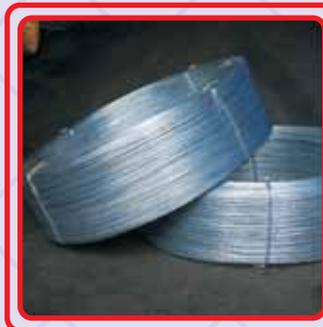
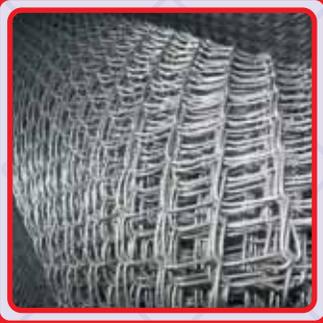




*"Powering Infrastructure"*

# **BEDMUTHA INDUSTRIES LIMITED**



**ANNUAL REPORT  
2011 - 2012**

## 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@uniseq.com](mailto:bedmutha@uniseq.com) or [ipo@bedmutha.com](mailto:ipo@bedmutha.com) of the Company so as to reach the Company at the earliest.



**LAND POSSESSION  
CEREMONEY**



**MEGA PROJECT  
SIGNING CEREMONY**



**BARE LAND**





**DEVELOPED LAND**



**DEVELOPED LAND**



**MACHINE ARRIVAL**

# BEDMUTHA INDUSTRIES LIMITED

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## 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. Chandan Kshirsagar

### Registered Office

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

### 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.

### Bankers

Punjab National Bank  
Bank Of India  
Andhra Bank  
Bank Of Baroda  
Export Import Bank Of India

### Auditors

M/s Patil Hiran Jajoo & Co.  
Chartered Accountants

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## NOTICE

Notice is hereby given that the 22<sup>nd</sup> Annual General Meeting of the Members of Bedmutha Industries Limited will be held on Friday, 21<sup>st</sup> September 2012 at 3.00 p.m. at the Saiways Restaurant F-4, Sinnar–Shirdi Road, STICE, Sinnar, Nashik-422 103 to transact the following business:

### Ordinary Business:

1. To receive, consider and adopt the audited Balance Sheet as at 31<sup>st</sup> March 2012 and the Profit and Loss Accounts for the year ended on that date together with the reports of Board of Directors and the Auditors report thereon.
2. To appoint a director in place of Mr. Kachardas R Bedmutha, who retires by rotation and being eligible offers himself for reappointment.
3. To appoint a director in place of Mr. Balasubramanian A. who retires by rotation and being eligible offers himself for reappointment.
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.

**“RESOLVED THAT** M/s. Patil, Hiran, Jajoo & Co. Chartered Accountants,(Firm Registration No 120117W) be and are hereby appointed as a 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 the following resolution as a special resolution.

**“RESOLVED THAT** pursuant to the provisions of section 163(1) of the Companies Act 1956 (the Act) and all the applicable laws, rules and regulations the Registers and Index of Members and copies of all annual returns, certificates and documents required to be annexed to the annual returns and all other statutory registers be kept at the Corporate Office of the Company at A-70/71/71 instead of at the registered office of the Company, with immediate effect”

**“FURTHER RESOLVED THAT** all the registers, index, returns, certificates and documents mention above shall be kept open for inspection at the place specified above by the persons entitle to it and to the extent, in the manner and on payment of fees as may be applicable as per the provisions of the Act between 10.00 a.m. to 1.00 p.m. on any working day of the Company except when the registers and books are closed under the provisions of the Act or under the Listing Agreement”

**“FURTHER RESOLVED THAT** all the directors and Company Secretary be and are hereby authorized jointly and/or severally to do all such acts, deeds and things as may be deem necessary to give effect to the above resolution.

For **BEDMUTHA INDUSTRIES LIMITED**

**Chandan Kshirsagar**  
Company Secretary

Date: 14/08/2012

Place: Sinnar

Notes:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
2. Proxies in order to be effective must be received at the Company’s Registered Office not later than 48 hours before the meeting. A Proxy form is annexed)
3. Members/proxies should bring duly filed Attendance Slip to attend the meeting.
4. The Explanatory statement pursuant to Section 173(2) of the Companies Act 1956, for item no. 5 is attached and forms part of this notice.

## BEDMUTHA INDUSTRIES LIMITED

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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 as stipulated under clause 49 of the listing agreement with the Stock Exchanges in India, are provided in the Report on Corporate Governance.
6. The Register of Director's shareholding, maintained under Section 307 of the Companies Act 1956 will be available during the meeting for inspection by the members.
7. In case the 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 18/09/2012 to 21/09/2012 (Both days inclusive) in order to comply with the requirements of the 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. Nominations forms can be obtain from the Registrar and 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 Saturday, between 10.00 a.m. to 1.00 p.m. up to the date of the Meeting.

For **BEDMUTHA INDUSTRIES LIMITED**

**Chandan Kshirsagar**  
Company Secretary

**Date: 14/08/2012**

**Place: Sinnar**

### **EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT 1956 FOR SPECIAL BUSINESS TO BE TRANSACTED AT THE ANNUAL GENERAL MEETING:**

As per section 163 of the Companies Act 1956, Company can keep the statutory records at a place other than registered office of the Company by passing a special resolution in the general Meeting of the shareholders.

At present Company's registered office is at A-35, STICE, Musalgaon, Sinner, District Nashik. Company having its corporate office at A-70/71/72 which is at walkable distance approximately half a kilometer away from the registered office of the Company. Corporate office of the Company is newly constructed with the all amenities and facilities necessary for administrative and Business purposes. Considering the infrastructure facilities and all the arrangements available management of the company have decided to keep all the statutory records at the corporate office of the Company

None of the Directors of the Company have any pecuniary interest in the resolution. Your directors recommended this resolution to be passed as a special resolution.

For **BEDMUTHA INDUSTRIES LIMITED**

**Chandan Kshirsagar**  
Company Secretary

**Date: 14/08/2012**

**Place: Sinnar**

## DIRECTORS' REPORT TO THE MEMBERS

Dear Shareholders,

The Board of Directors are pleased to present their 22<sup>nd</sup> Annual Report of your Company on the business and the operation along with the standalone and consolidated financial statement for the year ended 31<sup>st</sup> March 2012.

The year that has gone by was a tough year, full of turbulence and volatility. It was a testing time to navigate the Company through all odds like ups and downs in foreign exchange, high inflation forcing the Reserve Bank of India to increase the interest rates through repeated, through necessary policy and regulatory prescriptions. Mining issues had resulted in huge fluctuation in raw material prices. These external circumstances led to Industrial slow down, which was evident from the Index of industrial production numbers for the year 2011 -2012, which resulted into curtailed the demand for the products, steep fall in spending on the infrastructure projects by the Governments, slackness in automobile segment. The global scenario was no less discouraging and the gloom thereof cast its shadow on the domestic industry. In view of all the odds the Company could not achieve positive bottom line.

The silver lining during the period, had been the initiation of Business Process Reengineering (BPR) activity in the company, which helped the Company to restrict the loss for the year which otherwise could have been more than the reported loss. The BPR initiative has made it possible for the Company to reorganize itself in meeting the Business Objectives in a more scientific manner. The whole team in the company is working hard with zeal to counter the adverse market volatilities by reducing cost of production, segmenting the product to niche market and exploring new market by expanding its geographical reach.

### Financial Results:

The financial results of the Company for the year ended on 31<sup>st</sup> March, 2012 as compared with the previous year are as under:

(₹ in Lacs)

Particulars	Stand alone		Consolidated	
	2011-2012	2010-2011	2011-2012	2010-2011
Income from Operations	20,874.62	19,002.55	23,785.38	21,477.02
Operating Profit	1,039.53	1,592.42	1,495.64	2,292.29
Add : Other Income	284.31	247.59	237.60	166.01
Profit before Interest, Depreciation and Taxes	1,323.84	1,840.01	1,733.24	2,458.30
Less : Finance Cost	928.69	847.75	1,152.76	1,033.73
Profit before Depreciation and Taxes	395.15	992.26	580.48	1424.57
Less : Depreciation	511.27	504.58	513.34	508.22
Profit Before Taxes	(116.12)	487.68	67.14	916.35
Less : Provision for Current Taxation	-	185.00	61.40	327.00
Less: Provision for Deferred Taxation	(51.20)	37.37	(51.10)	38.68
Less: Taxes in respect of earlier years	(30.88)	-	(16.29)	-
Profit/ Loss after Taxes	(34.04)	265.31	73.13	550.67

### Dividend:

In view of the loss for the year, the Board does not recommend any dividend for the financial year 2011-12.

### Management Discussion and Analysis:

The management discussion and analysis on the operations and financial position of the Company is provided in a separate section forming part of the annual report.

### Project Implementation:

Pursuant to the provisions of Section 61 of the Companies Act, 1956 and other applicable rules, regulations, guidelines and other statutory provisions which were then in force, the members of the Company, in the 21<sup>st</sup> Annual General Meeting held on 12<sup>th</sup> August 2011, have accorded their consent to vary the terms referred to in the Prospectus of the Company dated 05<sup>th</sup> October 2010, filed with the Registrar of Companies, Maharashtra, Mumbai (the prospectus) including to vary

## **BEDMUTHA INDUSTRIES LIMITED**

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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 change in location, changes in amount and / or schedule of deployment for the projects and/or also for general corporate purposes, as the case may be.

It was stated in the said Annual General Meeting that the Company has acquired lands at Rashegaon in Tehsil Dindori, Dist. Nashik and Nardana, M.I.D.C. , Dist. Dhulia and 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. Accordingly, the directors took a decision to implement the Project at Nardana MIDC.

### **Greenfield Project at Nardana:**

During last year we had embarked upon the expansion program and came out with maiden IPO which was well received by investors and oversubscribed by more than 7 times. Our company has received the Mega Project status from Government of Maharashtra and in response to the same, we had dovetailed the Project envisaged in IPO along with the Mega Project. As explained Due to change in Government Policy we had to reshift our Project from Rasegaon in District Nashik to Nardana MIDC in District Dhulia. The total Project cost is now Rs. 311 cr. and we are pleased to inform that a consortium of Banks have sanctioned a Term Loan of ₹ 200 crs for this Green Field Project. Thus the Financial Closure is achieved.

The Company has already acquired 50.26 acre land in MIDC Nardana, and has taken the possession in November 2011. The work of site development activity was commenced in January 2012 and the same got completed in May 2012. Now the work of construction of factory premises is in full swing. Your company is hopeful, that, barring unforeseen circumstances phase-1 of the project, i.e. High speed Galvanizing Line for manufacture of wire products will be operational early next year and the total project would be completed by the third quarter of the next calendar year.

### **Milestones achieved till July 2012.**

- I. Land Acquired and Possession taken
- II. Land development activity completed.
- III. Boundary wall construction in progress.
- IV. Important statutory approvals obtained.
- V. Renowned consultants appointed.
- VI. Building construction work started.
- VII. Majority Plant and Machinery identified order placed.
- VIII. Market development activities initiated.

To closely monitor the implementation of project and to provide onsite guidance, a Project Monitoring Committee (PMC) of all directors has been formed and PMC is meeting every month at the site. The top management executives are visiting the site every week to closely monitor the project. The Directors are pleased to inform that the project is moving as per the scheduled plan.

Your Company has adopted the best of the technologies and process in the new expansion, which will help the Company to be cost effective and deliver a product of world class quality and packaging. Once the expansion of the Company fully implemented at the Naradana MIDC then your company will be able to provide employment to more than 300 People in the region.

Further, in order to manage the activities at different locations and to process huge information flow effectively and efficiently, we have decided to implement ERP across all the locations and functions of the Company and have taken steps to identify the right ERP software and have placed the order for the same. Your Management is confident with various steps taken, the Company is geared up to meet the challenges of the future in the best interest of the stake holders.

### **Subsidiary Company:**

In accordance with the Direction issued under Section 212(8) of the Companies Act, 1956 by the Ministry of Corporate Affairs, Government of India, the balance sheet as on and Profit And Loss Account of the Subsidiary Company, M/s. Kamalasha Infrastructure and Engineering Private Limited for the year ended on 31<sup>st</sup> March 2012 have not been

attached to this report. However, the financial information of subsidiary company is disclosed in the attached Annual Report in compliance with the said circular. The consolidated financial statements presented by the Company include the financial result of its subsidiary company

The turnover of the Kamalasha Infrastructure and Engineering private Limited, increased by 18% to ₹ 2957.98 lacs as compared to ₹ 2513.05 lacs in the previous year. The Company achieved the operating profit (PBIT) of ₹ 470.99 as compared to ₹ 714.74 in the previous year.

#### Utilization of Funds from IPO

Your Company had the following objects of IPO as stated in the Prospect

Particulars	₹ 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
<b>Total</b>	<b>9211.40</b>

Note: The Shareholder have approved deferment of 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.

During the year under review, your company utilized the proceeds of IPO as under

Particulars of fund utilization	Utilisation as per Prospectus	Actual Utilisation up to the 31 <sup>st</sup> March 2012
Expansion Project	8494.00	3798.92
General Corporate Purpose	175.00	-
Share Issue Expenses	542.00	394.90
<b>Total</b>	<b>9211.40</b>	<b>4193.82</b>

As on 31<sup>st</sup> March 2012, unutilized amount in the Company amounting to ₹ 4990.47lacs have been temporarily invested in Company's Cash credit Account and Advance given against project and FDR against Foreign Letter of Credit (FLC)

Unutilised fund as on 31 <sup>st</sup> March 2012 is as follows	₹ in Lacs
Advance against Project	1989.27
Available in Current Assets	313.92
Loans (Interest bearing) Jenil's ICDs	775.00
Available in cash credit	365.78
Expansion at Sinnar Unit	1546.5
<b>Total</b>	<b>4990.47</b>

#### Particulars of Employees:

There were no employees during the year drawing 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.

#### Corporate Governance:

Company is committed to maintain the highest standards of corporate governance and adhere to the corporate governance requirement set out by SEBI. The Board is driven by a philosophy of implementing best corporate governance practices.

A report on the Corporate Governance as stipulated under clause 49 of the listing agreement forms part of the Annual Report.

The requisite certificate from auditors of the Company confirming compliance with the conditions of corporate governance as stipulated under the aforesaid clause 49 is attached to this report.

#### Directors:

Shri Balasubramanian A. and Shri. Kachardas Ratanchand Bedmutha retires by rotation at the ensuing Annual General Meeting and being eligible, offer them for re-appointment.

## **BEDMUTHA INDUSTRIES LIMITED**

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### **Conservation of Energy, Technology absorption and Foreign exchange earnings and outgo:**

The information required under section 217(1)(e) of the Companies Act 195, read with Companies (Disclosure of particulars in the Report of Board of Directors) Rules 1988 is annexed to this report.

### **Directors Responsibility statement:**

Pursuant to 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 year ended 31<sup>st</sup> March 2012, the applicable accounting standards have been followed.
- ii) The directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31<sup>st</sup> March, 2012 and of the loss of the company for the year ended on that date.
- iii) That the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Companies Act 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- iv) That the directors had prepared the annual accounts on a going concern basis.

### **Fixed Deposit:**

The Company has not accepted any fixed deposit during the year under review falling within the purview of Section 58A of the Companies Act 1956.

### **Cash Flow Statements**

A cash flow statement for the year ended on 31<sup>st</sup> March, 2012 is attached with the Annual Audited Accounts.

### **Auditors:**

M/s. Patil Hiran Jajoo & Co. Chartered Accountants, the Statutory Auditors (Firm Registration No. 120117W) of the Company, hold office until the conclusion of ensuing Annual General Meeting and are eligible for reappointment. The Company has received a letter from them to the effect that their reappointment if made, would be within the prescribed limits under section 224(1B) of the Companies Act, 1956,, and they are not disqualified for reappointment within the meaning of section 226 of the said Act.

### **Cost Auditor:**

During the year Board appointed M/s DBK & Associates, Cost Accountants to conduct the cost audit of the Company. The Company has received the approval from the Central Government for the appointment of M/s DBK & Associates as a Cost Accountants for the financial year 2011-2012.

### **Acknowledgment:**

Your Directors wish to thank and acknowledge the Financial Institutions, Banks, Government Authorities, dealers, suppliers, business associates, consultants 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 team of Bedmutha group, at all levels for their spirit of commitment, dedication and support extended in challenging times.

For and on behalf of Board of Directors  
Of **BEDMUTHA INDUSTRIES LIMITED**

**K. R. Bedmutha**  
Chairman

**Date: 14/08/2012**

**Place: Sinnar**

## **ANNEXURE TO DIRECTORS REPORT: MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

### **INDUSTRY STRUCTURE AND DEVELOPMENT**

#### **Economic Environment and Industry overview:**

After a smart recovery in 2010, growth in global economic output slowed down considerably in 2011. As per the International Monetary Fund's report in April 2012, a growth rate of 5.3% was recorded in 2010 against a forecast of 4.4% at the beginning of the year, while global output is estimated to have grown by only 3.9% in 2011, with growth in advanced economies slowing down to 1.6% in 2011 against 3.2% in 2010 primarily due to the sovereign debt crisis in the euro zone, contraction of Japanese economy and sluggish recovery in the USA.

As per the RBI's First Quarter Review of Monetary Policy 2012-13 released on 31<sup>st</sup> July 2012, the growth projections of Indian economy for the current year (2012-13) has been revised downwards from 7.3 per cent to 6.5 per cent in view of monsoon has been deficient and uneven so far and also due to the fact that the industrial production for April-May 2012 suggest that industrial activity remains weak. Significant downside risks to this baseline forecast include the outlook for global commodity prices especially crude oil, and slippage on the fiscal front which could stoke inflation and unsustainable current account deficit levels.

#### **Indian Steel wire industries:**

Established in India in 1920s, the Steel Wire Industry has progressed remarkably and has successfully developed and manufactured various types of high carbon, alloy steel and special steel wires in addition to mild steel wires. The industry has become versatile enough to meet the requirements of numerous consuming sectors. This sophistication has been possible due to continuous and well-planned R & D efforts on part of the manufacturers.

The Steel Wire Industry in India is quite competitive in its production costs compared to other developed and developing countries. This cost competitiveness needs to be maintained by adoption of new and clean technologies, with lower specific energy consumption and which generate much lesser pollutants. We need to automate processes and focus on product quality and packaging to produce wires internationally acceptable.

### **SEGMENT-WISE PERFORMANCE**

Manufacturing of steel wire is the only segment of the Company. The Company does not have any other segment along with manufacture of steel wire.

### **FUTURE OUTLOOK**

The steel wire industry is a basic infrastructure industry producing various types of steel wires, which have high-end critical applications in infrastructure, auto industry, power distribution, defence and other critical industries. Growth of this industry is directly linked to the growth of the infrastructure, automobile and power sectors. It is seen that this wire industry has been growing about 5-6% during last two years. The demand of wires is expected to increase in leaps and bounds in the years to come. Out of the total steel consumed in India wire constitutes only 5%. However, if pace of development picks up the domestic consumption of wires will increase from 2%-3% to 7%-8% of the steel consumption.

The industry caters to both the domestic and export markets. To accelerate growth there is an urgent need to devise policies that will increase the export of wires. If such policies can be put in place, the wire industry has potential to grow at a rate much higher than the current rate of 5-6% per annum.

With the growth in steel production India is projected to be a net exporter of steel in the near future. The abundant availability of raw materials will provide a tremendous growth opportunities for the steel wire industry

## BEDMUTHA INDUSTRIES LIMITED

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### RISK, OPPORTUNITIES AND THREATS

Bedmutha Industries Limited aims to address the opportunities offered and threats posed by its business environment strategically by maintaining sustainable and robust business models & further improving on them.

The risks which the Company may face are discussed as follows.

**i) Raw material price volatility:**

During the year 2011-2012 there was increase in the raw material prices due to mining issues and shortage of raw material availability. Management is working with the suppliers to achieve competitive prices

**ii) Health, Safety and Environment Risk:**

The manufacture of steel wire involves processes that are potentially hazardous if not executed with due care. The Business of the Company are subject to numerous laws, regulations and contractual commitments relating to health, safety and the environment in the country and these rules and regulations are becoming more stringent.

Regarding the health and safety the philosophy of management is that the Injuries can be prevented. The aim of the management is to reduce the risk of health and safety and considering this aim, extra efforts are being taken to ensure safety measures at the work place.

**iii) Technology Risk:**

A key challenge before the Company is to ensure that its plants are equipped with updated technologies in order to serve clients better and secure cost competitiveness. To that effect the management of the Company have continued to be geared at improving existing process to advance the groups cost competitive position.

**iv) Foreign Exchange Risk:**

Volatility in the currency markets can adversely affect the outcome of commercial transaction and cause trading uncertainties. Company have some foreign exchange hedging policies in place to protect its trading and manufacturing margins against rapid and significant foreign exchange movement.

**v) Financing Risk:**

The expansion of Bedmutha Industries Limited at the Nardana, District Dhule is sufficiently depend upon the fund raised through Initial public offer and term loan availed from the various banks. So financial planning of the Company is affected by fluctuation in the interest due to volatility conditions in the market which is evident from the RBI's move during the financial year 2011-2012 by increasing the rate of interest quarter on quarter.

**vi) Regulatory and Compliance Risk:**

There are number of complex laws and regulation and multiple compliance to be complied with by the Company. Further unstable political system and frequent changes in investment and economic policies are common and any unforeseen change can expose the Company's business. Management of the company is keen to avoid such kind of risk and taking various steps to save the company from adverse effect of such risk.

### INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

The Company has appointed M/s N. K. Muni & Co., Chartered Accountant as Internal Auditor to have check on the adequacy of controls in the overall operations and functioning of various departments. The quarterly reports of the Internal Audit are placed before the Audit committee. It is a key component which assists the management in discovering control, weaknesses, regulatory violations, policy violations and operational inefficiencies. This self-discovery of issues provides the management the ability to take corrective action in order to maintain the safety, soundness, profitability and integrity.

Further your Company has initiated ERP implementation. The purpose for ERP implementation is to make system more transparent and efficient with accountability and real time availability of information to the management. These measures will benefit the organization in optimum utilization of its resources and building strong and automated internal control mechanism.

**DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE****Revenue:**

The Company's Standalone income which comprises of income in form of operating and other income increased by 9.92% to ₹ 21158.94 lacs as compared to ₹ 19250.15 lacs of the previous year. The consolidated income increased by 11% to ₹ 24022 .99 lacs from 21643.00 lacs in previous year.

**Raw Material & Direct Cost:**

Raw Material consumption had increased by 12% to ₹ 16394.44 during the year under review was compared to 14681.18 in previous year. This was because of increase in domestic steel mills prices due to mining issue and shortage of raw material. Further there was extreme volatility in forex rate which increased by 13% from April 2011 to March 2012 and the highest increase during the year was 17%.

Manufacturing and operating cost increased by 28.37% over last year, due to increase in power and fuel cost.

The personal cost increased by 3.54% over the last year.

**Indirect cost:**

Sales and administration expenses for the year constituted 2.19% of the net sales against 1.72% for the previous year 2010-11.

**Finance Cost:**

Finance Cost for the year increased by 10% to Rs. 928 lacs from Rs. 847 lacs. During the year, the percentage of interest cost to the sale during the Financial year 2011-2012 was 4.45% of the net sales as against 4.46% during the previous year, due to frequent and steep hikes in the interest rates of banks.

**MATERIAL DEVELOPMENT IN HUMAN RESOURCES/ INDUSTRIAL RELATIONS FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED.**

Bedmutha Industries Limited recognizes people as its key strength. The company is on a growth path and the Human Resource team has been continually focusing on the means to achieve the company's goal of meeting such growth targets through external recruitment and right skilling and by improving the capabilities of existing people through employee development programmes.

With the coming expansion of Bedmutha Industries Limited at Nardana, there is a need of highly skilled and qualified workforce to support the growth. Your Company is geared up to meet the challenge of growth by recruiting technically qualified persons and maximizing utilization of the existing employees by upgrading skills in them through appropriate training programs. Leadership development will be the core part of our training programs.

## BEDMUTHA INDUSTRIES LIMITED

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### A. CONSERVATION OF ENERGY

**a) Energy conservation measure taken:**

1. Variable frequency drive system is implemented for wire drawing M/CS to save power.
2. Cooling tower fan automation is implemented to save energy.
3. Air Compressor loading & unloading pressure settings are adjusted as per air consumption requirement in plant which result in energy saving.
4. Replacement of conventional V-belts of wire drawing motors by Cogged belts which results in power saving.
5. Installed Automatic wire length marker system, which avoids the starting high current every time at the time of machine startup and resulting in power saving.

**b) Additional investments and proposals, if any, being implemented for reduction of consumption of energy:**

- 1) Retrofitting of energy efficient factory lighting to conserve energy.
- 2) Installed Automatic Power Factor control panel to save energy.
- 3) Comprehensive Energy Audit has been carried out by Bureau of Energy Efficiency accredited Energy Auditor Agencies and action plan for energy conservation has been drawn up and is being implemented in phases.

**c) Impact of measures at (a) and (b) above for reduction of energy consumption and consequent impact on the cost of production of goods :**

With the implementation of the above measures, energy cost is expected to be reduced and consequently there will be impact on the cost of production.

**FORM A**

<b>A</b>	<b>Power and fuel consumption</b>	<b>2011-2012</b>	<b>2010-2011</b>
<b>1</b>	<b>Electricity</b>		
	<b>A) Purchased</b>		
	Unit (Thousand KWH)	84,52,965.00	82,24,349.00
	Total amount (Rs. in Lacs)	550.79	474.86
	Rate/unit	6.52	5.77
	<b>B) Own Generation</b>		Not available
	<i>i) Through diesel generator</i>		-
	Unit (Thousand KWH)	65,936.00	-
	Units per Liter of diesel oil (KWH)	3.20	-
	Cost/unit	13.13	-
	<i>ii) Through steam turbine/generator</i>	NIL	Nil
	Units	-	-
	Units per Liter of fuel oil/gas	-	-
	Cost /Unit	-	-
<b>2</b>	<b>Coal</b>	NIL	Nil
	Quantity	-	-
	Total cost	-	-
	Average rate	-	-
<b>3</b>	<b>Furnace oil</b>		
	Quantity (MT)	1,607.52	1,787.00
	Total amount (Rs. in Lacs)	582.62	465.30
	Average Rate	36,243.67	26,043.41
<b>4</b>	<b>Others/ Internal generation</b>		
	<i>Fuel Oil/LDO</i>		
	Quantity (Ltr.)	2,04,607.00	2,38,935.00
	Total Cost (Rs. in Lacs)	107.08	101.63
	Rate/unit	52.34	42.53
<b>B</b>	<b>Consumption per Unit of Production</b>		
	<i>I Wire Drawing (Unit : MT)</i>	38,869.13	41,004.57
	<i>i Electricity</i>	433.29	332.25
	<i>ii Furnace Oil</i>	N A	N A
	<i>iii Others</i>	275.49	247.85
	<i>II Galvanising (Unit : MT)</i>	26,468.52	27,410.27
	<i>i Electricity</i>	111.98	69.62
	<i>ii Furnace Oil</i>	2,201.20	1,697.56
	<i>iii Others</i>	N A	N A

## BEDMUTHA INDUSTRIES LIMITED

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### FORM B

#### B) TECHNOLOGY ABSORPTION

Research and Development (R &D)

**1. Specific areas in which R & D carried out by the company.**

- i. Energy & Environment

**2. Benefit derived as a result of the above R & D.**

- i. Replacement of old motor & its DOL starter by latest PLC based Variable Frequency Drive panel in stripmill, WWD and MWD sections resulting in conservation of power
- ii. Replaced conventional V-belts of wire drawing motors by Cogged belts resulting in conservation of power
- iii. Installed Automatic wire length marker system in High Speed wire drawing machine which mark ink on wire when the length is achieved without stopping high speed machine resulting into conservation of power
- iv. Water fuel emulsion technology has been adopted which ensures efficient fuel consumption resulting in a saving of 8-10% of fuel and lower carbon footprint.

**3. Future Plan of action.**

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

**4. Expenditure on Research & Development : Nil**

**Technology Absorption, Adoption and Innovation, Efforts made, Benefit 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.

**2. Total foreign exchange used and earned :**

- Foreign Exchange Earnings : ₹ Nil
- Foreign Exchange Used(Value of Imports on C.I.F. basis)
  - 1. Raw Material : ₹ 1806.44 lacs,
  - 2. Plant & Machinery: ₹ 830.88 lacsTotal : ₹ 2637.32 lacs
- Exchange incurred in Foreign Currency on Tour & Travelling : ₹ 7.64 lacs

**REPORT ON CORPORATE GOVERNANCE**

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 CORPORATE 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 Stock Exchanges and the Companies Act 1956. The present strength of the Board is of Six Directors comprising as optimum combination of Executive and Non-Executive Directors.

Category	No. of Directors	% of Total No. Directors
Executive Directors	3	50%
Independent Directors	3	50%
<b>Total</b>	<b>6</b>	<b>100%</b>

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 Director have made necessary disclosures regarding committee positions occupied by them.

A Composition and categories and brief resume of all 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:

**i) Directors Profile:**

**Mr. Kachardas Ratanchand Bedmutha:**

Aged 74 years is an Engineer by Qualification. He is a founder of Bedmutha Industries Limited (BIL). Under his leadership the Bedmutha group has grown from single product to multiproduct group. Mr. K.R. Bedmutha has worked with leading Companies such as Birla Group, heavy Engineering Corporation and Indian Tools, etc before venturing in the Industry. He is the member of Institute of Engineers(India), Indian Institute of Industrial Engineers, and institute of works Managers (London), Board of national safety council and Industrial safety and health association. Mr. Bedmutha promoted Bedmutha Industries Limited in 1990 along with his sons. K. R. Bedmutha is an Executive Chairman of the Company and represents the promoter group.

**Mr. Vijay K. Vedmutha**, aged 45 years elder son of Mr. K.R. Bedmutha is qualified an Industrial & Production Engineer. He has done MBA with specialization in Finance. He is a member of 'Institution of Engineers of India'. 'Associate Member of Institute of Valuers (India), 'Institute of Surveyors & Loss Assessors', 'Associate Member of the Society of Non-destructive Tester Institute' and 'Indian Institute of Plant Engineer'. Mr. Vijay Vedmutha is a Managing Director of the company and represents the promoter group. He joined the company since inception and looks after overseas Marketing and Finance operations of the company.

**Mr. Ajay K. Vedmutha** aged 43, years younger son of Mr. K.R. Bedmutha, is a qualified Mechanical Engineer. He is member of 'Institution of Engineers of India', 'Deccan Sugar Technologies & Association'. 'Member of the 'National Safety Council' and 'Institute of Energy Engineers'. Mr. Ajay Vedmutha is Joint Managing Director of the company and represents the promoter group. He joined the company since inception and has been on the board since then. He is responsible for Production, Planning and Control operations of the Company.

**Mr. Balasubramanian A:**

Mr. A. Balasubramanian, aged 63, is a Chartered Accountant by qualification, with a wide and varied experience of more than 30 years in industry and commercial banking. He had worked with Punjab National Bank for about 27 years, holding different positions in various areas of banking before retiring in 2008 as Chief General Manager. Before joining bank he had worked with a Tata group company for about 4 years.

## BEDMUTHA INDUSTRIES LIMITED

### Mr. Narayan Kadu:

Aged 63 years is M.Sc. (Agri) & CAIIB by qualification. He worked as Asstt. Professor in Veterinary College for four years after that Joined Punjab National Bank as Officer (Technical) in the year 1977 and worked with Punjab National Bank in different capacities for 32 years. He worked as Chief Manager in Exceptionally Large Branch, New Delhi and then worked as Regional Manager of Rajkot (Gujarat) and Pune Regions. After his Promotion as Senior Regional Manager he headed Indore (MP) Region. In the year 2009 he retired as Assistant General Manager from Mid Corporate Branch, Nagpur (specialized branch to deal only with corporate loan accounts). He is having vast experience in banking specially Credit Management, appraisal of credit proposals, staff management, HRD etc. He earned several prestigious awards from bank during his tenure. He was a prudent and successful banker.

### Mr. Shital Nahar:

Aged 41 years is B.E.(Computer) by qualification. He is Director of Nahar Integrated System Private Limited (NISPL) and looking after Entire business of NISPL from the year of 1995 till today. He is also active member of Computer Media Dealer Association.

### ii) Details of meeting attended by Directors and their Directorship and membership in other Companies

Name of Director	Categories	Attendance of meeting during the year		No of Directorships	No. of Directorship(s)/ Chairmanship(S) of Board Committees in other Companies.
		Board Meeting	Last AGM		
Mr. Kachardas R. Bedmutha	Executive Director	5	Yes	1	Nil
Mr. Vijay K. Vedmutha	Executive Director	5	Yes	1	Nil
Mr. Ajay K. Vedmutha	Executive Director	5	Yes	Nil	Nil
Mr. Balasubramanian A.	Independent Director	4	No	2	1 (as Chairman)
Mr. Narayan Kadu	Independent Director	5	No	Nil	Nil
Mr. Shital Nahar	Independent Director	0	No	Nil	Nil

#### Note:

The directorship held by Directors as mentioned above, do not include Alternate Directorships and Directorships in Foreign Companies, Companies Registered under section 25 of the Companies Act 1956 and Private Limited Companies.

In accordance with clause 49 of the listing agreement, Membership/Chairmanship of Audit Committee and Shareholders/Investors Grievance committees in all public Limited Companies (Excluding Bedmutha Industries Limited) is considered.

### iii) Details of Board Meeting Held:

Five board meetings were held during the year ended 31<sup>st</sup> March 2012, at least one board meeting was held in every quarter and time gap between the two board meetings is not more than four months as required under the provisions of clause 49 (I)(C)(i) of the Listing Agreement. The details of such Board Meetings are as follows:

Sr. No	Date of the Board Meeting	Board Strength	No. of Directors present.
1	12 <sup>th</sup> May 2011	6	5
2	5 <sup>th</sup> June 2011	6	5
3	11 <sup>th</sup> August 2011	6	5
4	9 <sup>th</sup> November 2011	6	5
5	9 <sup>th</sup> February 2012	6	4

**BOARD COMMITTEES**

**The Company has Constituted the following Four Committees,**

- A) Audit Committee
- B) Shareholders and Investors Grievance Committee
- C) Remuneration Committee. (Non Mandatory)
- D) Management Committee. (Non Mandatory)

**A) AUDIT COMMITTEE**

**i) Description and Terms of reference:**

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

1. Review of Company's financial reporting process and the disclosure to ensure that the financial statement is correct, sufficient and credible.
2. Recommending Appointment/Removal of External Auditors, Fixation of audit fee and payment for other services.
3. Reviewing Annual Financial statement before submission to the Board with focus on changes in accounting policies and practice, major accounting entries, qualifications in draft report, significant adjustments arising out of audit Accounting standards.
4. Statutory compliance and legal requirements.
5. 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.
6. Reviewing with the management, external and internal auditors, the adequacy of internal control systems and internal audit function.
7. 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.
8. Discussion with external Auditor in respect of pre and post audit matters.
9. Reviewing Company's financial and risk management policies.
10. Look into reason for substantial defaults in payments to depositors, debenture holders and creditors.

**ii) Composition, names of members & chairman:**

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

**iii) Meetings and Attendance during the year**

Name of Members	Dates of the Audit Committee Meetings held and Attendance					
	12 <sup>th</sup> May 2011	5 <sup>th</sup> June 2011	11 <sup>th</sup> Aug 2011	9 <sup>th</sup> Nov. 2011	10 <sup>th</sup> Jan 2012	9 <sup>th</sup> Feb 2012
Mr. Balasubramanian A	✓	✓	✓	✓	✓	✗
Mr. Narayan Kadu	✓	✓	✓	✓	✓	✓
Mr. Vijay Vedmutha	✓	✓	✓	✓	✓	✓

The joint Managing Director, Senior Account personal, General Managers and the representative of Statutory Auditors, Internal Auditor were also invited for the Audit Committee as and when it was deemed necessary.

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

**B) SHAREHOLDERS AND INVESTORS GRIEVANCE COMMITTEE**

**i) Brief Description:**

The Company has constituted a shareholders and 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.

## BEDMUTHA INDUSTRIES LIMITED

### ii) Composition of Shareholders and investors grievance Committee

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

Committee meeting is convened as and when required to execute duties under terms of reference. On 30<sup>th</sup> January 2012 the meeting of Shareholders and Investors Grievance Committee was held to review the status of complaint, if any received.

### iii) Terms of reference:

The Company has appointed Universal Capital Securities Pvt. Ltd. as a share transfer agent, to look after the shareholders correspondence, share transfer, transmissions, transpositions, to prepare shareholding pattern, issue of duplicate, split and consolidated share certificates, which are approved by the Committee. The Company has connectivity with NSDL & CDSL for Dematerialization of shares.

iv) The Compliance officer in terms of the requirements of the stock exchange who liaises with and monitor the activities of the Share Transfer Agent.

v) Details of complaints received/resolved during the financial year 2011-12:

#### Investors Grievance Redressal:

Nature of Complaint	Received	Resolved	Pending
Non receipt of refund amount	1	1	0

There were no outstanding Complaints as on 31<sup>st</sup> March 2012.

## C) REMUNERATION COMMITTEE

### i) 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 and 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.

### ii) Composition of Remuneration Committee

Name of Member	Designation	Category
Mr. Balasubramanian A	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.

### iii) Details of Remuneration for the year ended on 31<sup>st</sup> March, 2012

#### a) Executive Directors:

(₹ in Lacs)

Name of the Director	Basic Salary	Perquisites and allowance	Retire benefits	Commission payable	Performance linked insensitive	Total	Stock option granted
Mr. K. R. Bedmutha	6.66	12.97	-	-	-	19.63	Nil
Mr. V. K Vedmutha	6.66	13.95	-	-	-	20.61	Nil
Mr. A.K. Vedmutha	6.66	13.79	-	-	-	20.45	Nil

Considering the losses of the company during the year directors voluntarily decided to reduce their salary from August 2011 onwards.

**b) Independent Directors:**

(In ₹)

Name of the Directors	Sitting Fees	Commission	Total
Mr. Balasubramanian A	66,000	Nil	66,000
Mr. Narayan Kadu	86,000	Nil	86,000
Mr. Shital Nahar	Nil	Nil	Nil

**D) MANAGEMENT COMMITTEE**

Board of Director has formed the Management Committee to look after the day to day administrative work of the Company and the matters related to Banking and legal.

**i) Composition**

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

**GENERAL BODY MEETINGS**
**i) Annual General Meetings:**

The Annual General Meetings of the company during the preceding three years held at the Registered Office of the Company at A-32, STICE, Musalgaon, Sinner. Dist Nashik, Maharashtra-422103.

The date and time of the Annual General Meetings held during the preceding three years and the special resolutions passed thereat are as follows:

Year	Date	Time	Particulars of Special resolution passed
2010-2011	12 <sup>th</sup> August 2011	4.00 pm	1) Pursuant to the provisions of Section 61 of the Companies Act, 1956 and other applicable rules, regulations, guidelines and other statutory provisions which were then in force, the members of the Company, in the 21 <sup>st</sup> Annual General Meeting held on 12 <sup>th</sup> August 2012, have accorded their consent to vary the terms referred to in the Prospectus of the Company dated 05 <sup>th</sup> October, 2010, filed with the Registrar of Companies, Maharashtra, Mumbai.
2009-2010	25 <sup>th</sup> September 2010	11.30 am	1) Authority from Shareholders u/s 372A to make any loan to body corporate, to provide security in connection with a loan made to body corporate by any other person or to any other person by any body corporate, and to acquire by way of purchase, subscription or otherwise the securities of other body corporate up to an aggregate amount of ₹ Twenty five Crores.
2008-2009	30 <sup>th</sup> September 2009	10.00 am	Nil

**ii) Special resolution passed through Postal Ballot:**

During the year the Company has not passed any special resolution by circulation or by postal Ballot.

**DISCLOSURES**

- There were no transactions of 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 interest of the Company.
- The company has fulfilled all statutory compliance and there was 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.
- The Company has complied with the 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.
- Whistle blower policy:**

We have established a policy for all the employees to report concern about unethical behavior, actual or suspected

## BEDMUTHA INDUSTRIES LIMITED

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fraud, or violation of our code of conduct or ethics policy. The mechanism under the said policy also provides for adequate safeguard against victimization of employees who avail of the mechanism and also provides for direct access to the Chairman of the Audit committee in exceptional cases. We further affirm that during the financial year 2011-2012, no employee has been denied access to the Audit Committee.

### MEANS OF COMMUNICATION

- i) **Quarterly Results and Annual Financial Results:** Quarterly and Annual Financial results of the Company are generally published in National news paper *Business standard* in English and *Tarun Bharat* in vernacular language.
- ii) **Website:** 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, contract details for shareholders, code of conduct, presentation made to institutional investors/ analyst/press release etc, on the site. Accordingly company has provided all such disclosures under Investor relation section of the Company's website: [www.bedmutha.com](http://www.bedmutha.com) apart from filing the same to NSE and BSE for publishing the same on their website.

### GENERAL INFORMATION

i) **Forthcoming Annual General Meeting**

**Date:** 21<sup>st</sup> September 2012.

**Time:** 3.00 pm

**Venue:** Saiways Restaurant, F-4 Sinnar-Shirdi Road, STICE, Sinnar, Dist Nashik- 422 103.

ii) **Financial year:** 1<sup>st</sup> April 2011 to 31<sup>st</sup> March 2012.

iii) **Date of Book Closure:** 18<sup>th</sup> September, 2012 to 21<sup>st</sup> September, 2012 (Both days inclusive)

iv) **Dividend Payment:** Board of Director has not recommended any dividend for the financial year.

v) **Listing on stock exchange:**

**Bombay Stock Exchange Limited (BSE)**

Phiroj Jeejibhoy towers, Dalal street  
Mumbai-400001.

**National Stock Exchange of India Limited**

"Exchange Plaza", Bandra –Kurla Complex.  
Bandra (E). Mumbai- 400051.

vi) **Stock Code:**

1) BSE : 533270      2) NSE : BEDMUTHA

vii) **Market Price Data:**

**Monthly high and low of shares prices at the stock exchange**

Month	BSE		NSE	
	Monthly High Price	Monthly Low price	Monthly High Price	Monthly low price
April 2011	146.00	109.00	145.95	109.05
May 2011	123.45	102.55	122.45	102.55
June 2011	132.00	110.00	133.40	110.10
July 2011	146.70	116.00	147.00	116.00
August 2011	141.45	116.05	142.00	116.50
September 2011	137.00	96.50	136.60	98.05
October 2011	134.80	91.20	134.80	95.30
November 2011	111.80	35.85	111.90	36.00
December 2011	49.40	25.70	49.70	25.95
January 2012	34.60	21.00	34.60	21.20
February 2012	32.50	22.50	32.25	22.60
March 2012	23.75	18.55	23.90	18.30

**viii) Performance of the Companies share prices:**

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

Month	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
April 2011	110.05	15.48	19,135.96	-1.6	110.05	-15.54	5778.65	-0.50
May 2011	120.90	9.8	18,503.28	-3.3	120.25	9.27	5749.50	-3.29
June 2011	115.95	-4	18,845.87	1.85	115.35	-4.07	5560.15	1.56
July 2011	140.60	21	18,197.20	-3.44	141.55	22.71	5480.00	-2.93
Aug 2011	123.15	-12.41	16,676.75	-8.35	123.45	-12.78	5001.00	-8.77
Sept 2011	100.70	-18.23	16453.76	-1.34	101.85	-17.50	4943.25	-1.15
Oct 2011	104.35	3.6	17,705.01	7.6	104.35	2.45	5326.00	7.74
Nov 2011	39.50	-62	16,123.46	(8.9)	39.70	-61	4832.05	-9.27
Dec 2011	25.70	34	15,454.92	(4.15)	25.95	-34.63	4624.30	-4.30
Jan 2012	30.95	20.42	17,193.55	11.25	31.05	19.65	5199.25	12.43
Feb 2012	23.00	25.69	17,752.68	3.25	23.00	25.93	5385.20	3.58
Mar 2012	18.90	17.83	17,404.20	1.96	18.65	18.91	5295.55	-1.66

**ix) 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-400093.

Tel : +91 22 28207203/05, 28257641.

Fax : 28207207.

**x) Share Transfer System**

Transfer of shares which are in dematerialized will be done through the depositories with no involvement of the Company. As regards transfer of share held in physical form, the transfer of document can be lodged to the Registrar and Transfer agent at the above address. The Directors, Company Secretary are severally empowered to approve the above transfer.

The Company obtains a certificate from Company Secretary in practice under clause 47(C) of the Listing Agreement on half yearly basis and files the said certificate with the stock Exchanges.

**xi) Distribution of Shareholding**

No. of Shares	Shareholders	Shares	% of the total shares
0-5000	4721	5,79,700	2.76
5001- 10,000	389	3,19,359	1.52
10,001-20,000	202	3,14,401	1.50
20,001-30,000	62	1,60,750	0.76
30,001-40,000	34	1,23,175	0.59
40,001-50,000	25	1,19,227	0.57
50,001-1,00,000	42	3,12,401	1.49
1,00,001 and above	92	1,91,02,598	90.83
<b>Total</b>	<b>5567</b>	<b>2,10,31,611</b>	<b>100</b>

**xii) Dematerialization of shares and liquidity as on 31<sup>st</sup> March 2012**

Category	Shareholders	Number of Shares	%
NSDL	3160	29,34,053	13.95
CDSL	2577	1,80,76,489	85.95
Physical	7	21,069	0.10
<b>Total</b>	<b>5744</b>	<b>2,10,31,611</b>	<b>100</b>

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### xiii) Shareholding Pattern as on 31<sup>st</sup> March 2012

Category code	Category of Shareholders	Numbers of Shareholders	Total number of Shares	As a percentage of A+B+C
<b>A</b>	<b>Shareholding Pattern of Promoter and Promoter Group</b>			
1	Indian	14	12297755	58.47
2	Foreign	0	0	0
	Total shareholding of Promoter and promoter Group	14	12297755	58.47
<b>B</b>	<b>Public Shareholding</b>			
1	Institutions	1	316025	1.50
2	Non Institutions	5552	8417831	40.02
	Total Public Shareholding	5553	8733856	41.53
<b>C</b>	<b>Shares held by Custodians and against which Depository receipt have been issued</b>			
1	Promoter and promoter group	0	0	0
2	Public	0	0	0
	<b>Total A+B+C</b>	<b>5567</b>	<b>21031611</b>	<b>100</b>

**Note:** The above shareholding pattern is as per the record of Registrar and Transfer Agent as on 31<sup>st</sup> March 2012.

### xiv) Plant Locations:

**Plant-1:** Plot No. A-31 to 35 & 57, STICE, Musalgaon, Sinnar, Dist. Nashik (Maharashtra)-422103

**Plant-2:** Plot No. A-70/71/72, STICE, Musalgaon, Sinnar, Dist. Nashik (Maharashtra)-422103.

**Plant-3:** plot No. B-113, STICE, Musalgaon, Sinnar, Dist. Nashik (Maharashtra)-422103.

**Plant-4:** plot No. B-140, STICE, Musalgaon, Sinnar, Dist. Nashik (Maharashtra)-422103.

**Plant-5:** Plot No. E-1, MIDC, Phase-2, Naradana, Tal. Sindkheda, Dist. Dhule.

### xv) Address for correspondence:

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

#### **BEDMUTHA INDUSTRIES LIMITED**

Registered Office : A-32 STICE, Musalgaon, Sinner, Dist. Nashik-422103 (Maharashtra).

Tel : +91 2551 240481/240631/240068/240069

Fax : +91 2551 240482.

Corporate offices : - B-301/302, Sai Classic, off Palm Acers, Gavanpada, Mulund (E)  
Mumbai-400 081.

- A-70/71/72, STICE, Musalgaon, Sinnar, Dist. Nashik - 422 103.

Website : www.bedmutha.com

Email : cs@bedmutha.com

For **Bedmutha Industries Limited**

**Vijay K Vedmutha**  
Managing Director

**Chief Executive Officer and Chief Financial Officer Certificate under clause 49 of  
the Listing Agreement with the Stock Exchange.**

To,

The Board of Directors of  
**BEDMUTHA INDUSTRIES LIMITED**  
A-32, STICE, Musalgaon, Sinner, Nashik-422 103

**Certificate under clause 49(V) of the Listing Agreement.**

I, Vijay Kachardas Vedmutha, Managing Director and Vinita Ajay Vedmutha, Chief Executive officer of the Company, heading the finance function certify that:

- a) We have reviewed 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 statement that might be misleading;
  - (ii) These statements together present a true and fair view of the company's affairs and are in compliance with 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 internal control systems of the company pertaining to financial reporting and we have disclosed to the auditor and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the auditors and the Audit committee
  - (i) Significant changes in internal control over financial reporting during the year; if any
  - (ii) Significant changes in accounting policies, if any during the year and that the same have been disclosed in the notes to the financial statements; and
  - (iii) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

Vijay K Vedmutha  
(Managing Director)

Vinita A Vedmutha  
(CEO)

Date: 28/05/2012  
Place: Sinner

**Certificate on Corporate Governance**

**To the Members,  
Bedmutha Industries Limited,**

We have examine the Compliance of conditions of Corporate Governance by Bedmutha Industries limited, for the year ended on 31<sup>st</sup> March 2012, as stipulated in clause 49 of the Listing Agreement of the said Company with stock exchanges.

The Compliance of Conditions of Corporate Governance is the responsibility of the management. Our examination has been limited to a review of the procedures and implementation thereof adopted by the Company for ensuring the compliance with the conditions of the Corporate Governance as stipulated in the said Clause. 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 and based on the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in clause 49 of the listing agreement. We state that such compliance is neither as assurance as to future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For M/s Patil HiranJajoo & Co.  
Chartered Accountants  
Firm Registration No.: 120117W

**Aniruddha A. Jajoo**  
Partner  
Membership No. 103246

Date: 14/08/2012  
Place: Nashik

**AUDITORS REPORT ON FINANCIAL STATEMENTS**

To,  
The Members  
**Bedmutha Industries Limited.**  
Nashik.

1. We have audited the attached Standalone Balance sheet of **Bedmutha Industries Limited.**, as at 31<sup>st</sup> March 2012, 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) On the basis of written representations received from directors, as on 31<sup>st</sup> March,2012 and taken on record by the Board of Directors ,we report that none of the director is disqualified as on 31<sup>st</sup> March,2012 from being appointed as a director in terms of clause (g) sub section (1) of Section 274 of the Companies Act,1956.
  - (f) In our opinion and to the best of our information and according to the explanations given to us, the 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 31<sup>st</sup> March 2012; 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.

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

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

**Date: 28<sup>th</sup> May 2012**  
**Place: Nashik**

**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, th e 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.

<b>No. of Parties</b>	<b>Amount involved in the transaction (Closing balance)</b>
<b>NIL</b>	<b>NIL</b>

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.

<b>No. of Parties</b>	<b>Amount involved in the transaction (Closing balance)</b>
<b>One</b>	<b>Loan ₹ 2,41,00,000 /-</b>
<b>Four</b>	<b>Advance ₹ 77076781/-</b>

- (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 or granted advances to companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956. According to the information & explanation given to us, the loan & advances are without stipulation of repayment of principal or interest amount.
- (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.
- vii. The company has an adequate internal audit system commensurate with the size and nature of its business.
- viii. We have broadly reviewed the books of accounts maintained by the company in respect of activity where, pursuant rules made by Central Government of India, the maintenance of cost records has been prescribed u/s 209 (1) (d) of the Companies Act, 1956 & are of opinion that prima facie the prescribed accounts & records have been made & maintained. We have not, however made a detailed examination of cost records with a view to determine whether they are accurate or complete.
- 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 31<sup>st</sup> 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	2004-05	84,16,732/-
2	Income tax Department, Nashik (Reassessment u/s 148 –Appeal made in High Court)	2004-05	No demand notice received from Income Tax.
3	Income tax Department	2009-10	6,22,940/-

- x. The company does not have any accumulated loss as on 31<sup>st</sup> March 2012, 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 has 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.

## **BEDMUTHA INDUSTRIES LIMITED**

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- xv.** In our opinion & according to information & explanation given to us, the terms & conditions of guarantees given by company for loans taken by others from bank or financial institutions during the year are not prejudicial to the interest of the company.
- xvi.** 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.
- xvii.** On the Basis of our overall examination of the financial statements and other records of the company, we report that the no funds raised on short-term basis have been used for long-term investment.
- xviii.** 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.
- xix.** According to the information and explanations given to us, the company has not issued any debentures during the year.
- xx.** During the period covered by our audit report, the company has not raised money through public issue, We have verified the end use of money raised by public issue in last year disclosed in notes to the financial statements.
- 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**

**Date: 28<sup>th</sup> May 2012  
Place: Nashik**

**Standalone Balance Sheet as at 31st March, 2012.**

(₹ In Lacs)

	Note	As at 31 <sup>st</sup> March 2012	As at 31 <sup>st</sup> March 2011
<b>I. EQUITY &amp; LIABILITIES</b>			
<b>1. Shareholders' Fund</b>			
a. Share Capital	1	2,103.16	2,103.16
b. Reserves & Surplus	2	10,174.81	10,218.35
<b>2. Non-current Liabilities</b>			
a. Long-term borrowings	3	2,136.41	1,873.80
b. Deferred tax liabilities (Net)	4	301.86	353.06
c. Other long term liabilities	5	18.75	18.75
<b>3. Current Liabilities</b>			
a. Short-term borrowings	6	5,044.33	2,077.14
b. Trade Payables	7	3,663.64	3,178.44
c. Other short term liabilities	8	557.31	642.03
d. Short-term provisions	9	-	188.43
		<b>24,000.27</b>	<b>20,654.16</b>
<b>II. ASSETS</b>			
1. a. Fixed Assets	10		
i. Tangible Assets		6,021.35	5,957.22
ii. Intangible Assets		43.23	51.91
iii. Capital work-in-progress		1,242.46	358.86
b. Non-current Investment	11	291.34	245.31
c. Long term loans and advances	12	1,552.31	1,499.10
d. Other non-current assets	13	1,093.69	884.22
<b>2. Current Assets</b>			
a. Inventories	14	5,132.35	4,295.41
b. Trade Receivables	15	4,163.91	3,658.52
c. Cash and Cash equivalents	16	768.42	545.49
d. Short-term loans and advances	17	1,887.71	1,457.46
e. Other Current assets	18	1,803.50	1,699.66
		<b>24,000.27</b>	<b>20,654.16</b>

**Notes form an integral part of these financial statements**

As per our attached report of even date.

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

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

 Place: Nashik  
 Date : 28.05.2012

**for Bedmutha Industries Limited**
**K R Bedmutha**  
 Chairman

**Ajay Vedmutha**  
 Jt. Managing Director

**Vijay Vedmutha**  
 Managing Director

**Chandan Kshirsagar**  
 Company Secretary

## BEDMUTHA INDUSTRIES LIMITED

### Profit and Loss Statement for the Year ended 31<sup>st</sup> March, 2012.

		(₹ In Lacs)	
	Note	Year ended 31 <sup>st</sup> March 2012	Year ended 31 <sup>st</sup> March 2011
Revenue from operations	19	23,021.92	20,939.47
less: Excise Duty/Service Tax/Tax Collected		2,147.29	1,936.92
<b>I. Net Revenue from operations</b>		<b>20,874.63</b>	<b>19,002.55</b>
<b>II. Other Income</b>	20	284.31	247.59
<b>III. Total Revenue (I + II)</b>		<b>21,158.94</b>	<b>19,250.14</b>
<b>IV. Expenses:</b>			
Cost of material consumed	21	16,394.45	14,681.18
Purchase of Stock-in-Trade	22	832.54	1,039.13
Manufacturing and Operating Cost	23	2,033.10	1,583.82
Changes in inventories of finished goods work-in-progress and Stock-in-Trade	24	(352.45)	(675.26)
Employee benefits expenses	25	470.21	454.12
Finance Cost	26	928.70	847.74
Depreciation and amortisation expenses	27	511.28	504.57
Other Expenses	28	457.24	327.15
Total Expenses		<b>21,275.07</b>	<b>18,762.46</b>
<b>V. Profit before exceptional Item &amp; Tax (III - IV)</b>		<b>(116.13)</b>	<b>487.69</b>
<b>VI. Exceptional Item</b>		-	-
<b>VII. Profit before Tax (V - VI)</b>		<b>(116.13)</b>	<b>487.69</b>
<b>VIII. Tax Expenses</b>			
(1) Current Tax		-	185.00
(2) Deferred Tax		(51.20)	37.37
(3) Tax in respect of earlier year		(30.89)	-
<b>IX. Profit / (Loss) for the year (VII - VIII)</b>		<b>(34.04)</b>	<b>265.32</b>
<b>X. Earning per equity share of Rs. 10 each</b>			
(1) Basic		(0.16)	1.64
(2) Diluted		(0.16)	1.64
<b>Weighted average number of shares outstanding</b>		<b>210.32</b>	<b>161.39</b>

Notes form an intergral part of these financial statements

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 Vedmutha**  
Managing Director

Place: Nashik  
Date : 28.05.2012

**Ajay Vedmutha**  
Jt. Managing Director

**Chandan Kshirsagar**  
Company Secretary

**Cash Flow Statement for the year ended 31<sup>st</sup> March, 2012**

Particulars	₹ In Lacs	
	31/03/2012	31/03/2011
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>Net Profit Before Tax and Extra Ordinary items</b>	<b>(116.13)</b>	<b>487.69</b>
Adjustment For		
Depreciation	475.01	460.67
Loss on Sale Of Investment	(1.12)	0.81
Miscellaneous Expenses written off	36.27	43.90
Interest & Financial charges (Net)	928.70	618.42
Dividend Income	(0.01)	(7.20)
<b>Operating Profit Before Working Capital Changes</b>	<b>1,322.72</b>	<b>1,604.29</b>
<b>Adjustment for working capital changes</b>		
Taxes Paid	(78.47)	(364.69)
(Increase) / Decrease in Trade & Other Receivables	(505.39)	(289.17)
(Increase) / Decrease in Other Current Assets	<b>(178.34)</b>	(854.55)
(Increase)/Decrease in Misc Exp Assets	(245.75)	(714.32)
Increase / (Decrease) in Trade Payable	485.20	(114.62)
Increase/(Decrease) in Outstanding Expenses	(84.73)	45.57
(Increase) / Decrease in Loans and Advances	(483.46)	(522.48)
(Increase) / Decrease in Inventories	(836.94)	(170.60)
<b>Working capital changes</b>	<b>(1,927.88)</b>	<b>(2,984.86)</b>
<b>Net Cash used / generated for / from Operations</b>	<b>(605.16)</b>	<b>(1,380.57)</b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets / Capital Work In Progress	(1,427.00)	(3,229.32)
Investments made	(46.04)	(2,033.05)
Sale of Investment	0.00	2,000.00
Dividend Income	0.01	7.20
<b>Net Cash used in Investing Activities</b>	<b>(1,473.03)</b>	<b>(3,255.17)</b>
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>		
Increase/ ( Decrease)Proceeds from Long Term Borrowings	262.61	(2,834.86)
Proceeds form Short Term Borrowings	2,967.21	(1,000.69)
Increase/ ( Decrease)Proceeds form Unsecured Borrowings	0.00	(12.22)
Interest & Financial charges (Net)	(928.70)	(618.42)
Proceed from Issue of Equity Shares	0.00	900.42
Share Premium received on Issue of Equity Shares	0.00	8,283.87
<b>Net Cash generated from other sources</b>	<b>2,301.12</b>	<b>4,718.11</b>
<b>Net Increase/(Decrease) in Cash &amp; Cash Equivalentents (A)+(B)+( C)</b>	<b>222.93</b>	<b>82.36</b>
<b>Cash &amp; Cash Equivalentents - Opening Balance</b>	<b>545.49</b>	<b>463.13</b>
<b>Cash &amp; Cash Equivalentents - Closing Balance</b>	<b>768.42</b>	<b>545.49</b>

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 Vedmutha**  
Managing Director

Place: Nashik  
Date : 28.05.2012

**Ajay Vedmutha**  
Jt. Managing Director

**Chandan Kshirsagar**  
Company Secretary

## BEDMUTHA INDUSTRIES LIMITED

	(₹ In Lacs)	
	As at 31 <sup>st</sup> March 2012	As at 31 <sup>st</sup> March 2011
<b>NOTE - 1</b>		
<b>SHARE CAPITAL</b>		
<b>Authorised Equity Capital</b>	2,500.00	2,500.00
[25000000 Equity Shares Of ₹10 Each]		
[25000000 Equity Shares Of ₹ 10 Each For Previous Year]		
<b>Issued, Subscribed and Paid up Capital</b>		
[2,10,31,611 Equity Shares Of ₹ 10 Each]	2,103.16	2,103.16
[2,10,31,611 Equity Shares Of ₹ 10 Each for Previous Year]		
	<b>2,103.16</b>	<b>2,103.16</b>

### Details of shares held by shareholders holding more than 5% of the aggregate shares in the company

Name of Shareholder	No. of Shares (% of holding)	
	As at 31 <sup>st</sup> March 2012	As at 31 <sup>st</sup> March 2011
Ajay Kachardas Vedmutha	32,63,059 (15.52%)	31,88,059 (15.16%)
Vijay Kachardas Vedmutha	32,63,059 (15.52%)	31,88,059 (15.16%)
Kachardas Ratanchand Vedmutha	20,03,357 ( 9.53%)	13,53,357 ( 6.43%)
Vinita Ajay Vedmutha	11,80,148 ( 5.61%)	11,05,148 ( 5.25%)
Bedmutha Sons reality ventures Private Limited	11,18,200 ( 5.32%)	11,18,200 ( 5.32%)
Usha Vijay Vedmutha	11,05,148 ( 5.25%)	11,05,148 ( 5.25%)

### Details of shares issued other than cash

33,49,488 Equity Shares of ₹ 10 each fully paid were issued as Bonus Shares in ratio of 1 : 1 on 27<sup>th</sup> March 2008.

22,96,862 Equity Shares of ₹ 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.

30,06,850 Equity Shares of ₹ 10 each fully paid were issued as Bonus Shares in ratio of 1:3 on 31<sup>st</sup> October 2009.

	As at 31 <sup>st</sup> March 2012	As at 31 <sup>st</sup> March 2011
<b>NOTE - 2</b>		
<b>RESERVES &amp; SURPLUS</b>		
<b>Capital Reserve</b>		
Opening Balance	44.17	55.00
Add : Special Incentative Scheme *	-	15.00
Less : On Amalgamation <sup>#</sup>	-	25.83
Closing Balance	44.17	44.17
<b>Share Premium Account</b>		
Opening Balance	8,287.99	4.12
Add : Premium on Public Issue**	-	8,283.87
Closing Balance	8,287.99	8,287.99
<b>Revaluation Reserve</b>		
Opening Balance	18.89	28.39
Less : Written off during the year	9.50	9.50
Closing Balance	9.39	18.89
<b>Surplus</b>		
Opening Balance	1,867.30	1,601.98
Add : Surplus / (Deficit) during the year	(34.04)	265.32
Closing Balance	1,833.26	1,867.30
	<b>10,174.81</b>	<b>10,218.35</b>

\* Received for companies investment in its manufacturing facility at Plant 4, B 140, Sinnar, Maharashtra under package scheme of incentives

# The asset, liabilities, right and obligation of amalgamated companies vested in the company w.e.f. 1<sup>st</sup> April 2007 and have been recorded under "pooling of interest method as prescribed by ICAI-Accounting Standard 14 - Accounting for Amalgamations. Accordingly all assets, liabilities and reserves of erstwhile merged companies as on 1<sup>st</sup> April 2007 have been taken over at their bookvalue. ₹ 25.83 lacs being the difference amount of shares allotted to the shareholders of the merged companies and the value of net assets acquired, was earlier debited to Goodwill, which has been rectified and effect is given in capital reserves in FY 2010-11.

\*\*The company brought a public issue of 90,04,211 Shares at premium of ₹ 92/-

(₹ In Lacs)

	<b>As at</b>	<b>As at</b>
	<b>31<sup>st</sup> March 2012</b>	<b>31<sup>st</sup> March 2011</b>

### **NOTE - 3**

#### **Non-current Liabilities**

#### **(a) LONG-TERM BORROWINGS**

##### **i. Secured**

##### 1. Term Loan from Banks

	1,078.38	840.07
<b>i</b>	<b>1,078.38</b>	<b>840.07</b>

#### **Nature of Security**

Term loans amounting to ₹ 463.66 lacs (March 31, 2011 : ₹ 825.78 lacs are secured by first pari-passu / equitable mortgage on entire block of assets of the company situated at Plant 1, A 32-35 & 57, STICE, Sinnar, Nashik 422103, Plant 2, A 70-72, STICE, Sinnar, Nashik 422 103, Plant 3, B113, STICE, Sinnar, Nashik 422103, Plant 4, B 140, STICE, Sinnar, Nashik 422 103, and the personal guarantee of Promoter Directors and others.

Term loans amounting to ₹ 593.09 lacs (March 31, 2011 : ₹ Nil are secured by first pari-passu / equitable mortgage on entire block of assets of the company situated at Plant 1, A 32-35 & 57, STICE, Sinnar, Nashik 422103, Plant 2, A 70-72, STICE, Sinnar, Nashik 422 103, Plant 3, B113, STICE, Sinnar, Nashik 422103, Plant 4, B 140, STICE, Sinnar, Nashik 422 103, Gat no. 232,237,29, Rasegaon, Taluka Dindori, Nahsik, Plot No. E 1, Nardana Industrial Estate, Dhule, Second Paripassu charge over windmill and current assets and personal guarantee of promoter directors

Vehicle Loans are secured by the way of hypothecation of Vehicle purchased thereunder.

#### **Terms of Repayment**

Term loan amounting to ₹ 80.30 lacs (March 31, 2011 : ₹ 152.30 lacs) is repayable in 28 quarterly instalments. Last instalment due in March 2014

Term loan amounting to ₹ 107.41 lacs (March 31, 2011 : ₹ 144.42 lacs) is repayable in 60 monthly instalments. Last instalment due in December 2014

Term loan amounting to ₹ 143.00 lacs (March 31, 2011 : ₹ 208.62 lacs) is repayable in 60 monthly instalments. Last instalment due in December 2014

Term loan amounting to ₹ 9.83 lacs (March 31, 2011 : ₹ 58.46 lacs) is repayable in 60 monthly instalments. Last instalment due in October 2012

Term loan amounting to ₹ 92.74 lacs (March 31, 2011 : ₹ 137.37 lacs) is repayable in 60 monthly instalments. Last instalment due in December 2014

Term loan amounting to ₹ 30.38 lacs (March 31, 2011 : ₹ 75.98 lacs) is repayable in 60 monthly instalments. Last instalment due in September 2013

Term loan amounting to ₹ 243.09 lacs (March 31, 2011 : ₹ Nil) is repayable in 24 Structured Quarterly Instalments. Last instalment due in July 2019

Term loan amounting to ₹ 350.00 lacs (March 31, 2011 : ₹ Nil) is repayable in 24 Quarterly Instalments. Last instalment due in March 2020

Vehicle loan amounting to ₹ 11.71 lacs (March 31, 2011 : ₹ Nil) is repayable in 59 monthly instalments. Last instalment due in February 2017

Vehicle loan amounting to ₹ 3.28 lacs (March 31, 2011 : ₹ 4.13 lacs) is repayable in 45 monthly instalments. Last instalment due in December 2014

## BEDMUTHA INDUSTRIES LIMITED

Vehicle loan amounting to ₹ 3.36 lacs (March 31, 2011 : ₹ 4.27 lacs) is repayable in 45 monthly instalments. Last instalment due in November 2014

Vehicle loan amounting to ₹ 3.28 lacs (March 31, 2011 : ₹ 4.19 lacs) is repayable in 45 monthly instalments. Last instalment due in October 2014

	As at 31 <sup>st</sup> March 2012	As at 31 <sup>st</sup> March 2011
(₹ In Lacs)		
<b>ii. Unsecured</b>		
1. From WMDC / DIC	1,049.03	1,024.73
2. From Others	9.00	9.00
ii	<u>1,058.03</u>	<u>1,033.73</u>
i + ii	<u>2,136.41</u>	<u>1,873.80</u>

Instalments falling due in respect of all the above Loans upto 31<sup>st</sup> March 2013 have been grouped under "Current maturities of long term debt (refer note 8)

### NOTE - 4

#### Non-current Liabilities

#### (b) DEFERRED TAX LIABILITIES (NET)

Deferred Tax Liability on account of :

Depreciation	307.95	338.14
Misc. Expenditure written off	11.21	14.92
	<u>319.16</u>	<u>353.06</u>
Deferred Tax Asset on account of :		
Unabsorbed Depreciation	17.30	-
	<u>17.30</u>	<u>-</u>
<b>Deferred Tax - Liability / (Assets)- Net</b>	<u><b>301.86</b></u>	<u><b>353.06</b></u>

### NOTE - 5

#### Non-current Liabilities

#### (c) OTHER LONG TERM LIABILITIES

i Advances From Customers	7.23	7.23
ii Creditors For Fixed Assets##	4.07	4.07
iii Earnest Money Deposit	7.45	7.45
	<u>18.75</u>	<u>18.75</u>

### NOTE - 6

#### Current Liabilities

#### (a) SHORT-TERM BORROWINGS

##### Secured

i Working Capital Loans***	3,724.55	2,077.14
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##### Unsecured

ii Buyers credit arrangements	1,319.78	-
	<u>5,044.33</u>	<u>2,077.14</u>

\*\*\*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.

(₹ In Lacs)

**NOTE - 7**

**Current Liabilities**

**(b) TRADE PAYABLES**

i Advances From Customers	28.96	28.78
ii Creditors Raw Material ##	2,854.01	2,812.40
iii Creditors For Expenses ##	248.57	204.62
iv Creditors For Fixed Assets##	532.10	132.64
	<b>3,663.64</b>	<b>3,178.44</b>

## refer Note 32

	As at 31 <sup>st</sup> March 2012	As at 31 <sup>st</sup> March 2011
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**NOTE - 8**

**Current Liabilities**

**(c) OTHER SHORT TERM LIABILITIES**

i Current maturities of long term debts	369.61	396.79
ii Other Advances	4.78	28.88
iii Outstanding Expenses	180.57	175.18
iv Credit Balance in Current Account	0.26	29.80
v Banks & Financial Institutions	2.09	11.38
	<b>557.31</b>	<b>642.03</b>

**NOTE - 9**

**Current Liabilities**

**(d) SHORT-TERM PROVISIONS**

i Provisions	-	188.43
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**BEDMUTHA INDUSTRIES LIMITED**

**NOTE - 10** (₹ In Lacs)

Description of Assets	GROSS BLOCK					DEPRECIATION					NET BLOCK	
	As at 1 <sup>st</sup> April 2011	Revalued Asset on Amalgamation	Addition	Deductions / Adjustment	As at 31 <sup>st</sup> March 2012	As at 1 <sup>st</sup> April 2011	On Revaluation	For the Year	Deduction	As at 31 <sup>st</sup> March 2012	As at 31 <sup>st</sup> March 2011	
<b>A Intangible Fixed Assets</b>												
Goodwill	86.51	-	-	-	86.51	34.60	-	8.67	-	43.27	43.23	51.91
<b>B Tangible Fixed Assets</b>												
Land Leasehold	86.18	12.23	191.54	-	277.72	-	-	-	-	277.72	-	86.18
Land Freehold	2,334.01	-	-	-	2,334.01	-	-	-	-	2,334.01	-	2,334.01
Factory Buildings	1,457.12	33.62	33.37	9.48	1,481.01	242.68	1.12	54.18	12.54	284.32	1,196.69	1,214.44
Plant & Machinery	4,253.50	81.02	207.65	-	4,461.15	2,085.90	8.38	442.16	30.72	2,497.34	1,963.83	2,167.61
Furniture & Fixtures	69.53	-	54.06	5.04	118.55	13.07	-	6.58	0.11	19.54	99.01	56.46
Office Equipment	40.23	-	37.55	-	77.78	24.56	-	5.30	-	29.86	47.91	15.67
Vehicles	98.80	-	30.23	5.62	123.41	44.14	-	11.39	3.24	52.29	71.12	54.65
Computer Equipment	39.70	-	10.06	-	49.76	11.50	-	7.20	-	18.70	31.06	28.20
Electrical Installations	-	-	-	-	-	-	-	-	-	-	-	-
<b>C Capital Work-in-progress</b>												
	358.86	-	1,149.68	266.08	1,242.46	-	-	-	-	-	1,242.46	358.86
<b>Grand Total (A+B+C)</b>	<b>8,824.44</b>	<b>126.87</b>	<b>1,714.14</b>	<b>286.22</b>	<b>10,252.35</b>	<b>2,456.45</b>	<b>9.50</b>	<b>535.48</b>	<b>46.61</b>	<b>2,945.32</b>	<b>7,307.04</b>	<b>6,367.99</b>

NOTE - 11	As at 31 <sup>st</sup> March 2012			As at 31 <sup>st</sup> March 2011		
	Nos	Face Value	Amount	Nos	NAV	Amount
<b>b. NON-CURRENT INVESTMENTS</b>						
<b>Subsidiary Company {Trade Investments ( unquoted)}</b>						
Kamalasha Infrastruture & Engineering Pvt.Ltd.	542,000	10	51.21	542,000	10	51.21
<b>Associates {Trade Investments ( unquoted)}</b>						
Ashoka Pre-con Private Ltd. Refer '(a)' below	418,256	10	165.83	355,756	10	140.83
<b>Other Companies {Trade Investments ( unquoted)}</b>						
Jenil Steel Pvt. Ltd.	1	10	0.0001	1	10	0.0001
(i)			<u>217.04</u>			<u>192.04</u>
<b>Others {Trade Investments ( unquoted)}</b>						
Government Securities & Others			0.70			0.70
ICICI Prudential Life Insurance			1.50			1.00
Metlife India Insurance Co.Ltd			5.00			-
Shares In Steel Chamber			0.01			0.01
Shares In Sice Sinnar			0.01			0.01
(ii)			<u>7.22</u>			<u>1.72</u>
<b>Non Trade Invesments (unquoted)</b>						
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
(iii)			<u>0.44</u>			<u>0.44</u>
<b>Share Application Money in</b>						
Kamalasha Infrastructure & Engineering Pvt. Ltd.			-			1.06
Ashoka Precon Pvt Ltd.			30.00			25.00
(iv)			<u>30.00</u>			<u>26.06</u>

## BEDMUTHA INDUSTRIES LIMITED

							(₹ In Lacs)
Mutual Fund (Unquoted)	Nos	NAV	Amount (in ₹)	Nos	NAV	Amount (in ₹)	
Birla SL Dividend Yield Plus G Fund	1,952.341	1.68	1.60	485.520	0.41	0.40	
Filidity Equity Fund		0.20	0.20		0.00	0.20	
Franklin Asian Equity Fund-Growth	1,955.990	0.23	0.20	1,955.990	0.22	0.20	
Franklin India Prima Plus Fund-Growth	98.385	0.22	0.20	98.385	0.22	0.20	
Franklin India Blue Chip G Fund	712.760	1.52	1.08	712.760	1.56	1.08	
Franklin India Bluechip Fund-Growth	107.740	0.23	0.20	107.740	0.23	0.20	
Franklin India Opprtunity G Fund	3,646.300	1.07	0.92	3,646.300	1.16	0.93	
Franklin India Prima Plus G Fund	1,322.718	2.92	2.57	851.693	1.91	1.48	
HDFC Prudence Growth Fund	1,544.736	3.33	2.65	961.520	2.06	1.45	
HDFC-Top-200 Growth Fund	1,563.356	3.15	2.65	946.600	2.04	1.45	
ICICI Prudential Discovery Growth Fund	3,492.002	1.68	1.60	840.550	0.40	0.40	
ICICI Prudential Flexi Growth Fund		0.00	2.00		0.00	2.00	
IDFC Mutual Growth Fund F-701987/06	10,000.000	1.53	1.00	10,000.000	1.66	1.00	
IDFC Premier Equity Plan A Growth Fund	5,063.056	1.57	1.60	1,282.390	0.40	0.40	
Principal Emgerging Fund	50,000.000	13.63	5.00	50,000.000	5.15	5.00	
Principal Large Cap Fund-Dividend Plan	4,945.598	0.90	1.00	4,945.598	0.98	1.00	
Reliance Equity Opprtunity G Fund	9,351.773	3.31	2.55	5,602.240	2.00	1.35	
Reliance Growth Fund	294.900	1.28	0.95	294.900	1.35	0.95	
Reliance Infrasutstructure Fund	4,792.176	0.36	0.49	4,792.176	0.44	0.49	
Reliance Regular Saving Equity G Fund	5,452.977	1.58	1.60	1,332.410	0.40	0.40	
SBI Magnum Contra Growth Fund	2,401.540	1.24	1.08	2,401.540	1.34	1.07	
SBI Magnum Global Growth Fund	2,614.260	1.52	1.05	2,614.260	1.40	1.05	
Sunderam Paribas Select Midcap G Fund	2,092.976	3.15	2.45	1,317.270	1.92	1.45	
U.T.I Infrastructure Fund	5,000.000	1.14	0.50	5,000.000	0.44	0.50	
UTI Master Value Growth Fund	2,991.286	1.49	1.50	774.350	0.41	0.40	
(v)			<b>36.64</b>			<b>25.05</b>	
(i + ii + iii + iv + v)			<b>291.34</b>			<b>245.31</b>	
				<b>Book Value</b>		<b>Market Value</b>	
				<b>31<sup>st</sup> March</b>	<b>31<sup>st</sup> March</b>	<b>31<sup>st</sup> March</b>	<b>31<sup>st</sup> March</b>
				<b>2012</b>	<b>2011</b>	<b>2012</b>	<b>2011</b>
Aggregate of Quoted Investment				-	-	-	-
Aggregate of unQuoted Investment				<b>530.11</b>	<b>466.89</b>	<b>544.39</b>	<b>472.15</b>
				<b>530.11</b>	<b>466.89</b>	<b>544.39</b>	<b>472.15</b>

- (a) The company has an investment of ₹ 165.83 lacs in the shares of Ashoka Pre-con Private Limited, the company has 49% share holding. Further the company has share application money, Trade receivables amounting to ₹ 52.58 lacs recoverable from APPL. The net worth of APPL has eroded due to operational losses. No provision is provided by the management at present as the losses are recoverable in the near future.

(₹ In Lacs)

	As at 31 <sup>st</sup> March 2012	As at 31 <sup>st</sup> March 2011
<b>NOTE - 12</b>		
<b>Non-current assets</b>		
<b>(c) OTHER LONG TERM LOAN &amp; ADVANCES</b>		
i. Security Deposit	94.45	93.41
ii. Loans & advances to related parties	324.83	332.33
iii. Other Loans & advances	1,133.03	1,073.36
	<b>1,552.31</b>	<b>1,499.10</b>
<b>NOTE - 13</b>		
<b>Non-current assets</b>		
<b>(d) OTHER NON-CURRENT ASSETS</b>		
<b>Deferred Revenue Expenses</b>		
Opening	64.33	108.23
Less : Written off during the year	36.27	43.90
a.	<b>28.06</b>	<b>64.33</b>
<b>Pre Operative Expenses</b>		
Opening	424.99	67.60
Add : Addition during the year	245.74	357.39
b.	<b>670.73</b>	<b>424.99</b>
<b>Issue Expenses</b>		
Opening	394.90	37.97
Add : Addition during the year	-	356.93
c.	<b>394.90</b>	<b>394.90</b>
( a + b + c )	<b>1,093.69</b>	<b>884.22</b>
<b>NOTE - 14</b>		
<b>Current Assets</b>		
<b>(a) INVENTORIES</b>		
<b>(As taken, valued and certified by the management)</b>		
i Raw Material	479.58	1,062.15
- in transit	1,043.14	-
ii Finished Goods	476.72	611.02
iii Trading Stock	123.69	123.69
iv Consumables	305.31	281.38
v Work-in-Progress	2,703.91	2,217.17
	<b>5,132.35</b>	<b>4,295.41</b>
<b>Details of Raw Material</b>		
Wire Rod	1,072.01	591.12
Zinc	295.84	323.24
Lead	153.76	146.69
Iron & Steel	1.10	1.10
	<b>1,522.71</b>	<b>1,062.15</b>
<b>Details of Finished Goods</b>		
G I Wire	307.45	413.87
M S Wire	16.97	36.69
H C Wire	65.23	82.14
P C Wire	18.08	39.42
Others	68.99	38.90
	<b>476.72</b>	<b>611.02</b>

## BEDMUTHA INDUSTRIES LIMITED

	(₹ In Lacs)	
	As at 31 <sup>st</sup> March 2012	As at 31 <sup>st</sup> March 2011
<b>Details of Stock in Trade</b>		
Wire Nail	6.09	6.09
Land	117.60	117.60
	<b>123.69</b>	<b>123.69</b>
<b>Details of Work in Progress</b>		
Wire Rod & Zinc, Lead & Others	2,703.91	2,217.17
	<b>2,703.91</b>	<b>2,217.17</b>
<b>NOTE - 15</b>		
<b>Current Assets</b>		
<b>(b) TRADE RECEIVABLES</b>		
i Debtors outstanding for a period exceeding six months (Unsecured and Considered Good)	174.52	174.07
ii Other Debtors		
a. Secured & Considered Good	549.79	449.11
b. Unsecured & Considered Good	3,316.00	2,915.97
c. Doubtful	-	-
	<b>3,865.79</b>	<b>3,365.08</b>
iii Allowances for bad and doubtful debts	-	-
iv Debts due by directors or other officers of the company or any of them either severally or jointly with any other person or debts due by firms or private companies respectively in which any director is a partner or a director or a member	123.60	119.37
	<b>4,163.91</b>	<b>3,658.52</b>
<b>NOTE - 16</b>		
<b>Current Assets</b>		
<b>(c) CASH AND CASH EQUIVALENTS</b>		
i Cash In Hand	54.84	41.65
ii Balance in Bank		
a. In Current Account with Scheduled Bank	713.58	503.84
	<b>768.42</b>	<b>545.49</b>
<b>NOTE - 17</b>		
<b>Current Assets</b>		
<b>(d) SHORT-TERM LOANS AND ADVANCES</b>		
<b>Unsecured, considered good</b>		
i Loans & Advances to Related Parties	686.94	622.78
ii Others	1,200.77	834.68
	<b>1,887.71</b>	<b>1,457.46</b>
<b>NOTE - 18</b>		
<b>Current Assets</b>		
<b>(e) OTHER CURRENT ASSETS</b>		
i Sundry Deposits	1,288.56	1,288.90
ii Receivables from statutes and others	434.75	261.90
iii Tax Deducted at Sources	63.17	43.56
iv Advance Tax	-	100.00
v Prepaid Expenses	17.02	5.30
	<b>1,803.50</b>	<b>1,699.66</b>

(₹ In Lacs)

**NOTE - 19**
**REVENUE FROM OPERATIONS**

	As at 31 <sup>st</sup> March 2012	As at 31 <sup>st</sup> March 2011
Manufacturing Goods	19,355.55	17,450.29
Stock in Trade	866.87	1,114.12
Professional Receipts	219.15	128.81
Other Operating Revenues	10.25	7.99
Scrap Sales	402.23	283.21
Excise Duty / Service Tax and others	2,147.29	1,936.92
Carriage Outward, P & F	20.58	18.13
	<b>23,021.92</b>	<b>20,939.47</b>

**Class of Goods**
**Manufacturing Goods**
**Manufacturing Sales**

Galvanised Wire	10,510.55	11,825.34
M.S. / H. C Wire	6,705.33	3,685.17
Wire Nail	625.69	445.80
Stranded Wire / Earth Wire	386.06	500.96
P C Wire	1,123.66	992.90
Conversion Charges	4.26	0.12
	<b>19,355.55</b>	<b>17,450.29</b>

**Trading Sales**

Wire Rod Sales	339.52	741.61
Highseas Wire Rod Sale	516.95	360.29
Misc Spares / Consumables Sales	10.40	8.87
Article Of Steel & Iron Steel Sale	-	3.35
	<b>866.87</b>	<b>1,114.12</b>

**Sales of Services**

Technical Know How	-	92.52
Business Auxiliary Services	17.00	28.04
Scientific & Technical Consultancy	198.40	-
Receipts of KRBTA Division (Consultancy)	3.75	8.25
	<b>219.15</b>	<b>128.81</b>

**Other Operating Revenues**

Wind Mill Energy Receipts	10.25	7.99
	<b>10.25</b>	<b>7.99</b>

**Scrap Sales**

Zinc, Lead & Ash	221.49	140.69
Scrap	180.74	142.52
	<b>402.23</b>	<b>283.21</b>

**NOTE - 20**
**OTHER INCOME**

Dividend Receipt	0.01	7.20
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**Interest Income**

On Deposit	56.26	38.78
On Advances	221.86	190.55
Net Surplus / (Deficit) on disposal of Assets	(1.12)	(0.81)
Other non-operative income	7.30	11.87
	<b>284.31</b>	<b>247.59</b>

## BEDMUTHA INDUSTRIES LIMITED

	(₹ In Lacs)	
	As at 31 <sup>st</sup> March 2012	As at 31 <sup>st</sup> March 2011
<b>NOTE - 21</b>		
<b>COST MATERIAL CONSUMED</b>		
Opening Stock Of Raw Material	1,062.15	1,744.80
Add : Manufacturing Purchases	16,855.01	13,998.53
	<u>17,917.16</u>	<u>15,743.33</u>
Less : Closing Stock Of Raw Material	1,522.71	1,062.15
	<u><b>16,394.45</b></u>	<u><b>14,681.18</b></u>
<b>Imported and Indigenous Raw Material purchase</b>		
Imported	4,096.29	4,338.23
(%)	24%	31%
Indigenous	12,758.71	9,660.30
(%)	76%	69%
	<u><b>16,855.01</b></u>	<u><b>13,998.53</b></u>
<b>Details of Raw Material Purchase</b>		
Wire Rod	14,979.05	12,158.55
Zinc	1,414.15	1,472.34
Lead	75.33	90.71
Others	386.48	276.93
	<u><b>16,855.01</b></u>	<u><b>13,998.53</b></u>
<b>NOTE - 22</b>		
<b>PURCHASE OF STOCK IN TRADE</b>		
Trading Purchase	832.54	1,039.13
	<u>832.54</u>	<u>1,039.13</u>
<b>Details of Stock in Trade</b>		
Wire Rod	327.50	685.43
High Seas (Wire Rod)	505.04	353.70
	<u>832.54</u>	<u>1,039.13</u>
<b>NOTE - 23</b>		
<b>MANUFACTURING AND OPERATING COSTS</b>		
Job Work	252.62	239.83
Packing Material	104.91	81.66
Power & Fuel	1,281.36	1,052.02
Other Manufacturing & Operating Expenses	36.55	26.86
Consumables, Stores & Spares	230.65	129.89
Repairs & Maintainance	127.01	53.56
	<u><b>2,033.10</b></u>	<u><b>1,583.82</b></u>
<b>NOTE - 24</b>		
<b>CHANGES IN IVENTORIES OF FINISHED GOODS WORK IN PROGRESS AND STOCK IN TRADE</b>		
Opening Stock		
Finished Goods	611.02	334.42
Stock-in-Trade	123.69	123.69
Work in Progress	2,217.17	1,818.51
	<u>2,951.87</u>	<u>2,276.62</u>
Closing Stock		
Finished Goods	476.73	611.02
Stock-in-Trade	123.69	123.69
Work in Progress	2,703.91	2,217.17
	<u>3,304.33</u>	<u>2,951.88</u>
<b>(Increase) / Decrease in Stock</b>	<u>(352.45)</u>	<u>(675.26)</u>

(₹ In Lacs)

	As at 31 <sup>st</sup> March 2012	As at 31 <sup>st</sup> March 2011
<b>NOTE - 25</b>		
<b>EMPLOYEE BENEFIT EXPENSES</b>		
Salary	369.77	318.34
Directors Remuneration	36.26	44.46
Workmen and Staff Welfare	25.92	46.40
Contribution to Provident Fund and Others	38.26	44.92
	<b>470.21</b>	<b>454.12</b>
<b>NOTE - 26</b>		
<b>FINANCE COST</b>		
<b>Interest On</b>		
Fixed Loans	148.66	231.01
Working Capital	640.52	444.32
<b>Bank Charges &amp; Others</b>	139.52	172.41
	<b>928.70</b>	<b>847.74</b>
<b>NOTE - 27</b>		
<b>DEPRECIATION AND AMORTISATION EXPENSES</b>		
Depreciation on Fixed Asset	492.11	470.32
<i>Less : Amount transferred from Revaluation Reserve</i>	9.50	9.50
<i>Less : Amount transferred to Pre-operative expenses</i>	7.60	0.15
	475.01	460.67
Miscellaneous Expenditure Written off	36.27	43.90
	<b>511.28</b>	<b>504.57</b>
<b>NOTE - 28</b>		
<b>SELLING &amp; DISTRIBUTION EXPENSES</b>		
Advertisement & Exhibitions	7.87	6.28
Carriage Outward, Frieght & Octroi	144.66	114.76
Conveyance Charges	11.28	10.37
Discount On Sales	9.29	21.42
Entry Tax	17.56	15.85
Loading & Unloading	26.01	13.84
Rent Expenses	26.25	16.64
Godown Rent	16.98	21.98
Tender Expenses	2.63	1.39
Tour & Travelling Exp.	21.75	19.45
Other Selling & Distribution expenses	36.95	32.46
<b>a.</b>	<b>321.23</b>	<b>274.44</b>

## BEDMUTHA INDUSTRIES LIMITED

	As at 31 <sup>st</sup> March 2012	(₹ In Lacs) As at 31 <sup>st</sup> March 2011
<b>OPERATING, ADMINISTRATIVE &amp; OTHER EXPENSES</b>		
Audit Fees	3.31	3.00
Insurance Premium	9.74	9.75
Legal & Statutory Expenses	15.79	11.10
Office Exp	3.64	3.40
Other Expenses	21.78	24.08
Postage & Telegram	1.92	1.77
Printing & Stationery	7.41	9.34
Professional Charges	30.22	48.02
Rent Expenses	9.79	5.36
Security Charges	18.24	17.26
Telephone Charges	9.97	9.62
Forex (Gain) / Loss	2.16	(91.06)
Testing Expenses	2.04	1.07
<b>b.</b>	<b>136.01</b>	<b>52.71</b>
<b>(a. + b.)</b>	<b>457.24</b>	<b>327.15</b>

### 29. Contingent liabilities not provided for in respect of

(a)	For the year ended	
	31 <sup>st</sup> March , 2012	31 <sup>st</sup> March , 2011
Counter Guarantees given against Bank Guarantees.	237.53	202.29
Corporate Guarantee given on behalf of Subsidiary Company, Kamalasha Infrastructure & Engineering Pvt. Ltd.	208.22	2,793.00
Corporate Guarantee given on behalf of Associate Company, Ashoka Pre-con Private Ltd.	90.20	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
Income Tax Department, Nashik (A.Y. 2004-05) (Reassessment u/s 148)	No demand notice received from Income Tax	-
Income Tax Department, Nashik (A.Y. 2009-10)	6.23	-
Custom Excise & Service Tax Appellate Tribunal, Bombay (A.Y.2004-2005)	84.17	84.17

**(b) Claims Outstanding with Banks**

Following claims were made by the company which are still outstanding as on the last day of the balance sheet and no confirmation from bank is there on record

Name of Bank			Excess Interest / Charges debited by bank	
			03/31/2012	03/31/2011
a	Bank Of India	Nashik	3.34	2.70
b	Bank Of India	Pune	1.99	1.51
c	Bank Of India	Mulund	0.26	0.26
d	Andhra Bank	Nashik	0.22	0.02
e	Andhra Bank	Mulund	0.27	0.13
f	Andhra Bank	Pune	5.85	0.42
g	Punjab National Bank	Pune	48.21	1.55
h	Punjab National Bank	Nashik	0.90	-
<b>Total</b>			<b>61.06</b>	<b>6.59</b>

**30. Remuneration Paid to Directors**

(₹ in Lacs)

Particular	For the year ending	
	03/31/2012	03/31/2011
Mr. Vijay Vedmutha	20.60	23.57
Mr. Ajay Vedmutha	20.44	23.39
Mr. K. R. Bedmutha	19.23	22.60

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

**31. Auditors Remuneration**

(₹ in Lacs)

Particular	For the year ending	
	03/31/2012	03/31/2011
Statutory & Tax Audit Fees	3.31	3.31
Consultation & Certification	1.48	1.13

32. Suppliers/ Service providers covered under Micro, Small Medium Enterprises Development Act. 2006 have not furnished the information the same to the company. In view of this, the information required to be disclosed u/s. 22 of the said Act is not disclosed.

**33. Employees Benefit**

During the period company paid premium of ₹ 6.64/- lacs towards group gratuity for the period 2011-12. (₹ 4.50 lacs in previous year 2010-11)

**34. i. VALUE OF IMPORTS ON C.I.F. BASIS :**

(₹ in Lacs)

Particular	For the year ending	
	03/31/2012	03/31/2011
Raw Material	1,806.44	4,238.75
Plant & Machinery	830.88	4.29
<b>Total</b>	<b>2,637.32</b>	<b>4,243.05</b>

**ii. EXPENSES INCURRED IN FOREIGN CURRENCY :**

(₹ in Lacs)

Particulars	For the year ending 31 <sup>st</sup> March, 2012	For the year ending 31 <sup>st</sup> March, 2011
Foreign Tour & Traveling	7.64	13.41

## BEDMUTHA INDUSTRIES LIMITED

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### 35. Disclosure in respect of derivative instruments (Amount in Lacs)

#### (a) Derivative Instruments that are outstanding

	Forward in US \$
i Against Import	4.50

All the derivative instruments have been acquired for hedging purpose

#### (b) Foreign currency exposure that are not hedged by derivative instruments

	in US \$	in Euro	in Australian \$
i Creditors	2.82	14.00	-
ii Buyers Credit	21.30	-	-
iii Cash Balance	-		0.03

### 36. 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 V. 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 Pvt. Ltd.

Bedmutha Agro Farms  
 Kamal Wire Products  
 K.R. Bedmutha Techno Associates Pvt. Ltd.  
 Elme Plast Co.  
 Kreepa Steel Industries  
 Bedmutha Chemicals Pvt. Ltd.

##### (d) Associates

: Ashoka Pre-con Private Limited (49%)

##### (e) Subsidiary Company

: Kamalasha Infrastructure & Engineering Private Limited (54.75%)

**II) Transactions**

(₹ in Lacs)

Description	31st March, 2012			31st March, 2011		
	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
<b>Purchase of goods/Services</b>	-	-	<b>12.81</b>	-	-	<b>13.76</b>
Bedmutha Chemicals P.Ltd	-	-	0.01	-	-	-
Kamal Wire Products	-	-	11.44	-	-	13.63
K R Bedmutha Techno Associates Pvt. Ltd.	-	-	1.36	-	-	0.13
<b>Sales of goods / Services</b>	<b>173.88</b>	-	<b>446.46</b>	<b>175.32</b>	-	<b>424.86</b>
Bedmutha Chemicals P.Ltd	-	-	36.08	-	-	2.93
Kamal Wire Products	-	-	286.74	-	-	421.72
Ashoka Pre-con Private Limited	120.68	-	-	130.23	-	-
K R Bedmutha Techno Associates Pvt. Ltd.	-	-	123.54	-	-	-
Kamalasha Infrastructure &Engineering Pvt.Ltd.	53.20	-	-	45.09	-	-
Bedmutha Agro	-	-	0.09	-	-	0.21
<b>Interest Received</b>	<b>48.63</b>	-	<b>4.69</b>	<b>82.42</b>	-	<b>5.13</b>
KRBTA Techno Associates Pvt. Ltd.	-	-	4.69	-	-	5.13
Kamalasha Infrastructure & Engineering Pvt.Ltd.	48.63	-	-	82.42	-	-
<b>Other Services (Receipts)</b>	<b>13.96</b>	-	<b>112.00</b>	<b>14.04</b>	-	-
KRBTA Techno Associates Pvt. Ltd.	-	-	112.00	-	-	-
Kamalasha Infrastructure &Engineering Pvt.Ltd.	13.96	-	-	14.04	-	-
<b>Remuneration paid</b>	-	<b>60.27</b>	-	-	<b>33.30</b>	-
Vijay Vedmutha	-	20.60	-	-	11.10	-
Ajay Vedmutha	-	20.44	-	-	11.10	-
Kachardas Bedmutha	-	19.23	-	-	11.10	-
<b>Salary Paid</b>	<b>9.14</b>	-	-	<b>4.84</b>	-	-
Vinita Vedmutha	9.14	-	-	4.77	-	-
Usha Vedmutha	-	-	-	0.07	-	-
<b>Rent paid</b>	-	-	1.62	-	-	1.62
Elme Plast	-	-	1.62	-	-	1.62
<b>Advance given for Fixed Assets</b>	280.00	-	342.89	-	-	342.51
Kamalasha Infrastructure & Engineering Private Limited	280.00	-	-	280.00	-	-
Bedmutha Chemicals P Ltd.	-	-	0.37	-	-	-
KRBTA PL	-	-	0.01	-	-	-
Elme Plast Co.	-	-	342.51	-	-	342.51
<b>Loans &amp; Advances</b>	-	-	-	-	-	-
KIEPL	69.04	-	-	-	-	-
<b>Advance given for Expenses</b>	-	-	-	-	-	0.27
Usha Chemical	-	-	-	-	-	0.27

## BEDMUTHA INDUSTRIES LIMITED

Description	31st March, 2012			31st March, 2011		
	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
<b>Advance Given</b>	310.04	-	83.83	241.00	-	91.33
K R Bedmutha Techno Associates Pvt. Ltd.			83.83			91.33
Kamalasha Infrastructure & Engineering Private Limited	310.04	-	-	241.00	-	-
<b>Amount paid against Share Application Money</b>	30.00	30.00	-	26.06	-	-
Kamalasha Infrastructure & Engineering Private Limited	-	-	-	1.06	-	-
Ashoka Precon Pvt Ltd.	30.00			25.00		
<b>Trade Receivables</b>	123.60	-	12.70	20.15	-	99.22
Ashoka Pre-con Private Ltd.	22.58			20.15		-
Bedmutha Agro	0.09		12.70	-	-	0.25
BCPL			-	-	-	0.44
Elme Plast Mfg.			-	-	-	-
Kamal Wire Products	26.40		-	-	-	53.04
Kreepa Steel Industries			-	-	-	-
KRBTA Unison Consultancy Pvt. Ltd.			-	-	-	43.86
K R Bedmutha Techno Associates Pvt. Ltd.	48.85					1.63
Kamalasha Infrastructure & Engineering Pvt. Ltd.	25.68		-	-	-	-
<b>Trade Payables</b>	10.90	-	-	-	-	3.42
Elme Plast	1.62	-	-	-	-	-
K R Bedmutha Techno Associates Pvt. Ltd.	-	-	-	-	-	0.30
Kamal Wire Products	9.28	-	-	-	-	3.13

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

Name of Concern	Type of relationship	Amount Outstanding as on 31/03/2012	Maximum Amount Outstanding
<b>Advance given for Fixed Assets</b>			
Kamalasha Infrastructure & Engineering Private Limited	Subsidiary	280.00	280.00
Elme Plast Co.	Director is partner	337.51	337.51
<b>Loans &amp; advances</b>			
K R Bedmutha Techno Associates Private Limited	Director's wife is Director	83.83	91.33
Kamalasha Infrastructure & Engineering Private Limited	Subsidiary	310.04	310.04

37. Disclosure as per Clause 43 of the Listing Agreement for the quarter ended on March 31, 2012  
 The utilization of issue proceeds from IPO (₹ 9184.30 lakhs) is as follows:-

Particulars of Fund Utilization for	Amount to be utilized as per prospectus	Actual Utilization
Expansion Project	8,494.40	3,798.92
General Corporate Purpose	175.00	-
Share Issue Expenses	542.00	394.90
<b>Total</b>	<b>9,211.40</b>	<b>4,193.82</b>

As on March 31, 2012, unutilized funds in the Company amounting to Rs. 4990.48 lakhs have been temporarily invested in companies Cash credit account, interest bearing ICDs', for the expansion project at Sinnar Unit and given advance to parties for purchase of fixed asset.

38. **The Company is organized into two segments mainly:**

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

(During the period 1<sup>st</sup> April 2010 to 31<sup>st</sup> 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.

39. 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.
40. The financial statement for the year ended 31<sup>st</sup> March 2011 had been prepared as per the then applicable, pre-revised Schedule VI to the Companies Act, 1956. Consequent to the notification under the Companies Act, 1956, the financial statements for the year ended 31<sup>st</sup> March 2012 are prepared under revised Schedule VI. Accordingly, the previous year figures have also been reclassified to confirm to this year's classification
41. Significant accounting policies and practices adopted by the Company are disclosed in the statement annexed to these financial statements as per Annexure I

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 Vedmutha  
 Managing Director

Place: Nashik  
 Date : 28.05.2012

Ajay Vedmutha  
 Joint Managing Director  
 Chandan Kshirsagar  
 Company Secretary

# BEDMUTHA INDUSTRIES LIMITED

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## **Annexure I**

### ***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. Excise duty is added in valuation of Finished Goods.
- 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.
- ii 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 No Provision for income tax is made as there is no profit during the period. Advance Tax and Tax Deducted at Source (TDS) are shown in the balance sheet under head Other Current Assets 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 current 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 in 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 / Capitalised after the completion of the project, as per Accounting Standard 26 " Intangible Assets".

## BEDMUTHA INDUSTRIES LIMITED

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### 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	01/04/2011 - 31/03/2012
3	Holding Companies Interest	54.75%
4	Total Paid Up Capital of Subsidiary Company	99,00,000 (9,90,000 Equity Shares of ₹ 10 each)
5	Interest of Holding Company	54,20,250 (5,42,025 Equity shares of ₹ 10 each)
6	The net aggragare amount of Profite of the Subsidiary Company in so far as it Concerns the members of the Holding Company	
	<b>a Dealt in the accounts of the Holding Company</b>	
i	For the Subsidiary's Financial year 2011-2012	NIL
ii	For the previous financial year of the subsidiary since it become subsidiary of holding Company:	NIL
	<b>b Not dealt in the accoutns of the Holding Company</b>	
i	For the Subsidiary's Financial year 2011-2012	NIL
ii	For the previous financial year of the subsidiary since it become subsidiary of holding Company:	NIL
6	Change in the interest of holding Company between the end of the Subsidiary's financial year ended on 31st march 2012	NIL
7	Additional Information	NIL

for Bedmutha Industries Limited

K R Bedmutha  
Chairman

Vijay Vedmutha  
Managing Director

Ajay Vedmutha  
Joint Managing Director

Chandan Kshirsagar  
Company Secretary

Place: Nashik  
Date : 28.05.2012

**INFORMATION REGARDING SUBSIDIARY COMPANY****Name : Kamalasha Infrastructure and Engineering Private Limited****Financial Year ending on : 31/3/2012****Reporting Currency: INR****₹ in Lacs**

<b>Sr. No</b>	<b>particulars</b>	
1	Share Capital	99.00
2	Reserves	602.81
3	Total Assets	3,049.43
4	Total Liabilities	2,347.62
5	Investment	-
6	Turnover	2,956.06
7	Profit Before Tax	183.26
8	Provisions for Taxes	76.09
9	Profit after Tax	107.17
10	Interim Dividend	-
11	Proposed Dividend	-

## BEDMUTHA INDUSTRIES LIMITED

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### AUDITORS REPORT ON FINANCIAL STATEMENTS

To,  
The Members  
**Bedmutha Industries Limited.**  
Nashik.

1. We have audited the attached Consolidated Balance sheet of **Bedmutha Industries Limited.**, as at 31<sup>st</sup> March 2012, 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) On the basis of written representations received from directors, as on 31<sup>st</sup> March,2012 and taken on record by the Board of Directors ,we report that none of the director is disqualified as on 31<sup>st</sup> March,2012 from being appointed as a director in terms of clause (g) sub section (1) of Section 274 of the Companies Act,1956.
  - (f) In our opinion and to the best of our information and according to the explanations given to us, the 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 31<sup>st</sup> March 2012; 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.

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

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

Nashik, 28<sup>th</sup> May 2012.

**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)
ONE	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)
NIL	NIL
- (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 or granted advances to companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956. According to the information & explanation given to us, the loan & advances are without stipulation of repayment of principal or interest amount.
- (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

## BEDMUTHA INDUSTRIES LIMITED

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 have broadly reviewed the books of accounts maintained by the company in respect of activity where, pursuant rules made by Central Government of India, the maintenance of cost records has been prescribed u/s 209 (1) (d) of the Companies Act, 1956 & are of opinion that prima facie the prescribed accounts & records have been made & maintained. We have not, however made a detailed examination of cost records with a view to determine whether they are accurate or complete.
- 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 31<sup>st</sup> 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	2004-05	8416732
2	Income tax Department, Nashik (Reassessment u/s 14 n High Court)	2004-05	No demand notice received from Income tax. .
3	Income tax Department	2009-10	6,22,940/-

- x. The company does not have any accumulated loss as on 31<sup>st</sup> March 2012, 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 has 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 & according to information & explanation given to us, the terms & conditions of guarantees given by company for loans taken by others from bank or financial institutions during the year are not prejudicial to the interest of the company.
- xvi. 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.
- xvii. On the Basis of our overall examination of the financial statements and other records of the company, we report that the no funds raised on short-term basis have been used for long-term investment.
- xviii. 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.
- xix. According to the information and explanations given to us, the company has not issued any debentures during the year.
- xx. During the period covered by our audit report, the company has not raised money through public issue, We have

verified the end use of money raised by public issue in last year disclosed in notes to the financial statements.

- 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 Reg No.: 120117W

Date: 28.05.2012  
Place: Nashik

# BEDMUTHA INDUSTRIES LIMITED

## CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2012.

(₹ in Lacs)

	Note	As at 31 <sup>st</sup> March 2012	As at 31 <sup>st</sup> March 2011
<b>I. EQUITY &amp; LIABILITIES</b>			
<b>1. Shareholders' Fund</b>			
a. Share Capital	2	2,103.16	2,103.16
b. Reserves & Surplus	3	10,247.23	10,327.09
<b>2. Minority Interest</b>			
		476.77	385.76
<b>3. Share application money pending allotment</b>			
		-	250.00
<b>4. Non-current Liabilities</b>			
a. Long-term borrowings	4	2,236.41	1,973.80
e. Deferred tax liabilities (Net)	5	304.34	355.45
c. Other long term liabilities	6	18.75	18.75
d. Long term provisions	7	568.16	106.93
<b>5. Current Liabilities</b>			
a. Short-term borrowings	8	5,252.55	3,721.62
b. Trade Payables	9	3,889.56	3,487.19
c. Other short term liabilities	10	1,123.03	1,161.46
d. Short-term provisions	11	61.40	439.43
		<b>26,281.36</b>	<b>24,330.64</b>
<b>II. ASSETS</b>			
<b>1. a. Fixed Assets</b>			
	12		
i. Tangible Assets		6,037.27	5,974.63
ii. Intangible Assets		47.58	56.25
iii. Capital work-in-progress		1,242.46	358.86
iv. Intangible Assets under development		-	-
b. Non-current Investment	13	134.89	140.28
c. Long term loans and advances	14	1,311.31	1,258.10
d. Other non-current assets	15	1,094.32	884.85
<b>2. Current Assets</b>			
a. Inventories	16	5,157.77	4,487.61
b. Trade Receivables	17	6,532.73	7,409.59
c. Cash and Cash equivalents	18	859.56	196.44
d. Short-term loans and advances	19	1,960.34	1,654.73
e. Other Current assets	20	1,903.13	1,909.30
		<b>26,281.36</b>	<b>24,330.64</b>

Notes form an integral part of these financial

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 Vedmutha**  
Managing Director

Place : Nashik  
Date : 28.05.2012

**Ajay Vedmutha**  
Jt. Managing Director

**Chandan Kshirsagar**  
Company Secretary

**CONSOLIDATED PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2012.**

(₹ in Lacs)

	Note	Year ended 31 <sup>st</sup> March 2012	Year ended 31 <sup>st</sup> March 2011
Revenue from operations	21	26,087.84	23,553.76
<i>less: Excise Duty/Service Tax/Tax Collected</i>		2,302.46	2,076.74
I. Net Revenue from operations		23,785.38	21,477.02
II. Other Income	22	237.60	166.01
III. Total Revenue (I + II)		<b>24,022.98</b>	<b>21,643.03</b>
IV. Expenses:			
Cost of material consumed	23	16,394.45	14,681.18
Purchase of Stock-in-Trade	24	2,035.76	1,892.08
Manufacturing and Operating Cost	25	2,986.96	2,450.76
Changes in inventories of finished goods work-in-progress and Stock-in-Trade	26	(185.67)	(728.54)
Employee benefits expenses	27	538.78	507.85
Finance Cost	28	1,152.77	1,033.73
Depreciation and amortisation expenses	29	513.35	508.23
Other Expenses	30	519.46	381.40
Total Expenses		<b>23,955.86</b>	<b>20,726.69</b>
V. Profit before exceptional Item & Tax (III - IV)		67.12	916.34
VI. Exceptional Item		-	-
VII. Profit before Tax (V - VI)		67.12	916.34
VIII. Tax Expenses			
(1) Current Tax		61.40	327.00
(2) Deferred Tax		(51.11)	38.69
(3) Tax in respect of earlier year		(16.30)	-
IX. Profit / (Loss) after tax before share of results of associates and minority interest (VII - VIII)		73.13	550.65
<i>less: Minority Interest</i>		91.00	183.50
<i>add: Share in Profit / (Loss) of Associates</i>		(105.24)	-
X. Profit / (Loss) for the year		(123.11)	367.15
X. Earning per equity share of ₹ 10 each			
(1) Basic		(0.59)	3.41
(2) Diluted		(0.59)	3.41
Weighted average number of shares outstanding		210.32	161.39

Notes form an integral part of these financial statements

 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 Vedmutha**  
 Managing Director

 Place : Nashik  
 Date : 28.05.2012

**Ajay Vedmutha**  
 Jt. Managing Director

**Chandan Kshirsagar**  
 Company Secretary

## BEDMUTHA INDUSTRIES LIMITED

### CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH , 2012

(₹ in Lacs)

Particulars	31/03/2012	31/03/2011
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>Net Profit Before Tax and Extra Ordinary items</b>	<b>67.12</b>	<b>916.33</b>
Adjustment For		
<b>Add :</b> Depreciation	477.05	464.30
Loss on Sale Of Investment	(1.12)	(7.20)
Miscellaneous Expenses written off	36.30	43.93
Interest & Financial charges (Net)	1,213.56	900.04
Dividend Income	(0.01)	0.81
<b>Operating Profit Before Working Capital Changes</b>	<b>1,792.90</b>	<b>2,318.21</b>
<b>Adjustment for working capital changes</b>		
Taxes Paid	(344.06)	(364.69)
(Increase) / Decrease in Trade & Other Receivables	955.73	(2,400.22)
(Increase) / Decrease in Other Current Assets	(178.34)	(25.85)
(Increase)/Decrease in Misc Exp Assets	(245.75)	(715.32)
Increase / (Decrease) in Trade Payable	755.44	472.33
Increase/(Decrease in Outstanding Expenses	(84.73)	45.57
(Increase) / Decrease in Loans and Advances	(422.40)	(1,110.13)
(Increase) / Decrease in Inventories	(670.16)	(223.87)
<b>Working capital changes</b>	<b>(234.27)</b>	<b>(4,322.18)</b>
<b>Net Cash used / generated for / from Operations</b>	<b>1,558.63</b>	<b>(2,003.97)</b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets / Capital Work In Progress	(1,427.57)	(3,230.90)
Investments made	(46.04)	(2,033.05)
Sale of Investment	0.00	2,000.25
Dividend Income	0.01	7.20
<b>Net Cash used in Investing Activities</b>	<b>(1,473.60)</b>	<b>(3,256.50)</b>
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>		
Increase/ ( Decrease)Proceeds from Long Term Borrowings	(1,175.54)	(3,224.22)
Proceeds form Short Term Borrowings	2,967.19	(329.68)
Increase/ ( Decrease)Proceeds form Unsecured Borrowings	0.00	(12.22)
Interest & Financial charges (Net)	(1,213.56)	(900.04)
Proceed from Issue of Equity Shares	0.00	900.42
Share Premium received on Issue of Equity Shares	0.00	8,283.87
<b>Net Cash generated from other sources</b>	<b>578.09</b>	<b>4,718.13</b>
<b>Net Increase/(Decrease) in Cash &amp; Cash Equivalents (A)+(B)+( C)</b>	<b>663.12</b>	<b>(542.34)</b>
<b>Cash &amp; Cash Equivalents - Opening Balance</b>	<b>196.44</b>	<b>738.78</b>
<b>Cash &amp; Cash Equivalents - Closing Balance</b>	<b>859.56</b>	<b>196.44</b>

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 Vedmutha**  
Managing Director

Place : Nashik  
Date : 28.05.2012

**Ajay Vedmutha**  
Jt. Managing Director

**Chandan Kshirsagar**  
Company Secretary

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

	As at 31 <sup>st</sup> March 2012	As at 31 <sup>st</sup> March 2011
<b>NOTE - 1</b>		
<b>GENERAL INFORMATION</b>		
i) The Consolidated Financial Statements present the consolidated Accounts of Bedmutha Industries Limited with its following subsidiary, Associates :		
<b>A. Subsidiary</b>	Proportion of Ownership of Interest	
Kamalasha Infrastructures & Engineering Private Limited	54.75%	54.75%
<b>B. Associates</b>		
Ashoka Pre-Con Private Limited	49.00%	49.00%
ii) Significant Accounting Policies and Notes to these Consolidated Financial Statements are intended to serve as a means of informative disclosure and guide to better understanding the consolidated position of the Companies. Recognising this purpose, the Company has disclosed only such Policies and Notes from the individual financial statements, which fairly present the needed disclosures.		

**NOTE - 2**
**SHARE CAPITAL**

<b>Authorised Equity Capital</b>	2,500.00	2,500.00
[25000000 Equity Shares Of ₹ 10 Each]		
[25000000 Equity Shares Of ₹10 Each For Previous Year]		
<b>Issued, Subscribed and Paid up Capital</b>		
[2,10,31,611 Equity Shares Of ₹ 10 Each]	2,103.16	2,103.16
[2,10,31,611 Equity Shares Of ₹ 10 Each for Previous Year]		
	<b>2,103.16</b>	<b>2,103.16</b>

**Details of shares held by shareholders holding more than 5% of the aggregate shares in the company**

Name of Shareholder	No. of Shares (% of holding)	
	As at	As at
	31 <sup>st</sup> March 2012	31 <sup>st</sup> March 2011
Ajay Kachardas Vedmutha	32,63,059 (15.52%)	31,88,059 (15.16%)
Vijay Kachardas Vedmutha	32,63,059 (15.52%)	31,88,059 (15.16%)
Kachardas Ratanchand Vedmutha	20,03,357 ( 9.53%)	13,53,357 ( 6.43%)
Vinita Ajay Vedmutha	11,80,148 ( 5.61%)	11,05,148 ( 5.25%)
Bedmutha Sons reality ventures Private Limited	11,18,200 ( 5.32%)	11,18,200 ( 5.32%)
Usha Vijay Vedmutha	11,05,148 ( 5.25%)	11,05,148 ( 5.25%)

**Details of shares issued other than cash**

33,49,488 Equity Shares of ₹ 10 each fully paid were issued as Bonus Shares in ratio of 1 : 1 on 27th March 2008.

22,96,862 Equity Shares of ₹ 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.

30,06,850 Equity Shares of ₹ 10 each fully paid were issued as Bonus Shares in ratio of 1:3 on 31st October 2009.

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

	As at 31 <sup>st</sup> March 2012	As at 31 <sup>st</sup> March 2011
<b>NOTE - 3</b>		
<b>RESERVES &amp; SURPLUS</b>		
<b>Capital Reserve</b>		
Opening Balance	44.17	55.00
Add : Special Incentative Scheme *	-	15.00
Less : On Amalgamation#	-	25.83
Closing Balance	<u>44.17</u>	<u>44.17</u>
<b>Share Premium Account</b>		
Opening Balance	8,289.21	5.34
Add : Premium on Public Issue**	-	8,283.87
Closing Balance	<u>8,289.21</u>	<u>8,289.21</u>
<b>Revaluation Reserve</b>		
Opening Balance	18.89	28.39
Less : Written off during the year	9.50	9.50
Closing Balance	<u>9.39</u>	<u>18.89</u>
<b>Surplus</b>		
Opening Balance	2,027.57	1,660.42
Add : Surplus / (Deficit) during the year	(123.11)	367.15
Closing Balance	<u>1,904.46</u>	<u>2,027.57</u>
Less : Share of loss in associate company	-	52.75
	<b><u>10,247.23</u></b>	<b><u>10,327.09</u></b>

\* Received for companies investment in its manufacturing facility at Plant 4, B 140, Sinnar, Maharashtra under package scheme of incentives

# The asset, liabilities, right and obligation of amalgamated companies vested in the company w.e.f. 1st April 2007 and have been recorded under "pooling of interest method as prescribed by ICAI-Accounting Standard 14 - Accounting for Amalgamations. Accordingly all assets, liabilities and reserves of erstwhile merged companies as on 1st April 2007 have been taken over at their bookvalue. ₹ 25.83 lacs being the difference amount of shares to allotted to the shareholders of the merged companies and the value of net assets acquired, was earlier debited to Goodwill, which has been rectified and effect is given in capital reserves in FY 2010-11.

\*\* The company brought a public issue of 90,04,211 Shares at premium of ₹ 92/-

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

	As at 31 <sup>st</sup> March 2012	As at 31 <sup>st</sup> March 2011
<b>NOTE - 4</b>		
<b>Non-current Liabilities</b>		
<b>(a) LONG-TERM BORROWINGS</b>		
<b>i. Secured</b>		
1. Term Loan from Banks	1,078.38	840.07
	<b>1,078.38</b>	<b>840.07</b>

**Nature of Security**

Term loans amounting to ₹ 481.93 lacs (March 31, 2011 : ₹ 840.07 lacs are secured by first pari-passu / equitable mortgage on entire block of assets of the company situated at Plant 1, A 32-35 & 57, STICE, Sinnar, Nashik 422103, Plant 2, A 70-72, STICE, Sinnar, Nashik 422 103, Plant 3, B113, STICE, Sinnar, Nashik 422103, Plant 4, B 140, STICE, Sinnar, Nashik 422 103, and the personal guarantee of Promoter Directors and others.

Term loans amounting to ₹ 596.45 lacs (March 31, 2011 : ₹ Nil are secured by first pari-passu / equitable mortgage on entire block of assets of the company situated at Plant 1, A 32-35 & 57, STICE, Sinnar, Nashik 422103, Plant 2, A 70-72, STICE, Sinnar, Nashik 422 103, Plant 3, B113, STICE, Sinnar, Nashik 422103, Plant 4, B 140, STICE, Sinnar, Nashik 422 103, Gat no. 232,237,29, Rasegaon, Taluka Dindori, Nahsik, Plot No. E 1, Nardana Industrial Estate, Dhule, Second Paripassu charge over windmill and current assets and personal guarantee of promoter directors

Vehicle Loans are secured by the way of hypothecation of Vehicle purchased thereunder.

**Terms of Repayment**

Term loan amounting to ₹ 80.30 lacs (March 31, 2011 : ₹ 152.30 lacs) is repayable in 28 quarterly instalments. Last instalment due in March 2014

Term loan amounting to ₹ 107.41 lacs (March 31, 2011 : ₹ 144.42 lacs) is repayable in 60 monthly instalments. Last instalment due in December 2014

Term loan amounting to ₹ 143.00 lacs (March 31, 2011 : ₹ 208.62 lacs) is repayable in 60 monthly instalments. Last instalment due in December 2014

Term loan amounting to ₹ 9.83 lacs (March 31, 2011 : ₹ 58.46 lacs) is repayable in 60 monthly instalments. Last instalment due in October 2012

Term loan amounting to ₹ 92.74 lacs (March 31, 2011 : ₹ 137.37 lacs) is repayable in 60 monthly instalments. Last instalment due in December 2014

Term loan amounting to ₹ 30.38 lacs (March 31, 2011 : ₹ 75.98 lacs) is repayable in 60 monthly instalments. Last instalment due in September 2013

Term loan amounting to ₹ 243.09 lacs (March 31, 2011 : ₹ Nil) is repayable in 24 Structured Quarterly Instalments. Last instalment due in July 2019

Term loan amounting to ₹ 350.00 lacs (March 31, 2011 : ₹ Nil) is repayable in 24 Quarterly Instalments. Last instalment due in March 2020

Vehicle loan amounting to ₹ 11.71 lacs (March 31, 2011 : ₹ Nil) is repayable in 59 monthly instalments. Last instalment due in February 2017

Vehicle loan amounting to ₹ 3.28 lacs (March 31, 2011 : ₹ 4.13 lacs) is repayable in 45 monthly instalments. Last instalment due in December 2014

Vehicle loan amounting to ₹ 3.36 lacs (March 31, 2011 : ₹ 4.27 lacs) is repayable in 45 monthly instalments. Last instalment due in November 2014

Vehicle loan amounting to ₹ 3.28 lacs (March 31, 2011 : ₹ 4.19 lacs) is repayable in 45 monthly instalments. Last instalment due in October 2014

## BEDMUTHA INDUSTRIES LIMITED

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

	As at 31 <sup>st</sup> March 2012	As at 31 <sup>st</sup> March 2011
<b>ii. Unsecured</b>		
1. From WMDC / DIC	1,049.03	1,024.73
2. From Others	109.00	109.00
ii	<u>1,158.03</u>	<u>1,133.73</u>
i + ii	<u>2,236.41</u>	<u>1,973.80</u>

Instalments falling due in respect of all the above Loans upto 31<sup>st</sup> March 2013 have been grouped under "Current maturities of long term debt (refer Note 8)

#### NOTE - 5

##### Non-current Liabilities

##### (b) DEFERRED TAX LIABILITIES (NET)

Deferred Tax Liability on account of :

Depreciation

310.43

340.53

Misc. Expenditure written off

11.21

14.92

321.64

355.45

Deferred Tax Asset on account of :

Unabsorbed Depreciation

17.30

-

17.30

-

**Deferred Tax - Liability / (Assets)- Net**

304.34

355.45

#### NOTE - 6

##### Non-current Liabilities

##### (c) OTHER LONG TERM LIABILITIES

i Advances From Customers

7.23

7.23

ii Creditors For Fixed Assets

4.06

4.06

iii Earnest Money Deposit

7.46

7.46

18.75

18.75

#### NOTE - 7

##### Non-current Liabilities

##### (d) OTHER LONG TERM LIABILITIES

Provision for Liquidity Damages As Per Contract

307.38

-

Provision for Defect Liability for Repairs & Maintainance

260.78

106.93

568.16

106.93

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

	As at 31 <sup>st</sup> March 2012	As at 31 <sup>st</sup> March 2011
<b>NOTE - 8</b>		
<b>Current Liabilities</b>		
<b>(a) SHORT-TERM BORROWINGS</b>		
<b>Secured</b>		
i Working Capital Loans	3,932.76	3,721.62
<b>Unsecured</b>		
ii Buyers credit arrangements	1,319.79	-
	<u>5,252.55</u>	<u>3,721.62</u>

Working Capital loan amounting to ₹ 3724.55 lac 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.

**Subsidiary**

Working Capital loan amounting to ₹ 208.22 lac are secured by way of hypothecation of Current Assets along with Personal Gaurantee of Directors and Corporate Guarantee of Holding Company

**NOTE - 9**
**Current Liabilities**
**(b) TRADE PAYABLES**

i Advances From Customers	28.96	28.78
ii Creditors Raw Material	3,026.10	3,102.89
iii Creditors For Expenses	302.40	222.89
iv Creditors For Fixed Assets	532.10	132.63
	<u>3,889.56</u>	<u>3,487.19</u>

**NOTE - 10**
**Current Liabilities**
**(c) OTHER SHORT TERM LIABILITIES**

i Current maturities of long term debts	372.29	401.36
ii Other Advances	31.89	53.58
iii Outstanding Expenses	716.50	665.33
iv Credit Balance in Current Account	0.26	29.80
v Banks & Financial Institutions	2.09	11.39
	<u>1,123.03</u>	<u>1,161.46</u>

**NOTE - 11**
**Current Liabilities**
**(d) SHORT-TERM PROVISIONS**

i Provisions	61.40	439.43
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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE - 12  
FIXED ASSETS

Description of Asset	Gross Block (At Cost)				Depreciation			Net Block			
	As at 1 <sup>st</sup> April 2011	Revalued Asset on Amalgamation	Addition	Deductions / Adjust-ment	As at 31 <sup>st</sup> March 2012	As at 1 <sup>st</sup> April 2011	On Revalua-tion	For the Year	Deduction	As at 31 <sup>st</sup> March 2012	As at 31 <sup>st</sup> March 2011
<b>(I) Intangible Fixed Assets</b>											
Goodwill	86.51	-	-	-	86.51	34.60	-	8.67	-	43.27	51.91
Goodwill on Consolidation	4.34	-	-	-	4.34	-	-	-	-	-	4.34
<b>(II) Tangible Fixed Assets</b>											
Land Leasehold	86.18	12.23	191.54	-	277.72	-	-	-	-	277.72	86.18
Land Freehold	2,334.01	-	-	-	2,334.01	-	-	-	-	2,334.01	2,333.01
Factory Buildings	1,457.12	33.62	33.37	9.48	1,481.01	243.15	1.12	54.18	12.54	284.79	1,213.97
Plant & Machinery	4,256.40	81.02	207.64	-	4,464.04	2,086.08	8.38	442.30	30.72	2,497.66	2,170.32
Furniture & Fixtures	69.98	-	54.12	5.04	119.06	13.12	-	6.61	0.11	19.62	56.86
Office Equipment	42.17	-	37.81	-	79.97	24.71	-	5.39	-	30.10	17.46
Vehicles	108.62	-	30.23	5.62	133.24	45.65	-	12.38	3.24	54.79	62.97
Computer Equipment	44.73	-	10.31	-	55.04	11.87	-	7.99	-	19.86	32.86
Temporary Erection	3.27	-	-	-	3.27	3.27	-	-	-	3.27	-
	8,402.47	126.87	565.03	20.13	8,947.36	2,427.85	9.50	528.84	46.61	2,910.08	5,973.63
<b>(III) Capital Work-in-progress</b>	358.86	-	1,149.68	266.08	1,242.46	-	-	-	-	-	358.86
<b>Grand Total</b>	<b>8,852.19</b>	<b>126.87</b>	<b>1,714.70</b>	<b>286.22</b>	<b>10,280.67</b>	<b>2,462.45</b>	<b>9.50</b>	<b>537.52</b>	<b>46.61</b>	<b>2,953.36</b>	<b>6,389.74</b>

(₹ in lacs)

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

	As at 31 <sup>st</sup> March 2012			As at 31 <sup>st</sup> March 2011		
<b>NOTE - 13</b>						
<b>NON-CURRENT INVESTMENTS</b>						
	<b>Nos</b>	<b>Face Value</b>	<b>₹ in lacs</b>	<b>Nos</b>	<b>NAV</b>	<b>₹ in lacs</b>
<b>Associates {Trade Investments ( unquoted)}</b>						
Ashoka Pre-con Private Ltd. Refer '(a)' below	418,256	10	60.60	355,756	10	88.08
<b>Other Companies {Trade Investments (unquoted)}</b>						
Jenil Steel Pvt. Ltd.	1	10	0.00	1	10	0.00
(i)			<b>60.60</b>			<b>88.08</b>
<b>Others {Trade Investments ( unquoted)}</b>						
Government Securities & Others			0.70			0.70
ICICI Prudential Life Insurance##			1.50			1.00
Metlife India Insurance Co.Ltd##			5.00			-
Shares In Steel Chamber			0.01			0.01
Shares In Stice Sinnar			0.01			0.01
(ii)			<b>7.22</b>			<b>1.72</b>
<b>Non Trade Investments ( unquoted)</b>						
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
(iii)			<b>0.44</b>			<b>0.44</b>
<b>Share Application Money in</b>						
Ashoka Precon Pvt Ltd.			30.00			25.00
(iv)			<b>30.00</b>			<b>25.00</b>
<b>Mutual Fund (Unquoted)</b>						
	<b>Nos</b>	<b>NAV</b>	<b>₹ in lacs</b>	<b>Nos</b>	<b>NAV</b>	<b>₹ in lacs</b>
Birla SL Dividend Yield Plus G Fund	1,952.341	1.68	1.60	485.520	0.41	0.40
Filidity Equity Fund		0.20	0.20		0.00	0.20
Franklin Asian Equity Fund-Growth	1,955.990	0.23	0.20	1,955.990	0.22	0.20
Franklin India Prima Plus Fund-Growth	98.385	0.22	0.20	98.385	0.22	0.20
Franklin India Blue Chip G Fund	712.760	1.52	1.07	712.760	1.56	1.07
Franklin India Bluechip Fund-Growth	107.740	0.23	0.20	107.740	0.23	0.20
Franklin India Opportunity G Fund	3,646.300	1.07	0.92	3,646.300	1.16	0.93
Franklin India Prima Plus G Fund	1,322.718	2.92	2.58	851.693	1.91	1.48
HDFC Prudence Growth Fund	1,544.736	3.33	2.65	961.520	2.06	1.45
HDFC-Top-200 Growth Fund	1,563.356	3.15	2.65	946.600	2.04	1.45
ICICI Prudential Discovery Growth Fund	3,492.002	1.68	1.60	840.550	0.40	0.40
ICICI Prudential Flexi Growth Fund		0.00	2.00		0.00	2.00
IDFC Mutual Growth Fund F-701987/06	10,000.000	1.53	1.00	10,000.000	1.66	1.00
IDFC Premier Equity Plan A Growth Fund	5,063.056	1.57	1.60	1,282.390	0.40	0.40
Principal Emerging Fund	50,000.000	13.63	5.00	50,000.000	5.15	5.00
Principal Large Cap Fund-Dividend Plan	4,945.598	0.90	1.00	4,945.598	0.98	1.00
Reliance Equity Opportunity G Fund	9,351.773	3.31	2.55	5,602.240	2.00	1.35
Reliance Growth Fund	294.900	1.28	0.95	294.900	1.35	0.95
Reliance Infrasutstructure Fund	4,792.176	0.36	0.49	4,792.176	0.44	0.49

## BEDMUTHA INDUSTRIES LIMITED

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Mutual Fund (Unquoted)	As at 31 <sup>st</sup> March 2012			As at 31 <sup>st</sup> March 2011		
	Nos	NAV	₹ in lacs	Nos	NAV	₹ in lacs
Reliance Regular Saving Equity G Fund	5,452.977	1.58	1.60	1,332.410	0.40	0.40
SBI Magnum Contra Growth Fund	2,401.540	1.24	1.07	2,401.540	1.34	1.07
SBI Magnum Global Growth Fund	2,614.260	1.52	1.05	2,614.260	1.40	1.05
Sunderam Paribas Select Midcap G Fund	2,092.976	3.15	2.45	1,317.270	1.92	1.45
U.T.I Infrastructure Fund	5,000.000	1.14	0.50	5,000.000	0.44	0.50
UTI Master Value Growth Fund	2,991.286	1.49	1.50	774.350	0.41	0.40
	(v)		<b>36.63</b>			<b>25.04</b>
	(i + ii + iii + iv + v)		<b>134.89</b>			<b>140.28</b>

	Book Value		Market Value	
	31 <sup>st</sup> March, 2012	31 <sup>st</sup> March, 2011	31 <sup>st</sup> March, 2012	31 <sup>st</sup> March, 2011
Aggregate of Quoted Investment	-	-	-	-
Aggregate of unQuoted Investment	<b>530.10</b>	<b>465.83</b>	<b>544.39</b>	<b>471.09</b>
	<b>530.10</b>	<b>465.83</b>	<b>544.39</b>	<b>471.09</b>

(a) The company has an investment of ₹ 165.83 lacs in the shares of Ashoka Pre-con Private Limited, the company has 49% share holding. Further the company has share application money, Trade receivables amounting to ₹ 52.58 lacs recoverable from APPL. The net worth of APPL has eroded due to operational losses. No provision is provided by the management at present as the losses are recoverable in the near future.

## Investments are held in the name of director of the Company

	As at 31 <sup>st</sup> March 2012	As at 31 <sup>st</sup> March 2011
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#### NOTE - 14

##### Non-current assets

##### (d) OTHER LONG TERM LOAN & ADVANCES

i. Security Deposit	94.45	93.41
ii. Loans & advances to related parties	83.83	91.33
iii. Other Loans & advances	1,133.03	1,073.36
	<b>1,311.31</b>	<b>1,258.10</b>

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

	As at 31 <sup>st</sup> March 2012	As at 31 <sup>st</sup> March 2011
<b>NOTE - 15</b>		
<b>Non-current assets</b>		
<b>(e) OTHER NON-CURRENT ASSETS</b>		
<b>Deferred Revenue Expenses</b>		
Opening	64.33	108.23
Less : Written off during the year	36.27	43.90
	a. 28.06	64.33
<b>Pre Operative Expenses</b>		
Opening	425.99	68.60
Add : Addition during the year	245.75	357.39
	b. 671.74	425.99
<b>Issue Expenses</b>		
Opening	394.90	37.97
Add : Addition during the year	-	356.93
	c. 394.90	394.90
<b>Preliminary Expenses</b>		
Opening	0.15	0.18
Less : Written off during the year	0.02	0.02
	d. 0.13	0.15
Less : Minority interest e.	0.51	0.52
	( a + b + c + d - e)	884.85
	<b>1,094.32</b>	<b>884.85</b>

**NOTE - 16**

**Current Assets**

**(b) INVENTORIES**

**(As taken, valued and certified by the management)**

i	Raw Material	479.58	1,062.15
	- in transit	1,043.14	-
ii	Finished Goods	476.72	611.02
iii	Trading Stock	123.69	123.69
iv	Consumables	305.31	281.38
v	Work-in-Progress	2,729.33	2,409.37
		<b>5,157.77</b>	<b>4,487.61</b>

## BEDMUTHA INDUSTRIES LIMITED

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

	As at 31 <sup>st</sup> March 2012	As at 31 <sup>st</sup> March 2011
<b>NOTE - 17</b>		
<b>Current Assets</b>		
<b>(c) TRADE RECEIVABLES</b>		
i Debtors outstanding for a period exceeding six months (Unsecured and Considered Good)	692.74	2,118.76
ii Other Debtors	-	-
a. Secured & Considered Good	549.80	449.11
b. Unsecured & Considered Good	5,192.27	4,722.35
c. Doubtful	-	-
	<u>5,742.07</u>	<u>5,171.46</u>
iii Allowances for bad and doubtful debts		
iv Debts due by directors or other officers of the company or any of them either severally or jointly with any other person or debts due by firms or private companies respectively in which any director is a partner or a director or a member	97.92	119.37
	<u>6,532.73</u>	<u>7,409.59</u>
<b>NOTE - 18</b>		
<b>Current Assets</b>		
<b>(d) CASH AND CASH EQUIVALENTS</b>		
i Cash In Hand	73.97	44.80
ii Balance in Bank		
a. In Current Account with Scheduled Bank	781.22	133.12
b. Fixed Deposit with Banks and Accrued Interest thereon	4.37	18.52
	<u>859.56</u>	<u>196.44</u>
<b>NOTE - 19</b>		
<b>Current Assets</b>		
<b>(e) SHORT-TERM LOANS AND ADVANCES</b>		
<b>Unsecured, considered good</b>		
i Loans & Advances to Related Parties	337.90	414.78
ii Others	1,622.44	1,239.95
	<u>1,960.34</u>	<u>1,654.73</u>
<b>NOTE - 20</b>		
<b>Current Assets</b>		
<b>(d) OTHER CURRENT ASSETS</b>		
i Sundry Deposits	1,289.98	1,289.63
ii Receivables from statutes and others	459.44	293.03
iii Tax Deducted at Sources	136.61	221.26
iv Advance Tax	-	100.00
v Prepaid Expenses	17.10	5.38
	<u>1,903.13</u>	<u>1,909.30</u>

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

	Year ended 31 <sup>st</sup> March 2012	Year ended 31 <sup>st</sup> March 2011
<b>NOTE - 21</b>		
<b>REVENUE FROM OPERATIONS</b>		
Manufacturing Goods	19,324.21	17,426.58
Trading Goods	2,314.33	2,152.83
Professional Receipts	1,713.79	1,588.28
Other Operating Revenues	10.25	7.99
Scrap Sales	402.23	283.21
Excise Duty / Service Tax and others	2,302.46	2,076.74
Carriage Outward, P & F	20.57	18.13
	<b>26,087.84</b>	<b>23,553.76</b>
<b>NOTE - 22</b>		
<b>OTHER INCOME</b>		
Dividend Receipt	0.01	7.20
<b>Interest Income</b>		
On Deposit	58.06	39.60
On Others	173.24	108.13
Net Surplus / (Deficit) on disposal of Assets	(1.12)	(0.81)
Other non-operative income	7.41	11.89
	<b>237.60</b>	<b>166.01</b>
<b>NOTE - 23</b>		
<b>COST MATERIAL CONSUMED</b>		
Opening Stock Of Raw Material	1,062.15	1,744.80
Add : Manufacturing Purchases	16,855.01	13,998.53
	17,917.16	15,743.33
Less : Closing Stock Of Raw Material	1,522.71	1,062.15
	<b>16,394.45</b>	<b>14,681.18</b>
<b>NOTE - 24</b>		
<b>PURCHASE OF STOCK IN TRADE</b>		
Trading Purchase	2,035.76	1,892.08
	<b>2,035.76</b>	<b>1,892.08</b>
<b>NOTE - 25</b>		
<b>MANUFACTURING AND OPERATING COSTS</b>		
Job Work	252.62	239.83
Packing Material	104.91	81.66
Power & Fuel	1,281.36	1,052.02
Other Manufacturing & Operating Expenses	990.41	893.80
Consumables, Stores & Spares	230.65	129.89
Repairs & Maintainance	127.01	53.56
	<b>2,986.96</b>	<b>2,450.76</b>

**BEDMUTHA INDUSTRIES LIMITED****NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

	Year ended 31 <sup>st</sup> March 2012	Year ended 31 <sup>st</sup> March 2011
<b>NOTE - 26</b>		
<b>CHANGES IN INVENTORIES OF FINISHED GOODS</b>		
<b>WORK IN PROGRESS AND STOCK IN TRADE</b>		
Opening Stock		
Finished Goods	611.02	354.42
Stock-in-Trade	315.88	242.60
Work in Progress	2,217.17	1,818.51
	<u>3,144.07</u>	<u>2,415.53</u>
Closing Stock		
Finished Goods	476.72	611.02
Stock-in-Trade	149.11	315.88
Work in Progress	2,703.91	2,217.17
	<u>3,329.74</u>	<u>3,144.07</u>
<b>(Increase) / Decrease in Stock - D (B - C)</b>	(185.67)	(728.54)
<b>NOTE - 27</b>		
<b>EMPLOYEE BENEFIT EXPENSES</b>		
Salary	437.14	371.36
Directors Remuneration	36.25	44.46
Workmen and Staff Welfare	26.85	46.94
Contribution to Provident Fund and Others	38.54	45.09
	<u>538.78</u>	<u>507.85</u>
<b>NOTE - 28</b>		
<b>FINANCE COST</b>		
<b>Interest On</b>		
Fixed Loans	148.66	231.01
Working Capital	824.56	613.39
Bank Charges & Others	179.55	189.33
	<u>1,152.77</u>	<u>1,033.73</u>
<b>NOTE - 29</b>		
<b>DEPRECIATION AND AMORTISATION EXPENSES</b>		
Depreciation on Fixed Asset	494.15	473.95
Less : Amount transferred from Revaluation Reserve	9.50	9.50
Less : Amount transferred to Pre-operative expenses	7.60	0.15
	<u>477.05</u>	<u>464.30</u>
Miscellaneous Expenditure Written off	36.30	43.93
	<u>513.35</u>	<u>508.23</u>

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

	Year ended 31 <sup>st</sup> March 2012	Year ended 31 <sup>st</sup> March 2011
<b>NOTE - 30</b>		
<b>SELLING &amp; DISTRIBUTION EXPENSES</b>		
Advertisement & Exhibition Exps.	7.87	6.28
Carriage Outward, Frieght & Octroi	144.57	114.68
Conveyance Charges	11.28	10.37
Discount On Sales	9.29	21.42
Entry Tax	17.56	15.85
Edu.cess & Ser.Tax C/Outward	0.09	0.09
Loading & Unloading	26.01	13.84
Stockyard & Handling Chgs	26.25	16.64
Godown Rent	16.98	21.98
Tender Expenses	2.63	1.39
Tour & Travelling Exp.	21.75	19.45
Other Selling & Distribution Expenses	36.95	32.45
<b>a</b>	<b>321.23</b>	<b>274.44</b>
<b>OPERATING, ADMINISTRATIVE &amp; OTHER EXPENSES</b>		
Audit Fees	3.71	3.40
Insurance Premium	9.98	9.95
Legal & Statutory Expenses	20.87	11.40
Office Exp	5.68	5.67
Other Expenses	31.35	31.93
Postage & Telegram	1.92	1.78
Printing & Stationery	8.88	10.02
Professional Charges	37.45	60.72
Rent Expenses	13.56	8.44
Security Charges	21.01	19.85
Telephone Charges	12.03	11.75
Forex (Gain) / Loss	2.16	(91.06)
Testing Expenses	29.62	23.11
<b>b</b>	<b>198.22</b>	<b>106.96</b>
<b>(a + b)</b>	<b>519.46</b>	<b>381.40</b>

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**31. Contingent liabilities not provided for in respect of** (₹ in Lacs)

(a)

Particular	For the year ended	
	31 <sup>st</sup> March, 2012	31 <sup>st</sup> March, 2011
Counter Guarantees given against Bank Guarantees.	237.53	202.29
Corporate Guarantee given on behalf of Subsidiary Company, Kamalasha Infrastructure & Engineering Pvt. Ltd.	208.22	2,793.00
Corporate Guarantee given on behalf of Associate Company, Ashoka Pre-con Private Ltd.	90.20	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
Income Tax Department, Nashik (A.Y. 2004-05) (Reassessment u/s 148)	No demand notice received from Income Tax	-
Income Tax Department, Nashik (A.Y. 2009-10)	6.23	-
Custom Excise & Service Tax Appellate Tribunal, Bombay (A.Y.2004-2005)	84.17	84.17

(b) **Claims Outstanding with Banks**

Following claims were made by the company which are still outstanding as on the last day of the balance sheet and no confirmation from bank is there on record

Name of Bank		Excess Interest / Charges debited by bank	
		31/03/2012	31/03/2011
a	Bank Of India Nashik	3.34	2.70
b	Bank Of India Pune	1.99	1.51
c	Bank Of India Mulund	0.26	0.26
d	Andhra Bank Nashik	0.22	0.02
e	Andhra Bank Mulund	0.27	0.13
f	Andhra Bank Pune	5.85	0.42
g	Punjab National Bank Pune	48.21	1.55
h	Punjab National Bank Nashik	0.90	-
<b>Total</b>		<b>61.06</b>	<b>6.59</b>

**32. Remuneration Paid to Directors**

(₹ in Lacs)

Particular	For the year ending	
	31/03/2012	31/03/2011
Mr. Vijay Vedmutha	20.60	23.57
Mr. Ajay Vedmutha	20.44	23.39
Mr. K. R. Bedmutha	19.23	22.60

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

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

<b>33. Auditors Remuneration</b>			(₹ in Lacs)
	<b>Particular</b>	<b>For the year ending</b>	
		<b>31/03/2012</b>	<b>31/03/2011</b>
	Statutory & Tax Audit Fees	3.75	3.75
	Consultation & Certification	1.52	1.16

34. Suppliers/ Service providers covered under Micro, Small Medium Enterprises Development Act. 2006 have not furnished the information the same to the company. In view of this, the information required to be disclosed u/s. 22 of the said Act is not disclosed.

**35. Employees Benefit**

During the period company paid premium of ₹ 6.64/- lacs towards group gratuity for the period 2011-12. (₹ 4.50 lacs in previous year 2010-11)

<b>36. i. VALUE OF IMPORTS ON C.I.F. BASIS :-</b>			(₹ In Lacs)
	<b>Particulars</b>	<b>For the year ending</b>	
		<b>31.03.2012</b>	<b>31.03.2011</b>
	Raw Material	1,806.44	4,238.75
	Plant & Machinery	830.88	4.29
	<b>Total</b>	<b>2,637.32</b>	<b>4,243.05</b>

ii. EXPENSES INCURRED IN FOREIGN CURRENCY :-

			(₹ In Lacs)
	<b>Particulars</b>	<b>For the year ending</b>	
		<b>31<sup>st</sup> March, 2012</b>	<b>31<sup>st</sup> March, 2011</b>
	Foreign Tour & Traveling	7.64	13.41

**37. Disclosure in respect of derivative instruments (Amount in Lacs)**

			Forward in US \$
<b>(a) Derivative Instruments that are outstanding</b>			
i Against Import			4.50

All the derivative instruments have been acquired for hedging purpose

<b>(b) Foreign currency exposure that are not hedged by derivative instruments</b>				
		in US \$	in Euro	in Australian \$
i Creditors	2.82		14.00	-
ii Buyers Credit	21.30		-	-
iii Cash Balance	-			0.03

## BEDMUTHA INDUSTRIES LIMITED

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

#### 38. 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 V. 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 Pvt. Ltd.  
Bedmutha Agro Farms  
Kamal Wire Products  
K.R. Bedmutha Techno Associates Pvt. Ltd.  
K R B T A Unison Consultancy (P) Ltd.  
Elme Plast Co.  
Kreepa Steel Industries  
Bedmutha Chemicals Pvt. Ltd.
- (d) **Associates** : Ashoka Pre-con Private Limited (49%)
- (e) **Subsidiary Company** : Kamalasha Infrastructure & Engineering Private Limited (54.75%)

##### II) Transactions

(₹ In Lacs)

Description	31st March, 2012			31st March, 2011		
	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
<b>Purchase of goods/Services</b>	<b>40.13</b>	-	<b>211.12</b>	<b>104.28</b>	-	<b>115.23</b>
Bedmutha Chemicals P. Ltd	-	-	0.01	-	-	-
Kreepa Steel Industries	-	-	183.54	-	-	98.69
Kamal Wire Products	-	-	23.43	-	-	13.63
Ashoka Pre-Con (P) Ltd.	40.13	-	-	104.28	-	-
K R Bedmutha Techno Associates Pvt. Ltd.	-	-	4.14	-	-	2.91
<b>Sales of goods / Services</b>	<b>120.68</b>	-	<b>501.34</b>	<b>130.23</b>	-	<b>446.37</b>
Bedmutha Chemicals P.Ltd	-	-	36.08	-	-	2.93
Kamal Wire Products	-	-	286.74	-	-	421.72
Ashoka Pre-con Private Limited	120.68	-	-	130.23	-	-
K R Bedmutha Techno Associates Pvt. Ltd.	-	-	178.43	-	-	-
Bedmutha Agro	-	-	0.09	-	-	0.21
K R B T A Unison Consultancy (P) Ltd.	-	-	-	-	-	21.51
<b>Interest Received</b>	-	-	<b>4.69</b>	-	-	<b>5.13</b>
KRBTA Techno Associates Pvt. Ltd.	-	-	4.69	-	-	5.13
<b>Other Services (Receipts)</b>	-	-	<b>112.00</b>	-	-	-
KRBTA Unison Consultancy Pvt.Ltd.	-	-	-	-	-	-
KRBTA Techno Associates Pvt. Ltd.	-	-	112.00	-	-	-

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

Description	31st March, 2012			31st March, 2011		
	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
<b>Remuneration paid</b>	-	<b>60.27</b>	-	-	<b>33.30</b>	-
Vijay Vedmutha	-	20.60	-	-	11.10	-
Ajay Vedmutha	-	20.44	-	-	11.10	-
Kachardas Bedmutha	-	19.23	-	-	11.10	-
<b>Salary Paid</b>	<b>9.14</b>	-	-	<b>4.84</b>	-	-
Vinita Vedmutha	9.14	-	-	4.77	-	-
Usha Vedmutha	-	-	-	0.07	-	-
<b>Rent paid</b>	-	-	4.62	-	-	4.62
Elme Plast	-	-	4.62	-	-	4.62
<b>Advance given for Fixed Assets</b>	-	-	342.89	-	-	342.51
Bedmutha Chemicals P Ltd.	-	-	0.37	-	-	-
KRBTA PL	-	-	0.01	-	-	-
Elme Plast Co.	-	-	342.51	-	-	342.51
<b>Advance given for Expenses</b>	-	-	-	-	-	0.27
Usha Chemical	-	-	-	-	-	0.27
<b>Advance Given</b>	-	-	83.83	-	-	91.33
K R Bedmutha Techno Associates Pvt. Ltd.	-	-	83.83	-	-	91.33
<b>Amount paid against Share Application Money</b>	30.00	-	-	25.00	-	-
Ashoka Precon Pvt Ltd.	30.00	-	-	25.00	-	-
<b>Trade Receivables</b>	97.92	-	12.70	20.15	-	99.22
Ashoka Pre-con Private Ltd.	22.58	-	-	20.15	-	-
Bedmutha Agro	0.09	-	12.70	-	-	0.25
BCPL	-	-	-	-	-	0.44
Elme Plast Mfg.	-	-	-	-	-	-
Kamal Wire Products	26.40	-	-	-	-	53.04
Kreepa Steel Industries	-	-	-	-	-	-
KRBTA Unison Consultancy Pvt. Ltd.	-	-	-	-	-	43.86
K R Bedmutha Techno Associates Pvt. Ltd.	48.85	-	-	-	-	1.63
<b>Trade Payables</b>	0.71	-	41.99	34.42	-	66.80
Elme Plast	-	-	1.62	-	-	-
Ashoka Pre-Con (P) Ltd.	0.71	-	-	34.42	-	-
Kreepa Steel Industries	-	-	28.59	-	-	60.88
K R Bedmutha Techno Associates Pvt. Ltd.	-	-	2.50	-	-	2.80
Kamal Wire Products	-	-	9.28	-	-	3.13

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

39. Disclosure as per Clause 43 of the Listing Agreement for the quarter ended on March 31, 2012

The utilization of issue proceeds from IPO (₹ 9184.30 lakhs) is as follows:-

**Particulars of Fund Utilization for**

	<b>Amount to be utilized as per prospectus</b>	<b>Actual Utilization</b>
Expansion Project	8,494.40	3,798.92
General Corporate Purpose	175.00	-
Share Issue Expenses	542.00	394.90
<b>Total</b>	<b>9,211.40</b>	<b>4,193.82</b>

As on March 31, 2012, unutilized funds in the Company amounting to ₹ 4990.48 lakhs have been temporarily invested in companies Cash credit account, interest bearing ICDs', for the expansion project at Sinnar Unit and given advance to parties for purchase of fixed asset.

40. The Company is organized into two segments mainly:

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

(During the period 1st April 2011 to 31st March 2012, 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.

41. 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.

42. The financial statement for the year ended 31st March 2011 had been prepared as per the then applicable, pre-revised Schedule VI to the Companies Act, 1956. Consequent to the notification under the Companies Act, 1956, the financial statements for the year ended 31st March 2012 are prepared under revised Schedule VI. Accordingly, the previous year figures have also been reclassified to confirm to this year's classification

43. Significant accounting policies and practices adopted by the Company are disclosed in the statement annexed to these financial statements as per Annexure I

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 Vedmutha**  
Managing Director

Place : Nashik  
Date : 28.05.2012

**Ajay Vedmutha**  
Jt. Managing Director

**Chandan Kshirsagar**  
Company Secretary

## **Annexure I**

### **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 31<sup>st</sup> 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 Consoliated Financial Statement ".

### **b. Principles of Consoldation**

The consoldated financial statements include the financial statement of Bedmutha industries Limited , the parent Company and all it's subsidiary company .The consoldated 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.

## BEDMUTHA INDUSTRIES LIMITED

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### 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 Investments are recorded as Long Term Investments unless they are expected to be sold within one year.
- ii Investments are stated at cost in accordance with Accounting Standard 13 on "Accounting for 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.

### h. 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.

### i. 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.
- 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 of after the completion of the project, as per Accounting Standard 26 " Intangible Assets".

**r. Provisions and Contingent Liability**

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources.

**s. Accounting of Construction Contracts**

The Company follows the percentage completion method, based on the stage of completion at the balance sheet date, taking into account the contractual price and revision thereto by estimating total revenue and total cost till completion of the contract and the profit so determined has been accounted for proportionate to the percentage of the actual work done.

Revenue is recognised as follows:

- i. In case of item rate contracts on the basis of physical measurement of actually completed at the balance sheet date
- ii. In case of lumpsum contracts, revenue is recognised on the completion of milestones as specified in the contract or as identified by the management.







## BEDMUTHA INDUSTRIES LIMITED

Registered Office : A-32, STICE, Musalgaon, Sinner, Nashik-422 103

### ATTENDANCE SLIP

I/We hereby record my/our presence at the 22<sup>st</sup> Annual General Meeting held on Friday, 21<sup>st</sup> September 2012 at 3.00 pm at the Saiways Restorant, F-4, Sinner–Shirdi Road, STICE, Sinner, Nashik-422 103.

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.

**Note:**

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 copy 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, Musalgaon, Sinner, Nashik-422 103

### 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 22<sup>nd</sup> Annual  
General Meeting of the Company to be held on Friday 21<sup>st</sup> September 2012 at 3.00 pm and at any adjournment thereof.

Signed this..... day of  
.....2012

FOLIO NO.: ..... CLIENT ID: .....

DP ID: .....

No of shares:..... Signature: .....

<p>Please affix Revenue Stamp here</p>
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Note: The Proxy in order to be effective must reach duly filed in at least 48 (Forty Eight) hours before the commencement of the aforesaid meeting.





**CONSTRUCTION IN  
PROGRESS**



**CONSTRUCTION IN  
PROGRESS**



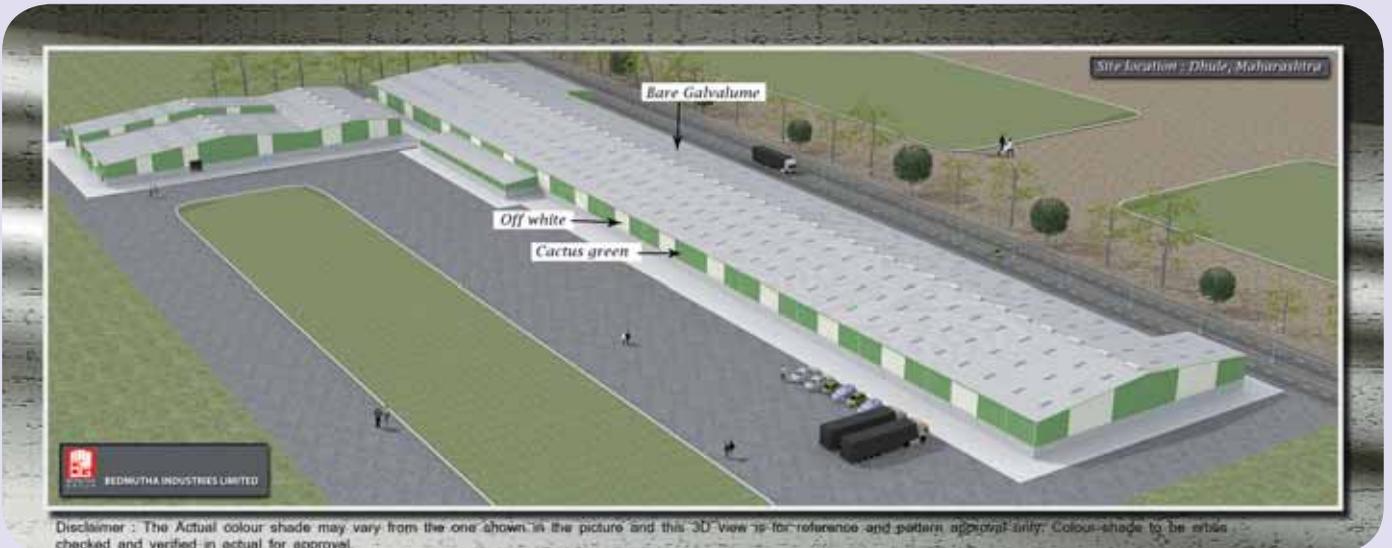
**CONSTRUCTION IN  
PROGRESS**



CONSTRUCTIN PROGRESS



SITE OFFICE



FINAL EXPECTATION



**BOOK-POST**

*if undelivered, please return to :*

**BEDMUTHA INDUSTRIES LIMITED**

A-32, Stice, Sinnar, Dist. Nasik