
2008-2009

ANNUAL REPORT

24th

N.D. METAL INDUSTRIES LTD.

NOTICE

NOTICE is hereby given that the **24th Annual General Meeting** of **N. D. METAL INDUSTRIES LIMITED** will be held on Friday, the 26th September, 2009 at the Registered Office of the Company at 11.00 A.M. to transact the following business:

ORDINARY BUSINESS:

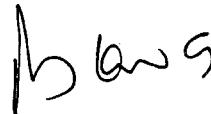
1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2009, Profit and Loss Account for the year ended on that date and the Reports of the Directors and the Auditors thereon.
2. To Re-appoint Harsh Rekha Garg, a Director of the Company who retires by rotation and being eligible, offers herself for reappointment.
3. To declare dividend on equity share.
4. To appoint Auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company and to fix their remuneration.

Place: Mumbai.

Dated: 2nd September, 2009.

Registered Office:
417, Maker Chamber V,
Nariman Point,
Mumbai - 400 021.

BY ORDER OF THE BOARD OF DIRECTORS



AJAY KUMAR GARG
(Chairman & Managing Director)

Encl.: Notes.

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER.
2. Proxies in order to be effective should be duly completed and signed and must be deposited at the Registered Office of the Company not less than 48 hours before the meeting.
3. The Register of Members and Share Transfer Books of the Company remained closed from 21st September, 2009 to 26th September, 2009 (both days inclusive).

DIRECTOR'S REPORT

To The Members of
N. D. METAL INDUSTRIES LTD.

Your Directors have the pleasure in presenting their 24th Annual Report together with Audited Accounts of the Company for the year ended 31st March, 2009.

FINANCIAL RESULTS:

Particulars	2008-2009 (Rs.)	2007-2008 (Rs.)
Net Sales & Other Income	55,59,17,720	38,76,15,325
Profit before Depreciation & Taxes	(4,77,74,805)	1,40,99,009
Depreciation	34,24,484	34,26,585
Provision for Taxation & Fringe Benefit Tax	2,25,750	30,89,130
Deferred Tax Assets(+)/Liability(-)	(1,64,44,390)	(6,80,027)
Short(Net). Provision in Earlier Year	1,01,816	5,020
Profit after tax	(3,50,82,467)	82,58,301
Profit/(Loss) brought forward from Previous Year	5,36,98,567	4,62,80,056
Less : Proposed Dividend	-	7,44,000
Tax on Distributed Profit	-	95,790
Profit available for appropriation	1,86,16,100	5,36,98,567

1) **LISTING**

The Equity Shares of the Company are listed on the Mumbai, Stock Exchange and all the applicable listing fees have been paid upto date.

2) **DIVIDEND**

The boards of directors do not recommend any dividend for the year.

3) **FIXED DEPOSIT (Section 58-A):**

The Company has not accepted any deposits from the public within the meaning of Section 58-A of the Companies Act, 1956 in the year under review.

4) **PERSONNEL:**

During the year, none of the employees was in receipt of remuneration exceeding Rs.24,00,000 per annum or Rs.2,00,000 per month and accordingly, the Company has no information to report to the Members under Section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of employees) Rules, 1975, as amended from time to time.

- 5) **PARTICULARS OF DIRECTORS:**
Harsh Rekha Garg retiring by rotation at the forth-coming Annual General Meeting and being eligible, offer herself for re-appointment.
- 6) **CORPORATE GOVERNANCE:**
The guidelines on Corporate Governance were not applicable to our Company during the Financial Year 2008-09 as our paid up capital is less than 3 Crore.
- 7) **DEMATERIALIZATION:**
As per the SEBI directives, your Company's shares have been included in the compulsory demat list for trading for all investors w.e.f. 06th May'2001.
- 8) **DIRECTORS' RESPONSIBILITY STATEMENT:**
Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956, with respect to Directors' Responsibility Statement, it is hereby confirmed.
- (i) That in the preparation of the accounts for the financial year ended 31st March, 2009, the applicable accounting standards have been followed
- (ii) That the directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for the year under review;
- (iii) That the Directors have taken proper and sufficient care for the maintenance of the adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) That the Directors have prepared the accounts for the financial year ended 31st March, 2009 on going concern basis.

9) **AUDITOR'S AND THEIR REPORT:**

M/s. Chaturvedi Sohan & Co., Auditors of the Company hold office until the conclusion of the ensuing Annual General Meeting and being eligible have offered themselves for re-appointment.

The Company has received a Certificate under Section 224 (1B) of the Companies Act, 1956 from Auditors to that effect that their appointment, if made, would be within the prescribed limits.

As regards the Auditors remark, the notes referred to by the Auditors in their Report are self-explanatory.

10) **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGOINGS (Section 217 (e):**

Additional information on Conservation of Energy, Technology Absorption, Foreign exchange earnings and outgoings as required to be disclose terms of Section 217(1)(e) of the Companies Act, 1956, is given in the Annexure forming part of this report.

11) **ACKNOWLEDGEMENTS:**

The Directors thank all those who have contributed their best to the present success of the Company, all the Employees, Customers, Suppliers, Shareholders and Bankers for their sustained support.

FOR AND ON BEHALF OF THE BOARD OF DIRECTOR



AJAY KUMAR GARG
(Chairman & Managing Director)

Place: Mumbai.

Date: 2nd September, 2009

ANNEXURE 'A' TO THE DIRECTOR'S REPORT FOR PARTICULARS REQUIRED UNDER THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF THE BOARD OF DIRECTORS) RULES, 1999.

Disclosure of Particulars with respect to Conservation of Energy				2008-2009	2007-2008
PARTICULARS					
A.	<u>POWER & FUEL CONSUMPTION AT FACTORY</u>				
1.	Electricity				
	(a.)	Purchases	(Units)	3,28,072	3,33,696
		Total Amount	(Rs.)	11,05,603	11,24,557
		Rate per Unit	(Rs./Unit)	3.37	3.37
	(b)	Own Generation (Through Diesel Generator)			
		Units in KW		26,063	16,374
		Total Amount	(Rs.)	1,56,376	98,249
		Rate per KW	(Rs./KW)	6.00	6.00
2.	Furnace Oil				
		Quantity	(In Liters)	1,20,000	1,92,000
		Total Amount	(Rs.)	23,66,370	35,62,173
		Average Rate	(Rs./Liter)	19.72	18.55
B.	<u>CONSUMPTION PER TONNE OF PRODUCTION</u>				
1.	Electricity	(Units)		262.10	208
2.	L.D.O./F.O.	(Liter)		88.00	120

C. TECHNOLOGY ABSORPTION

The Company does not require any additional imported or indigenous technology.

D. RESEARCH & DEVELOPMENT

There is no expenditure under this head nor any benefit accrued there under as no Research & Development work has been carried out during the year under review. There is no immediate plan for Research & Development.

E. FOREIGN EXCHANGE EARNINGS AND OUTGOINGS

	<u>2008-2009</u>	<u>2007-2008</u>
Foreign Exchange Payments		
I) Purchase of Raw Material (In Rs.)	34,15,46,877	24,22,08,280
II) Foreign Travelling & Training Exps (In Rs.)	2,83,998	11,70,954

AUDITOR'S REPORT

To,
The Members of

N.D.METAL INDUSTRIES LTD.

1. We have audited the attached Balance Sheet of **N.D.METAL INDUSTRIES LIMITED** as at 31st March, 2009 and the Profit & Loss Account annexed thereto for the year ended on that date. 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 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 from any material misstatement. An audit includes examining, on a test basis, evidence supporting the accounts 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 Section 227 (4A) of the Companies Act 1956, we annexed hereto a statement on the matters specified in paragraph 4 of the said order.
4. Further to our comments in the statement referred to in paragraph 3 above, we state that:
 - a) We have obtained all the information and explanation, which to the best of our knowledge and belief were necessary for the purpose of our audit. In our opinion proper Books of Account as required by the law have been kept by the Company so far as appears from our examination of such Books.
 - b) The Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report are in agreement with the Books of Account.
 - c) In our opinion, the said Balance Sheet and Profit & Loss Account comply with the accounting standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956 except Accounting Standard 15 "Employee Benefits" provision of gratuity, is not made in accordance with Accounting Standard 15 (Revised).
 - d) On the basis of the written representations received from the Directors and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2009 from being appointed as a director in terms of clause (g) of sub section (1) of section 274 of the Companies Act, 1956. As regards Government Nominee Directors, they are exempted from the provisions of Section 274 (1) (g) in view of general circular issued by the Department of Company Affairs.

In our opinion and to the best of our information and according to the explanation given to us, the Balance Sheet & Profit & Loss Account read together with the significant accounting policies and the other notes thereon give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view:

- (i) In the case of the Balance Sheet, of the State of Affairs of the Company as at 31st March, 2009, and
- (ii) In the case of Profit & Loss Account, of the "Loss " for the year ended on that date and
- (iii) In the case of cash flow statement of the cash flow for the year ended on that date

For Chaturvedi Sohan & Co.
Chartered Accountants



Sohan Chaturvedi
Partner



M.No. 030760

Place: Mumbai
Date: 2nd September, 2009.

Annexure to Auditor's Report

ND Metal Industries Ltd

- i) In respect of its fixed assets:
 - (a) The Company has maintained proper records showing full particulars including quantitative details and situation of Fixed Assets.
 - (b) As informed to us the management has physically verified the fixed assets during the year in accordance with a program of verification, which in our opinion provides for physical verification of the fixed assets at reasonable intervals. According to the information and explanations given to us no material discrepancies were noticed on such verification.
 - (c) In our opinion and according to the information and explanations given to us, the company has not made any substantial disposals during the year.
- ii) In respect of its inventories:
 - (a) The inventory has been physically verified by the management during the year. 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 and according to the information and explanations given to us, the Company has maintained proper records of its inventories and no material discrepancies were noticed on physical verification.
- iii) In our opinion & according to the information & explanation given to us, the company has given unsecured loan to two companies during the year as per register maintained under section 301 of the companies Act 1956. The Maximum balance outstanding during the year is Rs 3,20,55,000 and closing balance as on 31.03.09 is Rs 3,05,75,000. Similarly the company has taken unsecured loan from one company and one Director during the year. The Maximum balance outstanding during the year is Rs2,59,22,682 and closing balance as on 31.03.09 is Rs53,13,929.
- 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 nature of its business with regards to purchase of inventory, fixed assets & sales of goods.
- v) In respect of transactions entered in the register maintained in pursuance of section 301 of the companies Act, 1956;
 - (a) To the best of our knowledge and belief and according to the information and information and explanations given to us, transactions that needed to be entered into the register have been so entered.

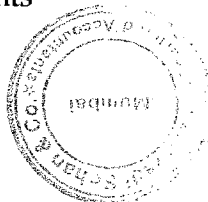
- (b) Transactions made in pursuance of contracts or arrangements entered into the register maintained under section 301 and exceeding the value of five lac rupees in respect of any party during the year, these in our opinion and according to the information and explanations given to us, have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.
- vi) The company has not accepted any deposits from the public. Therefore, the provisions of section 58A and 58AA of the companies act, 1956, and rules framed there under and the directives issued by the Reserve Bank of India are not applicable.
- vii) In our opinion and according to the information and explanation given to us, the Company does not have internal audit system so as to be commensurate with the size and the nature of its business.
- viii) We have been informed that the maintenance of cost records has not been prescribed by the Central Government under Section 209(1) (d) of the Companies Act, 1956.
- ix) According to the information and explanations given to us, the provisions of the Provident Fund Act and Employees State Insurance Act are not applicable to the Company. Our reporting is limited to the amount of the deduction and the payment of the same.
- (a) The Company has been generally regular in depositing undisputed statutory dues, including Investor Education and Protection Fund, Income Tax, Sales Tax, Wealth-Tax, Customs Duty, Excise Duty and any other statutory dues with the appropriate authorities during the year.
- (b) There are no undisputed amount payable in respect of Income Tax /Wealth Tax/ Service Tax/ Sales Tax / Cess/ Custom Duty / and Excise Duty outstanding at the year end for a period of more than six months from the date they became payable as on 31.03.2009.
- x) The company does not have accumulated losses at 31st March 2009. The company has incurred during the year the loss of Rs. 5, 11, 99, 292 before tax including the cash losses of Rs. 4, 77, 74, 808 during the year under Audit.
- xi) Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that the company has not defaulted in the repayment of dues to financial institutions, banks and debenture-holders.
- xii) According to the information and explanations given to us, the Company has not given any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- xiii) In our opinion and according to the explanation given to us, the nature of activities of the company does not attract any special statute applicable to Chit fund and Nidhi / Mutual benefit fund/ Societies.
- xiv) The Company is not dealing or trading in shares, Securities, debentures and other Investment, Accordingly, the provisions clause 4(xiv) of paragraph 4 of the companies (Audited report) Order, 2003 are not applicable to the company.
- xv) According to the information and explanations given to us, the company has given *guarantee for loans taken by associated company or others from bank or financial institutions.*

- xvi) The Company has availed Term Loans and as per the information and on explanation given to us, the loan taken has utilized for the purpose for which the loans were taken.
- xvii) According to the information and explanation given to us on the basis of overall examination of the books of the company, we are of the opinion that the Company has not utilized short term funds for repayment of borrowings, Acquisition of fixed assets and investments nor the long term funds have been used for short term liabilities.
- xviii) The Company has not made any preferential allotment to the parties and Company Covered in the reg. maintains u/s 301.
- xix) The Company has not issued any debentures during the year. Therefore the provision of clause (xix) of paragraph of the companies (Auditor's Reports) Order, 2003 is not applicable to the company.
- xx) The Company has not raised any money by public issue during the year. Therefore the provision of clause (xx) of paragraph of the companies (Auditor's Reports) Order, 2003 is not applicable to the company.
- xxi) To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the Company was noticed or reported during the year.

For Chaturvedi Sohan & Co.
Chartered Accountants



Sohan Chaturvedi
Partner



M.No. 030760

Place: Mumbai

Date: 2nd September, 2009

N. D. METAL INDUSTRIES LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2009

(Amount in Rupees)

PARTICULARS	SCHEDULE	Amount	AS AT 31.03.2009	AS AT 31.03.2008
			(Rs.)	(Rs.)
I) SOURCES OF FUNDS:				
(1) SHAREHOLDERS FUNDS				
(a) Share Capital	A		24,800,000	24,800,000
(b) Reserves & Surplus	B		23,716,100	58,798,567
(2) LOAN FUNDS				
(a) Secured Loans	C		142,768,227	41,963,491
(b) Unsecured Loans	D		12,893,929	57,152,682
TOTAL			204,178,256	182,714,740
II) APPLICATION OF FUNDS:				
(1) FIXED ASSETS				
(a) Gross Block	E	85,802,161		85,942,116
Less: Depreciation		27,570,182		24,270,696
Net Block			58,231,979	61,671,420
Capital Work In Progress			421,191	123,829
(2) INVESTMENT			1,020,000	1,020,000
(3) DEFERRED TAX ASSET			10,926,115	(5,518,275)
(4) CURRENT ASSETS, LOANS & ADVANCES				
(a) Inventory	F	105,556,849		156,084,078
(b) Sundry Debtors		179,367,367		209,237,406
(c) Cash & Bank Balances		12,661,756		19,298,030
(d) Loans & Advances		122,659,645		84,437,852
			420,245,617	469,057,366
LESS: CURRENT LIABILITIES & PROVISIONS				
(a) Current Liabilities	G	286,440,896		339,710,681
(b) Provision		225,750		3,928,920
			286,666,646	343,639,601
NET CURRENT ASSETS			133,578,971	125,417,765
TOTAL			204,178,256	182,714,740

Notes to Accounts & Accounting Policies.	N			

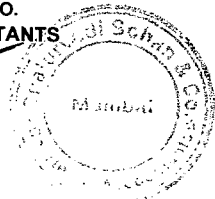
As per our attached report of even date

For CHATURVEDI SOHAN & CO.

CHARTERED ACCOUNTANTS

SOHAN CHATURVEDI

(Partner)
M.No. 030760



Place: Mumbai.
Date: 2nd Sept, 2009

FOR AND ON BEHALF OF THE BOARD

AJAY KUMAR GARG
(Chairman & Managing Director)

HARSH REKHA GARG
(Director)

N. D. METAL INDUSTRIES LIMITED

PROFIT & LOSS ACCOUNT FOR THE PERIOD ENDED 31ST, MARCH, 2009

(Amount in Rupees)

PARTICULARS	SCHEDULE		CURRENT YEAR	PREVIOUS YEAR
I) INCOME:				
Sales Less Return		578,050,579		438,990,318
Less Duties & Taxes		30,576,560		(59,358,541)
Other Income	H		547,474,019	379,631,777
Increase/(Decrease) in Finished Goods Stock			8,443,701	7,983,548
			(40,907,606)	26,847,080
Total Income			515,010,114	414,462,405
II) EXPENDITURE:				
Purchase			269,736,933	22,752,096
Manufacturing Expenses	I		239,586,735	380,973,876
Payment to & Provision for Employees	J		1,933,100	1,511,584
Difference in Exchange Fluctuation			32,149,388	(17,857,928)
Administration & Other Expenses	K		4,483,263	3,161,282
Selling & Distribution Expenses	L		66,505	12,409
Interest and Finance Charges	M		14,828,998	9,810,077
Depreciation	E		3,424,484	3,426,585
Total Expenditure			566,209,406	403,789,981
Profit before Tax			(51,199,292)	10,672,424
Provision For Current Tax		-		2,896,000
Provision For Fringe benefit Tax		225,750		193,130
Deferred Tax		(16,444,390)		(680,027)
Short/(Excess) Provision In Earlier Year(Net)		101,816		5,020
Profit after Tax			(16,116,824)	2,414,123
			(35,082,467)	8,258,301
Add: Balance brought forward from last year			53,698,567	46,280,056
Balance available for appropriation			18,616,100	54,538,357
Less : Proposed Dividend				744,000
Tax on distributed Profit				95,790
Balance carried to Balance Sheet			18,616,100	53,698,567
Basic & Diluted Earning Per Share			(14.15)	3.33
Notes to Accounts & Accounting Policies.	N			

As per our attached report of even date
For CHATURVEDI SOHAN & CO.
CHARTERED ACCOUNTANTS

SOHAN CHATURVEDI
(Partner)
M.No. 030760



Place: Mumbai.
Date : 2 nd Sept,2009

FOR AND ON BEHALF OF THE BOARD


AJAY KUMAR GARG
(Chairman & Managing Director)


HARSH REKHA GARG
(Director)

N. D. METAL INDUSTRIES LIMITED

SCHEDULES FORMING PART OF THE ACCOUNTS AS AT 31ST MARCH, 2009

PARTICULARS	(Amount in Rupees)	
	AS AT 31.03.09	AS AT 31.03.08
<u>SCHEDULE A:</u>		
<u>SHARE CAPITAL</u>		
<u>Authorised Share Capital</u>		
1,00,00,000 Equity Shares of Rs. 10/- each	100,000,000	100,000,000
<u>Issued, Subscribed & Paid up Capital</u>		
24,80,000 Equity Shares of Rs. 10/- each fully paid up	24,800,000	24,800,000
	24,800,000	24,800,000
<u>SCHEDULE B:</u>		
<u>RESERVES & SURPLUS</u>		
Share Premium	3,100,000	3,100,000
General Reserve	2,000,000	2,000,000
Profit & Loss Account	18,616,100	53,698,567
	23,716,100	58,798,567
<u>SCHEDULE C:</u>		
<u>SECURED LOANS</u>		
From Canara Bank	41,649,187	38,183,440
Term Loan From Canara Bank	693,572	1,912,536
Term Loan from Canara Bank(Working Capital)	70,000,000	-
Term Loan from Laxmi Vilas Bank(Working Capital)	30,006,398	-
Deferred payment	419,070	1,867,515
	142,768,227	41,963,491
<u>SCHEDULE D:</u>		
<u>UNSECURED LOANS</u>		
Deposit from Bodies corporates	11,543,929	57,152,682
Loan From Director	1,350,000	-
	12,893,929	57,152,682

N. D. METAL INDUSTRIES LIMITED

SCHEDULES FORMING PART OF THE ACCOUNTS AS AT 31ST MARCH 2009

SCHEDULE E:

FIXED ASSETS

(Amount in Rupees)

NAME OF THE ASSET	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at	Additions	Sold during the year	As at	Upto	For the	Depreciation	Upto	As at	As at
	01.04.2008			31.03.2009	01.04.2008	Period	W/Back	31.03.2009	31.03.2009	31.03.2008
Land	6,435,434			6,435,434	-			-	6,435,434	6,435,434
Building (Flat)	124,931			124,931	27,999	2,036		30,035	94,896	96,932
Factory Building	38,546,011			38,546,011	9,970,271	1,287,437		11,257,708	27,288,303	28,575,740
Plant & Machinery	32,140,627	328,352	553,179	31,915,800	11,425,328	1,509,342	124,998	12,809,672	19,106,128	20,715,299
Electrical Installations	321,496			321,496	59,702	15,271		74,973	246,523	261,794
Office Equipments	899,443	69,136		968,579	376,682	47,981		424,663	543,916	522,761
Furniture & Fixtures	495,758	7,936		503,694	232,110	26,439		258,549	245,145	263,648
Vehicles	6,154,692			6,154,692	1,479,470	480,965		1,960,435	4,194,257	4,675,222
Computers	823,724	7,800		831,524	699,134	55,014		754,148	77,376	124,590
Grand Total	85,942,116	413,224	553,179	85,802,161	24,270,696	3,424,484	124,998	27,570,182	58,231,979	61,671,419
Previous Year	80,159,768	5,686,700		85,846,468	17,587,548	3,256,562		20,844,410	65,002,358	62,572,220

N. D. METAL INDUSTRIES LIMITED
SCHEDULES FORMING PART OF THE ACCOUNTS AS AT 31ST MARCH, 2009

PARTICULARS	(Amount in Rupees)	
	AS AT 31.03.09	AS AT 31.03.08
SCHEDULE F:		
CURRENT ASSETS, LOANS & ADVANCES		
(a) Inventory: (As taken valued and certified by the Management)		
Finished Goods	82,396,250	123,303,856
Raw Material	22,853,081	32,308,266
Consumable Stores	307,518	471,956
	105,556,849	156,084,078
(b) Sundry Debtors		
Debts outstanding more than six months	76,995,444	45,232,996
Other Debts	102,371,923	164,004,410
	179,367,367	209,237,406
(c) Cash & Bank Balance:		
Cash in Hand	51,312	393,710
Balance with Scheduled Banks:		
In Current Account	193,950	187,565
In Fixed Deposit Account	12,416,494	18,716,755
	12,661,756	19,298,030
(d) Loans & Advances		
Advances Recoverable in cash or in kind or for the value to be received	28,624,629	14,933,270
Balance with Central Excise (Modvat Account)	48,848,211	57,215,396
Current A/C with Partnership Business	4,037,951	4,260,050
Other Advance	33,112,771	111,358
Deposits	8,036,083	7,917,778
	122,659,645	84,437,852
	420,245,617	469,057,366
SCHEDULE G:		
CURRENT LIABILITIES & PROVISIONS		
(a) Current Liabilities		
Acceptances	235,026,207	229,184,708
Bank Over draft (due to reconciliation)	56,416	324,878
Sundry Creditors for Goods	41,201,663	92,478,600
Sundry Creditors for Expenses	8,473,082	16,404,070
Advance from Customers	1,583,842	1,250,000
Unclaimed Dividend	64,652	52,820
T.D.S. Payable	35,034	15,605
	286,440,896	339,710,681
(b) Provisions		
Provision for Taxation	-	2,896,000
Provision for Fringe Benefit Tax	225,750	193,130
Proposed Dividend	-	744,000
Tax on Distributed Profit	-	95,790
	225,750	3,928,920
	286,666,646	343,639,601

N. D. METAL INDUSTRIES LIMITED

SCHEDULES FORMING PART OF THE ACCOUNTS AS AT 31ST MARCH, 2009

(Amount in Rupees)		
PARTICULARS	CURRENT YEAR	PREVIOUS YEAR
SCHEDULE H:		
OTHER INCOME		
Loss/Profit From Partnership Business	(241,599)	(96,443)
Bank Interest(TDS Rs 3,20,144/- Previous Year 2,33,132/-)	1,551,300	1,095,491
Rent(TDS Rs 16,07,116 /-Previous Year Rs 18,37,984)	7,134,000	6,984,500
	8,443,701	7,983,548
SCHEDULE I:		
MANUFACTURING & DIRECT EXPENSES		
Material Consumed:		
Opening Stock	32,308,266	68,515,638
Add: Purchases	221,444,004	336,869,166
(Net of Modvat)	253,752,270	405,384,804
Less: Closing Stock	22,853,081	32,308,266
	230,899,189	373,076,538
Consumable Stores	4,562,403	4,932,142
Repairs & Maintenance	624,565	112,953
Freight Charges	653,842	221,418
Labour & Processing Charges	1,369,547	1,229,968
Electricity Charges	1,218,822	1,264,934
Loading & Unloading Charges	258,367	135,923
	239,586,735	380,973,876
SCHEDULE J:		
PAYMENT TO AND PROVISION FOR EMPLOYEES:		
Salaries	1,334,922	1,060,753
Director Remuneration	498,000	386,000
Staff Welfare	100,178	64,831
	1,933,100	1,511,584
SCHEDULE K:		
ADMINISTRATION & OTHER EXPENSES:		
Advertisement	23,410	66,458
Security Charges	316,229	-
Insurance	133,036	79,053
Rent,Rates & Taxes	171,525	244,822
Donation	31,000	-
Loss On Sale of Machine	135,701	-
Demat Charges	14,008	18,008
Foreign Training & Travelling Exp.	668,704	1,350,840
Legal & Professional Charges	383,425	156,435
Listing Fees	11,084	10,000
Motor Car Expenses	524,727	383,072
Travelling & Conveyance	308,137	147,379
Communication Expenses	604,178	426,126
Printing & Stationery	94,410	60,408
Business Promotion Expenses	918,446	41,357
Auditor's Remuneration	49,635	78,674
General Office Expenses	95,608	98,650
	4,483,263	3,161,282
SCHEDULE L:		
SELLING & DISTRIBUTION EXPENSES:		
Brokerage, Commission & Discount	66,505	12,409
	66,505	12,409

N. D. METAL INDUSTRIES LIMITED

SCHEDULES FORMING PART OF THE ACCOUNTS AS AT 31ST MARCH, 2009

<i>(Amount in Rupees)</i>		
PARTICULARS	CURRENT YEAR	PREVIOUS YEAR
SCHEDULE M:		
<u>INTEREST & FINANCE CHARGES</u>		
Bank Charges & Commission	2,267,575	1,387,919
Interest on Finance Loan	131,223	2,873,648
Bank Interest	12,430,200	5,548,510
	14,828,998	9,810,077

N. D. METAL INDUSTRIES LIMITED

SCHEDULE N :

ACCOUNTING POLICIES & NOTES FORMING PART OF ACCOUNTS

A. SIGNIFICANT ACCOUNTING POLICIES:

1. Basis of Preparation of financial Statements:

- a. The Financial Statements are prepared under the historical cost convention in accordance with the generally accepted accounting principles and the provisions of the Companies Act, 1956 as adopted consistently by the Company.
- b. The Company generally follows mercantile system of accounting and recognizes significant items of Income and Expenditure on accrual basis.

2. Use of Estimates:

The preparation of financial statements in conformity with generally accepted accounting principles requires that the management of the company makes estimates and assumptions that affect the reported amounts of income and expenses of the year, the reported balances of assets and liabilities and the disclosures relating to contingent liabilities as of the date of the financial statements. Examples of such estimates include the useful lives of fixed assets, provision for doubtful debts / advances, future obligations in respect of retirement benefit plans etc. Actual results could differ from these estimates.

3. Fixed Assets:

Fixed Assets are stated at cost, net of Modvat and include amount added on revaluation less accumulated depreciation. The expenditure during construction period, including the cost of financing till the Assets are put to use and the net of income are allocated to the cost of Building and Plant and Machinery.

4. Depreciation:

The Company is providing depreciation on Fixed Assets on Straight Line Method at the rates and in the manner prescribed in Schedule XIV to the Companies Act, 1956.

Depreciation on addition is charged proportionally from the date of acquisition / installation of Assets.

5. Inventory:

Inventory is mentioned and valued on FIFO Basis as follows.

- a) Finished Goods:- at cost or market price whichever is lower, after providing for the value of Excise Duty payable.
- b) Raw Material :- at cost.
- c) Stock In Transit :- at cost.
- d) Stores & Spares :- at cost.
- e) Ash & Dust :- at net realisable value.

6. Sales :

Sales are recognized on Accrual basis and recorded net of Excise duty, Sales Tax & Sales Incentives.

7. Foreign Exchange Transactions:

- Transactions denominated in foreign currencies are normally recorded at the exchange rate prevailing at the time of the transaction.
- Monetary items denominated in foreign currencies at the year-end and not covered by forward exchange contracts are translated at the year end rates, and those covered by forward exchange contracts are translated at the rate ruling at the date of transaction as increased or decreased by the proportionate difference between the forward rate and exchange rate on the date of transaction, such difference have been recognized over the life of the contract.
- Any income or expense on account of exchange difference either on settlement or on translation is recognized in the profit or loss account net of recoverable amount.

8. Impairment of Assets:

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. Recoverable amount is the higher of an asset's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of the asset and from its disposal at the end of its useful life. Net selling price is the amount obtainable from sale of the asset in an arm's length transaction between knowledgeable, willing parties less the cost of disposal. An impairment loss is charged to the profit and loss in the year in which an asset is identified as impaired.

9. **Excise Duty:**

The Company has provided for the Excise Duty payable on the finished goods as stated in the Accounting Standard 2/Guidance Notes issued by the Institute of Chartered Accountant of India.

10. **Purchases:**

Purchases are accounted at the time of receipt of material.

11. **Employees Benefit:**

A) **Provident Fund and ESIC Contribution:**

Provident fund and ESIC is a defined contribution scheme and the contribution as required by the statute is not applicable to the company. Hence the same is not debited to the profit & loss account.

B) **Gratuity:**

Gratuity for the eligible employees is considered as defined benefits obligation and provided for on the basis of calculation as per Payment of Gratuity Act, 1972 and considering the size of the organization actuarial valuation is not done for the same.

12. **Taxes On Income:**

(i) **Current Taxation**

Taxes are accounted for in accordance with Accounting Standard - 22 "Accounting for taxes on income" Current tax are determined as the amount of tax payable in respect of taxable income for the year. A provision is made for income tax annually based on the tax liability computed, after considering tax allowances and exemptions. Provisions are recorded when it is estimated that a liability due to disallowances or other matters is probable.

(ii) **Deferred Taxation**

Deferred tax assets and liabilities are recognized, subject to prudence, on timing differences, being the difference between taxable incomes and accounting income, that originates in one period and is capable of reversal in one or more subsequent periods and quantified using the tax rates and laws enacted or substantively enacted by the reporting date. Deferred tax assets are recognized only if there is reasonable or virtual certainty that they will be realized and are reviewed for the appropriateness of their respective carrying values at each balance sheet date.

(iii) **Fringe Benefit Tax**

Fringe Benefit tax is determined at current applicable rates on expenses falling within the ambit of "Fringe Benefit" as defined under the Income Tax Act, 1961.

13. Provisions, Contingent Liabilities and contingent assets:

Provision involving substantial degree of estimation in measurement is recognized when there is a present obligation as a result of past event and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the notes. Contingent assets are neither recognized not disclosed in the financial statements.

B. NOTES TO ACCOUNTS:

1. In the opinion of the Board, the Current Assets, Loans and Advances are approximately of the value stated, if realized in the ordinary course of business and provisions for all known liabilities have been accounted for.

2. The Auditors Remuneration is as under:

Particulars	Current Year	Previous Year
Audit Fees	38,605	39326
Tax Audit Fees	11,030	11,236
Consultancy Charges	Nil	28112
Total	49,635	78,674

3. **Amounts Due to small and medium industrial under takings:**

As at 31st March 2009, there are no Small Scale Industrial undertakings to which the Company owes a sum for more than Forty five days. The Company has not received any intimation from "suppliers" regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosure, if any, relating to amounts unpaid as at the year-end together with interest paid/payable as required under the said Act have not been given.

4. Sundry Debtors, Loans & Advances, Sundry Creditors and Advances from Customers are unsecured considered good, subject to reconciliation & confirmation.

5. **Investment:**

Name of the Partnership Firm: Wind Industries

Name of All Partners: 1. N.D. Metal Industries Ltd.
2. Winner Avenues P. Ltd.

Profit/ Loss Sharing Ratio: 1. N.D. Metal Industries Ltd: 90%
2. Winner Avenues P. Ltd. : 10%

Total Fixed Capital: 10, 30,000

6. **Secured Loans:**

(a) **Cash Credit and Working Capital Loan:**

Loan from Canara Bank Secured against Hypothecation of Stock of Raw Material, Stock in Process, Stores & Spares, all Book Debts, Receivable etc., whether present or future and equitable mortgage of factory land, building and plant & machinery and guaranteed by a director & further personal property of director is provided as collateral security.

(b) **Term Loan from Bank:**

Term Loan From Canara Bank is secured against hypothecation of Plant & Machinery,

(c) **Deffered Payment:**

Deferred Payment is secured against hypothecation of Specific Assets

7. **Taxes on Income:**

(a) Consequent to Accounting Standard – 22 “Accounting for Taxes on Income” issued by The Institute of Chartered Accountants of India Deferred Tax Assets(net) of Rs 1,64,44,390/- (Pervious year deferred Tax Liability (net) Rs. 6,80,027/-) for the year has been recognized as income in the profit & loss a/c.

(b) Major components of Deferred Tax arising on account of Timing Differences are

<u>Particular</u>	<u>As on 31.03.2009</u>	<u>As on 31.03.2008</u>
Depreciation	(51, 85,221)	55,18,275/-
Business Loss	1, 61, 11,336	
Deferred Tax Asset (Net)	1, 09, 26,115	55, 18,275/-

8. **Earning Per Share (EPS) (Basic / Diluted):**

	<u>31.03.2009</u>	<u>31.03.2008</u>
(a) (Loss) & Profit after taxation	(3, 50, 82,467)	82, 58,301/-
(b) No. of Equity Shares	24, 80,000	24, 80,000
(c) Earning Per Shares (a/b)	(14.15)	3.33

9. **Segment Reporting:**

As per Accounting Standard 17 the Segment Reporting is as under:

The Company has deployed it temporary fund in the various investment earning rent and Share of profit. Hence income of such investment has not been considering separate segment.

10. Related Party Transaction:

As Per Accounting Standard 18 "Related Party Disclosure" as under:

A. List of related parties & relationships with whom transactions are carried out during the year :

<u>Party Name</u>	<u>Relationship</u>
Ace Merchandisers P. Ltd.	Associated Company
Bhagyodaya Sales Ltd.	Associated Company
Spring Merchandisers Pvt.Ltd.	Associated Company
Winner Avenues Pvt.Ltd.	Associated Company
Bandra Merchandisers P. Ltd.	Associated Company
Garg Industries P.Ltd.	Associated Company
Matsun Castings P. Ltd.	Associated Company
Ajay Kumar Garg	Key Managerial Personnel
Harsh Rekha Garg	Key Managerial Personnel
Gaurav Garg	Relative of Key Managerial Personnel
Anirudh Garg	Relative of Key Managerial Personnel

B. Transaction with related Parties:

Nature of Transaction	2008-2009		2007-2008	
	Associate Company	Key Managerial Personnel & Relatives	Associate Company	Key Managerial Personnel & Relatives
Rent Paid	7,000	69,000	-	69,000
Rent Received	1,14,000		1,14,000	Nil
Purchase of Goods	18,88,87,649		4,56,70,346	Nil
Sale Of Goods	23,91,23,621		5,48,20,866	Nil
Deposit given		63,00,000	Nil	63,00,000
Deposit Taken	45,00,000		Nil	45,00,000
Directors Remuneration	-	4,80,000	Nil	3,86,000
Salary	-	30,000	Nil	1,80,000
Loan taken from Relatives & Associates	39,63,929	13,50,000	4,95,72,682	Nil
Loan Given from Relatives & Associates	3,05,75,000		Nil	Nil
Interest paid on loan	13,98,449		25,72,682	Nil

Sundry Creditors	4,09,50,873		9,24,78,600	Nil
Sundry Debtors	3,15,23,155		Nil	Nil
Corporate Guarantee Given	7,20,00,000		Nil	7,20,00,000

11. Additional information certified by the management as required under part II Paragraphs 3(i)(a), 3(ii)(a)(b), 4(c) and 4(d) of Schedule VI of the Companies Act, 1956.

a. Licensed and Installed Capacity:

Particulars		2008-2009	2007-2008
		(in M.T.)	(in M.T.)
a.	Licensed Capacity	68,600	68,600
b.	Installed Capacity	68,600	68,600

b. Actual Production of finished products meant for sale:

Particulars	(in Kg.)	
	2008-2009	2007-2008
	Own Production	Own Production
Non- Ferrous Metal	13,25,630	16,64,078
Zinc	1,44,367	4,54,694
Other	35,900	1,88,421
Total	15,05,897	23,07,193

c. Turnover: (Gross)

Particulars	2008-2009		2007-2008	
	Quantity	Value	Quantity	Value
	(Kgs.)	(Rs.)	(Kgs.)	(Rs.)
Non- Ferrous Metal	29,89,336	530080243	15,23,859	36,10,50,143
Zinc	3,64,681	31260013	4,47,647	7,13,73,507
Other	9,88,358	1,67,10,323	10,63,095	65,66,668
Total		57,80,50,579		43,89,90,318

d. Purchase (for Trading) :

Particulars	2008-2009		2007-2008	
	Quantity	Value	Quantity	Value
	(Kgs.)	(Rs.)	(Kgs.)	(Rs.)
Non- Ferrous Metal	15,60,706	25,38,78,057	86,925	2,25,28,740
Zinc	1,79,675	1,58,58,876	5,318	2,23,356
Other	-	-	-	-
Total		26,97,36,933		2,27,52,096

e. Opening Stock (Finished Goods) :

Particulars	2008-2009		2007-2008	
	Quantity	Value	Quantity	Value
	(Kgs.)	(Rs.)	(Kgs.)	(Rs.)
Non- Ferrous Metal	57,27,903	9,84,21,310	55,00,759	7,72,86,070
Zinc	40,639	76,25,860	28,274	73,01,206
Other	10,16,662	1,72,56,686	18,91,036	1,18,69,500
Total		12,33,03,856		9,64,56,776

f. Closing Stock (Finished Goods) :

Particulars	2008-2009		2007-2008	
	Quantity	Value	Quantity	Value
	(Kgs.)	(Rs.)	(Kgs.)	(Rs.)
Non- Ferrous Metal	56,24,903	8,14,93,756	57,27,903	9,84,21,310
Zinc	Nil	Nil	40,639	76,25,860
Other	64,204	9,02,494	10,16,662	1,72,56,686
Total		8,23,96,250		12,33,03,856

g. Value of Raw Material Consumed:

Particulars	2008-2009			2007-2008		
	% of Total	Quantity	Value	% of Total	Quantity	Value
	Consp.	(Kgs.)	(Rs.)	Consp.	(Kgs.)	(Rs.)
A) Indigenous						
Non- Ferrous Metal	37.33	533783	8,61,85,670		408	89,592
Zinc	5.32	1,93,444	1,22,93,548			
Total (A)	42.65		9,84,79,218	0.02		89,592
B) Imported						
Non- Ferrous Metal		831805	13,24,19,971		15,58,504	27,72,32,082
Zinc					8,68,679	9,57,54,864
Total (B)	57.35	831805	13,24,19,971	99.98		37,29,86,946
Total	100		23,08,99,189	100		37,30,76,538

h. Value of Stores & Components:

Particulars	2008-2009		2007-2008	
	% of Total Consumption	Value (Rs.)	% of Total Consumption	Value (Rs.)
A) Indigeneous	100	45,62,403	100	49,32,142
B) Imported	-	--	--	--

i. Value of Imports in C.I.F. Basis in Respect of:

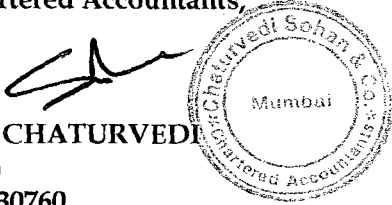
	2008-2009	2007-2008
Raw Material	28,14,29,080	27,91,50,167
Plant & Machinery	1,75,064	Nil

j. Expenditure in foreign currency

	2008-2009	2007-2008
Foreign Exchange used on Import of Goods	34,15,46,877	24,22,08,280
Foreign Travelling Expenses	2,83,998	11,70,954

As per our attached Report of even date.

For Chaturvedi Sohan & Co.
Chartered Accountants,



SOHAN CHATURVEDI
(Partner)
M.No. 030760

Place : Mumbai.

Date : 2nd September 2009

ON BEHALF OF THE BOARD OF DIRECTORS

AJAY KUMAR GARG
(Chairman & Managing Director)

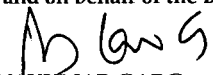
HARSH REKHA GARG
(Director)

N. D. METAL INDUSTRIES LIMITED

CASH FLOW STATEMENT PREPARED PURSUANT TO CLAUSE 32 OF THE LISTING AGREEMENT

Particulars	Amount in Rupees	
	31.03.2009	31.03.08
A. Cash Flow from Operating Activities:		
Net Loss/ Profit before tax as per Profit & Loss Account	(51,199,292)	10,672,424
<u>Adjusted for:</u>		
- Depreciation	3,424,484	3,426,585
- Interest Income	(1,551,300)	(1,095,491)
Loss/(Profit) From Partnership firm Wind Industries	241,599	96,443
Loss on sale of Machine	135,701	-
- Other Income	(7,134,000)	(6,984,500)
Operating Profit before Working Capital Changes	(56,082,808)	6,115,461
<u>Adjusted for:</u>		
- Trade and Other Receivables	(8,351,754)	(88,084,054)
- Inventories	50,527,229	9,094,941
- Trade Payables	(53,269,785)	86,459,700
Cash Generation from Operations	(67,177,118)	13,586,048
Net Cash Flow from Operating Activities	(67,177,118)	13,586,048
B. Cash Flow from Investing Activities:		
Purchase of Fixed Assets	(710,586)	(219,477)
Loss From Partnership Business	(241,599)	(96,443)
Sale of Fixed Assets	292,480	-
Interest Income	1,551,300	1,095,491
Other Income	7,134,000	6,984,500
Net Cash Flow from Investing Activities	8,025,595	7,764,071
C. Cash Flow from Financing Activities:		
Proceeds from Secured Loans (Net)	100,804,736	7,534,552
Proceeds from Deferred & Unsecured Loans (Net)	(44,258,753)	(19,127,318)
Proposed Dividend Paid	(744,000)	(744,000)
Income Tax & Dividend Tax paid (Net)	(3,286,734)	(2,145,367)
Net Cash Flow from Financing Activities	52,515,249	(14,482,133)
Net Increase/(Decrease) in cash and cash equivalent	(6,636,274)	6,867,985
Cash and cash equivalent at the beginning of the year	19,298,030	12,430,045
Cash and cash equivalent at the end of the year	12,661,756	19,298,030

For and on behalf of the Board


AJAY KUMAR GARG
 (Chairman & Managing Director)

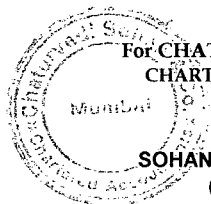

HARSH BEKHA GARG
 (Director)

Place: Mumbai.

Date : 2nd Sept, 2009.

AUDITOR'S CERTIFICATE

We have verified the attached Cash Flow Statement of N.D.METAL INDUSTRIES LTD. Derived from Audited financial statements and the Books and Records maintained by the Company for the year ended 31st March 2009 and 31st March 2008 and found the same in agreement therewith the books of Accounts.



For **CHATURVEDI SOHAN & CO.**
 CHARTERED ACCOUNTANTS


SOHAN CHATURVEDI
 (Partner)

M.No. 030760

Place: Mumbai.

Date : 2nd Sept, 2009.

N. D. METAL INDUSTRIES LIMITED

The Companies Act (1 of 1956)

SCHEDULE VI - PART IV

COMPANY'S GENERAL BUSINESS PROFILE

I. Registration Details:

Registration No. 11-32864 State Code 11 *Refer Code List)*

Balance Sheet Date 31 03 2009
 Date Month Year

II. Capital Raised during the year (Amount in Rs. Thousands).

Public Issue	Rights Issue
Nil	Nil
Bonus Issue	Private Placements
Nil	Nil

III. Position of Mobilisation and Deployment of Funds (Amount in Rs. Thousands).

Total Liabilities	Total Assets
490,844.90	490,844.90
Sources of Funds	
Paid-up Capital	Reserves & Surplus
24,800.00	23,716.10
Secured Loans	Unsecured Loans
142,768.23	12,893.93
Deferred Tax Net	
#REF!	
Application of Funds	
Net Fixed Assets	Investments
58,653.17	1,020.00
Net Current Assets	Misc. Expenditure
133,578.97	NIL
Accumulated Losses	
Nil	

IV. Performance of Company (Amount in Rs. Thousands).

Gross Turnover & other income		Total Expenditure	
<input type="text" value="586,494.28"/>		<input type="text" value="566,209.41"/>	
+ --	Profit / Loss Before Tax	+ --	Profit / Loss After Tax
+ <input type="text" value="-51199.29"/>		+ <input type="text" value="-35082.47"/>	

(Please tick Appropriate box + for Profit -- for Loss)

Earning per share in Rs.	Dividend @ %
<input type="text" value="-14.15"/>	<input type="text" value="3"/>

V. Generic Names of 3 Principal Products/Services of Company (As per monetary terms)

Item Code No.	<input type="text" value="7403.12"/>
(ITC Code)	
Product	
Description	<input type="text" value="COPPER WIRE BARS"/>
Item Code No.	<input type="text" value="7403.21"/>
(ITC Code)	
Product	
Description	<input type="text" value="BRASS INGOTS"/>
Item Code No.	<input type="text" value="7901.20"/>
(ITC Code)	
Product	
Description	<input type="text" value="ZINC ALLOYS INGOTS"/>