

ANNUAL REPORT

&

ACCOUNTS

FOR THE YEAR ENDED 31ST MARCH, 2013

DEEPAK INDUSTRIES LIMITED

DEEPAK INDUSTRIES LIMITED

P. K. DAGA

CHAIRMAN-CUM-MANAGING DIRECTOR

S. CHAKRAVORTI

DIRECTORS

A. P. AGARWALLA

S. C. MOHTA

R. CHOMAL

V. D. MALL

SECRETARY

SINGHI & CO.

AUDITORS

Chartered Accountants

STATE BANK OF INDIA

BANKERS

UCO BANK

REGISTRAR & SHARE TRANSFER AGENTS

Maheshwari Datamatics Pvt.Ltd

6, Mangoe Lane, 2nd Floor

Kolkata - 700 001

Phone : 033-2243-5809; 2243-5029

Fax : 033-2248-4787

E-mail : mdpl@cal.vsnl.net.in

Website : www.mdpl.in

16, HARE STREET

KOLKATA - 700 001

Phone : 033-2248-2391/2/3

Fax : 033-2248-9382

Website : www.dil-india.com

E-mail : secretary@dil-india.com

REGISTERED OFFICE

DEEPAK INDUSTRIES LIMITED

NOTICE

Notice is hereby given that the Annual General Meeting of the shareholders of the Deepak Industries Limited will be held at 16, Hare Street, 2nd Floor, Kolkata-700 001 on Thursday, the 8th August, 2013 at 2.30 P.M. to transact the following business:-

Ordinary Business :

1. To receive consider and adopt the Audited Balance Sheet of the Company as at 31st March, 2013 and the Statement of Profit and Loss for the year ended on that date together with the reports of the Directors and Auditors thereon.
2. To appoint a director in place of Shri Sujit Chakravorti who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint a director in place of Shri Rahul Chomal who retires by rotation.
4. To appoint Auditors and to fix their remuneration.

Special Business :

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

"RESOLVED THAT pursuant to Section 228(3) and other applicable provisions, if any, of the Companies Act, 1956, M/s Salarpuria Jajodia & Co., Chartered Accountants, be and are hereby re-appointed as Branch Auditors to audit the Books of Accounts of Branches New Allenberry Works, at Kolkata, Faridabad and Rudrapur from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting of the Company on such remuneration as may be determined by the Board of Directors of the Company in consultation with the Auditors."

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

"RESOLVED THAT pursuant to the provisions of Sections 198,269,309 read with Schedule XIII and other applicable provisions of the Companies Act, 1956, (including any amendment thereto or re-enactment thereof) and in accordance with the provisions of the Articles of Association, consent of the Company be and is hereby accorded to the re-appointment of Shri Pradip Kumar Daga, as Chairman-cum-Managing Director of the Company for a period of 5 (five) years with effect from 16th December, 2013 and approval of the Company be and is hereby accorded to his remuneration with effect from 16th December, 2013 on a consolidated salary of Rs. 4,00,000/- per month and on the terms and conditions including remuneration as set in the Explanatory Statement annexed to the Notice convening this Annual General Meeting, with liberty to the Board of Directors to alter and vary the terms and conditions of the said re-appointment and/or remuneration and or agreement in such manner as may be agreed to between the Board of Directors and Shri Pradip Kumar Daga subject to the overall remuneration not exceeding the limits specified in Schedule XIII of the Act."

Registered Office :
16, Hare Street,
Kolkata - 700 001
Dated : 30th May, 2013

By order of the Board

V. D. MALL
Secretary

DEEPAK INDUSTRIES LIMITED**NOTES :**

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ALSO ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXY IN ORDER TO BE EFFECTIVE MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY AT LEAST 48 HOURS BEFORE THE TIME OF THE MEETING.**
2. Register of Members and Share Transfer Books will remain closed from 05/08/2013 to 08/08/2013 (both days inclusive).
3. Members are requested to notify any change in their address recorded with the Company to the Registrar & Transfer Agent M/s. Maheshwari Datamatics Private Limited, 6, Mangoe Lane, 2nd Floor, Kolkata - 700 001, Phone No. 033-2243-5029, 2243-5809, Fax : 033-2248-4787 E-Mail : mdpl@yahoo.com.
4. All documents referred to in the notice and explanatory statement to this notice are open for inspection of members at the Registered Office of the Company during office hours on all working days except Saturday between 11.00 A M to 1.00 P M up to the date of Annual General Meeting.
5. Members are requested to send their queries on the Accounts at least 7 days in advance for a proper response to their queries during the meeting.
6. Members are requested to get their shareholdings in the Company dematerialized for proper communication with them. Members are also requested to furnish their email address to their respective DP to enable the Company to communicate electronically and send their consent for the same to the Company's Registrar and/or to the Company.
7. Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 is annexed herewith.

DEEPAK INDUSTRIES LIMITED

ANNEXURE TO THE NOTICE

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956.

Relating to item No. 4

The books of accounts of the Company pertaining to branches of the Company New Allenberry Works, located at Kolkata, Faridabad and Rudrapur are being audited by the branch auditors M/s. Salarpuria Jajodia & Co., other than the statutory auditors of the Company. It is proposed to re-appoint M/s. Salarpuria Jajodia & Co., Chartered Accountants, as branch auditors to audit the books of accounts of New Allenberry Works, Kolkata, Faridabad and Rudrapur. The Board, therefore, recommends that as required under Section 228(3) of the Companies Act, 1956, the members of the Company approve the resolution as ordinary resolution.

None of the director of the Company is concerned or interested in this resolution.

Relating to item No.6

The Company has re-appointed Shri Pradip Kumar Daga aged 76 years as Chairman-cum-Managing Director for a period of five years from 16th December, 2013 to 15th December, 2018 in the Board Meeting held on 30/05/2013 with the following remuneration subject to the approval of shareholders by special resolution in the general meeting of the Company. Shri Pradip Kumar Daga, is an eminent industrialist having vast Industrial Experience in diverse fields like Tea, Textile, Spinning and Engineering etc. During his able leadership, the Company has achieved all around improvement during the last five years and has also undertaken new projects which are progressing well. It is therefore proposed to re-appoint him as Managing Director for a period of five years with effect from 16th December, 2013. Shri Pradip Kumar Daga is also Managing Director in Deepak Spinners Limited but he does not draw any remuneration from the said Company.

The terms and conditions of his re-appointment are as follows :-

Tenure of re-appointment

The re-appointment of Shri Pradip Kumar Daga is for a period of 5 (five) years from 16th December, 2013 to 15th December, 2018

Nature of Duties

The appointee shall devote his time and attention to the business of the Company and carry out the duties as may be entrusted to him by the Board from time to time and exercise such powers as may be assigned to him, subject to the control and direction of the Board and in the best interest of the business of the Company.

Remuneration

Consolidated Salary- Rs. 400,000/- per month with annual increment of Rs. 40,000/- per month beginning from 1st April each year.

Other terms of the re-appointment

- a. Remuneration to Shri Pradip Kumar Daga may be revised and altered in any manner as Board may deem fit during his tenure and no further consent of the shareholders be taken if the new remuneration after such revision and alteration do not exceed the limits as stipulated in Schedule XIII of the Act.

DEEPAK INDUSTRIES LIMITED

- b. Provident Fund contribution will be as per rules of the Company.
- c. Reimbursement of medical expenses incurred by the Managing Director for the medical treatment for self and family and premium paid to effect to keep in force insurance of his health or the health of members of his family shall be subject to one month salary in a year.
- d. The Company shall bear his and his dependent family members total Hospitalization Expenses in India and abroad.
- e. Gratuity shall be as per rules of the Company.
- f. Leave with full pay including encashment of un availed leave at the end of the tenure of the Managing Director as per Rules of the Company.
- g. Leave Travel Concession for the Managing Director and his family once in a year in accordance with the rules of the Company.
- h. Reimbursement of entertainment, travelling and all other expenses incurred for the business of the Company.
- i. The Company may provide a car with driver and telephone at the residence of the Managing Director for business purposes.
- j. Either party may terminate the appointment by giving to the other party 3 months notice of such termination.

Overall Remuneration : The aggregate of Salary, allowances and perquisites in any one financial year shall not exceed the limits prescribed under sections 198, 309 and other applicable provisions of the Companies Act, 1956 read with schedule XIII of the Companies Act, 1956 for the time being in force.

Minimum Remuneration : In the event of loss or inadequacy of profits in any financial year during the currency of the tenure of service of Managing Director, the payment of Salary, perquisites and other allowances shall be governed by the limits prescribed in schedule XIII of the Companies Act, 1956.

The brief resume of Shri Pradip Kumar Daga has been provided hereunder.

The Directors are of the view that the re-appointment of Shri Pradip Kumar Daga will be beneficial to the Company and the remuneration payable to him is commensurate with his abilities and experience.

In compliance to provisions of Sections 269 and 302 read with Schedule XIII of the Act, the terms of re-appointment and remuneration is being placed before the members in the Annual General Meeting for approval by special resolution and Board recommends the resolution for approval of the members by special resolution.

None of the director except the appointee is concerned or interested in this resolution.

Registered Office :
16, Hare Street,
Kolkata - 700 001
Dated : 30th May, 2013

By order of the Board

V. D. MALL
Secretary

DEEPAK INDUSTRIES LIMITED

Information required to be furnished under clause 49 of the Listing Agreement in respect of the Appointment/Re-appointment of the Directors

Name of the Director	Shri Pradip Kumar Daga	Shri Rahul Chomal	Shri Sujit Chakravorti
Date of Birth	24/04/1937	20/10/1980	13/09/1943
Date of Appointment	16/12/2008	24/09/2007	30/10/2007
Qualification	B.Com	B.Com	M.Com., FCA, FICWA
Experience in specific functional areas	Industrialist with Varied Experience particularly in Tea, Textiles, Spinning and Engineering	Trading in Commodities and Administration	Ex-Chairman & Managing Director of Andrew Yule & Company Limited and is currently a practicing Chartered Accountant
Directorship in other Companies	Century Textiles & Industries Limited, Deepak Gears Limited, Deepak Spinners Limited Longview Tea Company Limited	Inland Steel (P) Limited, Continental Profiles Limited	Sharda Plywood Industries Limited WEBFIL Limited, Parcon (India) Private Limited, The Infusions (India) Ltd. Durgapur Chemicals Ltd. Durgapur Projects Ltd.
Membership/Chairmanship in other public companies	Membership in Audit Committee, Shareholders/ Grievance Committee and Finance Committee in Century Textiles & Industries Limited Membership in Audit Committee and Chairmanship in Shareholders/Investors' Grievance Committee of Longview Tea Company Limited	Nil	Chairman of the Audit Committee of Sarda Plywood Industries Limited, WEBFIL Limited Durgapur Chemicals Ltd. and Durgapur Projects Limited
Shareholding in the Company	187860	Nil	Nil
Relationship with other directors	No	No	No

DEEPAK INDUSTRIES LIMITED**DIRECTORS' REPORT
TO THE SHAREHOLDERS**

Your Directors are pleased to present their Annual Report along with the Audited Accounts of the Company for the year ended 31st March, 2013.

	(₹ in '000)	
FINANCIAL RESULTS AND OPERATIONS	31.03.2013	31.03.2012
Profit/(Loss) before Tax	510,794	448,426
Less : Taxes	136,674	60,819
Profit After Tax	374,120	387,607
Add : Balance brought forward from last year	1,400,059	1,012,452
Balance carried forward	1,774,179	1,400,059

REVIEW OF OPERATION

Considering the general economic and industrial climate during the year under review being low and slow down in Auto Components and Industrial Gears leading to increased competition affecting realizations, the performance of your Company has been satisfactory.

At the Kolkata unit, your Company has planned to manufacture Planetary Gear Boxes which is the current trend in Industrial Gears industry. Your Company has ordered certain specific machines required for the project and also arranged a foreign technical tie up for design and other technical parameters.

Additions to fixed Assets in all the units have been made in the year under review and also planned in the current year and a corporate loan of Rs.11.65 Crore has been arranged from the Company's banker. Construction of new factory shed at Palwal near Faridabad has made substantial progress and it is proposed to install machines for manufacture of automotive gears at the said site.

Your Company has planned to diversify into the Solar Power business with the approval of shareholders and has planned to start with 5MW capacity. Your directors are of the considered opinion that the Solar power business under REC mechanism is attractive and rewarding.

Your directors are of the opinion that barring unforeseen circumstances, despite sluggish demand, the turnover and profitability are likely to be sustained in the current year.

DIVIDEND

In order to meet the capital expenditure and other unforeseen contingencies, your directors are of the view that the resources of the Company should be conserved and as such do not recommend any dividend.

DIRECTORS

Shri Sujit Chakravorty and Shri Rahul Chomal retire by rotation and Shri Sujit Chakravorti being eligible offers himself for re-appointment. Shri Pradip Kumar Daga has also been re-appointed Chairman-cum-Managing Director of the Company for a period of five years from 16th December, 2013 subject to the approval of the shareholders in the Annual General Meeting.

AUDITORS

M/s. Singhi & Co., Chartered Accountants, Kolkata retire at the forthcoming Annual General Meeting of the Company and being eligible offers themselves for re-appointment.

DEEPAK INDUSTRIES LIMITED

The notes on the accounts appearing in the schedule referred to in the Auditors' Report are self explanatory and therefore do not call for any further comments or explanations.

COST AUDIT

Pursuant to the directives of the Central Government under the provisions of Section 233B of the Companies Act, 1956 qualified Cost Auditors have been appointed to conduct cost audit relating to the products manufactured by the Company. Cost Audit Report for the year 2012-13 will be filed within the due date.

LISTING FEE

Your Company is listed on Calcutta Stock Exchange and listing fees of the exchange for the year 2013-14 has been paid.

PUBLIC DEPOSITS AND SHARE CAPITAL

During the year, the Company has not raised any public deposits and share Capital and there is no outstanding debt/instrument eligible to be converted into equity of the Company.

DIRECTORS RESPONSIBILITY STATEMENT

Yours Directors Confirm :

- i) That in the preparation of the Annual Accounts, the applicable accounting standards have been followed;
- ii) That the Directors have selected such Accounting Policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give true and fair view of the state of affairs of the Company as at 31st March, 2013 and the Profit of the Company for the year ended on that date;
- 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 Directors have prepared the Annual Accounts on a going concern basis.

ADDITIONAL INFORMATION

A Report on Corporate Governance and Management Discussion and Analysis as required under Clause 49 of the Listing Agreement with Stock Exchange is annexed and form part of the Annual report.

A statement giving particulars as required under section 217(1) (e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the report of Board of Directors) Rules, 1988 as amended, is annexed hereto and forms the part of this report.

None of the employee of the Company draws remuneration prescribed in Companies (Particulars of Employees) Rules, 1975.

ACKNOWLEDGEMENT

Your Directors record their appreciation for the assistance and co-operation extended to the Company by the Bankers and other authorities. Your Directors are also thankful to all the employees for their co-operation and devoted efforts.

Regd. Office :
16, Hare Street
Kolkata - 700 001
Dated : 30th May, 2013

P. K. Daga
Chairman-cum-Managing Director

Sujit Chakravorti
A. P. Agarwalla
S. C. Mohta
Rahul Chomal
Directors

ANNEXURE

INFORMATION AS PER SECTION 217(1)(e) OF THE COMPANIES ACT, 1956 READ WITH THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988 AND FORMING PART OF THE DIRECTOR'S REPORT FOR THE YEAR ENDED 31ST MARCH, 2013.

CONSERVATION OF ENERGY

The Company continues to give high priority to conservation of energy to conserve and optimize energy wherever practicable by economizing on fuel and power on a continuous basis by renovation/up-gradation in high consumption areas like lighting, Air Conditioning, Cooling towers, heat treatment, front wall illumination, assembly department, supply power factor through additional condensers. The new machines installed and put to use are highly energy efficient

RESEARCH AND DEVELOPMENT

The research and development is being carried out in house by the qualified professional for new products developments in addition to other engineering process and up-gradation aiming at standardization, reduction of energy, consumption and cost of inputs, quality developments, import substitution and technology up-gradation. The Company is in the process of manufacture of planetary Gear boxes.

TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION

The technology used for the manufacture of various products of the Company is fully absorbed and new innovation in process control, products development, cost reduction and quality improvements are being made on a continuous basis by the R&D team. The company keeps itself abreast with development in its field in India and abroad. The company has entered into a Technical tie up with EES Gear GmbH, Switzerland for manufacture of planetary Gear boxes.

FOREIGN EXCHANGE EARNINGS AND OUTGO

Foreign exchange earnings and outgo is contained in schedule to the accounts. The Company is making an all out efforts for the export of the products and expects improved performance in export in the coming year.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Company's business consists of two business segments viz. industrial gears, which serves to different sectors of industries, and turn key projects, contracts and automobiles gears serving to tractors, two wheelers, and light commercial vehicles. OEM manufactures and the replacement markets. The Company has been able to perform better with the upturn in the economy due to installation of various state of the art machines in all the units, and cost reduction strategies, initiated by the Company.

Industrial Structure and Development

With most of the economic indicators of the country recording steady growth during 2012-13, the automotive industry continued to show remarkable performance giving push to automotive components industry. Besides, almost all capital intensive industries continued to ride high with fresh capital investments and capacity expansion giving sufficient push to the transmission products. This boom may be expected to continue in the foreseeable future.

DEEPAK INDUSTRIES LIMITED

As a result of the above positive scenario the automobile gear and industrial gear manufacturing units of your Company and in particular automobile gear manufacturing unit recorded satisfactory performance and enabled the Company to show the improved performance.

Opportunities and Threats

The continued emphasis on infrastructure development, financing and investment in the core sectors by Central and State governments will provide good business opportunity to the Company.

The Company's continued emphasis on productivity enhancement and cost reduction measures would enable the company to meet the competitive environment.

As stated earlier, the Company's skilled and experienced man power and quality consciousness are the key drivers for enhanced volumes but the aggressive pricing and unorganized sector may be the potential threats. The entry of foreign players coupled with free capacity additions in the industry may pose problems if there is any downside slide in demand.

Financial Performance

This has already been discussed in the Directors' Report.

Risks and Concerns

The Company has made sufficient investments in the fixed assets including the plant and machinery and requires skilled man power for operating same at a reasonable cost.

Competition is expected to be intensifying due to capacity expansion of all manufactures and rise in input costs will also put the margin under pressure.

Internal Control System and Adequacy

The Company has adequate internal control systems and procedures commensurate with the size and nature of business ensuring that the assets and resources are used reasonably and are adequately protected and all the internal policies and statutory guidelines are complied with.

Human Resources and Industrial Relation

The industrial relations continue to be cordial as the Company continues to lay emphasis on employee development at all levels. There are 1162 employees in the Company.

Cautionary Statement

Statements in the Management Discussion and Analysis describing the Company's objectives, projections, estimates, and expectations may be "forward looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions affecting demand/supply and price conditions in the domestic and overseas markets in which the Company operates, changes in the Governments regulations, tax laws and other incidental factors. The Company assumes no responsibility in respect of forward looking statements that may be revised or modified in the future on the basis of subsequent developments, information of events.

DEEPAK INDUSTRIES LIMITED**REPORT ON THE CORPORATE GOVERNANCE FOR THE YEAR ENDED 31st March, 2013****COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE**

As a corporate policy, your Company believes in transparency and Good Corporate Governance Practice.

(I) BOARD OF DIRECTORS**COMPOSITION, OUTSIDE DIRECTORSHIPS, AND ATTENDANCE AT THE BOARD MEETING**

The Board of the Company comprises of an Executive Chairman with more than fifty percent of the Directors being independent Directors.

Name of Director	Category	Directorship in Other Companies *		No. of committees membership(s)/ chairmanship(s) in Board committees of other companies	
		As a Director	As a Chairman /Chairman cum Managing Director	As a Member	As a Chairman
Shri Pradip Kumar Daga	Promoter Non-Independent Executive Director	3	1 (Chairman cum Managing Director)	4	1
Shri Sujit Chakravorti	Independent Non-Executive Director	4	2 (Chairman)	Nil	4
Shri Anand Prasad Agarwalla	Independent Non-Executive Director	1	Nil	Nil	Nil
Shri Suresh Chand Mohta	Independent Non-Executive Director	Nil	Nil	Nil	Nil
Shri Rahul Chomal	Independent Non-Executive Director	2	Nil	Nil	Nil

*Excludes alternate Directorship, Directorship in foreign Companies and Companies formed under section 25 of the Companies Act, 1956.

None of the Director is related to each other.

BOARD MEETINGS

Dates for the Board meeting are decided well in advance and communicated to the Directors. The Agenda along with the notes are sent in advance to the each Board Members.

The Board of Directors met Four times during the year respectively on 29th May, 2012, 14th August, 2012, 10th November, 2012 and 09th February, 2013.

DEEPAK INDUSTRIES LIMITED

Name of Director	No. of Board Meeting Attended	Attended last AGM
Shri Pradip Kumar Daga	4	Yes
Shri Sujit Chakravorti	4	Yes
Shri Anand Prasad Agarwalla	4	Yes
Shri Suresh Chand Mohta	4	Yes
Shri Rahul Chomal	4	Yes

Shareholding of the non-executive Directors in the Company as on 31st March, 2013

Name of the Director	No of equity shares held as on 31st March, 2013
Shri Sujit Chakravorti	Nil
Shri Anand Prasad Agarwalla	Nil
Shri Suresh Chand Mohta	Nil
Shri Rahul Chomal	Nil

The information as required under Annexure 1A to clause 49 of the listing agreement is being made available to the Board. The Board periodically reviews compliance Report of all laws applicable to the Company. Steps are taken by the Company to rectify instances of non-compliance, if any.

The Company has adopted Code of Conduct and Ethics for Directors and Senior Management Personnel of the Company. The Company has received confirmations from the Directors as well as Senior Management Personnel regarding Compliance of Code of Conduct during the year under review.

Shri Pradip Kumar Daga, Chairman-and Managing Director has given a certificate to the Board of Directors in pursuance of Clause 49(D) of the Listing Agreement with the Stock Exchange.

DECLARATION BY THE CEO UNDER CLAUSE 49 OF THE LISTING AGREEMENT REGARDING ADHERENCE OF THE CODE OF CONDUCT.

In accordance with Clause 49 sub-clause I(D) of the Listing Agreement with the Stock Exchange, I hereby confirm that all the Directors and the Senior Management personnel of Deepak Industries Limited have affirmed compliance to Code of Conduct and Ethics for the Financial Year ended 31.03.2013.

Pradip Kumar Daga

Chairman-cum-Managing Director

Kolkata, 8th May, 2013

(II) AUDIT COMMITTEE

The Audit Committee comprises of three Directors, namely Shri A P Agarwalla, Chairman, Shri S Chakravorti, and Shri S C Mohta, as Members. The Members have adequate knowledge of accounts and financial matters. The Secretary of the Company acts as a Secretary of the Committee.

The terms of reference of the Audit Committee are in conformity with the requirements as per clause 49 of the listing agreement with the Stock Exchange. The audit committee inter-alia reviews annual and quarterly financial statements, accounting policies, system of internal controls, reports of internal auditors, recommends the appointment of statutory auditors and ensuring of compliance with stock exchange and other legal requirements.

The Audit Committee met four times during the year respectively on 29th May, 2012, 14th August, 2012, 10th November, 2012 & 09th February 2013. The attendance of each members of the committee is given below. Statutory and Internal Auditors also try to attend the Meeting on the invitation of the Chairman of the meeting.

DEEPAK INDUSTRIES LIMITED

Name of the Member	No. of Meetings	
	Held	Attended
Shri A.P. Agarwalla	4	4
Shri S. Chakravorti	4	4
Shri S. C. Mohta	4	4

(III) DETAILS OF REMUNERATION PAID TO DIRECTORS (01-04-2012 TO 31-3-2013)

The Executive Chairman-cum-Managing director is paid remuneration approved by the Board and shareholders and other directors are paid sitting fees for attending the meetings of the Board and Committee and commission.

Name of Director	Rs.			
Pradip Kumar Daga, Chairman-cum- Managing Director	39,20,000	As Executive Compensation consisting of Salary and perquisites in the nature of employer's contribution to PF.		
	Sitting Fees			Commission
	Board Meeting	Audit Committee	Shareholders/Investors Grievance Committee	
Shri A.P. Agarwalla	16,000	8,000	1,000	1,75,000
Shri S. Chakravorti	16,000	8,000	1,000	1,75,000
Shri S.C. Mohta	16,000	8,000	1,000	1,75,000
Shri Rahul Chomal	16,000	Nil	Nil	1,75,000

During the year the Company has paid Rs. 2,02,500/- as professional fees in Shri A. P. Agarwalla, Director of the Company.

There were no other pecuniary relationships or transactions of the Non-Executive directors vis-a-vis the Company.

(IV) SHAREHOLDERS'/INVESTORS' GRIEVANCE COMMITTEE

The committee comprises of three non-executive Directors namely, Shri S.C. Mohta, Chairman Shri Sujit Chakravorti, Shri A. P. Agarwalla as Members and Secretary of the Company acts as the secretary of the committee. The committee deals with the shareholder's complaints and grievance etc. As per the Certificates furnished by the Registrar & Share Transfer Agents M/S Maheshwari Datamatics Private Limited, the Company did not receive any investor complaints during the year ended 31st March, 2013 and there are no pending complaints as on 31st March, 2013.

The committee met once during the year on 25/03/2013 in which all the Committee members were present.

(V) SHARE TRANSFER SYSTEM

Share transfers documents are registered and certificate returned within a period of 30 days from the date of receipt if the documents are clear in all respects as per provisions of listing agreement. The transfers are approved by the secretary/Director of the Company in consultation with the Managing Director and/or by the Board.

There was no pending request for share transfer etc. as on 31st March, 2013.

(VI) SUBSIDIARY COMPANIES

The Company does not have any subsidiary company.

DEEPAK INDUSTRIES LIMITED

(VII) ANNUAL GENERAL MEETINGS

Location, date and time for last three Annual General Meetings were as follows :

Year	Location	Date	Time
2009-2010	Registered Office 16, Hare Street, Kolkata - 700 001	10-08-2010	4.00 P.M.
2010-2011	-do-	25-08-2011	3.00 P.M.
2011-2012	-do-	14-08-2012	3.00 P.M.

- i) No Extra Ordinary General Meeting was held during the year.
- ii) Three Special resolutions were passed during last three Annual General Meetings.
- iii) No postal ballot process was conducted by the company to pass any resolution governed by postal ballot rules during the last year and no postal ballot is proposed in the ensuing Annual General Meeting of the Company but two special resolutions are proposed to be passed by postal ballot for which notice dated 25/04/2013 has been posted on 29/04/2013 and the date of declaration of the result is 01/06/2013.

(VIII) DISCLOSURES

- i) The Company does not enter into any transaction of material nature with the related parties, which may have potential conflict with the interests of the Company. The Company has fully complied with all the requirements of regulatory authorities on Capital Markets and consequently, no penalties or strictures have been imposed against it during the last three years.
- ii) Details of related party transactions during the year ended the 31st March, 2013 have been set out under an appropriate note in Note to the Annual Accounts of the Company for the year ended 31st March, 2013. However, these transactions have no potential conflict with the interest of the Company at large.
- iii) Management Discussion and Analysis is a part of Annual Report. Shareholders information section forms part of the Annual Report
- iv) Reconciliation of Share Capital Audit is carried out by Practicing Company Secretaries on quarterly basis to reconcile the total admitted capital with National securities Depository Limited (NSDL) and Central Depository Services Limited (CDSL) with the total issued and listed capital. The reconciliation audit confirms that the total issued /paid up capital is in agreement with the total number of shares in physical form and total number of dematerialized shares held with NSDL and CDSL.

(IX) MEANS OF COMMUNICATION

There is no practice to send half-yearly report to each shareholder. Company is regularly publishing its quarterly, half yearly and yearly results in print media in English and local language Bengali and Dainik Lipi respectively which are widely circulated in West Bengal as well as Nationally.

The Company has a website www.dil-india.com to display the quarterly results and other information as required under the listing agreement. No presentation has been made to Investors/Analysts and stakeholders of the Company .

DEEPAK INDUSTRIES LIMITED
(X) GENERAL SHAREHOLDERS INFORMATION

- | | | |
|-------|--|---|
| i) | Date, time and venue of forthcoming AGM | At the Registered Office of the Company at 16, Hare Street, 2nd Floor, Kolkata - 700 001 on Thursday, the 8th August, 2013 at 2.30 P M. |
| ii) | Financial Calendar 2013-2014 (Tentative) | |
| | First Unaudited Quarterly Results | Middle of August, 2013 |
| | Second Unaudited Quarterly Results | Middle of November, 2013 |
| | Third Unaudited Quarterly Results | Middle of February, 2014 |
| | Audited yearly Results for the year ended 31st March, 2014 | Before end of May, 2014 |
| iii) | Book Closure dates | From 05/08/2013 to 08/08/2013 (both days inclusive) |
| iv) | Payment of Dividend | No dividend has been proposed for the year 2012-13 |
| v) | Listing on Stock Exchanges | The Calcutta Stock Exchange Limited |
| vi) | Annual listing fee | Listing fee has been paid upto and for the year 2013-2014 |
| vii) | ISIN No. of the Company : | INE 485J01016 |
| viii) | Stock Code in Calcutta Stock Exchange | 10014084 |

(XI) MARKET PRICE DATA

There has been no trading of the Company's share during the year on Calcutta Stock Exchange.

(XII) REGISTRAR AND TRANSFER AGENT

The Company has appointed M/s. Maheshwari Datamatics Pvt. Ltd., Kolkata, as Registrar and Share Transfer Agent for Company's securities held in physical as well as in electronic mode. The address and contact details of new RTA is as below :

Maheshwari Datamatics Pvt.Ltd
 6, Mangoe Lane, 2nd floor, Kolkata - 700 001
 Phone : 033-2243-5809; 2243-5029
 Fax : 033-2248-4787
 E-mail : mdpl@yahoo.com
 Website : www.mdpl.in

(XIII) PATTERN OF SHAREHOLDING AND DISTRIBUTION

<u>Category</u>	<u>No. of Shares held</u>	<u>% of total paid up Capital</u>
Promoters & Promoters Group	3927364	74.13
Financial Institutions & Banks	284375	5.37
Bodies Corporate	982637	18.54
Resident Individual	103719	1.96
Mutual Funds	NIL	NIL
NRIs/OCBs	NIL	NIL
Insurance Companies	NIL	NIL
TOTAL	<u>5298095</u>	<u>100.00</u>

DEEPAK INDUSTRIES LIMITED

From	To	No of Shares held	% of total paid-up capital	No of Shareholders	% of Total Shareholders
1	500	3658	0.07	22	33.33
501	1000	3410	0.06	6	9.09
1001	2000	13517	0.26	12	18.18
2001	3000	11205	0.21	5	7.58
3001	4000	6648	0.12	2	3.03
4001	5000	0	0.00	0	0.00
5001	10000	7761	0.15	1	1.52
10001	Above	5251896	99.13	18	27.27
Total		5298095	100.00	66	100.00

(XIV) DEMATERIALIZATION AND TRADING OF SHARE ON STOCK EXCHANGE

The Company is pleased to inform that shares of the Company are available for dematerialization through NSDL as well as with CDSL. The equity shares of the Company are under compulsory demat trading for all categories of investors. As on 31st March, 2013, 4832251 shares comprising 91.21% of equity capital stood dematerialized.

The Company has not issued any GDRs / ADRs/ Warrants or any Convertible instruments, which have likely impact on Equity shares of the Company.

(XV) PLANT LOCATION

- i) 62, Hazra Road, Kolkata-700 019
- ii) 14/7, Mathura Road, Faridabad (Haryana)
- iii) Plot no. 62, Sector - 11 , Rudrapur Dist Udham Singh Nagar, Uttranchal.

(XVI) ADDRESS FOR CORRESPONDENCE

Deepak Industries Limited, 16, Hare Street, Kolkata-700 001 Phone Nos : 033-2248-2391
Fax : 033-2248-9382, E-mail : secretary@dil-india.com website : www.dil-india.com.

(XVII) CEO AND CFO CERTIFICATION

The Chairman-cum-Managing Director, that is, the Chief Executive Officer (CEO) and CFO gives annual certification on the financial reporting and internal controls to the Board in terms of clause 41 of the listing agreement. The CEO and CFO also give quarterly certification on the financial results by placing the financial results before the Board in terms of clause 41 of the listing Agreement.

The Board of Directors at their Meeting held on 30th May, 2013 adopted the above Report

DEEPAK INDUSTRIES LIMITED

**AUDIT CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE
GOVERNANCE UNDER CLAUSE 49 OF THE LISTING AGREEMENT**

The Members,
Deepak Industries Ltd,
16, Hare Street,
Kolkata 700 001

We have examined the compliance of the conditions of Corporate Governance of M/S Deepak Industries Limited of 16, Hare Street, Kolkata 700001 for the year ended on 31st March, 2013, as stipulated in clause 49 of the Listing Agreement of the said Company with the Stock Exchanges in India.

The Compliance of the conditions of Corporate Governance is the responsibility of the Management. Our examination is limited to the procedure and implementation thereof adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of the opinion on the financial statement of the Company.

In our opinion and to the best of our information and explanation given to us, which to the best of our knowledge & belief were necessary for the purpose of issuance of this certificate, we hereby certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

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

Place : 9, Crooked Lane
Kolkata - 700069
Date : 30th May, 2013

For **Drolia & Company**
(Company Secretaries)
(Pravin Kr Drolia)
Proprietor
CP 1362

DEEPAK INDUSTRIES LIMITED

INDEPENDENT AUDITORS' REPORT

To The Members of DEEPAK INDUSTRIES LIMITED

We have audited the accompanying financial statements of **DEEPAK INDUSTRIES LIMITED** in which we have incorporated the audited accounts of **NEW ALLENBERRY WORKS AT Kolkata, Faridabad & Rudrapur** as audited by Branch auditors, which comprise the Balance Sheet as at 31st March, 2013, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the financial statements

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

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material 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, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. 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 read together with significant accounting policies, notes on account/other explanatory informations 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 31st March, 2013

DEEPAK INDUSTRIES LIMITED

- b) In the case of the Statement of Profit and Loss, of the profit for the year ended on that date, and
- c) In the case of the Cash Flow statement, of the cash flows for the year ended on that date.

Report on other legal and regulatory requirements

- 1) As required by the Companies (Auditor's Report) Order, 2003 ("the Order") as amended by the Companies (Auditor's Report) (Amendment) Order, 2004 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:
 - i) 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.
 - ii) 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.
 - iii) The reports on the accounts of New Allenberry Works as audited by Branch Auditors were received and properly dealt with by us while preparing our report.
 - iv) 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.
 - v) In our opinion, the Balance sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956.
 - vi) On the basis of written representations received from the directors as on 31st March 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

1-B, Old Post Office Street
Kolkata - 700 001
Dated, the 30th day of May, 2013

For SINGHI & CO
Chartered Accountants
Firm Regn. No. 302049E
(M. L. SHUKLA)
Partner
Membership No. 051505

DEEPAK INDUSTRIES LIMITED

ANNEXURE REFERRED TO IN PARAGRAPH 1 UNDER THE HEADING "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR REPORT OF EVEN DATE

Re : Deepak Industries Limited (the company)

- I. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) The fixed assets of the Company have been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable having regards to the size of the company and the nature of its business. No material discrepancies between the book records and physical inventory have been noticed.
- (c) In our opinion, no substantial part of fixed assets has been disposed off by the Company during the year.
- II. (a) The stock of finished goods, raw materials and components, stores, spare parts have been physically verified by the management at reasonable intervals. In respect of inventory lying with third parties, these have substantially been confirmed by them. In our opinion the frequency of verifications is reasonable.
- (b) In our opinion and according to information and explanation given to us, the procedure of physical verification of the aforesaid stocks followed by the management is reasonable and adequate in relation to the size of the company and nature of its business.
- (c) On the basis of our examination of the inventory records, in our opinion, the Company has maintained proper records of aforesaid stocks. The discrepancies noticed on verification between the physical stocks and the book records, were not material.
- III. According to the information and explanations given to us the Company has neither taken nor granted any loan, unsecured or secured from/to companies, firms and other parties covered in the register maintained under section 301 of the Companies Act, 1956. Accordingly clauses 4(III) (a) to (g) of the said order are not applicable.
- IV. On the basis of checks carried during the course of audit and as per explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business for purchase of inventory and fixed assets and for the sale of goods and services. During the course of audit, no major weakness has been noticed in internal control system.
- V. (a) In our opinion, and according to the information and explanations given to us, the particulars of contracts or arrangements referred to in section 301 of the Act have been duly entered in the register required to be maintained in pursuance of section 301 of the Companies Act, 1956.
- (b) In our opinion and according to the information and explanations given to us, there are no transactions of purchase of goods, materials, services and sales of goods, material or services exceeding Rupees Five lakhs in respect to any party during the year which was made in pursuance of contract or arrangement entered /to be entered, in the register maintained under section 301 of the Companies Act, 1956.

DEEPAK INDUSTRIES LIMITED

- VI. According to the information and explanations given to us, the company has not accepted any deposit from public during the period.
- VII. The Company has an internal audit system except *at Head office*, which is commensurate with the size and nature of its business. However in case of Rudrapur Unit it needs to be strengthened further.
- VIII. We have broadly reviewed the books of account maintained by all the three plants of the Company in respect of products where, pursuant to the rule made by the Central Government of India, the maintenance of cost records has been prescribed under clause (d) of sub-section (1) of Section 209 of the Act and are of the opinion that prima facie the prescribed accounts and records have been made and maintained, however, we have not, made a detailed examination of the records with a view to determine whether they are accurate or complete.
- IX. (a) According to the records of the Company, the Company is generally regular in depositing Provident Fund, Investor Education and Protection Fund, Employees State Insurance, Income Tax, Sales Tax, Custom Duty, Excise Duty, Cess, Wealth Tax, Service Tax and other statutory dues as applicable with the appropriate authorities.
- (b) According to the records of the Company and information and explanations given to us, *the particulars of unpaid disputed statutory dues in respect of sales tax, service tax, excise duty, cess and income tax as applicable have been given below :*

Name of the Statute	Nature of Dues	Amount (Rs. in '000)	Forum Where dispute is Pending
Income Tax Act, 1961	Short Allowance of TDS & 80I(C) for Asst Year 2008-09	45	Appellate Tribunal, Kolkata
Income tax Act, 1961	Short Allowance of TDS & 80I(C) Asst Year 2009-10	3	CIT (Appeals), VI, Kolkata
Income Tax Act, 1961	Fringe Benefit Tax for Asst Year 2009-10 for interest u/s 115J(5) & 115WJ(3).	215	CIT (Appeals), VI, Kolkata
Income Tax Act, 1961	Short allowance of our Claim u/s 80I(C) and Short allowance of TDS & Other	640	CIT (Appeals), VI, Kolkata
Central Excise Act, 1944 (Rule 15 of CENVAT Credit Rule)	Penalty Service Tax- GTA	191	Central Excise & Service Tax Appeals Tribunal (CESTAT), New Delhi
Central Excise Act, 1944 (rule 14 of CENVAT Credit Rule)	Service Tax (Rent)	419	Central Excise & Service Tax Appeals Tribunal (CESTAT), New Delhi

DEEPAK INDUSTRIES LIMITED

Name of the Statute	Nature of Dues	Amount (Rs. in '000)	Forum Where dispute is Pending
Central Excise Act, 1944 (Rule 14 of CENVAT Credit Rule)	Service Tax (GTA)	191	Central Excise & Service Tax Appeals Tribunal (CESTAT), New Delhi
Central Excise Act, 1944 (Rule 15(2) of CENVAT Credit Rule)	Penalty Under Central Excise for wrong claim of CENVAT	509	Central Excise & Service Tax Appeals Tribunal (CESTAT), New Delhi
Central Excise Act, 1944 (Rule 14 of CENVAT Credit Rule)	Excise Duty on Line Rejection	282	Dy. Commissioner, Central Excise, Division-1, Faridabad
Central Excise Act, 1944 (Rule 14 of CENVAT Credit Rule)	Penalty on official of the company for wrong declaration	25	Central Excise & Service Tax Appeals Tribunal (CESTAT), New Delhi,
Central Excise Act, 1944 (Rule 14 of CENVAT Credit Rule)	Penalty on Company for wrong declaration	100	Central Excise & Service Tax Appeals Tribunal (CESTAT), New Delhi
Central Excise Act, 1944 (Rule 14 of CENVAT Credit Rule)	CENVAT on Tin Coating charges on Cutting Tools	8,574	Joint Commissioner of Central Excise, Delhi - IV, Faridabad
Central Excise Act, 1944 & Rules	Central Excise	31	CEGAT, Kolkata
West Bengal Sales Tax Act, 1994	W.B. Sales Tax	29,042	Appeal, Revision Board and Tribunal.
Central Sales Tax Act, 1956	Central Sales Tax	59,936	Appeal, Revision Board and High Court.
Central Excise Act, 1944 (Rule 15 of CENVAT Credit Rule)	Penalty Service Tax (GTA)	49	Commissioner (Appeals) Central Excise, Delhi - IV, Faridabad
Central Excise Act, 1944 (Rule 14 of CENVAT Credit Rule)	Service Tax	49	Commissioner (Appeals) Central Excise, Delhi - IV, Faridabad.

- X. The Company does not have any accumulated loss at the end of the year and it has not incurred any cash loss in current financial year and in the immediately preceding financial year.
- XI. Based on the Audit procedures and the information and explanations given to us, the Company has not defaulted in repayment of dues to the financial institutions and Banks during the period under audit.
- XII. As per the information and explanations given to us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other Securities.

DEEPAK INDUSTRIES LIMITED

- XIII. The provisions of any special statute applicable to chit fund/ nidhi /mutual benefit funds/societies are not applicable to the Company.
- XIV. In our opinion and according to the information and explanations given to us the Company is not a dealer or trader in shares, securities, debentures or other investments.
- XV. As per the information and explanation given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions during the year.
- XVI. To the best of our knowledge and belief and according to the information and explanations given to us, Term Loans has not been taken at any of the units of the Company except at Kolkata unit, where Term Loans availed as on Balance Sheet date, were applied by the company for the purpose for which loans were obtained.
- XVII. In our opinion and according to the information and explanations given to us, on an overall basis short term funds have not been used for long term purposes.
- XVIII. The Company has not made any preferential allotment of shares during the year to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956.
- XIX. During the year the Company has not issued any debentures.
- XX. The Company has not raised money by way of public issue during the year.
- XXI. Based upon the audit procedures performed and according to information and explanations given to us by the management, no fraud on or by the Company has been noticed or reported during the year under audit.

1-B, Old Post Office Street
Kolkata - 700 001
Dated, the 30th day of May, 2013

For SINGHI & CO
Chartered Accountants
Firm Regn. No. 302049E
(M. L. SHUKLA)
Partner
Membership No. 051505

DEEPAK INDUSTRIES LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2013

	Note No.	As at 31.03.2013	(₹ in '000) As at 31.03.2012
EQUITY AND LIABILITIES			
SHAREHOLDERS' FUNDS			
Share Capital	2.1	52,981	52,981
Reserves and Surplus	2.2	1,788,784	1,415,037
		<u>1,841,765</u>	<u>1,468,018</u>
NON-CURRENT LIABILITIES			
Long-Term Borrowings	2.3	44,611	189,077
Deferred Tax Liabilities (Net)	2.4	48,530	39,730
Other Long-Term Liabilities	2.5	19,632	11,606
Long-Term Provisions	2.6	9,286	8,621
		<u>122,059</u>	<u>249,034</u>
CURRENT LIABILITIES			
Short-Term Borrowings	2.7	567,304	561,842
Trade Payables	2.8	333,676	519,492
Other Current Liabilities	2.9	341,625	214,394
Short-Term Provisions	2.6	6,752	5,245
		<u>1,249,357</u>	<u>1,300,973</u>
TOTAL		<u>3,213,181</u>	<u>3,018,025</u>
ASSETS			
NON-CURRENT ASSETS			
Fixed Assets			
Tangible Assets	2.10	961,945	853,908
Intangible Assets	2.10	3,413	90
Capital Work-In-Progress		52,399	49,793
		<u>1,017,757</u>	<u>903,791</u>
Long-Term Loans and Advances	2.11	109,692	123,326
		<u>1,127,449</u>	<u>1,027,117</u>
CURRENT ASSETS			
Inventories	2.13	681,076	751,677
Trade Receivables	2.14	682,091	754,307
Cash and Bank Balances	2.15	624,029	388,887
Short-Term Loans and Advances	2.11	64,430	71,975
Other Current Assets	2.12	34,106	24,062
		<u>2,085,732</u>	<u>1,990,908</u>
TOTAL		<u>3,213,181</u>	<u>3,018,025</u>

Significant Accounting Policies 1
The Notes are an integral part of the Financial Statements

As per our report annexed
For SINGHI & CO.
Chartered Accountants
Firm Registration No. 302049E
M. L. SHUKLA
Partner

Membership No. 051505
1-B Old Post Office Street
Kolkata - 700 001
Dated : the 30th day of May, 2013

V. D. MALL
Secretary

P. K. DAGA
Chairman-cum-Managing Director

S. CHAKRAVORTI
A. P. AGARWALLA
S. C. MOHTA
R. CHOMAL
Directors

DEEPAK INDUSTRIES LIMITED**STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2013**

	Note No.	For the year ended 31.03.2013	For the year ended 31.03.2012
(₹ in '000)			
INCOME			
Revenue from Operations (Gross)	2.16	3,920,940	3,674,119
Less : Excise Duty		<u>361,962</u>	<u>297,084</u>
Revenue from Operations (Net)		3,558,978	3,377,035
Other Income	2.17	<u>82,871</u>	<u>39,400</u>
Total Revenue		<u>3,641,849</u>	<u>3,416,435</u>
EXPENSES			
Cost of Materials Consumed	2.18	1,735,588	1,707,672
(Increase) / Decrease in Inventories of Finished Goods and Work-in-Progress	2.19	(128,661)	(98,680)
Employee Benefits Expenses	2.20	344,952	293,496
Finance Costs	2.21	75,123	81,584
Other Expenses	2.22	<u>968,098</u>	<u>818,229</u>
		<u>2,995,100</u>	<u>2,802,301</u>
Profit before Tax, Depreciation and Amortisation		646,749	614,134
Depreciation and Amortization Expense	2.23	<u>135,955</u>	<u>165,708</u>
Profit before Tax		<u>510,794</u>	<u>448,426</u>
Tax Expense :	2.24		
Current Tax		127,874	58,774
Deferred Tax		<u>8,800</u>	<u>2,045</u>
		<u>136,674</u>	<u>60,819</u>
Profit for the year		<u>374,120</u>	<u>387,607</u>
Earnings Per Share [nominal value ₹ 10 /-]			
Weighted Average Number of Equity Shares outstanding during the year		5,298,095	5,298,095
Basic and Diluted earning per share (₹)		70.61	73.16
Significant Accounting Policies	1		
The Notes are an integral part of the Financial Statements			

As per our report annexed
For SINGHI & CO.
Chartered Accountants
Firm Registration No. 302049E
M. L. SHUKLA
Partner
Membership No. 051505
1-B Old Post Office Street
Kolkata - 700 001
Dated : the 30th day of May, 2013

V. D. MALL
Secretary

P. K. DAGA
Chairman-cum-Managing Director

S. CHAKRAVORTI
A. P. AGARWALLA
S. C. MOHTA
R. CHOMAL
Directors

DEEPAK INDUSTRIES LIMITED

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

	For the year ended 31.03.2013	For the year ended 31.03.2012
		(₹ in '000)
A. Cash Flow from Operating Activities		
Net Profit / (Loss) before Tax and Extraordinary items	510,794	448,426
Adjustment for -		
Depreciation & Amortisation Expenses	135,955	165,708
Wealth Tax	30	152
(Profit)/Loss on Sale of Fixed Assets(Net)	(5,311)	(122)
Finance Cost	75,123	81,584
Reversal of Impairment	(442)	(36)
Interest Income	(52,722)	(35,259)
Operating Profit before Working Capital Changes	663,427	660,453
Adjustment for changes in Working Capital -		
Increase/(Decrease) in Trade Payables	(185,816)	53,269
Increase/(Decrease) in Other Current Liabilities	8,392	(73,874)
Increase/(Decrease) in Short Term Provision	(119)	543
Increase/(Decrease) in Long Term Provision	665	(166)
Decrease/(Increase) in Trade Receivables	72,216	(196,012)
Decrease/(Increase) in Inventories	70,601	(234,369)
Decrease/(Increase) in Long Term Loans & Advances	(11,998)	17,674
Proceed from Short Term External Development Charges	12,347	8,762
Proceed from Other Long Term Liabilities	8,026	10,263
Decrease/(Increase) in Short Term Loans & Advances	7,513	16,755
Decrease/(Increase) in Other Current Assets	(44)	599
Cash generated from Operations	645,210	263,897
Direct Taxes Paid	(100,613)	(101,951)
Cash Flow before Extraordinary Items	544,597	161,946
Extraordinary Items	-	-
Net Cash from Operating Activities	544,597	161,946
B. Cash Flow from Investing Activities :		
Capital Subsidy Received	-	3,000
Purchase of Tangible and Intangible Assets including CWIP	(250,464)	(292,360)
Sale of tangible Assets	5,922	645
Increase/Decrease in other Bank Balance	(121,408)	(50,958)
Interest Received	42,722	18,389
Net Cash generated from Investing Activities	(323,228)	(321,283)

DEEPAK INDUSTRIES LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31ST MARCH, 2013 (Contd.)

	For the year ended 31.03.2013	For the year ended 31.03.2012
		(₹ in '000)
C. Cash Flow from Financing Activities :		
Proceeds /(Repayment) of Short Term Hire Purchase/Lease Finance	8	(28)
Proceeds from Current Maturities of Long Term Debts	107,479	29,250
Proceeds from Short Term Borrowings	5,462	142,021
Proceeds/(Repayment) of Long Term Borrowings	(144,466)	66,466
Finance Charges	(76,118)	(81,952)
Net Cash used in Financing Activities	<u>(107,635)</u>	<u>155,757</u>
Net increase in Cash and Cash Equivalents (A+B+C)	113,734	(3,580)
Cash and Cash Equivalents (Opening Balance)	218,847	222,427
Cash and Cash Equivalents (Closing Balance)	<u>332,581</u>	<u>218,847</u>
Cash & Cash equivalent includes :		
Cash in Hand	726	968
Balance with Scheduled Bank :		
In current Account	119,655	5,879
In Fixed Deposit Account with original maturity of less than three months	<u>212,200</u>	<u>212,000</u>
	<u>332,581</u>	<u>218,847</u>

- Notes : 1. The above cash flow statement has been prepared under the indirect method set out in AS-3 issued by the Institute of Chartered Accountants of India
2. Figures in brackets indicate cash outgo.
3. Previous year figures have been regrouped and recast wherever necessary to conform to the current period classification.

This cash flow statement referred to in our report of even date.

For SINGHI & CO.

Chartered Accountants

Firm Registration No. 302049E

M. L. SHUKLA

Partner

Membership No. 051505

1-B Old Post Office Street

Kolkata - 700 001

Dated : the 30th day of May, 2013

V. D. MALL
Secretary

P. K. DAGA
Chairman-cum-Managing Director

S. CHAKRAVORTI
A. P. AGARWALLA
S. C. MOHTA
R. CHOMAL
Directors

DEEPAK INDUSTRIES LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013

1. Significant Accounting Policies

a) Basis of Accounting

The financial statements are prepared under the historical cost convention, except stated otherwise, on an accrual basis and in accordance with the generally accepted accounting principles in India, the applicable mandatory Accounting Standards as notified by the Companies (Accounting Standard) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 1956.

The financial statements had been prepared and presented as per the requirement of revised Schedule VI as notified under Companies Act 1956.

b) Convention and use of Estimates

The preparation of financial statements is under generally accepted accounting principles (GAAP) requires management to make estimates and assumptions that effect the reported statements of assets and liabilities and the disclosure of contingent liabilities on that date of financial statements and the reported amounts of revenue and expenses during the year. The actual results could differ from these estimates. Any revision to accounting estimates is recognized.

c) Fixed Assets

- 1) Fixed Assets are stated at cost less depreciation excluding Fixed Assets of Faridabad unit which are stated at revalued cost / Cost less depreciation.
- 2) Depreciation of Fixed Assets is provided on straight-line method except at Rudrapur unit depreciation is provided on written down value method at the rate prescribed in Schedule XIV to the Companies Act, 1956. However, on capital expenditure incurred on installation of assets taken on lease at Faridabad unit which is being written off during the period of lease.
- 3) Depreciation relating to revalued portion of Fixed Assets is ascertained and adjusted with Revaluation Reserve

d) Inventories

- 1) Inventories of Raw Materials, Stores, Spare Parts and Packing Materials are valued at cost. Cost is computed on a weighted average/FIFO basis.
- 2) Work-in-progress and Semi Finished Goods are valued at lower of cost and net realizable value.
- 3) Finished Goods are valued at lower of cost and net realizable value Scrap is valued at net realizable value.

e) Employees Benefits

1) Short term Benefit

The Undiscounted amount of short term employees benefits expected to be paid in exchange for the services rendered by employees is recognized in the period in which the employee rendered the service. This benefit includes salary, wages, short term compensatory absence and bonus.

2. Long Term Benefits

- i) Defined Contribution Scheme(DCS) – such as Provident Fund and other Funds, Employees State Insurance Scheme are charged to the Statement of Profit and Loss as incurred as per the applicable Law/Rules
- ii) Defined Benefit Scheme (DBS) - The present obligation, Company's liability towards Gratuity and Leave Encashment, under such scheme is determined based on an actuarial valuation, using the Projected Unit Credit (PUC) method, carried out by an independent actuary. As per the requirement of "Accounting Standard 15(Revised 2005) on Employees benefit. Actuarial gain and losses arising on such valuation are recognized immediately in the Statement of Profit and Loss.

In case of Funded Defined Benefit Scheme the fair value of the plan assets is reduced from the gross obligation under Defined Benefit Scheme, to recognize the obligation on net basis.

Significant Accounting Policies (Contd.)**f) Foreign currency transactions :**

- i) Foreign currency transactions are recorded at the exchange rates prevailing on the date of the transaction. Gain and losses arising out of subsequent fluctuations are accounted for on actual payment or realization. Monetary items in the form of Loan, Current Assets and Current Liabilities denominated in foreign currency as at the Balance Sheet date are restated at the rates prevailing on that date. Exchange difference is recognized in the Statement of Profit and Loss except exchange difference on account of Fixed Assets which are adjusted with Fixed Assets and loss/gain on foreign currency loan for fluctuation of foreign currency accounted as finance cost to the extent of Interest
- ii) Premium or discount arising at the inception of forward contract is amortized as expenses or income over the life of the contract. Exchange difference on forward contracts is recognized in the Statement of Profit and Loss in the year in which the exchange rates change. Any profit or loss arising on cancellation or renewal of forward contract is recognized as income or expenses in the Statement of Profit and Loss.

g) Recognition of Income & Expenditure

Income & Expenses are recognized on mercantile basis except insurance claim which is accounted for on cash basis and interests on overdue bills are accounted for on certainty of realization.

h) Borrowing Cost :

Interest and Other borrowing costs directly attributable to the acquisition, construction or installation of qualifying capital assets till the date of commercial use of the assets are capitalized. Other borrowing cost is recognized as an expense in the period in which they are incurred.

i) Contingent Liabilities/Contingent Assets

Provisions are recognized in respect of present obligations arising out of past events where there are reliable estimate of probable outflow of resources. Contingent Liabilities are the possible obligation of past events. The existence of which will be confirmed only by the occurrence or non occurrence of a future event. These are not provided for and are disclosed by way of notes on Accounts; Contingent Assets are not provided for or disclosed.

j) Excise Duty/Custom Duty :

Excise Duty on manufactured goods lying in factory and Custom Duty on stock lying in bonded warehouse are accounted for on the estimated basis on the date of Balance Sheet.

k) Expenditure during construction period :

Expenses of Capital nature are capitalized. Such expenditure comprise purchase prices, import duty and any directly attributable cost of bringing the assets to their working condition, trial run expenses and interest attributable up to the date of installation.

l) Impairment of Assets :

Impairment of Assets is assessed at Balance Sheet date and if any indication of impairment exists, the same is assessed and an impairment loss is recognized whenever the carrying amount of an asset exceeds its recoverable amount.

m) Taxation :

Income tax expense comprises current tax and deferred tax charge or release. The deferred tax charge or credit is recognized using tax rates and the tax laws enacted or substantively enacted at the Balance Sheet Date. Where there is unabsorbed depreciation or carry forward losses, deferred tax assets are recognized only if there is virtual certainty of realization of such assets. Other deferred tax assets are recognized only to the extent there is reasonable certainty of realization in future. Such assets are reviewed as at each Balance Sheet date to reassess realization.

n) Deferred Revenue Expenditure :

Deferred revenue expenditure are amortised over a period of six year.

DEEPAK INDUSTRIES LIMITED

(₹ in '000)

2.3 : LONG-TERM BORROWINGS

	Non-current portion		Current Maturities	
	As at 31.03.2013	As at 31.03.2012	As at 31.03.2013	As at 31.03.2012
Term Loans (Secured)				
Rupee Loan from Bank (a)	26,125	65,125	39,000	39,000
Buyer's Credit (b)	–	105,466	107,477	–
	<u>26,125</u>	<u>170,591</u>	<u>146,477</u>	<u>39,000</u>
Amount disclosed under the head "Other Current Liability" (Note 2.9)	–	–	146,477	39,000
Other Loans and Advances (Unsecured)	<u>26,125</u>	<u>170,591</u>	<u>–</u>	<u>–</u>
Sales Tax Soft Loan Sanctioned by Govt of West Bengal for payment of sales tax liability (b)	18,486	18,486	–	–
	<u>18,486</u>	<u>18,486</u>	<u>–</u>	<u>–</u>
	<u>44,611</u>	<u>189,077</u>	<u>–</u>	<u>–</u>

- a) Rupee Term Loan from SBI of ₹ 65,125 (Pr. Yr. ₹ 104,125)- is repayable in 12 Qtrly installment of ₹ 9,750 commencing from March'2012 and the same is secured by the hypothecation of machineries purchased out of bank loan and equitable mortgage of the free hold industrial property with land, buildings and factory shed of Kolkata unit and also by way of first hypothecation of movable assets of the unit and also guaranteed by one Director of the company.
- b) Buyer's Credit from SBI secured by way of hypothecation of machines purchased against the same. The maturity dates are 23.05.2013,09.07.2013 and 29.10.2013. On maturity it would be converted in to Term Loan.
- c) Other Loan (unsecured) of ₹ 18,486, is repayable in 8 yearly installment of ₹ 2,300, each commencing from August, 2014.

2.4 : DEFERRED TAX LIABILITIES (NET)

Deferred Tax Liabilities				
Arising on account of :				
Depreciation		62,507		53,245
Less : Deferred Tax Assets				
Arising on account of :				
Section 43B of Income-tax Act	13,977		13,515	
Others	–	13,977	–	13,515
Deferred Tax Liabilities (Net)	<u>–</u>	<u>48,530</u>	<u>–</u>	<u>39,730</u>

2.5 : OTHER LONG TERM LIABILITIES

Other Liabilities				
External Development Charges(Bhagoli)	18,920	10,952	21,109	8,762
Hire Purchase/lease Finance Liability	712	654	1,302	1,294
	<u>19,632</u>	<u>11,606</u>	<u>22,411</u>	<u>10,056</u>
Amount disclosed under the head "Other Current Liability" (Note 2.9)	–	–	22,411	10,056
	<u>19,632</u>	<u>11,606</u>	<u>–</u>	<u>–</u>

DEEPAK INDUSTRIES LIMITED

(₹ in '000)

2.6 : PROVISIONS

	Long-term		Short-term	
	As at 31.03.2013	As at 31.03.2012	As at 31.03.2013	As at 31.03.2012
Provision for Employee Benefits				
Leave Payment	9,272	8,607	2,267	1,961
Gratuity	–	–	2,824	3,249
	<u>9,272</u>	<u>8,607</u>	<u>5,091</u>	<u>5,210</u>
Other Provisions				
Provisions for Taxation (Net of Payments)	14	14	1,628	–
Provisions for Wealth Tax(Net of payment)	–	–	33	35
	<u>9,286</u>	<u>8,621</u>	<u>6,752</u>	<u>5,245</u>

2.7 : SHORT TERM BORROWINGS

	As at 31.03.2013	As at 31.03.2012
Working Capital Borrowings		
From Banks		
Rupee Loan from Bank (Secured)	567,304	561,842
	<u>567,304</u>	<u>561,842</u>

a) Working Capital Borrowings in Rupee are secured on pari-passu basis by way of hypothecation of stocks, book debts and other current assets present and future of the company and extension of equitable mortgage of immovable fixed assets of the Company and also guaranteed by one Director. The working capital advances are also secured by way of second charge on the fixed assets of the Company.

2.8 : TRADE PAYABLES

	As at 31.03.2013	As at 31.03.2012
For Goods and Services	333,676	519,492
	<u>333,676</u>	<u>519,492</u>

Note: MSME disclosure for due to Micro Small and Medium Enterprises refer note No.2.27 of additional notes on accounts.

2.9 : OTHER CURRENT LIABILITIES

	As at 31.03.2013	As at 31.03.2012
Creditors for Fixed Assets	27,527	41,927
Current maturities of Long Term Debt (See Note 2.3)	146,479	39,000
Current maturities of Hire Purchase/Lease Finance Liability (See Note 2.5)	1,302	1,294
External Development Charges(Bhagoli)(See Note 2.5)	21,109	8,762
Statutory Dues	31,594	3,581
Sales Tax/VAT	27,823	29,164
Excise Duty	32,620	15,471
Interest Accrued & Due	750	1,745
Interest Accrued but not due	59	58
Trade and Security Deposits	632	602
Liability Relating to Employees	12,062	10,045
Advances Received from Customers	27,699	28,128
Others	11,969	34,611
	<u>341,625</u>	<u>214,394</u>

(₹ in '000)

	GROSS BLOCK*					DEPRECIATION					IMPAIRMENT			NET BLOCK*	
	Cost/Value as at 31st March, 2012	Additions during the Year	Deductions/ Adjustments during the year	Cost/Value as at 31st March, 2013	Upto 31st March, 2012	Provided during the year	Deductions/ Adjustments during the year	Depreciation up to 31st March, 2013	WDV up to 31st March, 2013 before Impairment	Impairment up to 31st March 2012	Adjustments during the year	Impairment up to 31st March 2013	As at 31st March 2013	As at 31st March 2012	
TANGIBLE ASSETS															
Leasehold Land**	13,240	-	-	13,240	883	147	-	1,030	12,210	-	-	-	12,210	12,357	
Freehold Land	62,100	41,143	-	103,243	-	-	-	-	103,243	-	-	-	103,243	62,100	
Buildings	79,367	20,996	-	100,363	34,505	4,610	-	39,115	61,248	-	-	-	61,248	44,862	
Plant & Machinery	1,302,940	174,558	10,450	1,467,048	573,763	127,674	9,928	691,509	775,539	13,234	442	12,792	762,747	715,943	
Furniture & Fittings	10,181	2,623	-	12,804	5,604	695	-	6,299	6,505	-	-	-	6,505	4,577	
Vehicles***	13,286	1,120	500	13,906	5,085	1,218	411	5,892	8,014	-	-	-	8,014	8,201	
Office Equipment****	18,289	3,864	-	22,153	12,421	1,754	-	14,175	7,978	-	-	-	7,978	5,868	
Total	1,499,403	244,304	10,950	1,732,757	632,261	136,098	10,339	758,020	974,737	13,234	442	12,792	961,945	853,908	
INTANGIBLE ASSETS															
Computer Software	1,795	3,554	-	5,349	1,706	230	-	1,936	3,413	-	-	-	3,413	90	
Total	1,795	3,554	-	5,349	1,706	230	-	1,936	3,413	-	-	-	3,413	90	
Grand Total:	1,501,198	247,858	10,950	1,738,106	633,967	136,328	10,339	759,956	978,150	13,234	442	12,792	965,358	853,998	
Previous Year:	1,198,827	306,557	4,186	1,501,198	471,548	166,081	3,662	633,967	867,232	13,270	36	13,234	853,998	-	

Note : * Land Buildings, Plant & Machinery (including Electrical Installations and WaterSupply Installation) of Faridabad unit of the Company were revalued by an approved Valuer on 31st March, 1991 which resulted in increase of Fixed Assets Value by ₹ 509.57. Subsequent deduction on disposal till date is ₹ 108,24 (₹ 108,24).

** Depreciation represent Proportionate amount of leasehold land amortised over the period of lease.

*** Includes ₹ 43,12 (₹ 45,67) acquired on Hire Purchase basis and under continued hire purchase agreement.

**** Includes ₹ 138 (Nil) acquired on Hire Purchase basis and under continued hire purchase agreement.

DEEPAK INDUSTRIES LIMITED

2.11 : LOANS & ADVANCES

(₹ in '000)

	Long-term		Short-term	
	As at 31.03.2013	As at 31.03.2012	As at 31.03.2013	As at 31.03.2012
Capital Advances				
Unsecured, considered good	47,989	38,091	-	-
	<u>47,989</u>	<u>38,091</u>	<u>-</u>	<u>-</u>
Security Deposits				
Unsecured, considered good	9,202	6,886	1,900	985
Considered Doubtful	141	141	-	-
	<u>9,343</u>	<u>7,027</u>	<u>1,900</u>	<u>985</u>
Less: Provision for Doubtful Deposit	141	141	-	-
	<u>9,202</u>	<u>6,886</u>	<u>1,900</u>	<u>985</u>
Other Loans and Advances (Unsecured, Considered good)				
Advance Tax and TDS (Net of provisions)	13,560	13,517	-	-
Advance Fringe Benefit Tax	8	8	-	-
Mat Credit Entitlement	38,922	64,597	20,000	20,000
Advance against supply of Goods and Services	-	-	16,598	26,478
Prepaid Expenses	-	-	2,592	507
Advance to Employees	11	27	974	1,046
Balances with Govt and Statutory Authorities	-	-	22,366	22,959
	<u>52,501</u>	<u>78,149</u>	<u>62,530</u>	<u>70,990</u>
Advance to Related Party (Unsecured) (Considered Goods)				
To Key Managerial Persons	-	200	-	-
	<u>109,692</u>	<u>123,326</u>	<u>64,430</u>	<u>71,975</u>

2.12 : OTHER ASSETS

	Non-Current		Current	
	As at 31.03.2013	As at 31.03.2012	As at 31.03.2013	As at 31.03.2012
Interest Receivable			33,941	23,941
DEPB Licence Receivable	-	-	-	-
Duty Draw Back Receivable	-	-	165	121
	<u>-</u>	<u>-</u>	<u>34,106</u>	<u>24,062</u>

2.13 : INVENTORIES

(As taken, valued and certified by the Management)

Raw Materials#	153,023	361,313
Work in Progress	93,068	132,963
Semi Finished Goods	3,890	7,581
Finished Goods	322,811	150,589
Stores and Spares etc	107,834	98,806
Scraps	450	425
	<u>681,076</u>	<u>751,677</u>

includes goods-in-transit ₹ 1,035 (Pr.Yr. 1,957)

DEEPAK INDUSTRIES LIMITED

Details of Inventories :

(₹ in '000)

	Finished Goods		Work-in-Progress*	
	As at	As at	As at	As at
	31.03.2013	31.03.2012	31.03.2013	31.03.2012
Worm Reduction Gear	11,142	13,977	8,200	7,929
Spur Helical, Double Helical and Bevel Reduction Gear Boxes	26,602	15,115	8,457	14,972
Geared Motors	3,442	3,625	780	1,520
Others	714	791	5,750	8,160
Tractor & Automobile Gear/Parts	235,526	99,703	60,016	69,448
Rear Axles & Spline Shaft for Tractor & Automobile	45,385	17,378	13,755	38,515
	<u>322,811</u>	<u>150,589</u>	<u>96,958</u>	<u>140,544</u>

* Including Semifinished ₹ 3,890 (7,581)

2.14 : TRADE RECEIVABLES

	Non-Current		Current	
	As at	As at	As at	As at
	31.03.2013	31.03.2012	31.03.2013	31.03.2012
Outstanding for a period exceeding six months				
Unsecured, considered good	-	-	85,046	49,958
Doubtful	-	-	18,090	18,090
			<u>103,136</u>	<u>68,048</u>
Provision for doubtful receivables	-	-	18,090	18,090
			<u>85,046</u>	<u>49,958</u>
Other Receivables				
Unsecured, considered good	-	-	597,045	704,349
			<u>682,091</u>	<u>754,307</u>

2.15 : CASH AND BANK BALANCES

	As at	As at
	31.3.2013	31.3.2012
Cash and Cash Equivalents		
Balances With Banks :		
In Current Account	119,655	5,879
In Fixed Deposit Accounts with original maturity of less than three months	212,200	212,000
Cash on hand (Incl Stamps) (As certified by the Management)	726	968
	<u>332,581</u>	<u>218,847</u>
Other Bank Balances		
Balances with Bank held as margin money / security (a)	98	90
In Fixed Deposit Accounts with original maturity of more than three months	291,350	169,950
	<u>291,448</u>	<u>170,040</u>
	<u>624,029</u>	<u>388,887</u>

a) Margin Money Account is Pledged with Banks against Bank Guarantees / Letter of Credits.

DEEPAK INDUSTRIES LIMITED

2.16 : REVENUE FROM OPERATIONS (GROSS)

	For the Year ended 31.03.2013	For the Year ended 31.03.2012
		(₹ in '000)
Sale of Products (including Export Sales of ₹ 21,404, Pr. Yr. ₹ 29,803)	3,919,103	3,672,311
Sale of Service	1,837	1,808
	<u>3,920,940</u>	<u>3,674,119</u>
Less: Excise Duty	361,962	297,084
	<u>3,558,978</u>	<u>3,377,035</u>
Details of Sale of Products		
Worm Reduction Gear	143,690	165,919
Spur Helical, Double Helical and Bevel Reduction Gear Boxes	638,587	608,450
Geared Motors	26,443	26,553
Loose Gear including Jobbing Charges	38,116	28,799
Torison Shaft & Diaphragm Couplings	11,015	11,617
Tractor & Automobile Gear/Parts	2,323,481	2,230,991
Rear Axles & Spline Shaft for Tractor & Automobile	1,020,285	852,870
Loose Gears & Gear Boxes	3,929	3,298
Gear Coupling	2,068	1,210
Other	39,692	24,729
	<u>4,247,306</u>	<u>3,954,436</u>
Less : Inter unit transfer	328,203	282,125
	<u>3,919,103</u>	<u>3,672,311</u>
2.17 : OTHER INCOME		
Interest Income		
On Banks Deposits	48,398	35,244
Others	4,324	15
	<u>52,722</u>	<u>35,259</u>
Other Non Operating Income		
Profit on sale of Fixed Assets	5,313	251
Excess Liabilities and Unclaimed Balances written back	501	76
Insurance and Other Claims (Net)	82	-
Reversal of Impairment	442	36
Net gain / (loss) on Foreign Currency transactions	2,246	2,329
Prior Period Adjustments	-	84
Misc. Income	21,565	1,365
	<u>82,871</u>	<u>39,400</u>

DEEPAK INDUSTRIES LIMITED

2.18: COST OF MATERIALS CONSUMED

	For the Year ended 31.03.2013	(₹ in '000) For the Year ended 31.03.2012
Raw Material Consumed		
Opening Inventories	361,313	265,354
Add : Purchase	1,527,298	1,803,631
	<u>1,888,611</u>	<u>2,068,985</u>
Less : Closing Inventories	153,023	361,313
Cost of Raw Material Consumed	<u>1,735,588</u>	<u>1,707,672</u>
Details of Raw Material Consumed		
Bearings	115,946	113,011
PB Rims	27,647	30,154
Steel	1,163,300	1,277,526
Castings	86,020	99,198
Electric Motors	5,837	4,575
Steel Castings & Forgings	151,154	27,368
Tractor & Automobile Gear/Parts	175,922	137,229
Rear Axles & Spline Shaft for Tractor & Automobile	192,736	166,876
Others	145,230	133,860
	<u>2,063,792</u>	<u>1,989,797</u>
Less : Inter unit transfer	328,204	282,125
	<u>1,735,588</u>	<u>1,707,672</u>

2.19 : (INCREASE)/ DECREASE IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS

Inventories at the beginning of the year		
Finished Goods	150,589	78,216
Work-in-Progress	132,963	109,364
Semi Finished	7,581	4,861
Scraps	425	437
	<u>291,558</u>	<u>192,878</u>
Inventories at the end of the year		
Finished Goods	322,811	150,589
Work-in-Progress	93,068	132,963
Semi Finished	3,890	7,581
Scraps	450	425
	<u>420,219</u>	<u>291,558</u>
	<u>(128,661)</u>	<u>(98,680)</u>

2.20: EMPLOYEE BENEFIT EXPENSE

Salaries & Wages	300,817	254,754
Contribution to Provident Funds, Gratuity & Others	22,576	21,334
Staff Welfare Expenses	21,559	17,408
	<u>344,952</u>	<u>293,496</u>

DEEPAK INDUSTRIES LIMITED

2.21 : FINANCE COST

	For the Year ended 31.03.2013	(₹ in '000) For the Year ended 31.03.2012
Interest Expenses		
To Banks on Term Loans	11,459	15,509
" Banks On Working Capital Loans	53,488	57,833
" Others	5,781	1,668
	<u>70,728</u>	<u>75,010</u>
Other Borrowing Cost		
Financial Charges	2,383	1,020
Foreign Currency Loss on Foreign Currency Loan	2,012	5,554
	<u>75,123</u>	<u>81,584</u>

2.22 : OTHER EXPENSES

MANUFACTURING EXPENSES		
Stores, Spare Parts & Packing Materials Consumed	299,397	266,464
Power & Fuel	124,406	110,185
Job Charges	164,785	173,704
Repairs to Buildings	5,365	2,659
Repairs to Machinery	172,481	101,630
Repairs to Other Assets	13,959	15,421
Increase/(Decrease) in Excise on Stocks	29,357	13,752
	<u>809,750</u>	<u>683,815</u>
ADMINISTRATION AND SELLING EXPENSES		
Brokerage & Commission on Sales	7,726	6,034
Transport & Forwarding Expenses	43,647	41,491
Rent	6,167	5,488
Insurance	1,877	1,589
Rates & Taxes	1,287	1,433
Legal & Professional Expenses	27,359	22,857
Travelling Expenses	25,009	20,299
Bank Charges	3,521	5,402
Postage, Telephones, Telex	2,926	2,687
Printing & Stationery	3,762	3,190
Bad Debts	-	187
Directors' Fees	91	91
Directors Commission	700	700
Donation	361	350
Tax and Duties	12,384	3,563
Auditors' Remuneration		
Statutory Auditors		
Audit Fees	506	409
Tax Audit Fees	90	85
Issue of Certificates	501	171
Previous year adjustment	564	-
Sundry Balance Written Off (Net)	7	-
Net (Gain)/Loss on Foreign currency transaction and translation	-	-
Loss on sale/discard of Fixed Assets	2	129
Miscellaneous Expenses	19,861	18,259
	<u>158,348</u>	<u>134,414</u>
	<u>968,098</u>	<u>818,229</u>

DEEPAK INDUSTRIES LIMITED**2.23 : DEPRECIATION AND AMORTIZATION EXPENSES**

(₹ in '000)

	For the Year ended 31.03.2013	For the Year ended 31.03.2012
On Tangible Assets	136,098	166,049
On Intangible Assets	230	32
	<u>136,328</u>	<u>166,081</u>
Less: Transferred from Reserve on Revaluation	373	373
	<u>135,955</u>	<u>165,708</u>

2.24 : TAX EXPENSE

Taxation for the Current Year	102,199	89,720
Less : MAT Credit Entitlement u/s 115 JB of the Income Tax Act	—	(30,946)
Add : Utilisation of Mat Credit Entitlement	<u>25,675</u>	<u>—</u>
Current Tax	127,874	58,774
Deferred Tax	8,800	2,045
	<u>136,674</u>	<u>60,819</u>

2.25 Contingent Liabilities not provided for in respect of :

(₹ in '000)

- Claims against the company not acknowledged as debt (other than claim of ex-employees for re instatement at Faridabad unit) ₹ 2,306 (₹ 2,306).
- Letter of Guarantee opened by Bank in favour of foreign /Indian suppliers ₹ 3,648 (₹ 1,483) .
- Sales Tax and Excise Duty liabilities ₹ 41,678 (₹ 38,752) and ₹ 31 (₹ 31) respectively.
- Guarantee issued by Bank for ₹ 82,871 (₹ 79,052) including ₹ 5,191(₹ 4,387) in respect of amount included in Advance from customers. The bank held margin money of ₹ 60 (₹ 60) as fixed deposit receipts against the said guarantee.
- Indemnity bond issued for ₹ 361 (₹ 1,225).
- Indemnity Bonds issued in favour of Customs Department for ₹ 4,166 (₹ 4,166) and ₹ 82 (₹ 82) deposit in this respect, has been included in security deposit.
- Proportionate value of duty saved in terms of Letter of Undertaking given to Jt. Director General of Foreign Trade Under EPCG Scheme, where export obligation can be completed in future years ₹ 35,402 (₹ 37,154).
- Letters of Credit opened by Bank in favour of Foreign suppliers is ₹ 7,238 (₹ 65,517) .
- The disputed demand of Income Tax and Fringe Benefit Tax amounting to. ₹ 903, (₹ 263) not provided in the accounts as the matter pending adjudication before CIT (Appeals), VI, Kol. and Appellate Tribunal Kolkata. (Refer Note. 2.34)
- The disputed dues on account of CENVAT, Service Tax ,Sales Tax, Interest on Excise Duty and Penalty amounting to ₹ 10,389, (₹ 9,601) has not been provided in the accounts and deposited as the matter is pending Adjudication before concerned authorities. (Ref Note 2.34.)

2.26 Capital Commitments

Estimated value of contracts remaining to be executed on Capital Account and not provided for ₹ 184,750 (₹ 99,484) Advance paid ₹ 47,988 (₹ 38,091)

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2.27. The Company is in the process of identifying Micro, Small and Medium Enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006. Therefore, it is not possible for the Company to ascertain whether payment to such enterprises has been done with in 45 days from the date of acceptance of supply of goods or services rendered by such enterprises and to make requisite disclosure. The disclosure as required under the said act is as under :-

	31.03.2013	31.03.2012
a) Principal amount due to supplier under MSMED Act.	Nil	Nil
b) Interest due to suppliers on above	Nil	Nil
c) Any payment made to suppliers beyond appointed date (under Section 16 of the Act)	Nil	Nil
d) Interest due and payable to suppliers under MSMED Act.	Nil	Nil
e) Interest accrued & remaining unpaid as at 31.03.2013	Nil	Nil
f) Interest remaining due & payable as per Section 23 of the Act.	Nil	Nil

2.28 The amount of borrowing cost capitalized during the year ₹ 35 (₹1,591).

2.29 In the opinion of the management and to the best of their knowledge and belief, the value on realization of current assets, loans and advances in the ordinary course of business would not be less than the amount at which they are stated in the Balance Sheet. The debit/credit balances of parties are however, subject to confirmation and adjustment, if any.

2.30 Excise duty amounting to ₹ 29,356 (₹13,752) has been provided on manufactured goods lying at factory on estimated basis, which have no effect on the profit for the year.

2.31 Provision has not been made for ₹ Nil (Pr. Yr. ₹ 20,315) in respect of additional external development charges demanded by Directorate of Town and Country Planning, Haryana, Chandigarh in respect of Company's land at village Baghola, Dist. Palwal, Faridabad

2.32 There is no amount pending transfer and due to be transferred to Investor Education & Protection Fund.

2.33 Rudrapur Unit of the company has changed its method of charging depreciation from straight line method to written down value method in the year 2011-12. Due to the change, depreciation for that year was higher by ₹ 19,968. As the change in method has been made w.e.f inception of the unit, an additional depreciation of ₹ 50,899 had also been charged in respect of earlier years. Had the company followed the same method as followed in earlier years, the profit for the earlier year would have been higher by ₹ 70,867.

2.34 The disputed and unpaid dues on account of Income Tax, Sales Tax, Excise Duty, Service Tax pending adjudication before concerned authorities are as follows :

Name of the Statute	Nature of Dues	Amount (₹)	Forum Where dispute is Pending
Central Excise Act, 1944 & Rules	Central Excise	31 (31)	CEGAT, Kolkata
Central Sales Tax Act, 1956	Central Sales Tax	59,936 (57,288)	Appeal, Revision Board and High Court
W.B Sales Tax Act, 1944	W.B. Sales Tax	29,042 (28,763)	Appeal, Revision Board and Tribunal
Central Excise Act, 1944 (Rule 14 of CENVAT Credit Rule)	CENVAT for Service Tax on Rent	419 (419)	Central Excise & Service Tax Appeals Tribunal (CESTAT), New Delhi
Central Excise Act, 1944 (Rule 14 of CENVAT Credit Rule)	CENVAT for Service Tax on Goods Transport	191 (191)	Central Excise & Service Tax Appeals Tribunal (CESTAT), New Delhi
Central Excise Act, 1944 (rule 15(2) of C.Excise Rule)	Penalty under Central Excise for wrong claim of CENVAT	509 (509)	Central Excise & Service Tax Appeals Tribunal (CESTAT), New Delhi

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Central Excise Act, 1944 (Rule 14 of CENVAT Credit Rule)	Excise Duty On line Rejection.	282 (282)	Dy. Commissioner of Central Excise, Division -1, Faridabad.
Central Excise Act, 1944 (Rule 14 of CENVAT Credit Rule)	Penalty on official of the company for wrong declaration	25 (25)	Central Excise & Service Tax Appeals Tribunal(CESTAT), New Delhi
Central Excise Act, 1944 (Rule 14 of CENVAT Credit Rule)	Penalty on Company for wrong declaration	100 (100)	Central Excise & Service Tax Appeals Tribunal (CESTAT), New Delhi
Central Excise Act, 1944 (Rule 14 of CENVAT Credit Rule)	CENVAT on Tin Coating Charges on Cutting Tools	8,574 (7,120)	Joint Commissioner of Central Excise, Delhi - IV, Faridabad.
Central Excise Act, 1944 (Rule 15 of CENVAT Credit Rule)	Penalty Service Tax GTA	49 (Nil)	Commissioner (Appeals) Central Excise, Delhi - IV, Faridabad
Central Excise Act, 1944 (Rule 14 of CENVAT Credit Rule)	Service Tax (GTA)	49 (Nil)	Commissioner (Appeals) Central Excise, Delhi - IV, Faridabad
Income Tax Act, 1961	Short allowance of our Claim u/s 80IC and TDS.Asst. Year 2008-09	45 (45)	Appellate Tribunal, Kol
Income Tax Act, 1961	Short allowance of our Claim u/s 80ICand Short allowance of TDS Asst. Year 2009-10	3 (3)	Commissioner of Income Tax VI (Appeals)/Kolkata
Income Tax Act, 1961	Fringe Benefit Tax Excess interest claimed Asst. year 2009-10	215 (215)	Commissioner of Income Tax VI (Appeals)/Kolkata
Income Tax Act, 1961	Short allowance of our Claim 80IC and Short allowance of TDS & Other. Asst. Year 2010-11	640 (Nil)	Commissioner of Income Tax VI (Appeals)/Kolkata
Uttarakhand VAT Act, 2005	VAT Penalty	Nil (284)	Commercial Tax Tribunal, Muradabad Uttar Pradesh
State Electricity Act, 2003. Uttarakhand	Consumption of power beyond Sanctioned load	Nil (480)	Consumer Redressal Forum, Haldiwani

2.35 . Related Party Information

i) Person Having Control

Mr. P. K. Daga, Chairman cum Managing Director

Relatives :-

- a) Smt. Asha Devi Daga
- b) Mr. Yashwant Daga
- c) Smt. Nandini Daga

ii) Key Management Personnel

- a) Mr. B. P. Chaudhary - Chief Executive.
- b) Mr. Sunil Ghiya - Chief Operating Officer.

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	Amount (₹ '000)	
	31.03.2013	31.03.2012
Transaction with related parties :		
a) Person having control - (Salary and perquisites)	3,920	2,688
b) Key Management Personnel		
Salary	4,760	3,114
Advance given and subsequently Recovered	1,937	1,110
Balance outstanding at the close of the year	Nil	200

Notes : Related party relationship on the basis of requirement of Accounting Standard 18 as above is pointed out and relied upon by auditors.

2.36. Value of Imported/Indigenous Raw materials, Stores & Spares parts (including Packing Materials) Materials consumed and percentage thereof :

	Raw Materials				Stores & Spare Parts*			
	Amount		% of Total consumption		Amount		% of Total Consumption	
	31.03.2013	31.03.2012	31.03.2013	31.03.2012	31.03.2013	31.03.2012	31.03.2013	31.03.2012
Imported	11,058	19,088	0.64	1.12	3,895	7,230	1.30	2.71
Indigenous	1,724,530	1,688,584	99.36	98.88	295,502	259,233	98.70	97.29
	<u>1,735,588</u>	<u>1,707,672</u>	<u>100.00</u>	<u>100.00</u>	<u>299,397</u>	<u>266,463</u>	<u>100.00</u>	<u>100.00</u>

* Excludes imported machinery spares consumed ₹ 2,993 (₹ 427) used in machinery maintenance

2.37 Disclosures pursuant to Accounting Standard-15 "Employees Benefits"

As per Accounting Standard 15 "Employees Benefit" the disclosure of Employees Benefit as defined in Accounting Standard are given below :

i) Defined Contribution Scheme :

Contributions to Defined contribution Plan recognized as expenses for the year are as under :

	Amount (₹ '000)	
	31.03.2013	31.03.2012
Employers' Contribution to Provident Fund (Govt).	5,232	3,806
Employers' Contribution to Family Pension Fund	6,531	5,991
Employers' Contribution to Employees State Insurance	4,651	4,906

ii) Defined Benefit Scheme :

a) In respect of Provident funds for eligible employees maintained by a trust, in the nature of defined benefit scheme up to date shortfall, if any, as per actuarial valuation, in respect of contribution towards such funds is yet to be identified. However contribution to those provident funds amounting to ₹ 2,508 (₹ 2,647) is recognized as expenses and included in 'Employees Benefit Expenses'. Shortfall in the funds of ₹ Nil (₹75) towards such trustee funds has been provided to the extent of the information available with the Company

b) The Company makes annual contribution of Gratuity to Gratuity Fund maintained by Trust created by the company for the scheme. Eligible employees are entitled to gratuity benefit (at one half months eligible salary for each completed year of service) on retirement/death/termination. Eligibility occurs upon completion of 5 years of continuous service. The Employees of the company are also eligible for encashment of leave upon retirement. Refer Note no.1(e) of Accounting Policies relating to Employees Benefit :- Following are the further particulars with respect of gratuity and leave encashment :-

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	(₹ in '000)			
	Gratuity Fund (Funded)		Leave Encashment (Unfunded)	
	31.03.2013	31.03.2012	31.03.2013	31.03.2012
1) Components of Employer Expenses				
a) Current Service Cost	5,402	5,016	1,314	707
b) Interest Cost	5,765	5,336	884	831
c) Expected Return on Plan Assets	(5,410)	(5,647)	0	0
d) Actuarial Loss/(Gain)	(2,934)	(1,456)	(448)	(825)
e) Total Expenditure	2,824	3,249	1,750	713
2) Net Assets/(Liability) recognized in the Balance Sheet as at 31st March, 2013				
a) Present value of Defined Benefit Obligation	72,455	71,675	11,539	10,568
b) Fair Value of Plan Assets	69,631	68,426	0	0
c) Net Assets/(Liability) recognized in Balance Sheet	(2,824)	(3,249)	(11,539)	(10,568)
3) Change in defined Benefit Obligation				
a) Present Value of Obligation at beginning of Period	71,675	67,124	10,568	10,198
b) Current Service Cost	5,402	5,016	1,314	707
c) Interest Cost	5,765	5,336	884	831
d) Expected Return on Plan Assets	0	0	0	0
e) Actuarial (Gain)/Loss	(2,288)	(1,456)	(448)	(825)
f) Benefit Paid	(8,099)	(4,345)	(779)	(343)
g) Present Value of Obligation	72,455	71,675	11,539	10,568
4) Change in Fair Value of Assets				
a) Plan Assets at beginning of Period	68,426	63,882	N.A	N.A
b) Expected Return on Plan Assets	5,410	0	N.A	N.A
c) Actual Company's Contribution	3,249	3,242	779	343
d) Actuarial(Gain)/Loss	646	0	0	0
e) Benefit Paid	(8,099)	(4,345)	779	343
f) Plan Assets at the end of Period	69,631	68,426	0	0
g) Actual Return on Plan Assets	6,056	5,647	N.A	N.A
5) Actuarial Assumptions				
a) Discount Rate (per annum)	8.00%	8.00%	8.00%	8.00%
b) Rate of Increase in Salaries	5.00%	6.00%	6.00%	6.00%
c) Rate of Return on Plan Assets	8.00%	8.00%		
d) Mortality Rates	LIC (1994-96) Ultimate	LIC (1994-96) Ultimate	LIC (1994-96) Ultimate	LIC (1994-96) Ultimate
6) Major Categories of Plan Assets as a percentage				
a) Govt. Loans	41.99%	40.52%	N.A	N.A
b) PSU Bonds	57.04%	59.27%	N.A	N.A
c) Other Current Assets	0.97%	0.21%	N.A	N.A

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(₹ in '000)

2.38. Segment Information

A) Information about Business Segment - Primary

Sl No	Particulars	Amount 31.03.13	Amount 31.03.12
1	Segment Revenue		
1	1 Automobile Gear	2,778,040	2,602,297
2	2 Industrial Gears	780,938	774,738
3	3 Others	-	-
	Sales / Income from operation	<u>3,558,978</u>	<u>3,377,035</u>
2	Segment Results		
1	1 Automobile Gear	411,071	381,978
2	2 Industrial Gears	91,975	108,703
3	3 Others	-	-
	Total	<u>503,046</u>	<u>490,681</u>
	Less : Interest	75,123	81,584
	Un allocable Income (net of un-allocable expenditure)	<u>(82,871)</u>	<u>(39,329)</u>
	Profit/ (Loss) for the year before Tax	510,794	448,426
	Less : Income Tax	110,999	91,765
	Mat Credit Entitlement	-	(30,946)
	Add : Utilisation of Mat Credit Entitlement	<u>25,675</u>	<u>-</u>
	Profit/ (Loss) for the year after Tax	<u>374,120</u>	<u>387,607</u>
3	Other Information's		
a)	Segment Assets		
1	1 Automobile Gear	2,327,833	2,133,284
2	2 Industrial Gears	811,492	785,741
3	3 Un allocable	73,857	99,001
	Total	<u>3,213,182</u>	<u>3,018,026</u>
b)	Segment Liabilities		
1	1 Automobile Gear	505,352	703,626
2	2 Industrial Gears	812,545	804,680
3	3 Un allocable	4,988	1,971
	Total	<u>1,322,885</u>	<u>1,510,277</u>
	Capital Expenditure		
1	1 Automobile Gear	200,433	228,692
2	2 Industrial Gears	49,805	63,619
3	3 Un allocable	225	49
	Total	<u>250,463</u>	<u>292,360</u>
	Depreciation		
1	1 Automobile Gear	89,046	127,141
2	2 Industrial Gears	46,806	38,468
3	3 Un allocable	103	100
	Total	<u>135,955</u>	<u>165,708</u>
	Non Cash Expenses Other than Depreciation		
1	1 Automobile Gear	-	-
2	2 Industrial Gears	-	-
3	3 Un allocable	-	-
	Total	<u>-</u>	<u>-</u>

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Note : The Company allocates un allocable expenditure incurred at Head Office to Kolkata Unit and Faridabad unit and Rudrapur Unit in the ratio of 30:60:10(30:60:10). The Kolkata Unit manufactures Industrial Gears only. Rudrapur Unit manufactures Automobile Gear whereas Faridabad unit manufactures both Industrial Gear & Automobile Gear.

B) Secondary Segment

The Company caters mainly to the needs of the Indian market and there is no reportable geographical segment.

Other Disclosure

- 1) There is no inter Segments revenue/result
- 2) Type of Products in each business segment
 1. Automobile Gears – Tractor & Automobile Gears & Shaft, Moped/Motor Cycle Parts.
 2. Industrial Gears - Helical Gear, Worm Gear Boxes, Geared Motors.
 3. Other un-allocable - Nil.

2.39. Earnings in Foreign Currencies	31.03.2013	31.03.2012
Export (on F.O.B. Basis)	21,404	29,803
2.40. Expenditure in Foreign Currencies (as certified)		
a) Traveling	642	591
b) Others	5,449	2,711
2.41. C.I.F. Value of Imported Materials		
Raw Materials	6,948	14,530
Stores & Spares Parts	7,096	7,500
Capital Goods	90,006	148,282
2.42. Commission payable to non-executive Directors ₹ 700 (₹ 700) is subject to approval of Shareholders of the Company in Company's annual general meeting		
2.43. Figures for the previous year have been regrouped and /or recast wherever necessary.		

As per our report annexed
For SINGHI & CO.
Chartered Accountants
Firm Registration No. 302049E
M. L. SHUKLA
Partner
Membership No. 051505
1-B Old Post Office Street
Kolkata - 700 001
Dated : the 30th day of May, 2013

V. D. MALL
Secretary

P. K. DAGA
Chairman-cum-Managing Director

S. CHAKRAVORTI
A. P. AGARWALLA
S. C. MOHTA
R. CHOMAL
Directors