenses	22	78509516.28	67922345.05
Financial Cost	23	54739276.66	49843740.69
Depreciation & amortization expenses	24	17309544.03	17206412.29
Other Expenses	25	159369432.84	136255891.53
TOTAL EXPENDITURE		1181022852.43	1023504262.45
PROFIT BEFORE TAX		36352403.58	21990458.85
TAX EXPENSES :			
Income Tax		7500000.00	5000000.00
Deferred Tax		2005954.04	1550548.41
Income Tax relating to earlier year		894356.00	1015522.00
PROFIT FOR THE YEAR		25952093.54	14424388.44
EARNING PER EQUITY SHARE			
Basic and Diluted (in ₹)		3.13	1.74

SIGNIFICANT ACCOUNTING POLICIES 1

THE ACCOMPANYING NOTES ARE FORMING INTEGRAL PART OF FINANCIAL STATEMENTS.

As per our report of even date attached.

FOR N.S. RATHORE & CO.

Chartered Accountants
(FRN - 012414C)-sd-
(N. S. Vyas)
Partner (M. No. - 010937)
Place : Jaipur
Date : 07-07-2014

For and on behalf of the Board

-sd-
(ARUN BHANDARI) Managing Director
Place : Nagpur
Date : 07-07-2014
-sd-
(LALIT BHANDARI) Director

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014

Particulars	Year Ended 31.03.2014 ₹	Year Ended 31.03.2013 ₹
A. Cash Flow from Operating Activities		
Profit before taxation as per P & L Account	36352403.58	21990458.85
Adjustment for		
Depreciation	17309544.03	17206412.29
Interest Income	(970000.86)	(1081872.00)
Finance Cost	54739276.66	49843740.69
Profit on Sale of Fixed Assets	(42945.00)	--
Operating profit before working capital changes	107388278.41	87958739.83
(Increase) / decrease in Inventories	(15708660.49)	(43497313.32)
(Increase) / decrease in Trade and other receivables	19974603.62	(57747532.23)
(Increase) / decrease in Loans and Advances	(219039.00)	504806.66
(Increase) / decrease in Other Current Assets	130065.82	(4993501.52)
Increase / (decrease) in Current Liabilities	25159781.21	52286345.41
Increase / (decrease) in Provisions	--	--
Cash Generated from Operation	136725029.57	34511544.83
Direct taxes paid	(8166001.37)	(6862762.63)
Net Cash from Operating activities	128559028.20	27648782.20
B. Cash Flow from Investing Activities		
Investment in Fixed Assets including Capital WIP	(59826497.25)	(19271256.89)
Sale of Fixed Assets	75000.00	--
Increase / Decrease in investments	--	(800000.00)
Interest received	970000.86	1082975.00
Net Cash used in Investing Activities	(58781496.39)	(18988281.89)
C. Cash flow from Financing Activities		
Financial Cost	(54739276.66)	(49843740.69)
Term Loan Received	4206650.42	18734507.60
Repayment of Term Loan	(18528000.00)	(18528000.00)
Short Term Borrowing	10283550.74	52768835.71
Long Term Unsecured Loan from others (net)	(17810417.00)	(4906839.00)
Net Cash from Financing Activities	(76587492.50)	(1775236.38)
Net Increase / (Decrease) in Cash and Cash equivalent	(6809960.69)	6885263.93
Cash and Cash equivalents at the beginning of the year	10139432.29	3254168.36
Cash and Cash equivalents at the end of the year	3329471.60	10139432.29

Note : Figure in brackets represent outflows

AS PER OUR REPORT OF EVEN DATE ATTACHED

FOR N.S. RATHORE & CO.

(FRN - 012414C)

-sd-

(N. S. Vyas)

Partner (M. No. - 010937)

-sd-

(ARUN BHANDARI)

Managing Director

-sd-

(LALIT BHANDARI)

Director

Place : Jaipur

Date : 07-07-2014

Place : Nagpur

Date : 07-07-2014

NOTES FORMING PART OF FINANCIAL STATEMENT

a. Nature of Operation

The company is manufacturing Atomised Aluminium Powder, Aluminium Pyro & Flake Powder, Paste and Aluminium Conductor. The Company is also engaged in trading of Coal Powder and manufacturing of MnO and MnO₂ Powder.

b. Basis of Accounting

The financial statements are prepared under historical cost convention on accrual basis and are in accordance with the generally accepted accounting principles in India, mandatory accounting standards as specified in the Companies (Accounting Standards) Rule, 2006 and the relevant provisions of the Companies Act, 1956.

c. Current and Non Current Classification

An asset or a liability is classified as current when it satisfies any of the following criteria :

- i. it is expected to be realized/settled, or is intended for sale or consumption, in the Company's normal operation cycle;
- ii. it is held primarily for the purpose of being traded;
- iii. it is expected to be realized/due to be settled within twelve months after the reporting date;
- iv. the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

All other assets and liabilities are classified as non-current.

1. Significant Accounting Policies

i) Fixed Assets

All fixed assets are stated at cost of acquisition less accumulated depreciation and impairment losses if any. Cost comprises the purchase price and any attributable costs of bringing the asset to its working condition for its intended use. Borrowing costs relating to acquisition/construction of fixed assets which takes substantial period of time to get ready for its intended use are also included to the extent they related to the period till such assets are ready for commercial use.

ii) Impairment of Fixed Assets

At balance sheet date, an assessment is done to determine whether there is any indication of impairment in the carrying amount of the Company's fixed assets. If any such indication exists, the asset's recoverable amount is estimated. An impairment loss is recognised whenever the carrying amount of an assets exceeds its recoverable amounts.

iii) Depreciation

Depreciation is provided on straight line method at the rates specified in Schedule XIV to the Companies Act, 1956 except depreciation on Fixed Assets related to MIDC Hingna unit has been provided on WDV method at the rate and in the manner provided in Schedule XIV of Companies Act, 1956.

iv) Investment

Investment are stated at cost.

v) Inventories

Finished Goods are valued at cost and market value whichever is lower. Raw Material, Packing Material and Stores are valued at cost net of on First In First Out Method.

vi) Borrowing Cost

Borrowing costs that are directly attributable to the acquisition or Construction of qualifying asset are capitalized as part of the cost of that asset. The amount of borrowing costs eligible for capitalisation is determined in accordance with Accounting Standard 16(AS 16) on "Borrowing Costs". Other borrowing costs are recognized as an expense in the period in which they are incurred. Interest earned is reduced from interest and finance charges.

vii) Revenue Recognition

Sales and other income are accounted on accrual basis. Sales is inclusive of Excise Duty and exclude VAT/CST. Excise Duty to the extent included in the gross turnover is deducted to arrive at the net turnover.

viii) Foreign Currency Transactions

Normal Exchange differences at the time of settlement are dealt with in the Profit & Loss account. Monetary Assets and Liabilities in Foreign Currency adjusting at the Balance Sheet date are translated at the year end exchange rates. Exchange difference arising on forward contract is recognised as income or expense over the life of the contract. Any Profit or loss arising on cancellation or renewal of a forward exchange contract is recognised as income or as expense for that period. Exchange rate difference in respect of purchase of Fixed Assets is adjusted in the carrying amount of respective Fixed Assets.

ix) Research & Development

Capital Expenditure on Research & Development is treated in the same way as expenditure on fixed assets. The revenue expenditure on Research & Development is Written-off in the year in which it is incurred.

x) Cash Flow Statement

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

xi) Gratuity, Bonus, Privilege Leave is provided for as and when they become due for payment.

xii) Earnings Per Share

The Company reports basic and diluted Earnings per Share (EPS) in accordance with Accounting Standard 20 "Earnings per Share". Basic EPS is computed by dividing the net profit or loss attributable to the equity shareholders for the year by the weighted average number of equity shares outstanding during the year. Diluted EPS is computed by dividing the net profit or loss attributed to the equity shareholders for the year by weighted average number of equity shares outstanding during the year as adjusted for the effects of all potential equity share, except where the result are anti-dilutive.

xiii) Taxes on Income

Tax expense comprises current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the income Tax Act. Deferred income taxes reflects the impact of current period timing difference between taxable income and accounting income for the period and reversal of timing difference of earlier years.

xiv) Contingent Liabilities

Possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is probable that an outflow of resources will be required to settle the obligation is reported as contingent liability. In rare cases, when a liability cannot be measured reliably, it is classified as contingent liability. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

(B) NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Particulars	AS AT 31st MARCH, 2014	AS AT 31st MARCH, 2013
2 SHARE CAPITAL		
AUTHORISED		
85,00,000 Equity Shares of ₹ 10/- each (Pre.Year 85,00,000 Equity Shares)	<u>85000000.00</u>	<u>85000000.00</u>
ISSUED, SUBSCRIBED & PAID UP		
82,90,050 Equity Shares of ₹ 10/- each Fully Paid up (Pre.Year 82,90,050 Equity Shares)	82900500.00	82900500.00
	<u>82900500.00</u>	<u>82900500.00</u>

a. Details of shareholders holding more than 5% shares in the Company

Name of the Shareholder	31.03.2014		31.03.2013	
	No. of Shares Held	%	No. of Shares Held	%
Shri Arun Bhandari	2283572	27.55	2283572	27.55
Smt. Saroj Bhandari	1327893	16.02	1327893	16.02
Mayank Fasteners Pvt. Ltd.	928750	11.20	928750	11.20

b. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Particulars	31.03.2014 No. of Shares	31.03.2013 No. of Shares
Shares outstanding at the beginning of the year	8290050	8290050
Shares issued during the year	-	-
Shares bought back during the year	-	-
Shares outstanding at the end of the year	8290050	8290050

c. Terms / Rights attached to equity shares

The company has only one class of shares - equity shares - having at par value of ₹ 10/- per share. Each holder of equity shares is entitled to one vote per share.

In the event of liquidation of the Company, the holders of equity share will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

d. Details of Shares issued as consideration other than cash

Particulars	2013-14	2012-13	2011-12	2010-11	2009-10
No. of Share Alloted	NIL	NIL	NIL	NIL	14,43,550

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Particulars	31-03-2014 ₹	31-03-2013 ₹
3 RESERVES & SURPLUS		
Capital Reserve		
Balance as per last financial statements	2500000.00	2500000.00
Revaluation Reserve		
Balance as per last financial statements	607817.35	607817.35
General Reserve		
As per last Balance Sheet	40712922.00	40712922.00
Add : Transferred from Profit and Loss Account	--	--
Closing Balance	40712922.00	40712922.00
Surplus in the Statement of Profit & Loss		
Balance as per last financial statements	43569507.09	29145118.65
Add : Profit of the year	25952093.54	14424388.44
Closing Balance	69521600.63	43569507.09
TOTAL (a+b)	113342339.98	87390246.44
4 Long Term Borrowings		
4.1 Term Loan		
Secured		
From Bank		
Indian Rupee Loan	54438753.51	69785531.66
Less : Current Maturity (refer note - 8)	19781172.62	18528000.00
Total (a)	34657580.89	51257531.66
Secured		
From Others		
Indian Rupee Loan	1025428.57	--
Less : Current Maturity (refer note-8)	378662.82	--
Total (b)	646765.75	0.00
Unsecured		
Indian Rupee Loan from others	10860500.00	26516851.00
Total (c)	10860500.00	26516851.00
Total (a) + (b) + (c)	46164846.64	77774382.66
4.2 Deferred Payment Liability		
Sales Tax Deferment (unsecured)	17613042.00	19767108.00
Less : Current Maturity (refer note - 8)	3156824.00	2154066.00
Total (d)	14456218.00	17613042.00
Total Long Term Borrowings	Total (a) + (b) + (c)+(d)	95387424.66

Term of Repayment

- Term Loan from Axis Bank ₹. 54.83 lacs carries interest @ 13.75% and is repayable in 34 installments commencing from October - 2013.
- Term Loan from Axis Bank ₹. 464.55 carries interest @ 13.75% and is repayable in 42 installments commencing from October - 2013.
- Term Loan for Vehicle from Banks and Others ₹. 35.26 lacs carries interest between 10.18% to 11.75% and is repayable as per schedule.
- Loan from Other Parties is a long term loan and are payable on demand.
- Deferred Sales tax loan is interest free and the first installment was started from the F. Y. - 2010-11 and the last installment will be paid by F. Y. 2018-19.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Particulars	31-03-2014 ₹	31-03-2013 ₹
Security		
1. The Term Loan of ₹. 54.83 lacs is secured by Hypothecation of Entire movable assets including Plant & Machinery equipment etc.		
2. The Term Loan of ₹. 464.55 lacs is secured by Hypothecation of movable assets including Plant & Machinery equipment etc. Common Securities for above Term loan from bank are :		
a. Factory Land & Building and immovable Machineries of proposed unit II at K-61, MIDC Butibori, Nagpur		
b. Factory Land & Building and immovable Machineries at Village Maregaon, Post Shahpur, Dist. Bhandara.		
c. Factory Land & Building situated at Survey. No. 1016/2 part, Satona Neri Road, Village Neri, Mohadi, Dist. Bhandara.		
d. Factory Land & Building and immovable Machineries at Plot No. B-28 & B-28/1, Hingna Ind. Estate, Nagpur.		
e. EM on Factory Land & Building at survey No. 43, 55/1, 56/1 & 56/2, PH No. 06, Mouza Maregaon, Tal. & Dist. Bhandara.		
3. The Term Loan of ₹35.26 lacs is secured by Hypothecation of Vehicles.		
5. Deferred Tax Liability (Net)		
Deferred Tax Liabilities at the beginning of the year	21981353.08	20430804.67
Deferred Tax Liabilities during the year on account of timing difference	2005954.04	1550548.41
Deferred Tax Liabilities at the end of the year	<u>23987307.12</u>	<u>21981353.08</u>
6. Short Term Borrowings		
6.1 Loan repayable on demand (secured)		
From Bank		
#Working Capital Loan	204767942.84	209365124.62
Working Capital EPC Loan	22932040.52	8051308.00
Total Short Term Borrowings	<u>227699983.36</u>	<u>217416432.62</u>
7. Trade Payable		
* Micro, Small and Medium Enterprises	--	--
Others (including acceptance)	140229664.68	122707954.04
	<u>140229664.68</u>	<u>122707954.04</u>
* Note : The Company has not received any memorandum (as required to be filed by the suppliers with the notified authority under the Micro, Small and Medium Enterprises Development Act, 2006) claiming their status as on 31st March, 2014 as micro, small and medium enterprises. Consequently the amount paid / payable to these parties during the year is nil.		
8. Other Current Liabilities		
Current maturities of Long-term debt (Refer Note No. 4)	19781172.62	18528000.00
Current maturities of Long-term debt (Refer Note No. 4)	3156824.00	2154066.00
Current maturities of Long-term debt (Refer Note No. 4)	378662.82	--
Interest accrued but not due on borrowings	1174150.00	403883.00
Other Payables	12673521.21	3752557.80
Statutory Liabilities	986075.02	2625667.02
Liabilities for Expenses	10428333.65	10841901.49
	<u>48578739.32</u>	<u>38306075.31</u>
9. Short Term Provision		
Income Tax Provision (Net of Advance Tax)	1630962.00	1402607.37
	<u>1630962.00</u>	<u>1402607.37</u>

Notes on Financial Statements for the year ended 31st March, 2014

10. FIXED ASSETS

Tangible Fixed Assets

(Amt. in ₹)

Sr. No.	Particulars	Gross value as on 01.04.2013	Additions during the year	Deletion / Adjus.	Total value as on 31.03.2014	Depreciation Up to 31.03.2013	Adjustment during the Year	Depreciation for the year	Depreciation up to 31.03.2014	Net Block as on 31.03.2014	Net Block as on 31.03.2013
1	<u>LAND</u> Lease Hold	9618803.75	-	-	9618803.75	-	-	-	-	9618803.75	9618803.75
	Free Hold	6452173.95	-	-	6452173.95	-	-	-	-	6452173.95	6452173.95
2	Factory Building	93025785.64	22075439.81	-	115101225.45	21208190.90	-	3425465.89	246333656.79	90467568.65	71817594.73
3	Non - Factory Building	8417600.44	1786914.28	-	10204514.72	1653771.43	-	104427.33	1758198.76	8446315.96	6763829.01
4	Furniture & Fixture	3307944.75	79856.00	-	3387800.75	2308780.71	-	203596.17	2512376.88	875423.87	999164.04
5	Plant & Machinery	201326927.89	30708554.44	-	232035482.33	101303327.18	-	11563096.75	112866423.93	119169058.41	100023600.52
6	Electric Installation	9680158.73	-	-	9680158.73	7178630.36	-	98979.77	8168428.14	1511730.59	2501528.37
7	Vehicles	8795559.70	4246201.00	416080.00	12625680.70	6420626.70	384025.00	748020.77	6784622.48	5841058.22	2374933.00
8	Office & Lab. Equipment	2988277.01	154422.00	-	3142699.01	1723944.81	-	144263.18	1868207.99	1274491.02	1264332.20
9	Computer	2304277.74	137951.00	-	2442228.74	2230698.28	-	128524.80	2359223.09	83005.65	73579.46
10	Holiday Resort	70400.00	-	-	70400.00	41546.08	-	2351.36	43897.44	26502.56	28853.92
11	Live Stock	37852.00	-	-	37852.00	-	-	-	-	37852.00	37852.00
	Total	346025761.60	59189338.53	416080.00	404799020.13	144069516.46	384025.00	17309544.03	160995035.49	243803984.64	201956244.94
	Previous Year	312479293.79	33546467.61	0.00	346025761.40	126863104.17	-	17206412.29	144069516.46	201956244.94	185616189.62
	Capital Work in Progress	8089981.28	16963130.25	16325971.53	8727140.00	-	-	-	-	8727140.00	8089981.28
	Intangible Fixed Assets										
1	Goodwill	27500.00	-	-	27500.00	-	-	-	-	27500.00	27500.00
	Total	27500.00	0.00	0.00	27500.00	0.00	0.00	0.00	0.00	27500.00	27500.00
	Previous Year	27500.00	-	-	27500.00	-	-	-	-	27500.00	27500.00

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Particulars	31-03-2014 ₹	31-03-2013 ₹
11. Non-Current Investments		
<u>Trade Investments</u>		
Investment in equity instrument at cost (unquoted)		
Fully paid up with face value of ₹ 10/- each unless otherwise specified		
(i) 998860 Equity Shares of Star Circlips & Engg. Ltd. (Pre.Year - 998860 Equity Shares)	9782890.00	9782890.00
(ii) 13440 Equity Shares of ₹ 100/- each of Mayank Fasteners Pvt. Ltd. (Pre. Year 13440 Equity Shares)	1344000.00	1344000.00
<u>Non-Trade Investment</u>		
Govt. Securities (At Cost)		
a) 7 years National Saving Certificate	28000.00	28000.00
Total	<u>11154890.00</u>	<u>11154890.00</u>
12 Long Term Loan and Advances		
Security Deposits		
Unsecured, considered good	2625500.00	2801480.00
Total	<u>2625500.00</u>	<u>2801480.00</u>
CURRENT ASSETS		
13. Inventories		
Stores & Spares	15347840.53	13686183.76
Packing Materials	7593857.40	7935375.37
Raw Materials	58602396.00	54593707.80
Finished Goods	133816940.00	128275018.50
Stock in Process	8202352.00	3364440.00
Bronze / Alu. Powder (Trading Stock)	641658.11	641658.11
Total	<u>224205044.04</u>	<u>208496383.55</u>
14. Trade Receivable		
Trade receivables outstanding for a period exceeding six months from the date they are due for payment		
Unsecured but Considered Good	4643693.69	3300446.69
Trade receivables outstanding for a period less than six months from the date they are due for payment		
Others - Unsecured but Considered Good	180434143.72	201751994.34
Total	<u>185077837.41</u>	<u>205052441.03</u>

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Particulars	31-03-2014 ₹	31-03-2013 ₹
15. Cash & Bank Balances		
Cash in Hand	1872222.55	1204357.45
Balance with Bank in current A/cs	1457249.05	8935074.84
Total	<u>3329471.60</u>	<u>10139432.29</u>
16. Short Term Loans and Advances (Unsecured, considered good)		
Loans to Employees	2907942.90	2198984.90
Prepaid Expenses	446635.00	760574.00
Total	<u>3354577.90</u>	<u>2959558.90</u>
17. Other Current Assets		
Central Excise Duty Deposit	4030442.00	609035.21
Central Excise Duty Deposit Stock transfer	316953.00	256744.00
Deposit Against Sales Tax Appeal	35000.00	35000.00
Excise Duty Deposit (Under Dispute)	3321766.00	3321766.00
Service tax deposit	823146.91	626190.22
Service Tax receivable A/c	83785.53	45792.53
Sales Tax Appeal (02-03)	250000.00	250000.00
Sales Tax Appeal (03-04)	350000.00	350000.00
Interest Receivable from MSEDCL	562645.86	208360.00
Excise Duty Drawback	940090.00	1344141.00
VAT Credit	535570.82	879537.81
Advance to Non Trade Suppliers	541046.00	400000.00
Advance to Trade Suppliers	4894169.59	8488114.76
Total	<u>16684615.71</u>	<u>16814681.53</u>
18. Revenue from Operation (Gross)		
Sales of Products	1032315443.00	883800437.50
Job Work	34910936.60	21466112.50
Export Sales	145587339.60	134129736.00
Excise Duty & Cess	129413817.00	111715387.00
Sale of DEPB Licence	3015627.00	4837520.00
Total	<u>1345243163.20</u>	<u>1155949193.00</u>
19. Other Income		
Exchange Rate Difference	345414.75	-
Interest Income	970000.86	1082975.00
Sales of Scrap	76100.75	4762.00
Commission Received	-	71000.00
Other Income	111448.45	102178.30
Surplus on Sales of Fixed Assets	42945.00	-
Total	<u>1545909.81</u>	<u>1260915.30</u>
20. Cost of Raw Material Consumed		
Aluminium Ingots	569013486.51	568447895.15
Aluminium Foils	48383442.00	40185056.00
Stearic Acid	14279476.80	13288636.95
M.T.O. / Solvent Naptha / M.E.G.	28076969.00	25243078.00
Manganese Ore	36639080.45	25306436.79
Aluminium Wire Rod / Alloys	143968386.00	86268172.00
Iron Non Alloy Steel Reinforce	40008553.00	1784528.00
Total	<u>880369393.76</u>	<u>760523802.89</u>

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Particulars	31-03-2014 ₹	31-03-2013 ₹
21. Change in Inventories of Finished Goods / Semi-Finished and Stock in Trade		
Finished Goods		
Opening Stock	128275018.50	114806426.00
Closing Stock	<u>133816940.00</u>	<u>128275018.50</u>
Net Increase / (Decrease)	<u>5541921.50</u>	<u>13468592.50</u>
Stock in Process		
Opening Stock	3364440.00	2866392.00
Closing Stock	<u>8202352.00</u>	<u>3364440.00</u>
Net Increase / (Decrease)	<u>4837912.00</u>	<u>498048.00</u>
Trading Goods (Bronze & Aluminium Powder)		
Opening Stock	641658.11	6084711.00
Closing Stock	<u>641658.11</u>	<u>641658.11</u>
Net Increase / (Decrease)	<u>(0.00)</u>	<u>(5443052.89)</u>
22. Employee Benefit Expenses		
Salaries, Wages & Bonus	45151937.57	39349134.97
Contribution to PF & Other Funds	4404339.00	4288021.00
Allowance & Fringe benefits	28235743.71	23534780.08
Staff and labour Welfare Expenses	<u>717496.00</u>	<u>750409.00</u>
Total	<u>78509516.28</u>	<u>67922345.00</u>
23. Finance Cost		
Interest expenses	50095444.50	47152645.43
Bank Charges	<u>4643832.16</u>	<u>2691095.26</u>
Total	<u>54739276.66</u>	<u>49843740.69</u>
24. Depreciation and Amortization		
Depreciation of Tangible Assets	<u>17309544.03</u>	<u>17206412.29</u>
Total	<u>17309544.03</u>	<u>17206412.29</u>
25. Other Expenses		
Manufacturing Expenses		
Stores Consumed	17680626.45	12002381.63
Packing Material Consumed	32905863.27	22843551.09
Power & Fuel	71574842.13	71698757.94
Repair to Machinery	1640732.50	1382620.75
Repair to Building	1589089.31	161371.00
Computers and Other	<u>166368.62</u>	<u>209626.20</u>
Total (a)	<u>125557522.28</u>	<u>108298308.61</u>
Establishment Expenses		
Garden Maintenance exp.	19794.00	9198.00
Rates & Taxes	843065.00	751572.00
Insurance Expenses	1750260.00	2002840.41
Advertisement	68629.00	106000.00
Books and periodicals	6775.00	11451.00
Conveyance	593843.00	437499.00
General Charges	277327.00	320118.07
Legal & Professional Charges	3620076.00	1073765.60
Office & Other Expenses	1286880.00	1240746.00
Postage, Telegram & Telephone	1440149.40	1232862.57
Printing & Stationery	157434.00	224058.00
Pollution Control Expenses	<u>139600.00</u>	<u>127460.00</u>

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Particulars	31-03-2014 ₹	31-03-2013 ₹		
Rent Charges	120900.00	270000.00		
Security Service Charges	2474059.00	2274439.00		
Light & Water Charges	390950.00	643992.00		
Technical Consultancy Charges - Others	3577938.00	1204425.00		
Travelling Expenses	1454078.32	1276709.83		
Vehicle Expenses	993822.77	757884.30		
Expenses on Live Stock	19663.00	24108.00		
Sundry Balance W/off	211860.28	356912.84		
Software Development Expense	105429.00	-		
Donation	39300.00	81000.00		
Total (b)	19591832.77	14427041.62		
Selling & Distribution Expenses				
Freight Outwards	4231395.50	3228646.00		
Export Freight & Shipment	2827501.73	2876144.00		
Transit Insurance	1036.00	257437.00		
Depot Expense	-	21760.00		
Seminar & Conference Exp.	6000.00	18000.00		
Excise Duty Expenses	2583.00	111602.00		
VAT Tax / Sales Tax Expenses	455660.00	1432623.00		
Service Tax - GTA	212639.00	716.00		
Sampling / Analysis Charges	526980.09	305246.30		
Selling Expenses	540226.47	723374.00		
Commission & Discount	2639084.00	2762274.00		
Royalty	2736972.00	1752719.00		
Total (c)	14180077.79	13490541.30		
Payment to Auditors	Total (d)	40000.00		
Total (a+b+c+d)	159369432.84	136255891.53		
20.1 Raw Material Consumed	₹ in Lacs	%	₹ in Lacs	%
Raw Material - Indigenous consumption	8790.06	99.85%	7595.73	99.87%
Raw Material - Imported consumption	13.63	0.15%	9.50	0.13%
Total	8803.69	100.00%	7605.23	100.00%
25.1 Stores & Spares Consumed	₹ in Lacs	%	₹ in Lacs	%
Stores & spares - indigenous consumption	176.80	100%	120.24	100%
Stores & spares - imported consumption	-	-	-	-
Total	176.80	100%	120.24	100%
25.2 Packing Material Consumed	₹ in Lacs	%	₹ in lacs	%
Packing - Indigenous consumption	329.06	100%	228.44	100%
Packing - Imported consumption	-	-	-	-
Total	329.06	100%	228.44	100%
25.3 Payment to Auditors				
Audit Fee	25000.00	25000.00		
Tax Audit Fee	15000.00	15000.00		
Total	40000.00	40000.00		

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

26. Related Party Disclosures

a) Name of related parties and description of relationship

Description of Relationship	Name of Related Parties
Related Enterprises where significant influence exist	Star Circlips & Engineering Ltd.
Key Management Personnel	Shri Arun Bhandari
	Shri Lalit Bhandari
	Shri Madan Mohan Agrawal
Relative of Key Management Personnel	Smt. Saroj Bhandari
	Smt. Sakshi Bhandari
	Miss Rohini Bhandari

b) Material Transaction with Related Parties (Amt. ₹ in Lacs)

Particulars	Related Enterprises	Key Management Personnel	Management Personnel
Sale of Goods	120.21		
Remuneration		52.29	
Salaries & Perquisites			23.46
Legal & Professional Charges			10.00

27. Contingent Liabilities (Amt. ₹ in Lacs)

	2013-14	2012-13
Guarantee given by the Company's Bankers	181.24	138.99
Bills discounted with the Company's banker under letter of credit	521.25	320.60
Sales Tax Demand	37.88	37.88

28. Capital and other Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for. ₹. 259.42 lacs (Pre Year ₹. Nil)

29. Segment Reporting

Primary Segment Reporting (by Business Segment)

Primary Segment have been identified based on the nature of products and services, the different risk and returns and the internal reporting structure. The Company considers Business Segment as the Primary Segment to disclosure. Details of products included in each of the segments are as under :

Aluminium Powders & Paste	Aluminium Powder, Aluminium Paste and Atomised Aluminium Powder
Aluminium Conductor	Aluminium Conductor
Others	Manganese Oxide Powder, Washer, Circlips & Coal Powder

Unlocated items includes general corporate income, expenses, assets and liabilities which are not allocated to any business segment.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Information about Business Segment :

(₹ in Lacs)

Particulars	2013-14				2012-13			
	Aluminium Powder & Paste	Aluminium Conductor	Others	Total	Aluminium Powder & Paste	Aluminium Conductor	Others	Total
Revenue								
Gross Sales	10620.36	2065.59	766.49	13452.43	10170.42	931.54	457.54	11559.50
Total Revenue	10620.36	2065.59	766.49	13452.43	10170.42	931.54	457.54	11559.50
RESULTS	1076.22	21.86	75.63	1173.71	947.53	1.28	(43.35)	905.46
Unallocated expense net off Unallocated Income				262.80				187.11
Operating Profit				910.91				718.35
Financial Cost				547.39				498.44
Profit Before Tax				363.52				219.91
Income Tax				75.00				50.00
Deferred Tax				20.06				15.51
Income Tax relating to earlier year				8.94				10.16
Profit After Tax				259.52				144.24
Other Information :								
Segment Assets	4026.12	1506.81	293.58	5826.51	4052.12	1193.50	201.71	5447.33
Unallocated Corporate Assets				1163.40				1227.59
Total Assets				6989.91				6674.92
Segment Liabilities	1276.69	193.37	52.95	1523.01	1047.12	161.56	38.88	1247.56
Unallocated Corporate Liabilities				3504.47				3724.46
Total Liabilities				5027.48				4972.02
Capital Expenditure	403.42	69.33	(2.80)	469.95	8.63	87.36	1.49	97.49
Unallocated Corporate Assets				124.15				95.21
Total Capital Expenditure				594.10				192.70
Depreciation & Amortisation	88.91	39.64	34.62	163.17	86.69	32.78	44.91	164.38
Unallocated Corporate Depreciation and Amortisation				9.93				7.68
Total Depreciation and Amortisation				173.10				172.06

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

30. Foreign Exchange Earning & Outgo

Earning in foreign exchange

(₹. in Lacs)

Particulars	2013-14	2012-13
FOB Value of Export (Direct)	1455.87	1341.30

Foreign Exchange outgo

(₹. in Lacs)

Particulars	2013-14	2012-13
Value of import calculated on CIF basis		
Raw Materials	16.07	12.99
Capital Goods	16.33	0.00
Trading Goods	0.00	0.00
Expenditure in foreign currency		
Travelling Expenses	0.00	0.87
Royalty	24.05	14.85
Commission	15.49	8.85

31. Earnings Per Share (EPS)

Net Profit after tax as per statement of Profit & Loss attributable to Equity Shareholders (₹)

25952093.54

14424388.44

Nominal Value of Equity Shares (₹)

10.00

10.00

Weighted average number of Equity Shares used as denominator for calculating EPS

8290050.00

8290050.00

Basic and Diluted Earnings per Share (₹)

3.13

1.74

32. Previous year figures has been recast / regrouped / restated wherever necessary to make them comparable

SIGNATURE TO NOTE "1" TO "32"

AS PER OUR REPORT OF EVEN DATE ATTACHED

FOR N.S. RATHORE & CO.

Chartered Accountants
(FRN - 012414C)

For and on behalf of the board

-sd-

(N. S. Vyas)

Partner (M. No. - 010937)

Place : Jaipur

Date : 07-07-2014

-sd-

(ARUN BHANDARI)

Managing Director

Place : Nagpur

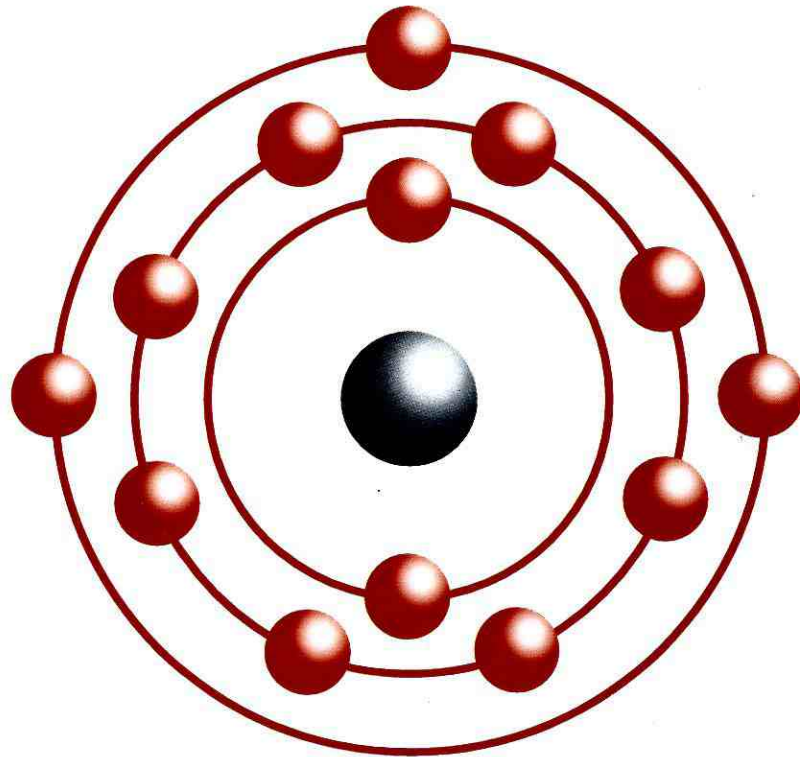
Date : 07-07-2014

-sd-

(LALIT BHANDARI)

Director

THANK YOU



MIMP