



“Powering Infrastructure”

BEDMUTHA INDUSTRIES LIMITED

**ANNUAL REPORT
2010-11**

IMPORTANT COMMUNICATION TO MEMBERS

The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by companies and has issued circular stating that service of notice/documents including annual report can be sent by e-mail to its members. We fully support the Ministry's green initiative.

Accordingly, the members, who have not registered their e-mail addresses so far, are requested to register their e-mail addresses, **in respect of electronic holdings with the Depository through their concerned Depository Participant.**

Members, who hold shares in physical form, are requested to register their e-mail addresses by sending E-mail to bedmutha@unisec.com or ipo@bedmutha.com of the Company so as to reach the Company at the earliest.

BEDMUTHA INDUSTRIES LIMITED

BOARD OF DIRECTORS

Mr. Kachardas Ratanchand Bedmutha	Chairman
Mr. Vijay Kachardas Vedmutha	Managing Director
Mr. Ajay Kachardas Vedmutha	Joint Managing Director
Mr. Balasubramanian Achutharaman	Independent Director
Mr. Narayan Kadu	Independent Director
Mr. Shital Nahar	Independent Director

Company Secretary

Mr. **Nilesh Amrutkar**

Registered Office

A 31-35 & 57,
Sinnar Taluka Industrial Co-operative Estate (STICE)
Musalgaon, Sinnar, Nashik, Maharashtra 422 103

Bankers

Punjab National Bank
Bank Of India
Andhra Bank

Registrar and Transfer Agent

UNIVERSAL CAPITAL SECURITIES PRIVATE LIMITED
(Formerly known as Mondkar Computers Pvt. Ltd.)
21, SHAKIL NIWAS, OPP SATYA SAIBABA TEMPLE,
MAHAKALI CAVES ROAD. MUMBAI - 400 093.

Auditors

M/s **Patil Hiran Jajoo & Co.**
Chartered Accountants

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NOTICE

Notice is hereby given that the 21st Annual General Meeting of the Members of '**Bedmutha Industries Limited**' will be held at the Registered Office at A-32, STICE, Sinnar, Nashik – 422 103, on Friday the 12th August, 2011, at 4.00 p.m., to transact the following business:

Ordinary Business:

1. To receive, consider and adopt the audited Profit and Loss Account for the year ended 31st March, 2011 and the Balance Sheet as at that date together with the Report of the Board of Directors and the Auditors thereon.
2. To appoint a Director in the place of Mr. Vijay K. Vedmutha, who retires by rotation and is eligible for re-appointment.
3. To appoint a Director in the place of Mr. Narayan Kadu, who retires by rotation and is eligible for re-appointment.
4. To appoint Statutory Auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration and to pass the following resolution, as an *Ordinary Resolution* thereof :-

"RESOLVED THAT M/s. Patil, Hiran, Jajoo & Co., Chartered Accountants, Nashik (Firm Registration No. 120117W) be and are hereby re-appointed as the Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting on such remuneration as may be determined by the Board of Directors in consultation with the Statutory Auditors of the Company."

Special Business:

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

"RESOLVED THAT pursuant to the provisions of Section 61 and other applicable provisions, if any, of the Companies Act, 1956 and other applicable rules, regulations, guidelines and other statutory provisions for the time being in force, approval of the members of the Company be and is hereby accorded and the Board of Directors (hereinafter called '**the Board**' which term shall be deemed to include any committee authorised by the Board to exercise its powers including the powers conferred by this resolution), to vary the terms referred to in the Prospectus of the Company dated 05th October, 2010, filed with the Registrar of Companies, Maharashtra, Mumbai (the **prospectus**) including to vary and / or revise the utilization of the proceeds of the Initial Public Offering (**IPO**) of the Equity Shares allotted in pursuance of the said prospectus and to utilise the proceeds from the IPO including, but not limited to, change in allocation intended for implementation of identified projects and towards any other project(s) considered beneficial to the Company including changes in amount and / or schedule of deployment for the projects and/or also for general corporate purposes, as the case may be."

"RESOLVED FURTHER THAT the actions taken and the money utilised / invested by the Board so far since the collection of the proceeds of the IPO of the Company, whether towards implementation of those projects partly or fully, as mentioned in the said Prospectus and /or towards other project(s), which have risen, subsequent to the issue of the said Prospectus and considered beneficial to or in the best interest of the Company be and are hereby approved and ratified."

"RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorised to do all such acts, deeds, matters and things, and deal with such matters, take necessary steps in the matter as the Board may in its absolute discretion deem necessary, desirable, or expedient and to settle any question that may arise in this regard and incidental thereto, without being required to seek the any further consent or approval of the members or otherwise to the end and intent that the members shall be deemed to have given their approval thereto expressly by the authority of this resolution."

For BEDMUTHA INDUSTRIES LIMITED

Date: 05th June, 2011

**Registered Office:
A-32, STICE, Sinnar
Nashik – 422 103**

**K. R. Bedmutha
Chairman**

BEDMUTHA INDUSTRIES LIMITED

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER.**
2. **Proxies, in order to be effective, must be received at the Company's Registered Office not later than 48 hours before the meeting. (proxy form annexed).**
3. Members / proxies should bring duly filled Attendance Slips sent herewith to attend the meeting.
4. The Explanatory Statement pursuant Section 173 (2) of the Companies Act, 1956, for Item No. 5 is attached and forms part of this notice.
5. Brief resume of Directors proposed to be re-appointed, nature of their expertise in specific functional areas, names of companies in which they hold directorships and memberships / chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges in India, are provided in the "Annexure A" to the Notice.
6. The Register of Directors' Shareholding, maintained under Section 307 of the Companies Act, 1956, will be available for inspection by the members at the AGM.
7. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote
8. The Register of Members and Transfer Books of the Company will remain closed from 03rd August, 2011 to 10th August, 2011 (both days inclusive), in order to comply with the requirements of Clause 16 of the Listing Agreement.
9. Members/Proxy holders are requested to bring their copies of the Annual Report with them to the Annual General Meeting.
10. Members are requested to send to the Company their queries, if any, on accounts and operations of the Company at least 10 days before the meeting to enable the Company to provide the required information
11. As per the provisions of the Companies Act, 1956, facility for making nominations is available to the Shareholders in respect of the shares held by them. Nomination forms can be obtained from the Registrar and Share Transfer Agent of the Company, Universal Capital Securities Private Limited.
12. Relevant documents referred to in the accompanying Notice are open for inspection by the members at the Registered Office of the Company on all working days, except Saturdays, between 11.00 a.m. and 1.00 p.m. up to the date of the Meeting.
13. There are no shares lying in the Suspense Account, as the Shares allotted under IPO, have been fully credited to the respective applicants' account.
14. There are no amounts, which are unclaimed / unpaid Dividend or as Refund of the Share Application money as on 31st March, 2011, which would be required to be transferred to the 'Investor Education and Protection Fund' under Section 205C the Companies Act, 1956, and the Rules made thereunder.

For BEDMUTHA INDUSTRIES LIMITED

Date: 05th June, 2011

**Registered Office:
A-32, STICE, Sinnar
Nashik – 422 103**

**K. R. Bedmutha
Chairman**



ANNEXURE A:

Details of the Directors seeking Appointment or re-appointment at the Annual General Meeting:

Particulars	Mr. Narayan M. Kadu	Mr. Vijay K. Vedmutha
Date of Appointment	14 th November, 2009	14 th November, 2009
Date of Birth	28 th April, 1949	5 th August, 1964
Expertise in specific functional areas :	Mr. N. M. Kadu is M Sc. CAIIB by qualification. He has worked with Punjab National Bank for around 32 years. He joined the bank in 1977 as Technical Officer and rose to the post of Assistant General Manager and in various capacities with the Bank.	Mr. Vijay K. Vedmutha , aged 45 yrs is Industrial & Production Engineer and MBA with specialization in Finance. He has over 25yrs experience Technical Consultancy, Accounting and finance etc. He is one of the promoter of the company and is looking after the company since Inception, currently looks after overall Management and administration of the company.
List of other Companies in which Directorship is held as on 31.03.2011	NIL	1. Bedmutha Sons Realty Ventures Private Limited 2. KRBTA Unison Pvt. Ltd.
Shareholding in the Company	NIL	31,88,059 shares
Chairman / Member of the *Committees of other Companies on which he is Director as on 31.03.2011	NIL	NIL

BEDMUTHA INDUSTRIES LIMITED

EXPLANATORY STATEMENT PURSUANT TO SEC 173 (2) OF COMPANIES ACT, 1956:

ITEM NO. : 5

The members at the Extraordinary General Meeting of the Company held on 19th November, 2009, had approved the Initial Public Offering (IPO/ issue) of the equity shares of the Company for raising funds towards meeting the expenses of the various projects. Accordingly, the Company had made an IPO through 100% book building route and raised Rs.9184.00 Lakhs (Gross proceeds) by issuing 90,04,211 Equity Shares of Rs.10/- each of the Company for cash at a price of Rs. 102/- per equity share (including security premium of Rs.92/- per equity share). The Net Issue Proceeds i.e., Gross proceeds less issue expenses (NIP) were planned with certain objects (identified objects) as more particularly stated and described under section titled, 'Objects of the Issue' on page 54 of the prospectus, as were considered appropriate and necessary by the management at that point of time and as detailed hereunder :-

Particulars	Amount (Rs. in Lacs)
Setting up of new plant at Sinnar, Nashik for manufacturing of new product LRPC wire and Spring Steel Wire	8494.40
General Corporate Purpose	175.00
Issue Expenses	542.00
Total	9211.40

The NIP were scheduled to be utilised towards the objects of the issue in the following manner and the same has been stated on page 61 of the prospectus :

Sr.No	Activities	Commencement	Completion
Setting up of new plant at Sinnar, Nashik for manufacturing of new product LRPC Wire and Spring Steel Wire			
1	Land - Gut No 931/1 Musalgaon - Gut No 27(274) 8/1 and 2 Sinnar	Commenced (MOU Entered)	Completed October 2010
2	Site Development, Civil work & Building Construction	October 2010	April 2011
3	Machineries selection, order Placing & Delivery & other Ancillaries	May 2010	March 2011
4	Furniture & Fixtures	March 2011	May 2011
5	Electrical Installation	December 2010	April 2011
6	Erection, Commissioning & Installation	April 2011	June 2011
7	Trial Production	July 2011	August 2011
8	Commercial Production	September 2011	

Board seeks your Approval for variations of the terms contained in the object of the issue as per details given herein below:

Change in Location

Your Company has been sanctioned a Mega Project by Government of Maharashtra and accordingly have entered into MOU with the Government for setting up of a Plant to produce Galvanized wire, LRPC wire, aluminum conductors and other wire products. The Same had been disclosed in page no. 6, 83 & 244 of the prospectus.

Mega Project Status provides for incentives to the extent of capital investment in the form of refund of VAT paid, stamp duty exemption, Electricity duty and certain other benefits from the Government of Maharashtra. In view of the above benefits to



the Company, your Company has proposed to dovetail the project being financed through IPO, into the Mega Project to avail locational synergies and the advantages of incentives provided under the Mega Project as stated above. However, the total project requires larger piece of land. The Industrial Policy of the State Government also provides different level / quantum of incentives for projects set up in different identified locations / regions so as to encourage industrial development. Accordingly, your Company has identified Rashegaon in Tehsil Dindori, Dist. Nashik or Nardana, Dist. Dhulia. In order not to lose time and an opportunity in getting a good piece of land, the Company went ahead and purchased land at Rashegaon, Dist. Nashik in the month of October 2010. In the meantime, M.I.D.C has also allotted land at Nardana, Dist. Dhulia. Your Company will decide one of these locations or any other location where such benefit is available and the Company proposes to utilise such land for the Mega Project. **The location is thus proposed to be changed from the land at Musalgaon, Sinnar**, (acquired during the period of IPO out of the Company's internal accruals for setting up of LRPC and spring steel wire project) to one of the aforesaid locations, for an effective implementation of the project in an expanded manner at a Competitive cost.

Utilisation of NIP for manufacture of other products under Mega Project

In the prospectus, we had proposed to manufacture LRPC wire and spring steel wire. As of now, the Company is proceeding to carry out manufacture of spring steel wire and defer the manufacture of LRPC wire in the future, in view of the changes in market conditions due to recent developments in the economy and industry. However, if market conditions & demand turn around, your Directors will immediately start the manufacture of LRPC wire. The Company proposes to utilise the NIP for putting up a high speed galvanizing line, wire drawing lines and machinery for manufacture of various wire products (including related machinery and balancing equipments) envisaged under Mega Project. The balance fund requirement will be met through term loans from banks and institutions. The Mega Project will be completed within period of 15-18 months from the date of disbursements of the term loans, in view of the change in products / product-mix and resultant changes in machinery as also change in location.

Due to dynamic economic scenario and the market conditions, the Company therefore will be utilising the IPO proceeds for setting up facilities for manufacture of aforementioned products and product-group and needs to take quick decisions on various matters relating to the Mega Project. Considering change in the location, deferment of the manufacture of LRPC wire products and the inter-change in the allocation of funds towards land and other related expenses, as mentioned in the Prospectus, your Directors seek the approval of the members to meet with the demanding phase of the Industry in addition to the leverage the cost-benefit factor in the given inflationary conditions and the resulting beneficial interest to the Company in the near future. The Company utilised a portion of the IPO funds for this purpose as part of Mega Project to manufacture various wires and wire products as discussed above.

The details of the proposed major deviations in the utilisation of IPO proceeds i.e., of Rs.9184.30 Lacs is as follows :

(Rs. in Lacs)

Sr. No.	Particulars of Fund Utilisation	Actual utilisation proposed	Amount proposed in the prospectus
1.	Land (see Note. 1)	1780.00	656.60
2.	LRPC Line (see Note 2)	Nil	1459.00
	High speed Galvanizing Line – one kind of machinery for manufacture of wire products under the Mega Project as mentioned in Prospectus (see Note 2)	2207.00	NIL

NOTES:

- 1) As explained above, we have purchased 52 acres land for Rs. 1676.00 lacs and 40 acres of land is being purchased amounting to Rs.104 lacs in place of 15.32 acres of land of Rs.656.00 lacs, as mentioned in the prospectus for an expanded manufacturing of spring steel & galvanized wire on account of its high demanded in the market.
- 2) LRPC line of Rs.1459 lacs proposed in the prospectus is being deferred to be put up in future in place of that we are putting up high speed galvanizing line of Rs.2207 lacs.

BEDMUTHA INDUSTRIES LIMITED

The status of utilisation of IPO funds so far as on 31st March 2011, is as under:

Particulars of Fund Utilization for	Actual Utilization	Amount to be utilized as per prospectus
Expansion Project	1986.87	8494.4
General Corporate Purpose	—	175
Share Issue Expenses	394.9	542
Total	2381.77	9211.4

The cost of land purchased at Rasegaon and related development expenses at site necessitated due to the need to change the location as explained above, is in the best interest of the Company. The unutilized funds have been temporarily kept parked in Company's working capital, interest bearing inter-corporate deposits and given as advances for purchase of capital goods for manufacture of new products. Since, speedy decisions were to be taken in the context of market environment and developments so as not to lose opportunities for the benefit of the Company, approval is sought for ratification of aforesaid decisions and expenditure from the members. Approval is also sought to empower the Board and/or its committees to take decisions on the project and for utilisation of unutilised NIP towards deployment in projects outside identified objects. While the management would endeavour as far as possible to fund growth opportunities not specifically identified in the objects of issue, however generally as the Mega Project for manufacture of wire products other than those discussed above from such means of finance as are available to the Company and at the discretion of the management, however, the management would like to have flexibility to use the unutilised portion of NIP.

Section 61 of Companies Act, 1956, provides that the Company shall not vary the terms referred to in the prospectus except subject to the approval of, or except on the authority given by, the Company in a General Meeting. Accordingly, approval of members is sought for confirmation and ratification of the actions taken so far by the management/Board so far in this regard to confer authority in favour of the Board for utilisation of the NIP for purposes other than those specifically stated in the prospectus.

The management would like to assure the members that any variation in the utilisation of the NIP is / will be done in the best interests of the Company and its members. Your Directors, therefore, recommend the resolution proposed at item No.5 to be passed as a special resolution. None of the Directors is, in any way, concerned or interested in the resolution, except to the extent of their shareholding in the Company.



DIRECTORS' REPORT

To

The Shareholders

Bedmutha Industries Limited

Your Directors take pleasure in presenting the 21st Annual Report together with Audited Financial Statements for the year ended 31st March, 2011.

FINANCIAL RESULTS:

(Rs. in Lacs)

Particulars	Standalone		Consolidated	
	2010-11	2009-10	2010-11	2009-10
Sales	20911.00	16770.84	23623.54	18343.05
Profit before Interest, depreciation, and tax	1796.91	2617.50	2414.37	3075.75
Profit Before Interest and Tax	1336.24	2253.10	1950.07	2709.09
Less : Provision for Tax	185.00	435.00	327.00	544.00
Less: Deferred Tax liabilities / (Assets)	37.37	95.55	38.69	96.62
Profit After Tax	265.32	1001.39	550.65	1223.87
Dividend	Nil	70.80	Nil	70.80
EPS (Rs.)	1.64	8.33	3.41	8.33

SHARE CAPITAL :

During the Year under review, the Company has successfully raised Rs.91.84 Crore through its Initial Public Offer (IPO) of 90,04,211 Equity Shares of Rs.10/- each at an Issue price of Rs.102/- per Equity Share. The present Share Capital of the Company, consequently, comprises of 2,10,31,611 fully paid-up Equity Shares of Rs.10/- each. The Company's shares are listed on the Bombay Stock Exchange Limited (**BSE**) and The National Stock Exchange of India Limited (**NSE**) with effect from 14th October, 2010.

DIVIDEND :

Considering the requirement of funds for the expansion and also the lower profitability achieved for the year, your Directors do not recommend any Dividend for the financial year 2010-11.

OPERATIONS :

The Company's standalone income for the Financial Year under review, which comprises of income from the operations and other income, increased by 26.96% to Rs.190.21 Crore as compared to Rs.149.81 Crore for the previous year. The consolidated income increased by 30.64% i.e., Rs.214.96 Crore for the year, as compared to Rs.164.54.Crore of the previous year. The Overall Capacity utilization was 88%. Your Company has consciously been following a policy of steady growth in production over the years.

However , on account of the increased cost of raw materials and other inputs , the Company could achieve Operating Profit (**PBIDT**) of Rs. 9.49 crore (4.54% of the sales) as compared to Rs.18.95 crore (11.30% of the sales) in the previous year.

EXPANSION :

Your Company has been sanctioned a Mega Project in Maharashtra for manufacture of value added Wires and Wire products. As per the 2007 Industrial policy of Govt of Maharashtra, Mega Projects are entitled to non-refundable incentive to the extent of capital costs by way of refund of various State taxes. In order to avail of the benefits of Mega Project for LRPC and spring steel projects also (i.e., projects envisaged in RHP at the time of IPO), your Company now proposes to dovetail these projects into Mega Project. Even though it may involve delay in commissioning of these projects by a few months, yet it will be in the overall interest of the Company and the shareholders considering the benefits that will accrue. The Company is negotiating with the Government on the issues of location of the project & better terms and conditions for availing the incentives.

SUBSIDIARY :

The requisite particulars of the subsidiary Company 'Kamalasha Infrastructure and Engineering Private Limited', as per Section 212 of the Companies Act 1956, are appended herewith.

BEDMUTHA INDUSTRIES LIMITED

PARTICULAR OF EMPLOYEES :

During the year, there were no employees, who drew remuneration more than the limits specified under the provisions of Section 217 (2A) of the Companies Act 1956, read with the Companies (Particulars of Employees), Rules 1975, as amended.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

Information required under Section 217(1)(e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 is annexed to this Report.

CORPORATE GOVERNANCE

Your Company endeavors to have the high standards of Corporate Governance in its operations. Pursuant to Clause 49 of the Listing Agreement with the Stock Exchanges, Management Discussion and Analysis, Corporate Governance Report and Auditors' Certificate regarding compliance of the conditions of Corporate Governance are made a part of this Annual Report.

DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to the requirement of Section 217 (2AA) of the Companies Act, 1956 the Board of Directors hereby state that:

- i) In the preparation of the annual accounts for the financial year ended 31st March 2011, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- ii) The directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year covered under this Report and of the profit of the Company for the year;
- iii) 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 safe guarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- iv) We have prepared the annual accounts on a going concern basis.

DIRECTORS

Mr. Vijay Vedmutha and Mr. Narayan Kadu are liable to retire by rotation at the ensuing Annual General Meeting and being eligible offer themselves for re-appointment. Your directors recommend their said re-appointment.

FIXED DEPOSITS

The Company has not accepted any deposits falling within the purview of Section 58A of the Companies Act, 1956.

AUDITORS

M/s. Patil, Hiran, Jajoo & Co., Chartered Accountants, Nashik, the Statutory Auditors of the Company, are liable to retire and are eligible for re-appointment. The Auditors have confirmed that they have undergone the peer review process of the Institute of Chartered Accountants of India (ICAI) and hold a valid certificate issued by the 'Peer Review Board' of ICAI. The Company has received a confirmation to the consent and eligibility under Section 224(1B) of the Companies Act, 1956, for the proposed re-appointment.

ACKNOWLEDGEMENT

Your Directors wish to thank and acknowledge the Financial Institutions, Banks, Government authorities, dealers, suppliers, business associates and the Company's valued customers for their assistance and cooperation and the esteemed Shareholders for their continued trust and support. The Directors also wish to acknowledge the committed and dedicated team of Bedmutha group, whose consistent hard work, efforts and ideas has taken the Company on a path of steady growth and development.

For and on behalf of the Board of Directors

Nasik,
05th June, 2011

K. R. Bedmutha
Chairman



FORM 'A' - MATERIAL CONSUMPTION REPORT

A) Power and Fuel Consumption:		2010-11	2009-10
#	Electricity :		
	a. Purchased:		
	Units (KWH)	8224349	6641325
	Total Amount (Rs.)	47486126	35169749
	Rate / KWH (Rs.)	5.77	5.30
	b.		
	i Through Diesel Generation	Not available	Not available
	Units (in thousands)		
	Units per Ltr.Of Diesel Oil		
	Cost/Unit (Rs.)		
	ii Through Steam Turbine/Generator	NA	NA
	Units (in thousands)		
	Units per Ltr.Of fuel / gas		
	Cost/Unit (Rs.)		
#	Furnace Oil		
	Qty (MT)	1787	1566
	Total Cost (Rs.)	46530466	36775570
	Rate (Rs.)	26043.41	23489.39
#	Others		
	i Fuel Oil / LDO		
	Qty Ltr.	238935	185546
	Total Cost	10162972	6815634
	Rate / Ltr.(Rs.)	42.53	36.73
B) Consumption per unit of production			
I	Wire Drawing (Unit : MT)	41004.574	33,872.422
	i Electricity	1,158.07	1,038.30
	ii Furnace Oil	N A	N A
	iii Others	247.85	201.21
II	Galvanising (Unit : MT)	27,410.266	25,549.004
	i Electricity	1,732.42	1,376.56
	ii Furnace Oil	1,697.56	1,439.41
	iii Others	370.77	266.77

FORM B

Conservation of Energy

i) Specific Areas in which R & D has been carried out by the Company

The following R & D activities carried out on an ongoing basis.

1. Replacement of old Electricity Panels with Energy Efficient panels having AC variable types.
2. Installed APC (Automatic Power Control Panels) to have Unity Power Factor and reduce harmonic losses.
3. Besides above, all new equipments are being consciously purchased which lead to saving of Energy.

ii) Benefit derived as a result of the above R & D – proportionately lesser energy is consumed as compared to capacity Expansion.

iii) Future plan of action – As given below

We will develop system for sustainable Power Generation and will continue replacing old machinery with energy saving Devices wherever possible.

iv) Expenditure on Research & Development: - Nil

Technology Absorption, Adoption and Innovation, Efforts made, Benefits derived, Import of Technology: Nil

C. Foreign Exchange earnings and outgo:

1. Activities relating to exports, initiatives taken to increase exports, development of new export markets for products and services, and export plans:

- The Company is laying out strategies for exports.
- Development of new products to commence exports.

2. Total foreign exchange used and earned:

Foreign Exchange Earnings : Rs. Nil

Foreign Exchange Used : Value of Imports on C.I.F. Basis:-

1. Raw Material : - Rs. 4238.75 lacs
2. Plant & Machinery :- 4.29 lacs

Total – Rs. 4243.04 lacs

Expenses Incurred in Foreign Currency on Tour & Traveling:- Rs. 13.41 lacs.



CORPORATE GOVERNANCE REPORT

Corporate Governance is about management and conduct of an organization based on ethical business principles of integrity, fairness, equity, transparency, accountability and commitment to values.

I. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Bedmutha's philosophy on Corporate Governance is aimed at attainment of high level of transparency, accountability and equity in all facets of its operations, to enhance the value of stakeholders viz. customers, shareholders, employees, lenders, vendors including the society of which the Company is a part. Your Company practices sound corporate governance in line with standard practices and believes that good corporate governance is an ongoing process.

In terms of Clause 49 of the Listing Agreement of Stock Exchanges, the details in connection with Corporate Governance practiced by the Company are furnished herewith:

II. BOARD OF DIRECTORS:

A. Composition of Board

The composition of Board of Directors is in compliance with provisions of Listing Agreement with the Stock Exchanges and the Companies Act, 1956. The present strength of the Board is of Six Directors comprising an optimum combination of Executive and Non-Executive Directors. Mr. K.R. Bedmutha is an Executive Chairman of the Board.

Category	No of Directors	% of Total No. of Directors
Executive Directors	3	50%
Independent Directors	3	50%
Total	6	100 %

None of the Directors on the Board is a member on more than ten committees and chairman of more than five committees across all the companies in which he is a Director. All the Directors have made necessary disclosures regarding committee positions occupied by them.

The composition and categories of the Directors on the Board, number of Board meeting along with their attendance thereat, as also the number of Directorships and Committee Memberships held by them in other companies are given below:

Name of Directors	Category	Attendance		Number of other directorship and Committee Membership/ Chairmanship		
		Board Meeting	Last AGM	Directorship in Other Public Co's	Committee Membership	Committee Chairmanship
Mr. K.R. Bedmutha	Chairman	4	Yes	2	-	-
Mr. Vijay Vedmutha	Managing Director	6	Yes	-	-	-
Mr. Ajay Vedmutha	Joint Managing Director	5	Yes	2	-	-
Mr. A. Balasubramanian	Independent Director	4	Yes	1	1	1
Mr. Narayan Kadu	Independent Director	3	-	-	-	-
Mr. Shital Nahar	Independent Director	2	-	-	-	-

Note: committee's position include membership / chairmanship held only in Audit committee's & Investors Grievance committee's.

BEDMUTHA INDUSTRIES LIMITED

Details of Board Meeting held :

Six Board Meetings were held during the year ended 31st March 2011, one each in every quarter, and after entering into listing agreement, a time gap of not more than four months between any two Board Meetings. The details of such Board Meeting are as under:

Sr. No.	Date	Board Strength	No. of Directors Present
1	27 th June, 2010	6	4
2	30 th July, 2010	6	4
3	27 th September, 2010	6	4
4	12 th October, 2010	6	2
5	12 th February, 2011	6	5
6	21 st March, 2011	6	5

BOARD COMMITTEES:

The Company has four committees:

- a) the Audit Committee,
- b) the Remuneration Committee (Non Mandatory)
- c) the Shareholders & Investor Grievance Committee.
- d) Management Committee (Non Mandatory)

A) AUDIT COMMITTEE

1) Description and Terms of Reference:

The terms of reference stipulated by the Board to the Audit Committee are as follows:

- Review of Company's financial reporting process and disclosures to ensure that the financial statement is correct, sufficient and credible.
- Recommending Appointment / Removal of External Auditor, Fixation of audit fee and payment for other services.
- Reviewing Annual Financial statements before submission to the Board with focus on changes in accounting policies and practice, major accounting entries, qualifications in draft audit report, significant adjustments arising out of audit, Accounting Standards
- Statutory compliances and legal requirements.
- Any related party transactions of material nature with promoters, management/s, subsidiaries or relatives etc. that may have potential conflict with interest of the Company at large.
- Reviewing with the management, external and internal auditors, the adequacy of internal control systems and internal audit function.
- Discussion with Internal Auditors, any significant findings and follow-up thereon. Reviewing any suspected fraud, irregularity or failure of internal control system of material nature and reporting the matter to Board.
- Discussion with external Auditor in respect of pre and post audit matters.
- Reviewing Company's financial and risk management policies.
- Look into reasons for substantial defaults in payments to depositors, debenture holders, and creditors.

2. Composition, names of members & Chairman

Name of Member	Designation	Category
Mr. A. Balasubramanian	Chairman	Independent Director
Mr. Narayan Kadu	Member	Independent Director
Mr. Vijay Vedmutha	Member	Executive Director



Board of Directors of the Company at its meeting held on 21st March, 2011 has reconstituted the Audit Committee of Company by inducting Mr. Vijay Vedmutha (Managing Director) of the company in place of Mr. Shital Nahar (independent Director), in the Audit Committee.

3. Meetings and Attendance during the year

Name of members	Audit Committee Meetings held and attendance			
	27 th June, 2010	25 th Sept, 2010	12 th Feb, 2011	21 st March, 2011
Mr. A. Balasubramanian	✓	✓	✓	✓
Mr. Narayan Kadu	✓	✓	X	✓
Mr. Shital Nahar*	X	X	✓	X
Mr. Vijay Vedmutha	N.A	N.A	N.A	N.A

*ceased to be a Member w.e.f. 21st Mar, 2011

The Joint Managing Director, Senior Accounts personnel, General Managers and the representative of Statutory Auditors, Internal Auditor were also invited to the Audit Committee Meeting as and when it was deemed necessary.

The Company Secretary acts as Secretary of the Committee. Apart from various responsibilities, Committee focuses on the area of Internal Control Systems to improve overall efficiency of organization.

B). REMUNERATION COMMITTEE

1. Brief Description and Terms of Reference:

The Remuneration Committee is responsible for recommending the fixation and periodic revision of compensation paid to Managing Director and Whole Time Director after reviewing their experience, qualification and performance based on certain parameters.

The Committee also undertakes a process of due diligence to determine suitability of the person for appointment/ continuing to hold appointment as a Director on the Board, based upon qualifications, expertise, track record, integrity and other "fit & proper" criteria. The remuneration policy of the Company is directed towards rewarding the performance based on review of achievements on periodic basis. The remuneration policy is in consistence with the existing industry practice.

The Composition of Remuneration Committee is given below:

Name of Member	Designation	Category
Mr. A. Balasubramanian	Chairman	Independent Director
Mr. Narayan Kadu	Member	Independent Director
Mr. Shital Nahar	Member	Independent Director

Committee meeting is convened as and when required to execute duties under terms of reference. During the year remuneration committee meeting was not required to be held for any of the above purpose.

c). SHAREHOLDERS' & INVESTORS' GRIEVANCE COMMITTEE:

1. Brief Description :

- (i) The Company has constituted a Shareholders/ Investors Grievance Committee of Directors to look into the redressal of complaints of investors such as non-receipt of dividend, refund orders, shares sent for registration of transfer, non-receipt of balance sheet, etc.

The Composition of Committee is given below :

Name of Member	Designation	Category
Mr. Shital Nahar	Chairman	Independent Director
Mr. Narayan Kadu	Member	Independent Director
Mr. Vijay Vedmutha	Member	Executive Director

Committee meeting is convened as and when required to execute duties under terms of reference.

Committee met on 12th February , 2011 in which Mr. Vijay Vedmutha and Shital Nahar were present, to review the status, and redressal of complaints by the RTA.

BEDMUTHA INDUSTRIES LIMITED

Terms of Reference :

The Company has Appointed Universal capital securities Pvt Ltd. as Share Transfer Agent, to look after the Shareholders correspondence, share transfers, transmissions, transpositions, to prepare shareholding pattern, issue of duplicate, split & consolidated share certificates, which are approved by the Committee. The Company has connectivity with NSDL & CDSL for Dematerialization of Shares.

- (iii) The Compliance Officer in terms of the requirement of the stock exchange who liaises with and monitors the activities of the Share Transfer Agent.

Details of complaints received / resolved during the financial year 2010-11:

Nature of Complaints	Received	Resolved	Pending
Complaints	69	68	01

There are no complaints of investors which are pending as on date of this report.

c). Management Committee is constituted to look after the day to day administrative , Banking & legal matters :

The Composition of Committee is given below :

Name of Member	Designation	Category
Mr. K. R. Bedmutha	Member	Executive Director
Mr. Vijay Vedmutha	Member	Executive Director
Mr. Ajay Vedmutha	Member	Executive Director
Mr. Shital Nahar	Member	Independent Director

Details of Remuneration for the year ended 31st March, 2010:

(a) Non – Executive Directors

The details of sitting fees paid to the Directors during the period from 1st April, 2010 to 31st March, 2011

Name of Directors	Sitting Fees (Rs.)
Mr. A. Balasubramanian	32000
Mr. Narayan Kadu	24000
Mr. Shital Nahar	13000
Total	69000

b) Executive Directors

(Rs. in Lacs)

Name	Designation	Salary (Rs.)	Bonus	No. of Shares Held
Mr. K.R. Bedmutha	Chairman	22.60	Nil	1353357
Mr. Vijay Vedmutha	Managing Director	23.57	Nil	3188059
Mr. Ajay Vedmutha	Joint Managing Director	23.39	Nil	3188059

Note: Above figures include PF & gratuity and perquisites provided in form of a car facility with chauffer etc.

III. GENERAL BODY MEETINGS:

(1) Details of last three Annual General Meetings:

Year	Location	Date	Time	Special resolution passed, if any
2009-10	A-32, STICE, Sinnar, Nashik-422103	25/09/2010	11.30 am	1) Authority from Shareholders u/s 372A
2008-09	A-32, STICE, Sinnar, Nashik-422103	30/09/2009	10.00 am	NIL
2007-08	A-32, STICE, Sinnar, Nashik-422103	29/09/2008	10.00 am	NIL

Note : During the year the Company has not passed any resolution by circulation or by Postal Ballot.



Disclosures:

- a) There were no transactions of a material nature undertaken by your Company with its Promoters, Directors or the management, their subsidiaries or relatives that may have a potential conflict with the interests of the Company.
- b) The Company has fulfilled all statutory compliance and there were no penalties strictures imposed on the Company, by Stock Exchanges or SEBI or any Statutory Authority, on any matter related to Capital Markets, during the last three years.
- c) The Company has complied with the mandatory requirements regarding the Board of Directors, Audit Committee and other Board Committees and other disclosures as required under the provisions of the revised Clause 49 of the Listing Agreement

d) Whistle-blower Policy :

We have established a policy for all the employees to report concerns about unethical behavior, actual or suspected fraud, or violation of our code of conduct or ethics policy. The mechanism under the said policy also provides for adequate safeguards against victimization of employees who avail of the mechanism and also provide for direct access to the Chairman of the Audit Committee in exceptional cases. We further affirm that during the financial year 2010-11, no employee has been denied access to the audit committee.

MEANS OF COMMUNICATION

The Quarterly and Annual financial results of the Company are generally published in National Newspapers i.e. Business Standard in English and Tarun Bharat in vernacular language.

Further, the Securities and Exchange Board of India (SEBI) has made it mandatory for companies to maintain an updated Website to post Yearly and quarterly financial statements, shareholding pattern, contact details for shareholders, Code of Conduct, presentations made to institutional Investors/analyst/, press releases etc., on the site, Accordingly company has provided all such disclosures under Investor relation section of the Company's Website : www.Bedmutha.com apart from filing the same to NSE & BSE for publishing the same on their website.

V. GENERAL SHAREHOLDER INFORMATION:**(i) Annual General Meeting :**

Date : Friday, 12th August 2011
Time : 4.00 p.m.
Venue : Regd. off : A-32, STICE, Sinnar, Nashik.

(ii) Financial year : 1st April, 2010 to 31st March, 2011

(ii) Date of Book Closure : 3rd Aug 2011 to 10th Aug 2011

(iii) Demat Segment : ISIN- INE 844 K 01012

(viii) Registrar and Transfer Agent:

Name & Address : **UNIVERSAL CAPITAL SECURITIES PRIVATE LIMITED**
(Formerly known as Mondkar Computers Pvt. Ltd.)
21, SHAKIL NIWAS, OPP SATYA SAIBABA TEMPLE,
MAHAKALI CAVES ROAD. MUMBAI - 400 093.
TEL.+91 22 28207203-05,28257641 FAX- 28207207

(ix) Share Transfer System

:

Transfer of shares which are in dematerialised will be done through the depositories with no involvement of the Company. As regards transfer of shares held in physical form, the transfer documents can be lodged to Registrar & Share Transfer Agent at the above mentioned address. The Directors, Company Secretary are severally empowered to approve the above transfers.

BEDMUTHA INDUSTRIES LIMITED

(x) Distribution of Shareholding as on 31st March, 2011

No. of Shares	Shareholders	%	Shares	%
0 - 1000	4947	93.78	614517	2.92
1001 - 5000	194	3.68	426980	2.03
5001- 10000	37	0.70	271473	1.29
10001-50000	44	0.83	911841	4.34
50001- 100000	21	0.40	1437973	6.84
Above 100000	32	0.61	17368827	82.58
TOTAL	5275	100.00	21031611	100.00

(xi) Shareholding as on 31st March, 2011

Category of Members	No of Shares	%
Promoters & Promoter Group	11916067	56.66
FII	560000	2.66
Others	8555544	40.68
Total	21031611	100.00

(xii) STOCK INFORMATION :

Shares are listed w.e.f 14th Oct 2010, on The National Stock Exchange of India Limited & The Bombay Stock Exchange Limited. The Company has paid the necessary Annual Listing Fee for the year 2011-12 to both the Exchanges.

Stock Code : 1) BSE = 533270 2) NSE= BEDMUTHA

Monthly High and Low of share price at the Stock Exchange:

	BSE		NSE	
	High	Low	High	Low
October	286.90	98.00	287.5	98
November	188.40	66.75	188.95	66.25
December	83.70	70.00	85.00	70.50
January	93.00	72.55	92.50	73.65
February	110.80	80.30	111.00	80.95
March	138.65	97.10	139.00	97.00

Performance of the Company's share prices –

Monthly closing share prices vis-à-vis monthly closing of BSE Sensex and monthly closing of Nifty :

Months	Share price at BSE	% increase /decrease change	sensex	% change from previous Month	Share price at NSE	% change from previous Month	Nifty	% change from previous Month
October	181.75	78.18*	20032.34	-0.31*	180.1	76.56*	6017.7	-0.21*
November	71.4	-60.72	19521.25	-2.55	70.7	-60.74	5862.7	-2.58
December	77.7	8.82	20509.09	5.06	77.8	10.04	6134.5	4.64
January	81.9	5.40	18327.76	-10.64	81.95	5.33	5505.9	-10.25
February	100.95	23.26	17823.4	-2.75	100.95	23.18	5333.25	-3.14
March	130.2	28.97	19445.22	9.10	130.3	29.07	5833.75	9.38

* to Arrive at comparative figures for the first Month of listing i.e. October 2010 the % change with respect to company's issue price determined in public issue and closing price at the end of Month, whereas in case of Index % change is taken on the basis of opening price vs. closing price.

**Dematerialisation of Shares :**

Category	Shareholders	Number of Shares	%
NSDL	2910	16946715	80.58
CDSL	2350	4032293	19.17
Physical	15	52603	0.25
Total	5275	21031611	100

(xiii) Location of Factory:

Plant No: A-31 to 35, 57/ B-70 to 72, B-113, 140 , at STICE, Sinnar, Nashik-422103

(xiv) Address for Correspondence:

The shareholders may address their queries and communications to Registrars at the address given above or may contact a company at following address:

BEDMUTHA INDUSTRIES LIMITED

Registered Office: A-32, STICE, Sinnar, Nashik-422 103, (Maharashtra India)

Tel: 91 – 2551 240481/240631/ 240068/ 240069; **Fax:** 91 – 2551 240482;

Corporate Office: B – 301 / 302, Sai Classic, Off Palm Acres, Gavanpada, Mulund (East) Mumbai -400 081.

Website : www.Bedmutha.com e-mail: complianceofficer@Bedmutha.com

(xv) DECLARATION

A Code of Conduct for the Directors and Senior Management Personnel has already been approved by the Board of Directors of the Company. As stipulated under the provisions of sub-clause I(D) (ii) of Clause 49 of the Listing Agreement with stock exchanges, all the Directors and the designated personnel in the Senior Management of the Company have affirmed compliance with the said code for the financial year ended March 31, 2011.

For Bedmutha industries Limited

Place : Nasik

Date : June 5th, 2011

Vijay Vedmutha

Managing Director

Chief Executive Officer and Chief Financial Officer Certification under Clause 49 of the Listing Agreement with the Stock Exchanges

To

**The Board of Directors,
Bedmutha Industries Limited**

In relation to the Audited Financial Accounts of the Company as at March 31, 2011, we hereby certify that

- a) We have reviewed the financial statements and the cash flow statement for the year and that to the best of our knowledge and belief.
 - i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii) these statements together present a true and fair view of the company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.
- b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of the internal control systems of the company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d) We have indicated to the Auditors and the Audit Committee that;
 - i) there are no significant changes in internal control over financial reporting during the year;
 - ii) there are no significant changes in accounting policies during the year and
 - iii) there are no instances of significant fraud of which we have become aware and the involvement therein, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Vijay Vedmutha
Managing Director

Place : Nashik
Date : June 5th, 2011

Kiran Joshi
GM-Finance & Accounts /CFO

BEDMUTHA INDUSTRIES LIMITED

AUDITORS CERTIFICATE ON CORPORATE GOVERNANCE

To the members of Bedmutha Industries Limited

We have examined the Compliance of conditions of Corporate Governance by Bedmutha Industries Limited (the Company) for the period ended 31st March, 2011 as stipulated in clause 49 of the Listing Agreements of the Stock Exchanges. The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company to ensure the compliance of the conditions of corporate governance. It is neither an audit nor an expression of opinion on the financial statement of the Company,

in our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Agreements.

We further state that such compliance is neither an assurance as to the future viability of the Company on the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **Patil, Hiran Jajoo & Co.**

Place : Nashik
Date : 5th June , 2011

(Aniruddha Jajoo)
Partner
Membership No.

Disclosure of names of persons constituting group in relation to Bedmutha Industries Limited pursuant to Regulation 3(1)(e)(i) of the SEBI (Substantial Acquisition of Shares & Takeovers) Regulations 1997 :

M/s. Bedmutha sons Realty Ventures Pvt. Ltd.,	Bedmutha Chemicals Pvt Ltd.,
Kamalasha Infrastructure and Engineering Pvt. Ltd.,	Ashoka Pre-con Pvt. Ltd.,
K R Bedmutha Techno Associates Pvt. Ltd.,	Pre-Crete Technologies Pvt. Ltd.
Madan Udyog. Pvt. Ltd.,	M/s. Elme Plast Co.,
Usha chemicals,	Kamal Wire products ,
Space Synergy developers ,	Kreepa steel
K.R. Bedmutha, Ajay Vedmutha, Vijay Vedmutha and their relatives.	



MANAGEMENT'S DISCUSSIONS AND ANALYSIS

Company overview

Bedmutha Industries Ltd is a major player in the wire industry servicing the needs of its customers across India. It is one of the leading producers of steel wires in India. A wealth of experience and expertise in the wire industry coupled with latest technology has enabled Bedmutha Industries Ltd to meet the specifications and requirements of customers time and again. It manufactures a wide range of wires catering to the needs of various industry segments such as Automobile, Infrastructure, Power, Agriculture etc. The products are well established across the markets of India.

Company is setting up a Green Field Project for Wire & Wire Products

Revenue of the company, comprises of Manufacturing and sale of Wire, sale of Power, profits from its Subsidiary & Associate Companies and interest income from surplus funds.

Economic and Industry Overview:

The optimism that was prevailing at the beginning of the fiscal year 2010-11 did not materialize fully during the year as various developments in the different segments in the economy, more particularly the inflation were not favorable since the second quarter. The expected reigning in of inflation did not take place which in turn called for stringent monetary and fiscal measures. In addition, extensive floods in Australia, political instability in certain oil producing countries and consequential increase in fuel prices, partial deregulation of petroleum products in India had cascading effect on steel related industries. All these dampened the growth momentum and led to curtailment in expenditure on capital goods and infrastructure spending.

Financial Performance Review

Revenue

The Company's standalone income, which comprises of income in the form of operating, and other income increased by 26.96% to Rs.190.21 Crores as compared to Rs. 149.81 Crores of the previous year. The consolidated income increased by 30.64 % i.e. Rs.214.96 Crores for current year as compared to Rs164.54.Crores of the previous year.

Direct Costs :

The Direct cost for F.Y 2010-11 increased by 5.03% over the cost incurred last year which was mainly due to inflationary pressures which could not be fully passed on to customers .

Indirect expenses :

Indirect Expenses for F.Y.2010-11 constituted 4.59% of the net sales, as against 4.92% for the P.Y.2009-10, the reduction being due to better capacity utilisation of the resources. The beneficial effect hereof was more than offset by the increase in direct cost.

Interest

Despite increase in the interest rates during the period, the interest cost as a % of sales during the F.Y 2010-11 was 3.25% as against 4.46% during the previous year, due to better utilisation of available resources.

Profit before Tax and After tax (PBT & PAT)

PBT for the F.Y 2010-11 was Rs. 4.87 Crores as against Rs.15.31

Crores in the previous year.

PAT for the F.Y 2010-11 was Rs. 2.65 Crores as against Rs.10.01 Crores in the previous year.

Consolidated PBT for the F.Y 2010-11 was Rs. 9.16 Crores as against Rs. 18.64 Crores in the previous year.

Consolidated PAT for the F.Y 2010-11 was Rs. 5.51 Crores as against Rs. 12.24 Crores in the previous year.

The decrease in the PAT & PBT was due to reasons discussed above.

EPS

Due to increase in the capital during the year 2010-11, on account of IPO proceeds, the EPS is not comparable with the previous year. The earnings per share for the year 2010-11 is Rs.1.64.

Net Worth

The net worth in the F.Y 2010-11 stands at Rs. 114.18 crores as compared to Rs. 26.39 crores in the previous year 2009-10. This is on account of maiden IPO and the profit of the F.Y. 2010-11.

Human Resources

Your company's human capital remains its key strength. Several initiatives have been undertaken during the year to increase the depth of management expertise. Highly skilled professionals from reputed institutes as well as specialists with deep industry knowledge and experience have been recruited for various roles across the organization. The company continues to value its personnel in that it designs program and policies tailored to enhance individual and organizational welfare. Participative style of management ensures excellent relations throughout the organization..

Future Outlook

Your Company aspires to be the most trusted and respected name in Wires and infrastructure in India. We seek to attain a transnational presence that would be competitive.

After carefully carrying out due-diligence and satisfactory evaluation of the relevant parameters, the company will foray into areas considered beneficial to the interests of all stakeholders .

Risks and Concerns:

Delay in the projects under development / construction, adverse developments in global conditions and unforeseen factors in steel market and Government policy can hamper the expected profitability of the project.

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 applicable under the securities laws and regulations. As 'forward looking statements' are based on certain assumptions and expectations of future events over which the company exercises no control, the company cannot guarantee their accuracy nor can it warrant that the same will be realized by the company. Actual results could differ materially from those expressed or implied. Significant factors that could make a difference to the company's operations include domestic and international economic conditions affecting demand, supply and price conditions in the electricity industry, changes in government regulations, tax regimes and other statutes.

BEDMUTHA INDUSTRIES LIMITED

AUDITORS REPORT ON FINANCIAL STATEMENTS

To,

The Members

Bedmutha Industries Limited.

Nashik.

1. We have audited the attached Balance sheet of **Bedmutha Industries Limited**, as at 31st March 2011, and the Profit and loss account & Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order to the extent applicable.
4. Further to our comments in the Annexure referred to above (3), we report that:
 - (a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - (c) The Balance sheet, Profit and loss account & the Cash Flow statement dealt with by this report are in agreement with the books of accounts;
 - (d) In our opinion, the balance sheet, profit and loss account dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956.
 - (e) In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - i. in the case of Balance Sheet, of the state of affairs of the company as at 31st March 2011; and
 - ii. In the case of Profit and Loss account, of the profit for the year ended on that date.
 - iii. In the case of Cash Flow statement, of the cash flows for the year ended on that date.
5. On the basis of written representations received from directors, as on 31st March, 2011 and taken on record by the Board of Directors, we report that none of the director is disqualified as on 31st March, 2011 from being appointed as a director in terms of clause (g) sub section (1) of Section 274 of the Companies Act, 1956.

for M/s Patil Hiran Jajoo & Co.
Chartered Accountants

Aniruddha A. Jajoo
Partner
M.No.103246
Firm Regd.No.120117W

Nasik, 5th June 2011.



ANNEXURE TO THE AUDITORS REPORT ON FINANCIAL STATEMENTS

- i) (a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) These fixed assets have been physically verified by the management at reasonable intervals. According to the information given to us no material discrepancies were noticed on such verification.
- (c) During the year, the company has not disposed off its fixed assets so as to affect it as a going concern.
- (d) No fixed assets has been revalued during the year
- ii) (a) As explained to us, the inventories of finished goods, semi-finished goods and raw material were physically verified by the management at reasonable interval. In our opinion, the frequency of verification is reasonable.
- (b) In our opinion and according to the information and explanations given to us ,the procedures of physical verification of inventories followed by the management were reasonable and adequate in relation to the size of the company and the nature of its business.
- (c) In our opinion, the company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical verification and book records were not material.
- (d) In respect of the Company's trading activity, we are informed that there are no damaged stocks.
- iii) (a) Particulars of loans and advances unsecured taken by company from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956.

No. of Parties	Amount involved in the transaction (Closing balance)
Zero	----- Nil -----

Particulars of loans and advances unsecured granted by company to companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956.

No. of Parties	Amount involved in the transaction (Closing balance)
One	Loan '2,41,00,000 /-
Four	Advance '7,14,11,193/-

- (b) In our opinion, the rate of interest and other terms and conditions on which loans and advances have been taken from / granted to companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956 are not ,prima facie, prejudicial to the interest of the company.
- (c) The company has granted advances to companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956 interest free advances are given for purchase of Fixed Assets. According to the information and explanation given to us, the advances are Interest Free Advances for purchase of Fixed Asset.
- (d) There is no overdue amount of loans granted to companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956.
- iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to purchases of inventory, fixed assets and with regard to sale of Goods and Services. Further on the basis of our examination of the books and records of the company, and according to the information and explanations given to us, we have neither come across nor have been informed of any continuing failure to correct major weaknesses in the aforesaid internal control system.
- v) (a) According to the information and explanations given to us, we are of the opinion that the transactions that need to be entered into the register maintained under section 301 of the Companies Act, 1956 have been so entered.
- (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 and exceeding the value of rupees five lac in respect of any party during the year have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.
- vi. In our opinion and according to the information and explanations given to us, the company has complied with the provisions of Sec 58A and Sec 58 AA of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975.

BEDMUTHA INDUSTRIES LIMITED

- vii. The company has an adequate internal audit system commensurate with the size and nature of its business.
- viii. We are informed by the Management of the company that Central Govt. has not prescribed the maintenance of cost records U/s 209 (1) (d) of the Companies Act, 1956 for any of the activities of the Company.
- ix. (a) The company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, income tax, sales tax, service tax, employees' state insurance, custom duty, excise duty, cess and other material statutory dues applicable to it. There have been no taxes unpaid as on 31st March 2011 for a period of more than six months from the date they became payable, which are paid thereafter.
- (b) According to the information and explanations given to us, there are no dues of sales tax, income tax, customs duty, wealth tax, excise duty and cess which have not been deposited on account of any dispute except as stated below:-

Sr. No.	Department	Assessment Year	Amount of Dispute (In ₹)
1	Custom Excise & Service Tax Appellate Tribunal, Bombay	2004 – 2005	84,16,732 /-
2	Income Tax Department, Nasik (TDS)	2008-2009	69,760/-
3	Income Tax Department, Nasik (Income Tax)	2004-2005	27,32,871/-

- x. The company does not have any accumulated loss as on 31st March 2011, and has not incurred cash loss during the year covered by our audit and in the immediately preceding financial year.
- xi. In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to the bank or financial institutions.
- xii. In our opinion and according to the information and explanations given to us, the terms and conditions of the guarantee given by the company for loans taken by others from banks or financial institutions are not prima facie prejudicial to the interest of the Company. Company is not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- xiii. In our opinion, the company is not a chit fund or a nidhi / mutual benefit fund /society. Therefore, the provision of clause 4 (xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- xiv. In our opinion, and according to the information and explanations given to us, the company is not dealing in or trading in shares, securities, debentures and other investments.
- xv. In our opinion and according to the information and explanations given to us, the term loans have been applied for the purpose for which they were obtained.
- xvi. On the Basis of our overall examination of the Cash Flow statement and other records of the company, we report that the no funds raised on short-term basis have been used for long-term investment.
- xvii. According to the information and explanations given to us, the company has not made the preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956.
- xviii. According to the information and explanations given to us, the company has not issued any debentures during the year.
- xix. During the period covered by our audit report, the company has raised money through public issue.
- xx. The Management has disclosed the end use of money, raised by Public Issue which has been verified by us.
- xxi. During the course of our examination of the books and records of the company, carried out in accordance with the generally accepted auditing standards in India, and according to the information and explanations given to us we have neither come across any instance of fraud on or by the company, noticed or reported during the year, nor have been informed of such case by the management.

for M/s Patil Hiran Jajoo & Co.
Chartered Accountants

Aniruddha A.Jajoo
Partner

M.No.103246

Firm Regd.No.120117W

Nasik, 5th June 2011.



BALANCE SHEET AS AT 31ST MARCH, 2011

(Rs. In Lacs)

	Schedule	As at 31 st March 2011	As at 31 st March 2010
I. Sources of Funds			
1. Shareholders' Fund			
a. Capital	1	2,103.16	1,202.74
b. Reserves & Surplus	2	10,218.35	1,678.66
2. Loans Fund			
a. Secured Loans	3	3,314.00	7,149.54
b. Unsecured Loans		1,045.11	1,057.33
3. Deffered Tax Liability			
		353.06	315.69
		17,033.68	11,403.96
II. Application of Funds			
1. Fixed Assets			
a. Gross Block	4	8,465.57	5,343.58
b. Less Depreciation		2,456.45	1,986.13
c. Net Block		6,009.12	3,357.45
d. Capital work-in-progress		358.87	252.35
2. Investments			
	5	245.30	212.25
3. Current assets, loans and advances			
a. Inventories		4,295.41	4,124.81
b. Sundry Debtors		3,658.52	3,369.35
c. Cash and bank balance		1,231.11	655.79
d. Other current assets		1,107.46	1,048.26
e. Loans and advances		2,863.15	2,340.67
Less: Current Liabilities and Provisions			
a. Liabilities	7	3,431.05	3,662.95
b. Provisions		188.43	507.82
4. Net Current Assets			
		9,536.17	7,368.11
5. Miscellaneous Expenditure			
(to the extent not written off)	8	884.22	213.80
		17,033.68	11,403.96
Significant Accounting Policies & Notes to Accounts	16		

As per our attached report of even date.

for **M/s Patil Hiran Jajoo & Co.**
Chartered Accountants

for **Bedmutha Industries Limited**

Aniruddha Jajoo
Partner
M.No. 103246
Firm Regd 120117W

K R Bedmutha
Chairman

Vijay K.Vedmutha
Managing Director

Place: Nashik
Date : 05.06.2011

Ajay Vedmutha
Jt. Managing Director

Nilesh S.Amrutkar
Company Secretary

BEDMUTHA INDUSTRIES LIMITED**PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH , 2011.**

(Rs. In Lacs)

	Schedule	Year ended on 31 st March 2011	Year ended on 31 st March 2010
Income			
Gross Sales and Operational Income	9	20911.43	16770.84
less: Excise Duty/Service Tax/Tax Collected		1936.92	1820.47
Net Sales		18974.51	14950.37
Other Income	10	47.12	31.10
		19021.63	14981.47
Expenditure			
Material, Manufacturing and Others	11	16628.87	11706.29
Personnel Cost	12	454.12	319.83
Administrative and Selling Expenses	13	418.21	416.87
Interest & Other Financial Charges	14	618.42	668.97
Miscellaneous Expenditure Written off	8	43.90	45.00
Depreciation / Amortisation	15	460.67	364.40
Forex (Gain) / Loss		(91.06)	(71.36)
Profit before Extraordinary Items		488.50	1531.47
Loss on Sale of Investment / Asset		0.81	0.00
Profit before Tax		487.69	1531.47
less: Provision for Current Tax		185.00	435.00
less: Provison for Deffered Tax Liability / (Assets)		37.37	95.55
less: Provison for Fringe Benefit Tax		0.00	(0.47)
Profit after Taxation		265.32	1001.39
Profit brought forward		1601.98	972.08
Amount available for Appropriation		1867.30	1973.47
Appropriation			
less: Dividend (incl Dividend Tax)		0.00	70.80
less: Amount Utilised for Bonus Shares		0.00	300.69
Profit transferred to Balance Sheet		1867.30	1601.98
Earning Per Share [Refer Note No.17 of Schedule 16 (2)]			

As per our attached report of even date.

for **M/s Patil Hiran Jajoo & Co.**
Chartered Accountantsfor **Bedmutha Industries Limited**Aniruddha Jajoo
Partner
M.No. 103246
Firm Regd 120117WK R Bedmutha
ChairmanVijay K.Vedmutha
Managing DirectorPlace: Nashik
Date : 05.06.2011Ajay Vedmutha
Jt. Managing DirectorNilesh S.Amrutkar
Company Secretary



CASH FLOW STATEMENT FOR THE PERIOD ENDED 31ST MARCH , 2011.

(Rs. In Lacs)

Particulars	31/03/2011	31/03/2010
A CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit Before Tax	487.69	1,531.47
Adjustment For		
Add : Depreciation	460.67	364.40
Loss on Sale Of Investment	0.81	-
Miscellaneous Expenses written off	43.90	45.00
Interest & Financial charges (Net)	618.42	668.97
Dividend Income	(7.20)	(0.00)
Operating Profit Before Working Capital Changes	1,604.29	2,609.84
Adjustment for working capital changes		
Taxes Paid	(364.70)	(468.93)
(Increase) / Decrease in Trade & Other Receivables	(289.17)	(1,203.61)
(Increase) / Decrease in Other Current Assets	(198.74)	(416.68)
(Increase)/Decrease in Misc Exp Assets	(714.32)	(194.98)
Increase / (Decrease) in Trade Payable	(114.62)	2,369.30
Increase/(Decrease in Outstanding Expenses	45.57	53.03
(Increase) / Decrease in Loans and Advances	(522.48)	(1,374.02)
(Increase) / Decrease in Inventories	(170.60)	(2,512.84)
Working capital changes	(2,329.06)	(3,748.73)
Net Cash used / generated for / from Operations	(724.77)	(1,138.89)
B CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets / Capital Work In Progress	(3,228.51)	(1,609.35)
Investments made	(2,033.05)	(194.88)
Sale of Investment	1,999.19	2.96
Dividend Income	7.20	0.00
Net Cash used in Investing Activities	(3,255.17)	(1,801.27)
C CASH FLOW FROM FINANCING ACTIVITIES		
Increase/ (Decrease)Proceeds from Long Term Borrowings	(2,834.86)	687.29
Proceeds form Short Term Borrowings	(1,000.68)	2,646.72
Increase/ (Decrease)Proceeds form Unsecured Borrowings	(12.22)	138.46
Interest & Financial charges (Net)	(618.42)	(668.97)
Proceed from Issue of Equity Shares	900.42	2.47
Dividend Paid + Taxes	0.00	(105.25)
Share Premium received on Issue of Equity Shares	8,283.87	4.12
Capital Incentive	0.00	15.00
Net Cash generated from other sources	4,718.11	2,719.84
Net Increase/(Decrease) in Cash & Cash Equivalents (A)+(B)+(C)	738.17	(220.32)
Cash & Cash Equivalents - Opening Balance	463.13	683.45
Cash & Cash Equivalents - Closing Balance	1,201.30	463.13
Summary		
A) CASH FLOW FROM OPERATING ACTIVITIES	(724.77)	(1,138.89)
B) CASH FLOW FROM INVESTING ACTIVITIES	(3,255.17)	(1,801.27)
C) CASH FLOW FROM FINANCING ACTIVITIES	4,718.11	2,719.84
Net Increase/(Decrease) in Cash & Cash Equivalents (A)+(B)+(C)	738.17	(220.32)

As per our attached report of even date.

for **M/s Patil Hiran Jajoo & Co.**
Chartered Accountants

for **Bedmutha Industries Limited**

Aniruddha Jajoo
Partner
M.No. 103246
Firm Regd 120117W

K R Bedmutha
Chairman

Vijay K.Vedmutha
Managing Director

Place: Nashik
Date : 05.06.2011

Ajay Vedmutha
Jt. Managing Director

Nilesh S.Amrutkar
Company Secretary

BEDMUTHA INDUSTRIES LIMITED**SCHEDULES TO THE ACCOUNTS**

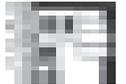
(Rs. In Lacs)

	As at 31 st March 2011	As at 31 st March 2010
SCHEDULE - 1		
SHARE CAPITAL		
Authorised Equity Capital	2,500.00	2,500.00
[25000000 Equity Shares Of Rs 10 Each]		
[25000000 Equity Shares Of Rs 10 Each For Previous Year]		
Issued, Subscribed and Paid up Capital		
[2,10,31,611 Equity Shares Of Rs. 10 Each]	2,103.16	1,202.74
[1,20,27,400 Equity Shares Of Rs. 10 Each For Previous Year]		
[Refer Note No.1 of Schedule 16(2)]		
	2,103.16	1,202.74
SCHEDULE - 2		
RESERVES & SURPLUS		
Surplus being balance in Profit & Loss Account	1,867.30	1,601.98
Revaluation Reserve	18.89	28.39
Share Premium Account	8,287.99	4.12
Capital Reserve	44.17	55.00
Add : Special Incentative Scheme	0.00	15.00
Less : On Amalgamation	0.00	25.83
	44.17	44.17
	10,218.35	1,678.66
SCHEDULE - 3		
LOAN FUNDS		
(a) Secured Loans		
I Long Term Loan [Refer Note No.2 of Schedule 16(2)]	1,236.86	1,633.60
II Short Term Loan [Refer Note No.2 of Schedule 16(2)]	0.00	1,000.68
III Working Capital Loans [Refer Note No.2 of Schedule 16(2)]	2,077.14	4,515.26
	3,314.00	7,149.54
(b) Unsecured Loans		
WMDC / DIC	1,024.73	964.05
Banks & Financial Institutions	11.38	84.28
Others	9.00	9.00
	1,045.11	1,057.33

SCHEDULE - 4
FIXED ASSETS

(Rs. in Lacs)

Description of Asset	Gross Block (At Cost)					Depreciation					Net Block	
	As at 1 st April 2010	Revalued Asset on Amalgamation	Addition	Deductions / Adjustment	As at 31 st March 2011	As at 1 st April 2010	On Revaluation	For the Year	Deduction	As at 31 st March 2011	As at 31 st March 2011	As at 31 st March 2010
(I) Intangible Fixed Assets												
Goodwill	86.51	0.00	0.00	0.00	86.51	25.95	0.00	8.65	0.00	34.60	51.91	60.56
(II) Tangible Fixed Assets												
Land	140.68	12.23	2,279.51	0.00	2,420.19	0.00	0.00	0.00	0.00	0.00	2,420.19	140.68
Factory Buildings	1,159.03	33.62	298.09	0.00	1,457.12	202.31	1.12	40.37	0.00	242.68	1,214.44	956.52
Plant & Machinery	3,552.09	81.01	423.39	0.00	3,975.48	1,515.52	8.03	378.31	0.00	1,893.83	2,081.65	2,036.77
Furniture & Fixtures	24.52	0.00	45.01	0.00	69.53	10.51	0.00	2.56	0.00	13.07	56.46	13.64
Office Equipment	29.49	0.00	10.73	0.00	40.22	21.22	0.00	3.35	0.00	24.57	15.65	8.64
Vehicles	91.66	0.00	7.14	0.00	98.80	34.61	0.00	9.53	0.00	44.14	54.66	57.05
Computer Equipment	30.94	0.00	8.76	0.00	39.70	5.93	0.00	5.57	0.00	11.50	28.20	25.01
Electrical Installations	228.66	0.00	49.36	0.00	278.02	170.08	0.35	21.98	0.00	192.06	85.96	58.57
(I + II)	5,343.58	126.87	3,121.99	0.00	8,465.57	1,986.13	9.50	470.32	0.00	2,456.45	6,009.12	3,357.45
(III) Capital Work-in-progress	252.35	0.00	352.68	246.17	338.87	0.00	0.00	0.00	0.00	0.00	358.86	252.35
Previous Year	4,012.41	126.87	1,360.01	28.85	5,343.57	1,612.23		369.56	5.17	1,986.12	3,357.45	2400.18



BEDMUTHA INDUSTRIES LIMITED

SCHEDULES TO THE ACCOUNTS

(Rs. In Lacs)

	As at 31 st March 2011	As at 31 st March 2010
SCHEDULE - 5		
INVESTMENTS		
Trade Invesments (unquoted)		
Subsidiary Company		
Kamalasha Infrastruture & Engineering Pvt.Ltd. (542000 Shares @ Rs. 10/-) (Previous year 542000 Shares @ Rs. 10/-)	51.21	51.21
Associates		
Ashoka Pre-con Private Ltd (355756 Shares @ Rs. 10/-) (Previous year 355756 Share @ Rs. 10/-)	140.83	140.83
Other Companies		
Jenil Steel Pvt. Ltd.(1 Share @ Rs.10/-) (Previous year 1 Share @ Rs. 10/-)	0.00	0.00
	<u>192.04</u>	<u>192.04</u>
Others		
Government Securities & Others (unquoted)	0.70	0.10
Shares In Steel Chamber	0.01	0.01
Shares In Stice Sinnar	0.01	0.01
	<u>0.72</u>	<u>0.12</u>
Non Trade Invesments (unquoted)		
Investment in Co-Operatives Banks		
Sharamrao Vitthal Bank Shares	0.03	0.03
Saraswat Co-operative Bank	0.05	0.05
Nashik Merchants Co-op Bank	0.36	0.36
	<u>0.44</u>	<u>0.44</u>
Share Application Money in		
Kamalasha Infrastructure & Engineering Pvt. Ltd.	1.06	1.06
Ashoka Precon Pvt Ltd.	25.00	-
	<u>26.06</u>	<u>1.06</u>

INVESTMENT IN MUTUAL FUND (UNQUOTED UNLESS OTHERWISE STATED)

(Rs. In Lacs)

Name of Mutual Fund	Balance As at 01.04.2010		Purchase during the year		Sold during the year		Balance As at 31.3.2011		
	No. of Units	Amount	No. of Units	Amount	No. of Units	Amount	No. of Units	Market Value	Cost Value
Birla Sun Life Dividend Yield Plus Growth Fund	-	-	485.52	0.40	-	-	485.520	0.41	0.40
Franklin India Blue Chip Growth Fund	627.871	0.90	84.889	0.18	-	-	712.760	1.56	1.08
Franklin India Opportunity Growth Fund	3564.731	0.90	81.569	0.03	-	-	3646.300	1.16	0.93
Franklin India Prima Plus Growth Fund	586.078	0.90	80.992	0.18	-	-	667.070	1.49	1.08
Franklin India Prima Plus Growth Fund-New	-	-	184.623	0.40	-	-	184.623	0.41	0.40
HDFC Prudence Growth Fund	683.373	0.88	278.147	0.58	-	-	961.520	2.06	1.45
HDFC-Top-200 Growth Fund	668.317	0.88	278.283	0.58	-	-	946.600	2.04	1.45
ICICI Prudential Flexi Growth Fund	-	2.00	-	-	-	-	-	2.00	2.00
ICICI Prudential Life Insurance	-	-	-	1.00	-	-	-	1.00	1.00
ICICI Prudential Discovery Growth Fund	-	-	840.55	0.40	-	-	840.550	0.40	0.40
IDFC Premier Equity Plan A Growth Fund	-	-	1282.39	0.40	-	-	1282.390	0.40	0.40
Principal Pnb Long Term Equity Fund	50000	5.00	-	-	-	-	50000	5.15	5.00
Principal Large Cap Fund-Dividend Plan	-	-	4945.598	1.00	-	-	4945.598	0.98	1.00
Reliance Equity Opportunity Growth Fund	4146.9	0.85	1455.34	0.50	-	-	5602.240	2.00	1.35
Reliance Regular Saving Equity Growth Fund	-	-	1332.41	0.40	-	-	1332.410	0.40	0.40
Reliance Infrastructure Growth Fund	4792.176	0.47	-	-	-	-	4792.176	0.44	0.47
IDFC Mutual Growth Fund	10000.000	1.00	-	-	-	-	10000.000	1.66	1.00
SBI Magnum Contra Growth Fund	2105.816	0.90	295.724	0.18	-	-	2401.540	1.34	1.08
SBI Magnum Global Growth Fund	2299.576	0.88	314.684	0.18	-	-	2614.260	1.40	1.05
Sunderam BNP Paribas Select Midcap Growth Fund	925.729	0.88	391.541	0.58	-	-	1317.270	1.92	1.45
Fidelity Equity Fund	2,000.00	0.20	-	-	-	-	2000.000	0.20	0.20
Reliance Growth Fund	273.299	0.85	21.601	0.10	-	-	294.900	1.35	0.95
Franklin Asian Equity Growth Fund	1955.990	0.20	-	-	-	-	1955.990	0.22	0.20
Franklin India Bluechip Growth Fund	107.740	0.20	-	-	-	-	107.740	0.23	0.20
Franklin India Prima Plus Growth Fund	98.385	0.20	-	-	-	-	98.385	0.22	0.20
UTI Master Value Growth Fund	-	-	774.35	0.40	-	-	774.350	0.41	0.40
UTI Infrastructure Advantage Growth Fund	5,000	0.50	-	-	-	-	5,000	0.44	0.50
Birla Sun Life Cash Manager	-	-	10034688.31	1,400.20	10,034,688	1,403.77	-	-	-
Birla Sun Life Cash Plus	-	-	13974734.4	1,400.00	13,974,734	1,400.20	-	-	-
Birla Sun Life Dynamic Bond Fund	-	-	1883771.31	300.00	1,883,771	299.19	-	-	-
ICICI Prudential Flexible Income Plan	-	-	473438.351	500.07	473,438	500.59	-	-	-
ICICI Prudential Floating Rate Plan D	-	-	503012.831	500.59	503,012.8	503.13	-	-	-
ICICI Prudential Liquid Super Institutional Plan	-	-	699867.81	700.00	699,868	700.10	-	-	-
UTI Treasury Advantage Fund	-	-	10016.654	100.00	10,016.65	100.19	-	-	-
		18.59		4,908.31		4,907.17		31.30	26.04



BEDMUTHA INDUSTRIES LIMITED

SCHEDULES TO THE ACCOUNTS

(Rs. In Lacs)

	As at 31 st March 2011	As at 31 st March 2010
SCHEDULE - 6		
CURRENT ASSETS, LOANS AND ADVANCES		
(a) Inventories (As taken, valued and certified by the management)		
Raw Material	1,062.15	1,744.80
Finished Goods	611.02	334.42
Trading Stock	123.69	123.68
Consumables	281.38	103.40
Work-in-Progress	2,217.17	1,818.51
	4,295.41	4,124.81
(b) Sundry Debtors (Unsecured and Considered Good)		
i) Below Six Months	3,436.70	3,082.93
ii) Above Six Months	221.82	286.42
	3,658.52	3,369.35
(c) Cash And Bank Balances		
Cash In Hand	41.65	21.49
Balance in Bank		
In Current Account with Scheduled Bank	503.85	21.66
Fixed Deposit with Banks and Accrued Interest thereon	685.61	612.64
	1,231.11	655.79
(d) Other Current Assets		
Sundry Deposits	696.70	625.60
Receivables from statutes and others	261.90	137.98
Tax Deducted at Sources	43.56	32.94
Advance Tax	100.00	250.00
Prepaid Expenses	5.30	1.74
	1,107.46	1,048.26
(e) Loans and Advances (Unsecured and Considered Good)		
Other Advances	1,405.09	214.46
Advance For Raw Materials	125.40	1,741.27
Advances For Expenses	32.54	23.85
Advances For Fixed Assets	1,300.12	361.09
	2,863.15	2,340.67
	13,155.65	11,538.88



SCHEDULES TO THE ACCOUNTS

(Rs. In Lacs)

	As at 31 st March 2011	As at 31 st March 2010
SCHEDULE - 7		
CURRENT LIABILITIES		
Advances From Customers	36.01	54.40
Creditors Raw Material	2,812.40	2,845.60
Creditors For Expenses	204.63	184.26
Creditors For Fixed Assets	136.70	244.08
Other Advances	36.33	12.35
Outstanding Expenses	175.18	129.61
Credit Balance in Current Account	29.80	192.65
	<u>3,431.05</u>	<u>3,662.95</u>
Provisions	<u>188.43</u>	<u>507.82</u>
	<u>3,619.48</u>	<u>4,170.77</u>
SCHEDULE - 8		
MISCELLANEOUS EXPENSES		
Deferred Revenue Expenses		
Opening	108.23	63.66
Add : Addition during the year	-	89.41
Less : Written off during the year	43.90	44.84
Closing - (A)	64.33	108.23
Pre Operative Expenses		
Opening	67.60	-
Add : Addition during the year	357.39	67.60
Less : Written off during the year	-	-
Closing - (B)	424.99	67.60
Issue Expenses		
Opening	37.97	-
Add : Addition during the year	356.93	37.97
Less : Written off during the year	-	-
Closing - (C)	394.90	37.97
Preliminary Expenses		
Opening	-	0.16
Add : Addition during the year	-	-
Less : Written off during the year	-	0.16
Closing - (D)	-	-
Total (A + B + C + D)	<u>884.22</u>	<u>213.80</u>

BEDMUTHA INDUSTRIES LIMITED**SCHEDULES TO THE ACCOUNTS**

(Rs. In Lacs)

	Year ended on 31 st March 2011	Year ended on 31 st March 2010
SCHEDULE - 9		
SALES AND OPERATION INCOME		
Manufacturing Sales	17,450.29	13,464.59
Trading Sales	1,101.90	1,094.84
Professional Receipts [TDS Rs.11.51 lacs] [Previous Year TDS Rs. 17.78 lacs]	100.76	145.99
Other Sales	20.21	69.14
Scrap Sales	283.21	132.89
Excise Duty / Service Tax and others	1,936.92	1,820.47
Carriage Outward On Sales	18.14	42.92
	<u>20,911.43</u>	<u>16,770.84</u>
SCHEDULE - 10		
OTHER INCOME		
Miscellaneous Receipts	11.88	17.13
Corporate Gaurantee Receipts [TDS Rs. 1.55 lacs]	28.04	13.97
Dividend Receipt	7.20	0.00
	<u>47.12</u>	<u>31.10</u>
SCHEDULE - 11		
MATERIAL, MANUFACTURING AND OTHERS		
Raw Material Consumed	14,681.18	10,615.65
Goods Traded	1,039.13	1,026.74
Other Consumables	129.89	189.39
Job Work	239.83	140.60
Packing Material	81.66	67.78
Power & Fuel	1,052.02	792.98
Other Manufacturing Expenses	26.86	31.16
Repairs & Maintainance	53.56	44.10
Total - A	<u>17,304.13</u>	<u>12,908.40</u>
(INCREASE) / DECREASE IN STOCK		
Opening Stock		
Finished Goods	334.42	204.34
Work in Progress	1,818.51	746.48
Total - B	<u>2,152.93</u>	<u>950.82</u>
Closing Stock		
Finished Goods	611.02	334.42
Work in Progress	2,217.17	1,818.51
Total - C	<u>2,828.19</u>	<u>2,152.93</u>
(Increase) / Decrease in Stock - D (B - C)	<u>(675.26)</u>	<u>(1,202.11)</u>
Grand Total (A + D)	<u>16,628.87</u>	<u>11,706.29</u>



SCHEDULES TO THE ACCOUNTS

(Rs. In Lacs)

	Year ended on 31 st March 2011	Year ended on 31 st March 2010
SCHEDULE - 12		
PERSONNEL		
Salary	318.34	245.76
Directors Remuneration	44.46	43.74
Workmen and Staff Welfare	46.40	22.23
Contribution to Provident Fund and Others	44.92	8.10
	454.12	319.83
SCHEDULE - 13		
SELLING & ADMINISTRATION EXPENSES		
Audit Fees	3.00	3.24
Insurance Premium	9.75	6.26
Legal & Statutory Expenses	11.10	16.93
Office Exp	3.40	3.10
Other Expenses	24.08	19.57
Postage & Telegram	1.77	1.35
Printing & Stationery	9.34	6.11
Professional Charges	48.02	19.26
Rent Expenses	5.36	6.37
Sales Expenses	274.44	308.93
Security Charges	17.26	16.31
Telephone Charges	9.62	9.20
Testing Expenses	1.07	0.24
	418.21	416.87
SCHEDULE - 14		
INTEREST & FINANCIAL CHARGES		
Interest On		
Fixed Loans	231.01	116.06
Working Capital	444.33	402.60
Bank Charges & Others	172.40	202.97
Total - A	847.74	721.63
Less : Interest received on		
Deposits [TDS Rs. 2.81 lacs]	38.77	38.33
[Previous Year TDS Rs. 0.99 lacs]		
Others [TDS Rs. 26.07 lacs]	190.55	14.33
[Previous Year TDS Rs. 12.77 lacs]		
Total - B	229.32	52.66
Grand Total (A - B)	618.42	668.97
SCHEDULE - 15		
DEPRECIATION		
Depreciation on Fixed Asset	470.32	373.90
Less : Amount transferred from Revaluation Reserve	9.50	9.50
Less : Amount transferred to Pre-operative expenses	0.15	0.00
	460.67	364.40

NOTES FORMING PART OF THE ACCOUNTS

Schedule - 16

1. Significant Accounting Policies

a. Basis of Accounting

The Financial statements of the company have been prepared under the historical cost convention on an accrual basis, in accordance with applicable Accounting Standards and relevant provisions of Companies Act, 1956.

b. Use of Estimates

The presentation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known.

c. Fixed Assets

Fixed Assets (including Capital Work in Progress) are recorded at the cost of acquisition or construction, net of tax credit wherever eligible. Cost includes all expenses related to acquisition or construction, including attributable borrowing cost on qualifying assets.

d. Expenditure during Construction Period

In case of new projects and in case of substantial modernization / expansion at existing units of the company, all pre-operative expenditure specifically for the project, incurred up to the date of completion, is capitalized and added pro-rata to the cost of fixed assets.

e. Depreciation

- i Depreciation on Fixed Assets is provided on Straight Line Method at the rates and in the manner specified in Schedule XIV to the Companies Act, 1956.
- ii Depreciation on addition to the Fixed Asset or on sale/discardment is calculated pro rata from the date of such addition or up to the date of such sale/discardment, as the case may be;
- iii Cost of Leasehold land is not amortised and is shown at cost.
- iv The charge over and above the depreciation calculated on the original cost of the revalued assets is transferred from Revaluation Reserve to Depreciation Account (Profit & Loss Account)

f. Intangible Assets

Intangible Assets are stated at cost of acquisition less amortization. Goodwill is amortised at ten percent on Straight Line Method.

g. Investments

- i Investment are classified as investments in Subsidiaries (valued at cost), Associates (valued at cost) within the meaning of Accounting Standard 13 "Accounting for Investments".
- ii Investments are recorded as Long Term Investments unless they are expected to be sold within one year.
- iii Investments are stated at cost in accordance with Accounting Standard 13 on "Accounting for Investments". Provision for diminution is made to recognize a decline, other than temporary, in the value of such investments. & Accounting Standard 23 on "Investment in Associates".

h. Inventories

- i Inventories of Raw Material, Work in Progress, Finished Goods (including Goods for Trade) are valued 'at cost or net realizable value' whichever is lower. Scrap is valued at net realizable value as per the assessment of the Management.
- ii Major Consumables (Stores & Spares) like LDO, lead, dies etc are valued at cost and other minor Consumables (Stores & Spares) are written off in the year of purchase.
- iii Cost comprises all cost of purchase, appropriate direct production overheads and other costs incurred in bringing the inventories to their present location and condition. For the purpose of valuation of closing stock, FIFO method is being used as prescribed by Accounting Standard 2.



i. Revenue Recognition

- i** Sale of goods is recognized on transfer of significant risks and rewards of ownership which is generally on the dispatch of goods. Gross sales are inclusive of excise duty, service tax, value added tax, but are net of sales returns.
- iii** Income from Services is recognized when on completion of services or part completion of the assignment as per Contract.
- iii** Revenue / Income and Cost / Expenses are generally accounted on accrual as they are earned or accrued or incurred, except in case of significant uncertainties.
- iv** Dividend income is recognized when the right to receive the same is established.

j. Borrowing Costs

Borrowing costs attributable to the acquisition or construction of qualifying assets, as defined in Accounting Standard 16 on "Borrowing Costs" are capitalized as part of such assets up to the date when the asset is ready for its intended use. Other borrowing costs are expensed as incurred.

k. Employees Benefit

Post Employment / Retirement Benefits - The liability for Gratuity benefits, on the basis of amounts contributed to LIC's Group Gratuity Policy and the difference between the amounts paid on retirement and recovered from LIC, is charged to Profit & Loss Account. Employer's Contribution to Provident Fund is debited to Profit & Loss Account.

l. Foreign Currency Transactions

- i.** Foreign currency transactions are recorded at the rates of exchange prevailing on the date of the transactions.
- ii.** Monetary Foreign Currency assets and liabilities (monetary items) are reported at the exchange rate prevailing on the balance sheet date.
- iii.** Exchange difference relating to long term monetary items, arising during the year, in so far as they relate to the acquisition of depreciable capital assets are added to / deducted from the cost of the asset and depreciated over the balance life of the asset.
- iv.** All other exchange difference are dealt with in profit and loss account.

m. Provision for current tax and deferred tax

- i** Provision for income tax is made on the basis of estimated taxable income. Advance Tax and Tax Deducted at Source (TDS) are shown in the balance sheet under head Loans and advances during the year and in subsequent years the Advance Tax & TDS are adjusted against Provision for Tax. The net effect has shown under Provision for Tax.
- ii** The deferred tax assets and deferred tax liabilities is calculated by applying tax rate and tax laws that have been enacted or substantively enacted by the balance sheet date.

n. Earnings Per Share

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

o. Cash Flow Statement

The cash flow statement is prepared by the "indirect method" set out in Accounting Standard 3 on "Cash Flow Statement" and presents the cash flows by operating, investing and financing activities of the company.

Cash and Cash equivalents presented in the Cash Flow Statement consist of cash on hand and cash at bank.

p. Issue Expenses

The expenses incurred for Initial Public Offer "IPO" is not written off and same has been shown as IPO expenses under the head Miscellaneous Expenses. The IPO Expenses will be written off after the completion of the project, as per Accounting Standard 26 "Intangible Assets".

BEDMUTHA INDUSTRIES LIMITED

2 Notes to Accounts.

1. Share Capital

- i 2,211 Equity Shares of Rs. 100 each fully paid were allotted to Vijay Vedmutha against purchase of Plant and Machinery on 25th February 1993.
- ii 75,000 Equity Shares of Rs. 10 each were issued as Bonus Shares in ratio of 3 : 1 on 27th March 1997.
- iii Company has subdivided the Equity Shares of Rs. 100 each into Equity Shares of Rs. 10 each on 1st September 1998
- iv 16,43,768 Equity Shares of Rs 10 were allotted to Vijay Vedmutha against takeover of Kamal Wire Drawings (Proprietor Mr. Vijay Vedmutha) on 1st October 1998.
- v 50,000 Equity Shares of Rs. 10 each were allotted to Ajay Vedmutha for takeover of Testing Engineering and Associates (Proprietor Mr. Ajay Vedmutha) on 1st April 2000.
- vi 33,49,488 Equity Shares of Rs. 10 each fully paid were issued as Bonus Shares in ratio of 1 : 1 on 19th March 2008.
- vii 22,96,862 Equity Shares of Rs. 10 each fully paid up issued on 5th December 2008, to Shareholders of Shriram Wire Private Limited, Kamdhenu Wire Private Limited and Ajay Wire Products Private Limited pursuant to Scheme of amalgamation.
- viii 30,06,850 Equity Shares of Rs. 10 each fully paid were issued as Bonus Shares in ratio of 1:3 on 31st October 2009.

2. Secured Loans

- i Term loans are secured by first pari-passu / equitable mortgage on entire block of assets of the company situated at Bedmutha Industries Limited Plant 1, A 32-35 & 57, STICE, Sinnar, Nashik 422103, Bedmutha Industries Limited Plant 2, A 70-72, STICE, Sinnar, Nashik 422 103, Bedmutha Industries Limited Plant 3, B113, STICE, Sinnar, Nashik 422103, Bedmutha Industries Limited Plant 4, B 140, STICE, Sinnar, Nashik 422 103, and the personal guarantee of Directors, Mr. Vijay Vedmutha, Mr. Ajay Vedmutha and Guarantor Mrs. Vinita Vedmutha and Mrs. Usha Vedmutha.
- ii Working Capital loans are secured by way of hypothecation of Current Assets and extension of second pari passu charge on the movable and non-movable fixed assets excluding windmill and vehicles charged to other banks.
- iii Vehicle Loans are secured by the way of hypothecation of Vehicle purchased thereunder.

3. Contingent liabilities not provided for in respect of

(Rs. in Lacs)

Particular	For the year ended	
	31st March, 2011	31st March, 2010
Counter Guarantees given against Bank Guarantees.	202.29	25.18
Corporate Guarantee given on behalf of Subsidiary Company, Kamalasha Infrastructure & Engineering Pvt. Ltd.	2,793.00	2,793.00
Corporate Guarantee given on behalf of Associate Company, Ashoka Pre-con Private Ltd.	450.80	450.80
Income Tax Department- Tax Deducted at Sources, Nashik (A.Y. 2008-09)	0.70	-
Income Tax Department, Nashik (A.Y. 2004-05)	27.33	-
Custom Excise & Service Tax Appellate Tribunal, Bombay (A.Y.2004-2005)	84.17	84.17



4. Claims Outstanding with Banks

Following claims to the tune of Rs. 6.59 lacs were made by the company which are still outstanding as on the last day of the balance sheet.

Name of Bank		Excess Interest Charged by bank
a	Bank Of India Nashik	2.70
b	Bank Of India Pune	1.51
c	Bank Of India Mulund	0.26
d	Andhra Bank Nashik	0.02
e	Andhra Bank Mulund	0.13
f	Andhra Bank Pune	0.42
g	Punjab National Bank Pune	1.55
Total		6.59

5. Remuneration Paid to Directors

(Rs. in Lacs)

Particular	For the Year Ended	
	31/3/2011	31/3/2010
Mr. Vijay Vedmutha	23.57	14.77
Mr. Ajay Vedmutha	23.39	14.59
Mr. K. R. Bedmutha	22.60	8.78
Mrs. Usha Vedmutha	Not Applicable	5.60

** figures includes perquisites given to directors, contribution to Provident Fund etc.

6. Auditors Remuneration

(Rs. in Lacs)

Particular	For the Year Ended	
	31/03/2011	31/03/2010
Statutory & Tax Audit Fees	3.31	2.21
Consultation & Certification	1.13	3.20

7. Based on the information available with the company in respect of MSME (as defined in the Micro Small & Medium Enterprise Development Act, 2006) there are no delays in payment of dues to such enterprises during the year. The above information regarding Micro Small & Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the company. This has been relied upon by the auditors.

8. Employees Benefit

During the period company paid premium of Rs 4.50 lacs towards group gratuity for the period 2010-11 Rs. 4,50,452/-

9. Accounting Standards

The company has in general followed the accounting standards by the institute of the Chartered Accountants of India.

BEDMUTHA INDUSTRIES LIMITED

10. Related Party Transactions (As required by Accounting Standard AS-18 “ Related Parties Disclosure”)

I) List of Related Parties and Relationship (As identified by the Management)

- (a) **Key Managerial Personnel** :- Mr. K R Bedmutha, Chairman
Mr. Vijay K. Vedmutha, M. D.
Mr. Ajay K. Vedmutha, J. M. D.
- (b) **Relatives of Key Management** :- Mrs. Usha Vedmutha
Mrs. Vinita A. Vedmutha
- (c) **Enterprises over which Key Management Personnel and their relatives exercise significant influence with whom transactions have been taken place during the year** :- Bedmutha Sons Reality Ventures Private Limited
Bedmutha Agro Farms
Kamal Wire Products
K.R. Bedmutha Techno Associates Private Limited
Elme Plast Co.
Kreepa Steel Industries
Usha Chemicals
- (d) **Associates** :- Ashoka Pre-con Private Limited (49%)
- (e) **Subsidiary Company** :- Kamalasha Infrastructure & Engineering Private Limited (54.75%)

II) Transactions

(Rs. In Lacs)

Description	31 st March, 2011			31 st March, 2010		
	Associates / Subsidiary	Key Managerial Personnels	Enterprise Controlled by Key Managerial Personnels & their relatives	Associates/ subsidiary	Key Managerial Personnels	Enterprise Controlled by Key Managerial Personnels & their relatives
Purchase of goods/Services	-	-	13.77	0.00	0.00	10.95
Sales of goods / Services	175.32	-	424.86	214.86	214.86	214.86
Interest Received	82.42	-	-	-	-	10.71
Corporate Guarantee Receipts	14.04	-	14.00	-	-	13.97
Remuneration paid	-	66.42	-	-	38.14	-
Rent paid	-	3.45	-	-	3.03	1.62
Advance given for Fixed Assets	280.00	-	342.51	-	-	352.80
Advance Given	241.00	-	91.33	100.00	-	75.43
Amount paid against Share Application Money	26.06	-	-	1.06	-	-
Trade Receivables	20.15	-	71.25	88.43	-	197.78
Trade Payables	-	-	3.42	-	-	3.81



11. The details of the utilization of IPO proceeds i.e. of Rs. 9184.30 lakhs as on March 31st, 2011 is as follows :

Particulars of Fund Utilization for	Actual Utilization	Amount to be utilized as per prospectus
Expansion Project	1986.87	8494.4
General Corporate Purpose	—	175
Share Issue Expenses	394.9	542
Total	2381.77	9211.4
Advances given for capital expenditure	1290.19	
Total (including Advances)	3671.96	

As on March 31, 2011, unutilized funds of the IPO proceeds amounting to Rs. 6802.53 lakhs have been temporarily invested in companies Cash credit account and interest bearing ICDs' and given advance to parties for purchase of fixed asset.

III) Disclosure as required by clause 32 of the Listing Agreement with Stock Exchanges. (Rs. In Lacs)

Name of Concern	Type of relationship	Amount Outstanding as on 31.03.2011	Maximum Amount Outstanding
Advance given for Fixed Assets			
Kamalasha Infrastructure & Engineering Pvt. Ltd.	Subsidiary	280.00	280.00
Elme Plast Co.	Director is partner	342.51	342.51
Advance given for Expenses			
Usha Chemicals	Director's wife is proprietor	0.27	0.75
Loans & advances			
K R Bedmutha Techno Associates Pvt. Ltd.	Director's wife is Director	91.33	91.33
Kamalasha Infrastructure & Engineering Pvt. Ltd.	Subsidiary	241.00	1,541.00

12. Deferred Tax Liabilities / (Assets)

In accordance with Accounting Standard 22 " Accounting for Taxes on Income " the company has accounted for Deferred Taxes during the year Following are the components of Deferred Tax (Rs. In Lacs)

Deferred Tax Liability	For the Year Ended	
	31.03.2011	31.03.2010
Difference between book & Tax depreciation	338.14	330.84
Deferred Revenue Written Off	14.92	15.24
Total (A)	353.06	346.08
Deferred Tax Assets		
Expenses allowed on payment basis	-	30.39
Total (B)	-	30.39
Deferred Tax Liability /(Assets) (Net) Total (A) – (B)	353.06	315.69

BEDMUTHA INDUSTRIES LIMITED

13. Details of Licensed and Installed Capacities

Quantitative information in respect of goods manufactured and sold. (As certified by the Management)

Sr.No.	Particulars	31 st March, 2011	31 st March, 2010
A)	Licensed Capacity	N. A.	N.A.
B)	<u>Installed Capacity (in Metric Ton)</u>		
	Wire Drawing & Stranding	#60000	60000
	Galavanised Section	@33550	**26050
C)	<u>Actual Production (in Metric Ton)</u>		
	Wire Drawing & Stranding*	41005	33872
	Galvanized Section*	27410	25549

*' the production figures includes the captive consumption and job work.

#' Installed capacity of wire drawing i.e. 60000 MT is arrived by assuming maximum sizes of wire which the machines can produce. However during the year 2010-11, the sizes of the wire produced were of thinner sizes. The installed capacity of the plant based on average sizes drawn during the year is 46707 MT, hence the capacity utilisation of the plant during the year 2010-11 is 88%

@' Installed capacity of Galvanised wire i.e. 33550 MT is arrived by assuming maximum sizes of wire which the machines can produce. However during the year 2010-11, the sizes of the wire galvanised were of thinner sizes. The installed capacity of the plant based on average sizes drawn during the year is 30800 MT, hence the capacity utilisation of the plant during the year 2010-11 is 89%

***' GP 5 added to Galvanised Section in March 2010, with production capacity of 750 MT per month.

Quantitative details :-

Sr. No	Particulars	Year	Manufactured Goods		Traded Goods		By Product		Total	
			Qty M.T.	Value Rs. In Lacs	Qty M.T.	Value Rs. In Lacs	Qty M.T.	Value Rs. In Lacs	Qty M.T.	Value Rs. In Lacs
1	Opening Stock	31/03/11	795.171	333.41	18.020	6.09	4.754	1.01	817.945	340.51
		31/03/10	521.642	222.03	202.344	45.02	2.934	0.50	726.920	267.55
2a	Purchases	31/03/11	37251.310	11926.55	3094.551	917.43	-	-	40345.861	12843.98
		31/03/10	38322.658	10432.97	3853.85	969.56	-	-	42176.508	11402.53
2b	Production	31/03/11	40205.407	-	-	-	799.167	-	41004.574	-
		31/03/10	32138.001	-	-	-	597.050	-	32735.051	-
3	Turnover	31/03/11	39810.100	17450.17	3094.551	1101.90	801.120	142.52	43705.771	18694.59
		31/03/10	31864.472	13411.50	4038.174	1094.84	595.230	77.09	36497.876	14583.43
4	Closing Stock	31/03/11	1190.478	610.41	18.020	6.09	2.801	0.61	1211.299	617.10
		31/03/10	795.171	333.41	18.020	6.09	4.754	1.01	817.945	340.51

14. i. VALUE OF IMPORTS ON C.I.F. BASIS :- (Rs. In Lacs)

Particulars	For the year ending	
	31.03.2011	31.03.2010
Raw Material	4,238.75	4,163.36
Plant & Machinery	4.29	-
Total	4,243.04	4,163.36

ii. EXPENSES INCURRED IN FOREIGN CURRENCY :- (Rs. In Lacs)

Particulars	For the year ending 31st March, 2011	For the year ending 31st March, 2010
Foreign Tour & Traveling	13.41	2.31



15. The Company is organized into two segments mainly:

- i. Wire & Wire Products
- ii. Consultancy **

(During the period 1st April 2010 to 31st March 2011, No significant revenue was generated in consultancy division, and hence the same is not reported.)

**As regards to the Consultancy / Contracting activities of the company are carried out in the name of K.R. Bedmutha & Techno Associates.

16. The company has some of its bank accounts in the name of Shriram Wire Private Limited, Kamdhenu Wire Private Limited and Ajay Wire Private Limited, these companies have been amalgamated to Bedmutha Industries Limited in Financial Year 2007-08.

17. Earnings Per Share

Particulars	For the year ending 31 st March, 2011	For the year ending 31 st March, 2010
Profit after Tax (Rs. in Lacs)	265.32	1,001.39
Number of Equity Shares	21,031,611	12,027,400
Weighted Average number of equity shares	16,138,852	12,022,999
Nominal Value per Share (in Rs.)	10	10
<i>Earnings per Share (Basic / Diluted)</i>	1.64	8.33

18. Previous year's figures have been re-grouped and re-arranged as and when necessary.

As per our attached report of even date.

for **M/s Patil Hiran Jajoo & Co.**
Chartered Accountants

for **Bedmutha Industries Limited**

Aniruddha Jajoo
Partner
M.No.103246
Firm Regd 120117W

K R Bedmutha
Chairman

Vijay K.Vedmutha
Managing Director

Place: Nashik
Date : 05.06.2011

Ajay Vedmutha
Jt. Managing Director

Nilesh S.Amrutkar
Company Secretary

BEDMUTHA INDUSTRIES LIMITED

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE AS PER SCHEDULE VI, PART IV OF THE COMPANIES ACT 1956 :

I. REGISTRATION DETAILS :	
Registration No.:	057863
State Code	11
Balance Sheet Date	31 st March 2011
II. CAPITAL RAISED DURING THE YEAR (Amount in Rs. Thousands)	
Public Issue	918400
Bonus Issue	-
Rights Issue	-
Private Placement	-
III. POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS (Amount in Rs. Thousands)	
Total Liabilities	1703369
Total Assets	1703369
SOURCES OF FUNDS	
Paid-up Capital	210316
Reserves & Surplus	1021835
Secured Loans	331400
Unsecured Loans	104511
Deferred Tax Liability	35306
APPLICATION OF FUNDS	
Net Fixed Assets	636799
Investments	24530
Net Current Assets	953617
Miscellaneous Expenditure	88422
Accumulated Losses	Nil
IV. PERFORMANCE OF THE COMPANY (Amount in Rs. Thousands)	
Turnover (including Other Income)	1902163
Total Expenditure	1853394
Profit before tax and exceptional item	48769
Profit after Tax	26532
Earnings per Share (in Rs.)	1.64
V. GENERIC NAMES OF PRINCIPAL PRODUCTS/SERVICES OF THE COMPANY	
Item Code No.	72172020
Product Description	G.I. WIRES
Item Code No.	72171010
Product Description	M.S. WIRES

For **BEDMUTHA INDUSTRIES LIMITED**

AJAY K.VEDMUTHA
(Joint Managing director)

VIJAY K.VEDMUTHA
(Managing Director)

Place: Nashik Date: 05.06.2011



STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956, RELATING TO SUBSIDIARY COMPANY

1. Name of the Company : **Kamalasha Infrastructure and Engineering Pvt. Ltd**
 2. Financial year of the Subsidiary Company: **31/03/2011**
 3. Holding Company interest : **54.75%**
- Total issued Capital of Subsidiary :-** **9,90,000** Equity Shares of _10/- each
- Interest of Holding Company :-** **542000** Equity Shares

The net aggregate amount of Profit / (Loss) of Subsidiary Company in so far as it concerns the Member of Holding Company;:

- (a) Dealt with in the accounts of Holding Company amounted to
 - i) For the Subsidiary's financial year 2010-11: **NIL**
 - ii) For the previous Financial years of the Subsidiary since it became Subsidiary of Holding Company.: **NIL**
- (b) Not dealt with in the accounts of Holding Company amounted to
 - i) For the Subsidiary's financial year 2010-11 : **NIL**
 - ii) For the previous Financial years of the Subsidiary since it became Subsidiary of Holding Company.Rs. **NIL**

Changes in the interest of Holding Company between the end of the Subsidiary's financial year ended on 31st March, 2011; **NIL**

Additional Information :- **NIL**

Place: Nashik

Date : 5th June, 2011

for **Bedmutha Industries Limited**

K R Bedmutha
Chairman

Vijay K.Vedmutha
Managing Director

Ajay K.Vedmutha
Jt.Managing Director

Annexure - B

Statement pursuant to approval of the Central Government under section 212(8) of the Companies Act, 1956 about the financial information of the Subsidiary Companies As at March 31, 2011

(Rs. in Lacs)

Name of the Subsidiary	Paid up Share Capital	Reserves	Assets	Liabilities	Investments	Turnover	PBT	PAT	Dividend
Kamalasha Infrastructure and Engineering Pvt. Ltd.	99.00	495.64	4870.86	4274.99	Nil	2735.81	428.64	285.33	Nil

Notes:

- 1) The Ministry of Corporate Affairs vide their circular No. 2/2011 has granted exemption to all companies from the applicability of the provisions of sub-section (1) of section 212 of the Companies Act, 1956.
- 2) The Company will make available the annual accounts of the subsidiary companies and related detailed information sought by the members of the company or its subsidiaries. Further, the annual accounts of the Subsidiary companies will also be kept for inspection by any member of the company or its subsidiary at the registered office of the company and that of the subsidiary companies concerned.



AUDITORS REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

To,
The Members,
Bedmutha Industries Limited.
Nashik.

1. We have audited the attached Consolidated Balance sheet of **Bedmutha Industries Limited (Consolidated with Kamalasha Engineering and Infrastructure Pvt. Ltd.)**, as at 31st March 2011, and the Profit and loss account & Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order to the extent applicable.
4. Further to our comments in the Annexure referred to above (3), we report that:
 - (a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - (c) The Consolidated Balance sheet, Profit and loss account & the Cash Flow statement dealt with by this report are in agreement with the books of accounts;
 - (d) In our opinion, the Consolidated Balance Sheet, Profit and Loss account dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956.
 - (e) In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - i. in the case of Consolidated Balance Sheet, of the state of affairs of the company as at 31st March 2011; and
 - ii. In the case of Consolidated Profit and Loss account, of the profit for the year ended on that date.
 - iii. In the case of Consolidated Cash Flow statement, of the cash flows for the year ended on that date.
5. On the basis of written representations received from directors, as on 31st March, 2011 and taken on record by the Board of Directors, we report that none of the director is disqualified as on 31st March, 2011 from being appointed as a director in terms of clause (g) sub section (1) of Section 274 of the Companies Act, 1956.

for M/s Patil Hiran Jajoo & Co.
Chartered Accountants

Aniruddha A. Jajoo
Partner
M.No.103246
Firm Regd.No.120117W

Nasik, 5th June 2011

BEDMUTHA INDUSTRIES LIMITED

ANNEXURE TO THE AUDITOR'S REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

- i) (a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) These fixed assets have been physically verified by the management at reasonable intervals. According to the information given to us no material discrepancies were noticed on such verification.
- (c) During the year, the company has not disposed off its fixed assets so as to affect it as a going concern.
- (d) No fixed assets has been revalued during the year.
- ii) (a) As explained to us, the inventories of finished goods, semi-finished goods and raw material were physically verified by the management at reasonable interval. In our opinion, the frequency of verification is reasonable.
- (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management were reasonable and adequate in relation to the size of the company and the nature of its business.
- (c) In our opinion, the company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical verification and book records were not material.
- (d) In respect of the Company's trading activity, we are informed that there are no damaged stocks.
- iii) (a) Particulars of loans and advances unsecured taken by company from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956.

No. of Parties	Amount involved in the transaction (Closing balance)
One	Loan ₹ 1,00,00,000/-

Particulars of loans and advances unsecured granted by company to companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956.

No. of Parties	Amount involved in the transaction (Closing balance)
Four	Advance ₹ 5,06,11,193/-

- (b) In our opinion, the rate of interest and other terms and conditions on which loans and advances have been taken from / granted to companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956 are not , prima facie, prejudicial to the interest of the company.
- (c) The Company has taken loans from/granted loans and Advance to Companies, firms or other parties listed in the register maintained u/s 301 of The Companies Act, 1956.
- According to the information and explanations given to us the loans are without any stipulation of repayment and advance given are for purchase of Fixed Asset.
- (d) There is no overdue amount of loans taken from or granted to companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956.
- iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to purchases of inventory, fixed assets and with regard to sale of goods. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal controls.
- v) (a) According to the information and explanations given to us, we are of the opinion that the transactions that need to be entered into the register maintained under section 301 of the Companies Act, 1956 have been so entered.



- (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 and exceeding the value of rupees five lac in respect of any party during the year have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.
- vi. In our opinion and according to the information and explanations given to us, the company has complied with the provisions of Sec 58A and Sec 58 AA of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975.
- vii. The company has an adequate internal audit system commensurate with the size and nature of its business.
- viii. We are informed by the Management of the company that Central Govt. has not prescribed the maintenance of cost records U/s 209 (1) (d) of the Companies Act, 1956 for any of the activities of the Company.
- ix. (a) The company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, income tax, sales tax, service tax, employees' state insurance, custom duty, excise duty, cess and other material statutory dues applicable to it. There have been no taxes unpaid as on 31st March 2011 for a period of more than six months from the date they became payable, which are paid thereafter.
- (b) According to the information and explanations given to us, there are no dues of sales tax, income tax, customs duty, wealth tax, excise duty and cess which have not been deposited on account of any dispute except as stated below:-

Sr. No.	Department	Assessment Year	Amount of Dispute
1	Custom Excise & Service Tax Appellate Tribunal, Bombay	2004-2005	84,16,732 /-
2	Income Tax Department, Nasik (TDS)	2008-2009	69,760/-
3	Income Tax Department, Nasik (Income Tax)	2004-2005	27,32,871/-

- x. The company does not have any accumulated loss as on 31st March 2011, and has not incurred cash loss during the year covered by our audit and in the immediately preceding financial year.
- xi. In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to the bank or financial institutions.
- xii. In our opinion and according to the information and explanations given to us, the terms and conditions of the guarantee given by the company for loans taken by others from banks or financial institutions are not prima facie prejudicial to the interest of the Company. Company is not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- xiii. In our opinion, the company is not a chit fund or a nidhi / mutual benefit fund /society. Therefore, the provision of clause 4 (xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- xiv. In our opinion, and according to the information and explanations given to us, the company is not dealing in or trading in shares, securities, debentures and other investments.
- xv. In our opinion and according to the information and explanations given to us, the term loans have been applied for the purpose for which they were obtained.
- xvi. On the Basis of our overall examination of the Cash Flow statement and other records of the company, we report that the no funds raised on short-term basis have been used for long-term investment.
- xvii. According to the information and explanations given to us, the company has not made the preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956.

BEDMUTHA INDUSTRIES LIMITED

- xviii. According to the information and explanations given to us, the company has not issued any debentures during the year.
- xix. During the period covered by our audit report, the company has raised money through the public issue.
- xx. The Management has disclosed the end use of money raised by Public Issue which has been verified by us.
- xxi. According to the information and explanations given to us by the Management of the Company no fraud on or by the company has been noticed or reported during the course of our audit.

**for M/s Patil Hiran Jajoo & Co.
Chartered Accountants**

**Aniruddha A.Jajoo
Partner
M.No.103246
Firm Regd.No.120117W**

Nasik, 5th June 2011



CONSOLIDATED BALANCE SHEET FOR THE YEAR ENDED 31ST MARCH, 2011.

(Rs. In Lacs)

	Schedule	As at 31 st March 2011	As at 31 st March 2010
I. Sources of Funds			
1. Shareholders' Fund			
a. Capital	1	2,103.16	1,202.74
b. Reserves & Surplus	2	10,327.09	1,705.31
2. Loans Fund			
a. Secured Loans	3	4,963.05	8,359.24
b. Unsecured Loans		1,145.11	1,157.33
3. Deffered Tax Liability			
		355.45	316.76
4. Minority Interest			
		385.76	202.70
		19,279.62	12,944.08
II. Application of Funds			
1. Fixed Assets			
Goodwill on Consolidation	4	4.34	4.34
a. Gross Block		8,488.98	5,365.77
b. Less Depreciation		2,462.45	1,988.50
c. Net Block		6,026.53	3,377.27
d. Capital work-in-progress		358.87	252.35
2. Investments			
	5	140.28	126.97
3. Current assets, loans and advances			
a. Inventories	6	4,487.60	4,263.73
b. Sundry Debtors		7,409.59	4,948.55
c. Cash and bank balance		1,454.39	931.43
d. Other current assets		1,293.12	1,085.96
e. Loans and advances		2,843.41	2,279.43
Less: Current Liabilities and Provisions			
a. Liabilities	7	5,183.93	3,923.03
b. Provisions		439.43	616.82
4. Net Current Assets			
		11,864.75	8,969.25
5. Miscellaneous Expenditure			
(to the extent not written off)	8	884.85	213.90
		19,279.62	12,944.08
Significant Accounting Policies & Notes to Accounts			
	16		

As per our attached report of even date.

for **M/s Patil Hiran Jajoo & Co.**
Chartered Accountants

for **Bedmutha Industries Limited**

Aniruddha Jajoo
Partner
M.No. 103246
Firm Regd 120117W

K R Bedmutha
Chairman

Vijay K.Vedmutha
Managing Director

Place: Nashik
Date : 05.06.2011

Ajay Vedmutha
Jt. Managing Director

Nilesh S.Amrutkar
Company Secretary

BEDMUTHA INDUSTRIES LIMITED

CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2011.

(Rs. In Lacs)

	Schedule	Year ended on 31 st March 2011	Year ended on 31 st March 2010
Income			
Gross Sales and Operational Income	9	23,623.53	18,343.05
<i>less: Excise Duty/Service Tax/Tax Collected</i>		2,160.51	1,906.14
Net Sales		21,463.02	16,436.91
Other Income	10	33.08	17.55
		21,496.10	16,454.46
Expenditur			
Material, Manufacturing and Others	11	18,295.48	12,607.25
Personnel Cost	12	507.85	353.37
Administrative and Selling Expenses	13	472.46	495.89
Interest & Other Financial Charges	14	886.00	793.62
Miscellaneous Expenditure Written off	8	43.93	45.02
Depreciation / Amortisation	15	464.30	366.66
Forex (Gain) / Loss		(91.06)	(71.35)
Profit before Extraordinary Items		917.14	1,864.00
Loss on Sale of Investment / Asset		0.81	-
Profit before Tax		916.33	1,864.00
<i>less: Provision for Current Tax</i>		327.00	544.00
<i>less: Provison for Deffered Tax Liability / (Assets)</i>		38.68	96.62
<i>less: Provison for Fringe Benefit Tax</i>		-	(0.47)
Profit after Taxation		550.65	1,223.85
Profit brought forward		1,660.42	972.10
Amount available for Appropriation		2,211.07	2,195.95
Appropriation			
<i>less: Minority Interest</i>		183.50	164.04
<i>less: Dividend (incl Dividend Tax)</i>		-	70.80
less: Amount Utilised for Bonus Shares		-	300.69
Profit transferred to Balance Sheet		2,027.57	1,660.42
Earning Per Share [Refer Note No.15 of Schedule 16 (2)]			

As per our attached report of even date.

for **M/s Patil Hiran Jajoo & Co.**
Chartered Accountants

for **Bedmutha Industries Limited**

Aniruddha Jajoo
Partner
M.No. 103246
Firm Regd 120117W

K R Bedmutha
Chairman

Vijay K.Vedmutha
Managing Director

Place: Nashik
Date : 05.06.2011

Ajay Vedmutha
Jt. Managing Director

Nilesh S.Amrutkar
Company Secretary



CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH , 2011.

(Rs. In Lacs)

Particulars	31/03/2011	31/03/2010
A CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit Before Tax	916.33	1,864.02
Adjustment For		
Add : Depreciation	464.30	366.66
Dividend Income	(7.20)	(0.42)
Misc Expenses Written off	43.93	45.02
Interest & Financial charges (Net)	900.04	793.62
Loss on Sales of Investment	0.81	0.00
Operating Profit Before Working Capital Changes	2,318.21	3,068.89
Adjustment for working capital changes		
Taxes paid	(364.69)	(538.91)
(Increase) / Decrease in Trade & Other Receivables	(2,400.22)	(2,782.81)
(Increase) / Decrease in Other Current Assets	(198.74)	(313.02)
(Increase)/Decrease in Misc Exp Assets	(715.32)	(194.98)
Increase / (Decrease) in Trade Payable	1,044.66	2,582.70
Increase/(Decrease in Outstanding Expenses	45.57	99.71
(Increase) / Decrease in Loans and Advances	(1,128.65)	(1,412.61)
(Increase) / Decrease in Inventories	(223.87)	(2,651.76)
Working capital changes	(3,941.27)	(5,211.68)
Net Cash used / generated for / from Operations	(1,623.06)	(2,142.79)
B CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets / Capital Work In Progress	(3,230.90)	(1,634.71)
Investments made	(2,033.05)	(167.64)
Sale of Investment	2,000.25	2.95
Dividend Income	7.20	0.42
Net Cash used in Investing Activities	(3,256.50)	(1,798.98)
C CASH FLOW FROM FINANCING ACTIVITIES		
Increase/ (Decrease)Proceeds form Long Term Borrowings	(2,395.50)	693.60
Proceeds form Short Term Borrowings	(329.68)	3,850.11
Increase/ (Decrease)Proceeds form Unsecured Borrowings	(12.22)	238.46
Interest & Financial charges (Net)	(900.04)	(793.62)
Proceed from Issue of Equity Shares	900.42	2.47
Dividend Paid + Taxes	0.00	(105.25)
Share Premium received on Issue of Equity Shares	8,283.87	5.34
Capital Incentive	0.00	15.00
Net Cash generated from other sources	5,546.85	3,906.11
Net Increase/(Decrease) in Cash & Cash Equivalents (A)+(B)+(C)	667.29	(35.66)
Cash & Cash Equivalents - Opening Balance	738.78	774.44
Cash & Cash Equivalents - Closing Balance	1,406.07	738.78
Summary		
A) CASH FLOW FROM OPERATING ACTIVITIES	(1,623.06)	(2,142.79)
B) CASH FLOW FROM INVESTING ACTIVITIES	(3,256.50)	(1,798.98)
C) CASH FLOW FROM FINANCING ACTIVITIES	5,546.85	3,906.11

As per our attached report of even date.

for **M/s Patil Hiran Jajoo & Co.**
Chartered Accountants

for **Bedmutha Industries Limited**

Aniruddha Jajoo
Partner
M.No. 103246
Firm Regd 120117W

K R Bedmutha
Chairman

Vijay K.Vedmutha
Managing Director

Place: Nashik
Date : 05.06.2011

Ajay Vedmutha
Jt. Managing Director

Nilesh S.Amrutkar
Company Secretary

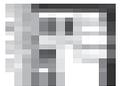
BEDMUTHA INDUSTRIES LIMITED**SCHEDULES TO THE CONSOLIDATED ACCOUNTS**

(Rs. In Lacs)

	As at 31st March 2011	As at 31st March 2010
SCHEDULE - 1		
SHARE CAPITAL		
Authorised Equity Capital	2,500.00	2,500.00
25000000 Equity Shares Of Rs 10 Each [25000000 Equity Shares Of Rs 10 Each For Previous Year]		
Issued, Subscribed and Paid up Capital		
[2,10,31,611 Equity Shares Of Rs. 10 Each] [1,20,27,400 Equity Shares Of Rs. 10 Each For Previous Year] [Refer Note No.1 of Schedule 16(2)]	2,103.16	1,202.74
	<u>2,103.16</u>	<u>1,202.74</u>
SCHEDULE - 2		
RESERVES & SURPLUS		
Profit & Loss A/c (Balance carried forward form P&L A/c)	<u>2,027.57</u>	<u>1,660.42</u>
Revaluation Reserve	18.89	28.39
Share Premium Account	8,289.21	5.34
Capital Reserve	44.17	55.00
Add : Special Incentative Scheme	-	15.00
Less : On Amalgamation	-	25.84
Less : Share of loss in Associates Company	52.75	33.00
	(8.58)	11.16
	<u>10,327.09</u>	<u>1,705.31</u>
SCHEDULE - 3		
LOAN FUNDS		
(a) Secured Loans		
I Long Term Loan [Refer Note No.2 of Schedule 16(2)]	1,241.43	1,639.90
II Short Term Loan [Refer Note No.2 of Schedule 16(2)]	0.00	1,000.68
III Working Capital Loans [Refer Note No.2 of Schedule 16(2)]	3,721.62	5,718.66
	<u>4,963.05</u>	<u>8,359.24</u>
(b) Unsecured Loans		
WMDC / DIC	1,024.73	964.05
Banks & Financial Institutions	11.38	84.28
Others	109.00	109.00
	<u>1,145.11</u>	<u>1,157.33</u>

**SCHEDULE - 4
FIXED ASSETS**

Description of Asset	Gross Block (At Cost)					Depreciation					Net Block	
	As at 1st April 2010	Revalued Asset on Amalgamation	Addition	Deductions / Adjustment	As at 31st March 2011	As at 1st April 2010	On Revaluation	For the Year	Deduction	As at 31st March 2011	As at 31st March 2011	As at 31st March 2010
(I) Intangible Fixed Assets												
Goodwill	86.51	-	-	-	86.51	25.95	-	8.65	-	34.60	51.91	60.56
(II) Tangible Fixed Assets												
Land	140.68	12.23	2,279.52	-	2,420.19	-	-	-	-	-	2,420.19	140.68
Factory Buildings	1,159.03	33.62	298.09	-	1,457.12	202.31	1.12	40.84	-	243.15	1,213.97	956.72
Plant & Machinery	3,784.00	81.01	472.76	0.36	4,256.40	1,685.66	8.38	400.43	0.01	2,086.08	2,170.32	2,098.33
Furniture & Fixtures	24.95	-	45.02	-	69.97	10.53	-	2.59	-	13.12	56.85	14.43
Office Equipment	31.02	-	11.14	-	42.16	21.24	-	3.47	-	24.71	17.49	9.78
Vehicles	101.49	-	7.14	-	108.62	35.24	-	10.41	-	45.65	62.97	66.24
Computer Equipment	34.83	-	9.91	-	44.74	6.29	-	5.57	-	11.87	32.87	28.53
Temporary Erection	3.27	-	-	-	3.27	1.27	-	2.00	-	3.27	-	2.00
(I + II)	5,365.77	126.87	3,123.57	0.36	8,488.98	1,988.50	9.50	473.96	0.01	2,462.45	6,026.53	3,377.27
(III) Capital Work-in-progress	252.35	-	352.68	246.16	358.87	-	-	-	-	-	358.87	252.35
Previous Year	4012.41	126.87	1382.21	28.85	5365.77	1612.23	9.50	371.92	5.17	1988.50	3377.27	2400.18



BEDMUTHA INDUSTRIES LIMITED

SCHEDULES TO THE CONSOLIDATED ACCOUNTS

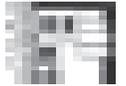
(Rs. In Lacs)

	As at 31 st March 2011	As at 31 st March 2010
SCHEDULE - 5		
INVESTMENTS		
Trade Invesments (Unquoted)		
Investment in Subsidiary Company		
Kamalasha Infrastruture & Engineering Pvt.Ltd. (542000 Shares @ Rs. 10/-) (Previous year 542000 Shares @ Rs. 10/-)		
Investment in Associates		
Ashoka Pre-con Private Ltd (355756 Shares @ Rs. 10/-) (Previous year 355756 Share @ Rs. 10/-)	88.08	107.83
Investment in Other Companies		
Jenil Steel Pvt.Ltd.(1 Share @ Rs.10/-) (Previous year 1 Share @ Rs. 10/-)	Rs.10.00	Rs.10.00
	88.08	107.83
Investment in Others		
National Saving Certificate	0.70	0.10
Shares In Steel Chamber	0.01	0.01
Shares In Stice Sinnar	0.01	0.01
	0.72	0.12
Non Trade Invesments (Unquoted)		
Investment in Co-Operatives Banks		
Sharamrao Vitthal Bank Shares	0.03	0.03
Saraswat Co-operative Bank	0.05	0.05
Nashik Merchants Co-op Bank	0.36	0.36
	0.44	0.44
Share Application Money in		
Ashoka Precon Pvt Ltd.	25.00	0.00
	25.00	0.00

INVESTMENT IN MUTUAL FUND (UNQUOTED UNLESS OTHERWISE STATED)

(Rs. In Lacs)

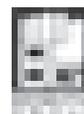
Name of Mutual Fund	Balance As at 01.04.2010		Purchase during the year		Sold during the year		Balance As at 31.3.2011		
	No.of Units	Amount	No.of Units	Amount	No.of Units	Amount	No.of Units	Market Value	Cost Value
Birla Sun Life Dividend Yield Plus Growth Fund	-	-	485.52	0.40	-	-	485.520	0.41	0.40
Franklin India Blue Chip Growth Fund	627.871	0.90	84.889	0.18	-	-	712.760	1.56	1.08
Franklin India Opportunity Growth Fund	3564.731	0.90	81.569	0.03	-	-	3646.300	1.16	0.93
Franklin India Prima Plus Growth Fund	586.078	0.90	80.992	0.18	-	-	667.070	1.49	1.08
Franklin India Prima Plus Growth Fund-New	-	-	184.623	0.40	-	-	184.623	0.41	0.40
HDFC Prudence Growth Fund	683.373	0.88	278.147	0.58	-	-	961.520	2.06	1.45
HDFC-Top-200 Growth Fund	668.317	0.88	278.283	0.58	-	-	946.600	2.04	1.45
ICICI Prudential Flexi Growth Fund	-	2.00	-	-	-	-	-	2.00	2.00
ICICI Prudential Life Insurance	-	-	-	1.00	-	-	-	1.00	1.00
ICICI Prudential Discovery Growth Fund	-	-	840.55	0.40	-	-	840.550	0.40	0.40
IDFC Premier Equity Plan A Growth Fund	-	-	1282.39	0.40	-	-	1282.390	0.40	0.40
Principal Pnb Long Term Equity Fund	50000	5.00	-	-	-	-	50000	5.15	5.00
Principal Large Cap Fund-Dividend Plan	-	-	4945.598	1.00	-	-	4945.598	0.98	1.00
Reliance Equity Opportunity Growth Fund	4146.9	0.85	1455.34	0.50	-	-	5602.240	2.00	1.35
Reliance Regular Saving Equity Growth Fund	-	-	1332.41	0.40	-	-	1332.410	0.40	0.40
Reliance Infrastructure Growth Fund	4792.176	0.47	-	-	-	-	4792.176	0.44	0.47
IDFC Mutual Growth Fund	10000.000	1.00	-	-	-	-	10000.000	1.66	1.00
SBI Magnum Contra Growth Fund	2105.816	0.90	295.724	0.18	-	-	2401.540	1.34	1.08
SBI Magnum Global Growth Fund	2299.576	0.88	314.684	0.18	-	-	2614.260	1.40	1.05
Sunderam BNP Paribas Select Midcap Growth Fund	925.729	0.88	391.541	0.58	-	-	1317.270	1.92	1.45
Filidity Equity Fund	2,000.00	0.20	-	-	-	-	2000.000	0.20	0.20
Reliance Growth Fund	273.299	0.85	21.601	0.10	-	-	294.900	1.35	0.95
Franklin Asian Equity Growth Fund	1955.990	0.20	-	-	-	-	1955.990	0.22	0.20
Franklin india Bluechip Growth Fund	107.740	0.20	-	-	-	-	107.740	0.23	0.20
Franklin India Prima Plus Growth Fund	98.385	0.20	-	-	-	-	98.385	0.22	0.20
UTI Master Value Growth Fund	-	-	774.35	0.40	-	-	774.350	0.41	0.40
UTI Infrastruture Advantage Growth Fund	5,000	0.50	-	-	-	-	5,000	0.44	0.50
Birla Sun Life Cash Manager	-	-	10034688.31	1,400.20	10,034,688	1,403.77	-	-	-
Birla Sun Life Cash Plus	-	-	13974734.4	1,400.00	13,974,734	1,400.20	-	-	-
Birla Sun Life Dynamic Bond Fund	-	-	1883771.31	300.00	1,883,771	299.19	-	-	-
ICICI Prudential Flexible Income Plan	-	-	473438.351	500.07	473,438	500.59	-	-	-
ICICI Prudential Floating Rate Plan D	-	-	503012.831	500.59	503,012.8	503.13	-	-	-
ICICI Prudential Liquid Super Institutional Plan	-	-	699867.81	700.00	699,868	700.10	-	-	-
UTI Treasury Advantage Fund	-	-	10016.654	100.00	10,016.65	100.19	-	-	-
		18.59		4,908.31		4,907.17		31.30	26.04



BEDMUTHA INDUSTRIES LIMITED**SCHEDULES TO THE CONSOLIDATED ACCOUNTS**

(Rs. In Lacs)

	As at 31 st March 2011	As at 31 st March 2010
SCHEDULE - 6		
CURRENT ASSETS, LOANS AND ADVANCES		
(a) Inventories		
(As taken, valued and certified by the management)		
Raw Material	1,062.15	1,744.80
Finished Goods	611.02	354.42
Trading Stock	123.69	123.69
Consumables	281.38	103.40
Work-in-Progress	2,409.37	1,937.42
	<u>4,487.61</u>	<u>4,263.73</u>
(b) Sundry Debtors (Unsecured and Considered Good)		
i) Below Six Months	5,422.38	4,662.13
ii) Above Six Months	1,987.21	286.42
	<u>7,409.59</u>	<u>4,948.55</u>
(c) Cash And Bank Balances		
Cash In Hand	44.80	23.51
Cash At Bank With Scheduled Bank	705.46	280.11
F.D.R With Banks and Accrued Interest thereon	704.13	627.81
	<u>1,454.39</u>	<u>931.43</u>
(d) Other Current Assets		
Sundry Deposits	704.67	628.06
Receivables from statutes and others	344.37	138.17
Tax Deducted at Sources	138.79	67.93
Advance Tax	100.00	250.00
Prepaid Expenses	5.30	1.80
	<u>1,293.13</u>	<u>1,085.96</u>
(e) Loans and Advances (Unsecured and Considered Good)		
Other Advances	1,538.58	116.94
Advance For Raw Materials	125.40	1,777.55
Advances For Expenses	159.32	23.85
Advances For Fixed Assets	1,020.11	361.09
	<u>2,843.41</u>	<u>2,279.43</u>



SCHEDULES TO THE CONSOLIDATED ACCOUNTS

(Rs. In Lacs)

	As at 31 st March 2011	As at 31 st March 2010
SCHEDULE - 7		
CURRENT LIABILITIES		
Advances From Customers	36.01	54.40
Creditors Raw Material	3,116.36	3,043.95
Creditors For Expenses	234.12	199.65
Creditors For Fixed Assets	136.70	244.08
Other Advances	36.33	12.35
Outstanding Expenses	772.26	179.94
Share Application Money received	250.00	-
Credit Balance in Current Account	602.14	192.65
	<u>5,183.92</u>	<u>3,923.02</u>
Provisions	<u>439.43</u>	<u>616.82</u>
	<u>5,623.35</u>	<u>4,539.84</u>
SCHEDULE - 8		
MISCELLANEOUS EXPENSES		
Deferred Revenue Expenses		
Opening	108.23	63.67
Add : Addition during the year	-	89.40
Less : Written off during the year	43.90	44.84
Closing - (A)	<u>64.33</u>	<u>108.23</u>
Pre Operative Expenses		
Opening	67.60	-
Add : Addition during the year	358.39	67.60
Less : Written off during the year	-	-
Closing - (B)	<u>425.99</u>	<u>67.60</u>
Issue Expenses		
Opening	0.00	-
Add : Addition during the year	394.90	37.97
Less : Written off during the year	-	-
Closing - (C)	<u>394.90</u>	<u>37.97</u>
Preliminary Expenses		
Opening	0.18	0.36
Add : Addition during the year	-	-
Less : Written off during the year	0.03	0.18
Closing - (D)	<u>0.15</u>	<u>0.18</u>
Less : Minority Interest - (E)	<u>0.52</u>	<u>0.08</u>
Total (A + B + C - E)	<u>884.85</u>	<u>213.90</u>

BEDMUTHA INDUSTRIES LIMITED

SCHEDULES TO THE CONSOLIDATED ACCOUNTS

(Rs. In Lacs)

	Year ended on 31 st March 2011	Year ended on 31 st March 2010
SCHEDULE - 9		
SALES AND OPERATION INCOME		
Manufacturing Sales	17,429.92	13,430.08
Trading Sales	3,614.12	2,547.95
Contractual Receipts	0.00	84.12
Professional Receipts [TDS Rs.11.51 lacs] [Previous Year TDS Rs. 17.78 lacs]	100.77	145.99
Other Sales	16.86	52.97
Scrap Sales	283.21	132.89
Excise Duty / Service Tax and others	2,160.51	1,906.14
Carriage Outward On Sales	18.14	42.91
	23,623.53	18,343.05
SCHEDULE - 10		
OTHER INCOME		
Miscellaneous Receipts	11.88	17.13
Corporate Gaurantee Receipts [TDS Rs. 1.54 lacs]	14.00	0.00
Dividend Receipt	7.20	0.42
	33.08	17.55
SCHEDULE - 11		
MATERIAL, MANUFACTURING AND OTHERS		
Raw Material Consumed	14,681.18	11,524.99
Goods Traded	1,892.08	1,026.74
Other Consumables	129.89	189.39
Job Work	239.83	140.60
Packing Material	81.66	67.78
Power & Fuel	1,052.02	792.98
Other Manufacturing Expenses	893.80	161.69
Repairs & Maintainance	53.56	44.10
(A)	19,024.02	13,948.27
(INCREASE) / DECREASE IN STOCK		
Opening Stock		
Finished Goods	334.42	204.34
Work in Progress	1,957.43	746.48
(B)	2,291.85	950.82
Closing Stock		
Finished Goods	611.02	354.42
Work in Progress	2,409.37	1,937.42
(C)	3,020.39	2,291.84
(Increase) / Decrease in Stock - D (B - C)	(728.54)	(1,341.02)
Total (A + D)	18,295.48	12,607.25



SCHEDULES TO THE CONSOLIDATED ACCOUNTS

(Rs. In Lacs)

	Year ended on 31 st March 2011	Year ended on 31 st March 2010
SCHEDULE - 12		
PERSONNEL		
Salary	318.34	278.80
Directors Remuneration	44.46	43.74
Workmen and Staff Welfare	46.40	22.68
Contribution to Provident Fund and Others	98.65	8.15
	507.85	353.37
SCHEDULE - 13		
SELLING & ADMINISTRATION EXPENSES		
Audit Fees	3.00	3.40
Insurance Premium	9.75	6.26
Legal & Statutory Expenses	11.10	17.40
Office Exp	3.40	3.71
Other Expenses	78.33	38.13
Postage & Telegram	1.77	1.38
Printing & Stationery	9.34	6.67
Professional Charges	48.02	74.58
Rent Expenses	5.36	7.53
Sales Expenses	274.44	308.96
Security Charges	17.26	17.66
Telephone Charges	9.62	9.97
Testing Expenses	1.07	0.24
	472.46	495.89
SCHEDULE - 14		
INTEREST & FINANCIAL CHARGES		
Interest On		
Fixed Loans	231.01	116.06
Working Capital	630.32	431.41
Bank Charges & Others	172.41	297.61
Total - A	1,033.74	845.08
Less : Interest received on		
Deposits [TDS Rs. 2.89 lacs]	39.60	38.67
[Previous Year TDS Rs. 1.03 lacs]		
Others [TDS Rs. 26.07 lacs]	108.14	12.79
[Previous Year TDS Rs. 12.77 lacs]		
Total - B	147.74	51.46
Grand Total (A - B)	886.00	793.62
SCHEDULE - 15		
DEPRECIATION		
Depreciation on Fixed Asset	473.95	376.16
Less : Amount transferred from Revaluation Reserve	9.50	9.50
Less : Amount transferred to Pre-operative expenses	0.15	-
	464.30	366.66

NOTES FORMING PART OF THE CONSOLIDATED ACCOUNTS

Schedule - 16

1. Significant Accounting Policies

a. Basis of Accounting

The Financial statements of the company have been prepared under the historical cost convention on an accrual basis, in accordance with applicable Accounting Standards and relevant provisions of Companies Act, 1956.

- i The financial statements of the subsidiary and associate company used in the consolidation are drawn up to the same reporting date as that of the parent company i.e. year ended 31st March 2011
- ii The financial statements have been prepared under the historical cost convention and on the accrual basis of the accounting. The accounts of the parent company, the subsidiary company and associate company have been prepared in accordance with the Accounting Standard 21 "Consolidated Financial Statements" and Accounting Standard 23 "Investments in Associates in Consolidated Financial Statement".

b. Principles of Consolidation

The consolidated financial statements include the financial statement of Bedmutha industries Limited, the parent Company and all its subsidiary company. The consolidated financial statement have been prepared on the following basis :

Subsidiaries

- i The financial statements of the Company and its subsidiary company have been combined on a line by line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group transactions and balances resulting in unrealised profits or losses in accordance with Accounting Standard (AS)21-"Consolidated Financial Statements" issued by the Institute Of Chartered Accountants of India.
- ii The consolidated financial statements have been prepared using uniform accounting policies for like material transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the Company's separate financial statements.
- iii The difference between the cost of investment in the subsidiary company over the net assets as on the date of acquisition of shares in the Subsidiary is recognised in the consolidated financial statements as Goodwill or Capital reserve on consolidation as the case may be.
- iv Minority interest's share of net profit of consolidated subsidiaries for the year is identified and adjusted against the income of the group in order to arrive at the net income attributable to shareholder's of the Company.
- v Minority Interest's share of net assets of consolidated subsidiary is identified and presented in the consolidated balance sheet separate.

c. Use of Estimates

The presentation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known.

d. Fixed Assets

Fixed Assets (including Capital Work in Progress) are recorded at the cost of acquisition or construction, net of tax credit wherever eligible. Cost includes all expenses related to acquisition or construction, including attributable borrowing cost on qualifying assets.

e. Expenditure during Construction Period

In case of new projects and in case of substantial modernization / expansion at existing units of the company, all pre-operative expenditure specifically for the project, incurred up to the date of completion, is capitalized and added pro-rata to the cost of fixed assets.



f. Depreciation

- i** Depreciation on Fixed Assets is provided on Straight Line Method at the rates and in the manner specified in Schedule XIV to the Companies Act, 1956.
- ii** Depreciation on addition to the Fixed Asset or on sale/discardment is calculated pro rata from the date of such addition or up to the date of such sale/discardment, as the case may be;
- iii** Cost of Leasehold land is not amortised and is shown at cost.
- iv** The charge over and above the depreciation calculated on the original cost of the revalued assets is transferred from Revaluation Reserve to Depreciation Account (Profit & Loss Account)

g. Intangible Assets

Intangible Assets are stated at cost of acquisition less amortization. Goodwill is amortised at ten percent on Straight Line Method.

h. Investments

- i** Investment are classified as investments in Subsidiaries (valued at cost), Associates (valued at cost) within the meaning of Accounting Standard 13 "Accounting for Investments in Consoildated Financial Statement"
- ii** Investments are recorded as Long Term Investments unless they are expected to be sold within one year.
- iii** Investments are stated at cost in accordance with Accounting Standard 13 on "Accounting for Investments". Provision for diminution is made to recognize a decline, other than temporary, in the value of such investments. & Accounting Standard 23 on "Investment in Associates".

i. Inventories

- i** Inventories of Raw Material, Work in Progress, Finished Goods (including Goods for Trade) are valued 'at cost or net realizable value' whichever is lower. Scrap is valued at net realizable value as per the assessment of the Management
- ii** Major Consumables (Stores & Spares) like LDO, lead, dies etc are valued at cost and other minor Consumables (Stores & Spares) are written off in the year of purchase.
- iii** Cost comprises all cost of purchase, appropriate direct production overheads and other costs incurred in bringing the inventories to their present location and condition. For the purpose of valuation of closing stock, FIFO method is being used as prescribed by Accounting Standard 2.

j. Revenue Recognition

- i** Sale of goods is recognized on transfer of significant risks and rewards of ownership which is generally on the dispatch of goods. Gross sales are inclusive of excise duty, service tax, value added tax, but are net of sales returns.
- iii** Income from Services is recognized when on completion of services or part completion of the assignment as per Contract.
- iii** Revenue / Income and Cost / Expenses are generally accounted on accrual as they are earned or accrued or incurred, except in case of significant uncertainties.
- iv** Dividend income is recognized when the right to receive the same is established.

k. Borrowing Costs

Borrowing costs attributable to the acquisition or construction of qualifying assets, as defined in Accounting Standard 16 on "Borrowing Costs" are capitalized as part of such assets up to the date when the asset is ready for its intended use. Other borrowing costs are expensed as incurred.

l. Employees Benefit

Post Employment / Retirement Benefits - The liability for Gratuity benefits, on the basis of amounts contributed to LIC's Group Gratuity Policy and the difference between the amounts paid on retirement and recovered from LIC, is charged to Profit & Loss Account. Employer's Contribution to Provident Fund is debited to Profit & Loss Account.

m. Foreign Currency Transactions

- i.** Foreign currency transactions are recorded at the rates of exchange prevailing on the date of the transactions.

BEDMUTHA INDUSTRIES LIMITED

- ii. Monetary Foreign Currency assets and liabilities (monetary items) are reported at the exchange rate prevailing on the balance sheet date.
- iii. Exchange difference relating to long term monetary items, arising during the year, in so far as they relate to the acquisition of depreciable capital assets are added to / deducted from the cost of the asset and depreciated over the balance life of the asset
- iv. All other exchange difference are dealt with in profit and loss account.

n. Provision for current tax and deferred tax

- i. Provision for income tax is made on the basis of estimated taxable income. Advance Tax and Tax Deducted at Source (TDS) are shown in the balance sheet under head Loans and advances during the year and in subsequent years the Advance Tax & TDS are adjusted against Provision for Tax. The net effect has shown under Provision for Tax.
- ii. The deferred tax assets and deferred tax liabilities is calculated by applying tax rate and tax laws that have been enacted or substantively enacted by the balance sheet date.

o. Earnings Per Share

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

p. Cash Flow Statement

The cash flow statement is prepared by the "indirect method" set out in Accounting Standard 3 on "Cash Flow Statement" and presents the cash flows by operating, investing and financing activities of the company.

Cash and Cash equivalents presented in the Cash Flow Statement consist of cash on hand and cash at bank.

q. Issue Expenses

The expenses incurred for Initial Public Offer "IPO" is not written off and same has been shown as IPO expenses under the head Miscellaneous Expenses. The IPO Expenses will be written off after the completion of the project, as per Accounting Standard 26 "Intangible Assets".

2. Notes to Accounts.

1. Share Capital

- i. 2,211 Equity Shares of Rs. 100 each fully paid were allotted to Vijay Vedmutha against purchase of Plant and Machinery on 25th February 1993.
- ii. 75,000 Equity Shares of Rs. 10 each were issued as Bonus Shares in ratio of 3 : 1 on 27th March 1997.
- iii. Company has subdivided the Equity Shares of Rs. 100 each into Equity Shares of Rs. 10 each on 1st September 1998
- iv. 16,43,768 Equity Shares of Rs 10 were allotted to Vijay Vedmutha against takeover of Kamal Wire Drawings (Proprietor Mr. Vijay Vedmutha) on 1st October 1998.
- v. 50,000 Equity Shares of Rs. 10 each were allotted to Ajay Vedmutha for takeover of Testing Engineering and Associates (Proprietor Mr. Ajay Vedmutha) on 1st April 2000.
- vi. 33,49,488 Equity Shares of Rs. 10 each fully paid were issued as Bonus Shares in ratio of 1 : 1 on 19th March 2008.
- vii. 22,96,862 Equity Shares of Rs. 10 each fully paid up issued on 5th December 2008, to Shareholders of Shriram Wire Private Limited, Kamdhenu Wire Private Limited and Ajay Wire Products Private Limited pursuant to Scheme of amalgamation.
- viii. 30,06,850 Equity Shares of Rs. 10 each fully paid were issued as Bonus Shares in ratio of 1:3 on 31st October 2009.



2. Secured Loans

- i Term loans are secured by first pari-passu / equitable mortgage on entire block of assets of the company situated at Bedmutha Industries Limited Plant 1, A 32-35 & 57, STICE, Sinnar, Nashik 422103, Bedmutha Industries Limited Plant 2, A 70-72, STICE, Sinnar, Nashik 422 103, Bedmutha Industries Limited Plant 3, B113, STICE, Sinnar, Nashik 422103, Bedmutha Industries Limited Plant 4, B 140, STICE, Sinnar, Nashik 422 103, and the personal guarantee of Directors, Mr. Vijay Vedmutha, Mr. Ajay Vedmutha and Guarantor Mrs. Vinita Vedmutha and Mrs. Usha Vedmutha
- ii (a) Working Capital loans are secured by way of hypothecation of Current Assets and extension of second pari passu charge on the movable and non-movable fixed assets excluding windmill and vehicles charged to other banks.
(b) Working Capital loan taken by KIEPL is secured by way of hypothecation of current assets and personal guarantee of Directors, Mr. K.R.Bedmutha and Mr. Ajay Vedmutha.
- iii Vehicle Loans are secured by the way of hypothecation of Vehicle purchased thereunder.

3. Contingent liabilities not provided for in respect of

(Rs. in Lacs)

Particular	For the year ended	
	31 st March, 2011	31 st March, 2010
Counter Guarantees given against Bank Guarantees.	202.29	25.18
Corporate Guarantee given on behalf of Subsidiary Company, Kamalasha Infrastructure & Engineering Pvt. Ltd.	2,793.00	2,793.00
Corporate Guarantee given on behalf of Associate Company, Ashoka Pre-con Private Ltd.	450.80	450.80
Income Tax Department- Tax Deducted at Sources, Nashik (A.Y. 2008-09)	0.70	-
Income Tax Department, Nashik (A.Y. 2004-05)	27.33	-
Custom Excise & Service Tax Appellate Tribunal, Bombay (A.Y.2004-2005)	84.17	84.17

4. Claims Outstanding with Banks

Following claims to the tune of Rs. 6.59 lacs were made by the company which are still outstanding as on the last day of the balance sheet.

Name of Bank	Excess Interest Charged by bank
a Bank Of India Nashik	2.70
b Bank Of India Pune	1.51
c Bank Of India Mulund	0.26
d Andhra Bank Nashik	0.02
e Andhra Bank Mulund	0.13
f Andhra Bank Pune	0.42
g Punjab National Bank Pune	1.55
Total	6.59

BEDMUTHA INDUSTRIES LIMITED

5. Remuneration Paid to Directors

(Rs. in Lacs)

Particular	For the year ending	
	3/31/2011	3/31/2010
Mr. Vijay Vedmutha	23.57	14.77
Mr. Ajay Vedmutha	23.39	14.59
Mr. K. R. Bedmutha	22.60	8.78
Mrs. Usha Vedmutha	Not Applicable	5.60

** figures includes perquisites given to directors, contribution to Provident Fund etc.

6. Auditors Remuneration

(Rs. in Lacs)

Particular	For the year ending	
	3/31/2011	3/31/2010
Statutory & Tax Audit Fees	3.75	2.61
Consultation & Certification	1.16	3.22

7. Based on the information available with the company in respect of MSME (as defined in the Micro Small & Medium Enterprise Development Act, 2006) there are no delays in payment of dues to such enterprises during the year. The above information regarding Micro Small & Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the company. This has been relied upon by the auditors.

8. Employees Benefit

During the period company paid premium of Rs 4.50 lacs towards group gratuity for the period 2010-11

9. Accounting Standards

The company has in general followed the accounting standards by the institute of the Chartered Accountants of India

10. Related Party Transactions (As required by Accounting Standard AS-18 "Related Parties Disclosure")

I) List of Related Parties and Relationship (As identified by the Management)

- | | |
|---|---|
| (a) Key Managerial Personnel | :- Mr. K R Bedmutha, Chairman
Mr. Vijay K. Vedmutha, M. D.
Mr. Ajay K. Vedmutha, J. M. D. |
| (b) Relatives of Key Management | :- Mrs. Usha Vedmutha
Mrs. Vinita A. Vedmutha |
| (c) Enterprises over which Key Management Personnel and their relatives exercise significant influence with whom transactions have been taken place during the year | :- Bedmutha Sons Reality Ventures Private Limited
Bedmutha Agro Farms
Kamal Wire Products
K.R. Bedmutha Techno Associates Private Limited
Elme Plast Co.
Kreepa Steel Industries
Usha Chemicals |
| (d) Associates | :- Ashoka Pre-con Private Limited (49%) |
| (e) Subsidiary Company | :- Kamalasha Infrastructure & Engineering Private Limited (54.75%) |

**II) Transactions**

(Rs. In Lacs)

Description	31 st March, 2011			31 st March, 2010		
	Associates / Subsidiary	Key Managerial Personnels	Enterprise Controlled by Key Managerial Personnels & their relatives	Associates/ subsidiary	Key Managerial Personnels	Enterprise Controlled by Key Managerial Personnels & their relatives
Purchase of goods/Services	-	216.12	-	-	160.67	
Sales of goods / Services	130.23	-	446.37	63.60	-	321.40
Interest Received	-	-	-	-	-	10.71
Other Services (Receipts)	-	-	-	-	-	77.21
Corporate Guarantee Receipts	-	14.00	-	-	-	
Remuneration paid	-	66.42	-	-	38.14	-
Salary Paid	-	11.16	15.20			
Rent paid	-	3.45	3.00	-	3.03	1.62
Advance given for Fixed Assets	-	-	342.51	-	-	-
Advance given for Expenses	-	-	0.27	-	-	11.08
Advance Given	-	-	163.33	-	-	75.43
Advance Received For Expenses			239.00			
Amount paid against Share Application Money	25.00	-	-			
Trade Receivables	20.15	-	71.25	4.21	-	197.78
Trade Payables	-	-	101.22	58.40	-	5.06

III) Disclosure as required by clause 32 of the Listing Agreement with Stock Exchanges.

(Rs. In Lacs)

Name of Concern	Type of relationship	Amount Outstanding as on 31.03.2011	Maximum Amount Outstanding
Advance given for Fixed Assets			
Elme Plast Co.	Director is partner	342.51	342.51
Advance given for Expenses			
Usha Chemicals	Director's wife is proprietor	72.27	165.75

BEDMUTHA INDUSTRIES LIMITED

11. Deferred Tax Liabilities / (Assets)

In accordance with Accounting Standard 22 "Accounting for Taxes on Income" the company has accounted for Deferred Taxes during the year Following are the components of Deferred Tax (Rs. In Lacs)

Deferred Tax Liability	For the Year Ended	
	31.03.2011	31.03.2010
Difference between book & Tax depreciation	340.53	331.91
Deferred Revenue Written Off	14.92	15.24
Total (A)	355.45	347.15
Deferred Tax Assets		
Expenses allowed on payment basis	-	30.39
Total (B)	-	30.39
Deferred Tax Liability /(Assets) (Net) Total (A) – (B)	355.45	316.76

12. Details of Licensed and Installed Capacities

Quantitative information in respect of goods manufactured and sold. (As certified by the Management)

Sr.No.	Particulars	31 st March, 2011	31 st March, 2010
A)	Licensed Capacity	N. A.	N.A.
B)	<u>Installed Capacity (in Metric Ton)</u>		
	Wire Drawing & Stranding	#60000	60000
	Galvanised Section	@33550	**26050
C)	<u>Actual Production (in Metric Ton)</u>		
	Wire Drawing & Stranding	41005	33872
	Galvanized Section	27410	2554

**' the production figures includes the captive consumption and job work.

#' Installed capacity of wire drawing i.e. 60000 MT is arrived by assuming maximum sizes of wire which the machines can produce. However during the year 2010-11, the sizes of the wire produced were of thinner sizes. The installed capacity of the plant based on average sizes drawn during the year is 46707 MT, hence the capacity utilisation of the plant during the year 2010-11 is 88%

@' Installed capacity of Galvanised wire i.e. 33550 MT is arrived by assuming maximum sizes of wire which the machines can produce. However during the year 2010-11, the sizes of the wire galvanised were of thinner sizes. The installed capacity of the plant based on average sizes drawn during the year is 30800 MT, hence the capacity utilisation of the plant during the year 2010-11 is 89%

***' GP 5 added to Galvanised Section in March 2010, with production capacity of 750 MT per month.

Quantitative details :-

Sr. No	Particulars	Year	Manufactured Goods		Traded Goods		By Product		Total	
			Qty M.T.	Value Rs. In Lacs	Qty M.T.	Value Rs. In Lacs	Qty M.T.	Value Rs. In Lacs	Qty M.T.	Value Rs. In Lacs
1	Opening Stock	31/03/11	795.171	333.41	18.020	6.09	4.754	1.01	817.945	340.51
		31/03/10	521.642	222.03	202.344	45.02	2.934	0.50	726.920	267.55
2a	Purchases	31/03/11	37251.310	11926.55	3094.55	917.43	-	-	40345.861	12843.98
		31/03/10	38322.66	10432.97	3853.85	969.56	-	-	42176.508	11402.53
2b	Production	31/03/11	40205.407	-	-	-	799.167	-	41004.574	-
		31/03/10	32138.001	-	-	-	597.050	-	32735.051	-
3	Turnover	31/03/11	39810.100	17450.17	3094.55	1101.90	801.120	142.52	43705.771	18694.59
		31/03/10	31864.47	13411.50	4038.17	1094.84	595.230	77.09	36497.876	14583.43
4	Closing Stock	31/03/11	1190.478	610.41	18.020	6.09	2.801	0.61	1211.299	617.10
		31/03/10	795.171	333.41	18.020	6.09	4.754	1.01	817.945	340.51



13. i. VALUE OF IMPORTS ON C.I.F. BASIS :-

(Rs. In Lacs)

Particulars	For the year ending	
	31.03.2011	31.03.2010
Raw Material	4,238.75	4,163.36
Plant & Machinery	4.29	-
Total	4,243.04	4,163.36

ii. EXPENSES INCURRED IN FOREIGN CURRENCY :-

(Rs. In Lacs)

Particulars	For the year ending 31 st March, 2011	For the year ending 31 st March, 2010
Foreign Tour & Traveling	13.41	2.31

14. The Company is organized into two segments mainly:

- i. Wire & Wire Products
- ii. Consultancy **

(During the period 1st April 2010 to 31st March 2011, No significant revenue was generated in consultancy division, and hence the same is not reported.)

**As regards to the Consultancy / Contracting activities of the company are carried out in the name of K.R. Bedmutha & Techno Associates.

14. The company has some of its bank accounts in the name of Shriram Wire Private Limited, Kamdhenu Wire Private Limited and Ajay Wire Private Limited, these companies have been amalgamated to Bedmutha Industries Limited in Financial Year 2007-08.

15. Earnings Per Share

Particulars	For the year ending 31 st March, 2011	For the year ending 31 st March, 2010
Profit after Tax (Rs. In Lacs)	550.65	1,223.87
Number of Equity Shares	21,031,611.00	12,027,400.00
Weighted Average number of equity shares	16,138,852.00	12,022,999.00
Nominal Value per Share (in Rs.)	10.00	10.00
<i>Earnings per Share (Basic / Diluted)</i>	<i>3.41</i>	<i>8.33</i>

16. Previous year's figures have been re-grouped and re-arranged as and when necessary.

As per our attached report of even date.

for **M/s Patil Hiran Jajoo & Co.**
Chartered Accountants

for **Bedmutha Industries Limited**

Aniruddha Jajoo
Partner
M.No. 103246
Firm Regd 120117W

K R Bedmutha
Chairman

Vijay K.Vedmutha
Managing Director

Place: Nashik
Date : 05.06.2011

Ajay Vedmutha
Jt. Managing Director

Nilesh S.Amrutkar
Company Secretary



BEDMUTHA INDUSTRIES LIMITED

Registered Office : 'A-32' STICE, Sinnar, Nashik- 422103.

ATTENDANCE SLIP

I/we hereby record my/our presence at the 21st Annual General Meeting held on Friday, 12th August, 2011 at 4.00 p.m. at The registered office of the company at STICE, SINNAR, Nasik-422103.

Name of the Shareholder/Proxy*

No. of Shares Held:

FOLIO NO.

CLIENT ID:

DP ID:

SIGNATURE OF THE
SHAREHOLDER/PROXY*

*Strike out whichever is not applicable

- Notes:
1. Shareholder/Proxy intending to attend the meeting must bring the duly signed Attendance Slip to the Meeting and handover at the entrance.
 2. Shareholder/Proxy should bring his/her copy of the Annual Report, if hard copies is previously provided to him
 3. No gifts/gift coupons will be distributed at the Annual General Meeting.



BEDMUTHA INDUSTRIES LIMITED

Registered Office : 'A-32' STICE, Sinnar, Nashik- 422103.

PROXY

I/We _____ of _____

In the District of _____ being a Member(s) of the above named Company, hereby appoint

_____ of _____ in the district of

_____ or failing him/her _____ of _____ in the district of

_____ as my/our Proxy to attend and vote for me/us and on my/ our behalf at the 21st Annual General Meeting of the Company to be held on Friday, 12th August, 2011 at 4.00 p.m. and at any adjournment thereof.

Signed this _____ day of _____ 2011.

FOLIO NO.

CLIENT ID:

DP ID:

No. of Shares: _____ Signature: _____

Please
Affix
Revenue
Stamp
Here

Note: The Proxy in order to be effective must reach duly filled in at least 48 (forty-eight) hours before the commencement of the aforesaid meeting.



BEDMUTHA INDUSTRIES LIMITED

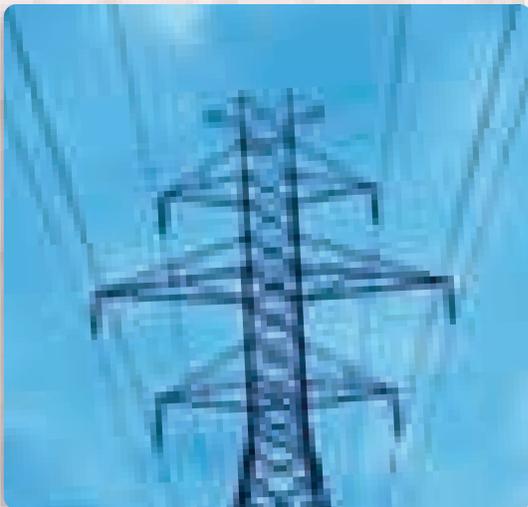
Cable Armour Wire



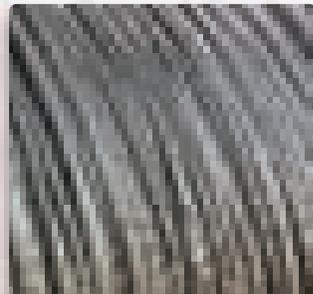
Galvanised Wire



LRPC Wire & Strand



ACSR Core wire



Earth Wire / Stay Wire



Chain Link Fencing Wire



Spring Steel Wire

Powering Infrastructure

BOOK-POST

if undelivered, please return to :

BEDMUTHA INDUSTRIES LIMITED

A-32, Stice, Sinnar, Dist. Nasik