

HEM HOLDINGS AND TRADING LIMITED

Regd. Office - 601/602A, Fair Link Centre, Off. Andheri Link Road, Andheri (West)

Mumbai - 400 053

DIRECTORS' REPORT

Dear members,

Your Directors are pleased to present the 31st Annual Report and Accounts of your Company, for the year ended 31st March, 2013.

FINANCIAL RESULTS:

Particulars	As on 31/03/2013 (Rs. In '000)	As on 31/03/2012 (Rs. In '000)
Total Income	1275.24	1106.81
Total Expenditure	213.25	325.15
Profit Before Tax	1061.98	781.66
Provision for Taxation	210.00	180.00
Profit after Tax	851.98	601.66

DIVIDEND:

In order to conserve funds of the Company, for future growth, the Board of Directors has decided not to recommend any dividend for the year under review.

PERFORMANCE REVIEW:

The total income for the financial year 2012-2013 is Rs. 12.75 lacs as against Rs. 11.07 lacs for the year 2011-2012. The profit before tax is Rs. 10.62 lacs and profit after tax is Rs. 8.52 lacs for the year under review against the profit before tax is Rs. 7.82 lacs and profit after tax is Rs. 6.01 lacs for the year 2011-12.

FUTURE PROSPECTS:

The Company have attained higher income for the year under review, due to increase in rental income, dividend income and interest received. In future your Company expects better result in comparison to the current year.

Conservation of Energy, Technology & Foreign Exchange:

The Company not being a manufacturing Company and there being no inflow and outgo of foreign exchange, conservation of energy, Technology & Foreign Exchange is not applicable, as such, information as required under Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of particulars in the Report of Board of Directors Rules, 1988), is not applicable.

PUBLIC DEPOSITS:

The Company has not accepted any deposit within the meaning of section 58A of the Companies Act, 1956 and the Rules made there under.

PARTICULARS OF EMPLOYEES:

Information as per Section 217(2A) of the Companies act, 1956 read with the Companies (Particulars of employees) Rules 1975 as amended, are not applicable, as none of the employees drew remuneration beyond the limits specified.

BOARD OF DIRECTORS:

Shri Ketan M. Shah, Director of the Company retires by rotation at the ensuing Annual General Meeting and being eligible offer himself for re-appointment. Your Directors recommend his appointment.

DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to Section 217(2AA) of the Companies Act, 1956, the Directors confirm that:

- a) that in the preparation of the annual accounts for the year, the applicable accounting standards have been followed and that there are no material departures.
- b) they have selected such accounting policies and have 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 Company at the end of the financial year, and of the profit of the Company for the period ended 31st March, 2013.

c) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

d) They have prepared the annual accounts on a going concern basis.

AUDITORS:

M/s Parikh & Shah, Chartered Accountants, who are the Statutory Auditors of the Company, hold office until the ensuing Annual General Meeting. It is proposed to re-appoint them for the financial year 2013-2014. They have under section 224(1) of the Companies Act, 1956, furnished the certificate of their eligibility for re-appointment.

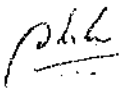
AUDITORS REPORT:

The observations made by the Auditors is self-explanatory, and, hence do not require any further explanations.

ACKNOWLEDGEMENTS:

Your Directors wish to place on record their appreciation of the assistance and cooperation extended to the Company by Banks, employees, shareholders and all other persons who are associated with the Company.

For and on behalf of the Board


(H. C. SHAH)

DIRECTOR



Date: 29th May, 2013

Place: Mumbai

H. S. PARIKH, B.Com., F.C.A.
D. B. MOHINI, B.Com., F.C.A.
V. M. PARIKH, B.Com., F.C.A.
H. K. DESAI, B.Com., F.C.A.

Bhupati Chambers, 1st Floor,
13, Mathew Road,
Opera House,
MUMBAI - 400 004.

Independent Auditors' Report

To
The Members of
Hem Holdings And Trading Limited

Report on the Financial Statements

We have audited the accompanying financial statements of **Hem Holdings And Trading Limited** ("the Company"), which comprise the Balance Sheet as at 31st March, 2013, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

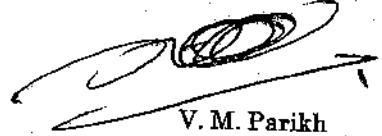
In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013;
- (b) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
 - a. we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books
 - c. the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account
 - d. in our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956;
 - e. on the basis of written representations received from the directors as on 31st March, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

For PARIKH & SHAH
Chartered Accountants
Firm's Registration No. 107528W



V. M. Parikh
Partner
(Membership No. 7878)

Mumbai:-
Date:- 29TH MAY, 2013.

P. S. PARIKH, B.Com., F.C.A.
D. B. MOHINI, B.Com., F.C.A.
V. M. PARIKH, B.Com., F.C.A.
N. K. DESAI, B.Com., F.C.A.

Bhupati Chambers, 1st Floor,
13, Mathew Road,
Opera House,
MUMBAI 400 004
ANNEXURE

RE: HEM HOLDINGS AND TRADING LIMITED

**ANNEXURE TO AUDITORS' REPORT ON THE ACCOUNTS FOR
THE YEAR ENDED : 31ST MARCH, 2013.
(Referred to in Paragraph 1 under the heading of "Report on Other Legal
and Regulatory Requirements" of our report of even date)**

1.
 - a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - b) The fixed assets of the Company have been physically verified by the management during the year and no material discrepancies have been noticed on such verification.
 - c) No Fixed assets have been disposed off during the year.
2. In view of the nature of the Company's business, there being no inventory, the provisions of Clause 4(ii) of the Order are not applicable to the Company.
3. The Company has neither granted any Loan to or taken any loan from Companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956 and hence clause 4(iii) of the Order is not applicable for the year.
4. In our opinion and according to the information and explanations given to us, there is adequate internal control system commensurate with the size of the Company and nature of its business for the purchase of fixed assets and sale of service. During the course of our audit, we have not observed any major weaknesses in internal control system. There is no purchase of inventory or sale of goods.

5. In our opinion, and according to the information and explanations given to us, there are no contracts or arrangement that need to be entered in the register required to be maintained under section 301 of the Companies Act, 1956.
6. The Company has not accepted any deposits from the public and consequently, the provisions of clause 4(vi) of the Order are not applicable to the Company.
7. *The requirement of Internal Audit is applicable to the Company. The Company does not have formal internal audit system, however, as explained to us, the existing internal control procedures ensure reasonable checks of its financial and other records.*
8. In view of the nature of the its business, the Company is not required to maintain cost records under section 209 (1) (d) of the Companies Act, 1956.
9. According to information and explanations given to us,
 - a) According to the records of the Company, the Company has been regular in depositing undisputed statutory dues including Income Tax and other material statutory dues with the appropriate authorities and no undisputed amounts payable in respect thereof were in arrears as at 31st March, 2013. As informed to us Provident fund, Investor Education and Protection fund, State Insurance, Sales Tax, (VAT), Service Tax, Custom Duty, Excise Duty and Cess are not applicable to the Company.
 - b) There were no undisputed statutory dues mentioned above which have not been deposited.
10. The Company does not have any accumulated losses at the end of the financial year. The company has not incurred any cash losses during the financial year and in the immediately preceding financial year.
11. The Company has no dues payable to any financial institution or bank or debenture holders.
12. According to the information and explanations given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and/or other securities.

13. The Company is not a chit fund or a nidhi/mutual benefit fund/society. Therefore, the provisions of Clause 4(xiii) of the Order are not applicable to the Company.
14. According to the information and explanations given to us, the Company is not dealing or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of Order are not applicable to the Company. All the shares and units held as investments, at the close of the year, are held in the name of the Company.
15. According to the information and explanations given to us, the Company has not given guarantees for loans taken by others from banks or financial institutions.
16. The Company has not obtained any term loans during the year.
17. According to the information and explanations given to us, the Company has not raised any funds on short term basis during the year.
18. The Company has not made any preferential allotment of shares to the parties or companies covered in the Register maintained under Section, 301 of the Companies Act, 1956 during the year.
19. There are no debentures issued or outstanding during the year and accordingly, the creation of security or charge thereof does not arise.
20. The Company has not raised any money by public issues during the year and hence the requirement of disclosure and verification of end use of such money is not applicable.
21. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instances of material fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the management.

FOR PARIKH & SHAH
CHARTERED ACCOUNTANTS
FIRM REGN. NO. 107528W



(V.M. PARIKH).
PARTNER.
MEMBERSHIP NO. 7878.

MUMBAI : 29TH MAY, 2013

HEM HOLDING AND TRADING LIMITED

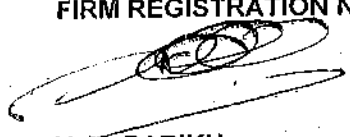
BALANCE SHEET

As at March 31st.,	Note	2013	2012
		Rs.	Rs.
I EQUITY AND LIABILITIES :			
SHAREHOLDERS' FUNDS :			
(a) Share Capital	1	24,00,000.00	24,00,000.00
(b) Reserves and Surplus	2	42,30,168.92	33,77,816.15
		<u>66,30,168.92</u>	<u>57,77,816.15</u>
CURRENT LIABILITIES :			
(a) Short Term Provisions	3	1,92,536.00	1,16,468.00
(b) Other Current Liabilities		3,17,978.00	3,17,968.00
TOTAL		<u>71,40,682.92</u>	<u>62,12,252.15</u>
II ASSETS :			
NON-CURRENT ASSETS :			
(a) Fixed Assets			
(i) Tangible Assets	4	1,83,479.00	1,93,136.00
(b) Non-Current Investments	5	37,62,006.19	39,24,936.59
(c) Long Term Loans And Advances	6	5,700.00	5,700.00
		<u>39,51,185.19</u>	<u>41,23,772.59</u>
CURRENT ASSETS :			
(a) Cash and Cash Equivalents	7	30,91,176.49	19,81,312.56
(b) Other Current Assets	8	98,321.24	1,07,167.00
		<u>31,89,497.73</u>	<u>20,88,479.56</u>
TOTAL		<u>71,40,682.92</u>	<u>62,12,252.15</u>

Summary of Significant Accounting Policies
and Other Notes.

12

FOR PARIKH & SHAH
CHARTERED ACCOUNTANTS
FIRM REGISTRATION NO. 107528W


V. M. PARIKH
(PARTNER)
MEMBERSHIP NO. 7878.
MUMBAI : 29TH MAY, 2013.



P. M. Bhat



DIRECTORS
MUMBAI : 29TH MAY, 2013.

HEM HOLDING AND TRADING LIMITED


STATEMENT OF PROFIT AND LOSS

For the year ended March 31st.,		Note	2013	2012
			Rs.	Rs.
I	Revenue from Operations	9	3,75,239.02	3,02,813.48
II	Other Income	10	9,00,000.00	8,04,000.00
III	Total Revenue (I + II)		<u>12,75,239.02</u>	<u>11,06,813.48</u>
IV	Expenses			
	Depreciation		9,657.00	10,165.00
	Other Expenses	11	<u>2,03,599.25</u>	<u>3,14,992.00</u>
	Total Expenses		<u>2,13,256.25</u>	<u>3,25,157.00</u>
V	Profit Before tax (III-IV)		10,61,982.77	7,81,656.48
VI	Tax Expenses			
	Current Tax		2,10,000.00	1,80,000.00
VII	Profit / (Loss) for the year (V - VI)		<u>8,51,982.77</u>	<u>6,01,656.48</u>
VIII	Earning per equity share:			
	1 Basic		3.55	2.51
	2 Diluted		3.55	2.51

Summary of Significant Accounting Policies
and Other Notes.


12

FOR PARIKH & SHAH
CHARTERED ACCOUNTANTS
FIRM REGISTRATION NO. 107528W


V. M. PARIKH
(PARTNER)
MEMBERSHIP NO. 7878.
MUMBAI : 29TH MAY, 2013.



P. M. Shah



DIRECTORS
MUMBAI : 29TH MAY, 2013.

HEM HOLDINGS AND TRADING LIMITED

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

	<u>2012-2013</u>	<u>2011-2012</u>
(A) CASH FLOW FROM OPERATING ACTIVITIES :		
Net Profit/(Loss) before Tax and extra ordinary items	10,61,983	7,81,656
Adjustments for		
Depreciation	9,657	10,165
Interest Received	(1,90,014)	(1,24,343)
Dividend Received	(1,85,225)	(1,78,470)
Profit or Loss on Sale of Investments		
	<u>(3,65,582)</u>	<u>(2,92,648)</u>
Operating Profit/(Loss) before working capital changes	6,96,401	4,89,008
Adjustments for		
Trade and Other receivable	8,846	(80,357)
Trade Payable	10	(40,649)
	<u>7,05,257</u>	<u>3,68,002</u>
Cash generated from Operations	7,05,257	3,68,002
Direct Taxes Paid/Refund Received	(1,33,562)	(1,25,552)
Net Cash from Operating Activities	A <u>5,71,695</u>	<u>2,42,450</u>
(B) CASH FLOW FROM INVESTMENTS ACTIVITIES :		
Sales of Investments	1,62,930	-
Purchase of Investments	-	(1,53,289)
Interest Received	1,90,014	1,24,343
Dividend Received	1,85,225	1,78,470
Net Cash from Investments Activities	B <u>5,38,169</u>	<u>1,49,524</u>
(C) CASH FLOW FROM FINANCING ACTIVITIES		
Loans Received / (Repaid)	-	-
Interest Paid	-	-
Net Cash used in Financing Activities	C <u>-</u>	<u>-</u>
Net change in cash and cash Equivalents (A + B + C)	<u>11,09,864</u>	<u>3,91,974</u>
OPENING BALANCE OF CASH AND CASH EQUIVALENTS	19,81,312	15,89,338
CLOSING BALANCE OF CASH AND CASH EQUIVALENTS	30,91,176	19,81,312

As per our report attached.
FOR PARIKH & SHAH.
FIRM REGISTRATION NO 107528W


(V.M. PARIKH)
PARTNER
MEMBERSHIP NO. 7878.

MUMBAI : 29TH MAY, 2013.



P. M. Shah



DIRECTORS

MUMBAI : 29TH MAY, 2013.

HEM HOLDING AND TRADING LIMITED

NOTES TO FINANCIAL STATEMENTS

As at March 31st

	<u>2013</u>		<u>2012</u>	
	Number	Rs.	Number	Rs.
1 Share Capital:				
a) Authorised:				
Equity Shares of Rs.10/- each.	2,50,000	25,00,000.00	2,50,000	25,00,000.00
		<u>25,00,000.00</u>		<u>25,00,000.00</u>
b) Issued, Subscribed and fully paid up:				
Equity Shares of Rs.10/- each	2,40,000	24,00,000.00	2,40,000	24,00,000.00
		<u>24,00,000.00</u>		<u>24,00,000.00</u>
c) Reconciliation of Equity Shares outstanding at the beginning and at end of the year				
	Number		Number	
Balance as on April 1st	2,40,000		2,40,000	
Balance as on March 31st	2,40,000		2,40,000	
d) The Company has one class of equity shares having a par value of Rs. 10 each. Each shareholder is eligible for one vote per share held. In the event of liquidation the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts, in proportion to their shareholdings.				
e) Share held by each shareholder more than 5%				
<u>Name of the shareholder</u>	Number	%	Number	%
Ketan M. Shah	36,102	15.04	36,102	15.04
Prabha Plantations Pvt. Ltd.	20,443	8.51	-	-
		<u>2013</u>		<u>2012</u>
		Rs.		Rs.
2 Reserves and Surplus:				
General Reserve:				
As at April 1st		38,400.00		38,400.00
Transfer from Surplus		-		-
		<u>38,400.00</u>		<u>38,400.00</u>
Special Reserve Fund :				
As at April 1st		8,47,000.00		7,27,000.00
Transfer from Surplus		1,76,000.00		1,20,000.00
		<u>10,23,000.00</u>		<u>8,47,000.00</u>
Surplus :				
As at April 1st		24,92,416.15		20,10,759.67
Net Profit for the year		8,51,982.77		6,01,656.48
Income Tax Refund for earlier year		370.00		-
		<u>33,44,768.92</u>		<u>26,12,416.15</u>
Appropriations for :				
Transfer to Special Reserve Fund		1,76,000.00		1,20,000.00
Closing Balance		<u>31,68,768.92</u>		<u>24,92,416.15</u>
		<u>42,30,168.92</u>		<u>33,77,816.15</u>



HEM HOLDING AND TRADING LIMITED

NOTES TO FINANCIAL STATEMENTS

As at March 31st	<u>2013</u> Rs.	<u>2012</u> Rs.
3 CURRENT LIABILITIES :		
(a) Short Term Provisions :		
Provision for Taxation - (Net of Tax Paid Rs480964/- Previous Year Rs.347032/-)	1,92,536.00	1,16,468.00
	<u>1,92,536.00</u>	<u>1,16,468.00</u>
(b) Other Current Liabilities :		
Rent Deposit	3,00,000.00	3,00,000.00
Others	17,978.00	17,968.00
	<u>3,17,978.00</u>	<u>3,17,968.00</u>
TOTAL	<u><u>5,10,514.00</u></u>	<u><u>4,34,436.00</u></u>



HEM HOLDINGS AND TRADING LIMITED

4. FIXED ASSETS :

NOTES TO FINANCIAL STATEMENTS

PARTICULARS	G R O S S B L O C K (COST)			D E P R E C I A T I O N				N E T B L O C K	
	AS ON 01/04/2012	ADDITIONS/ (DEDUCTIONS) DURING THE YEAR	AS AT 31/03/2013	UPTO 31/03/2012	PROVIDED DURING THE YEAR	DEDUCTIONS DURING THE YEAR	UPTO 31/03/2013	AS ON 31/03/2013	AS ON 31/03/2012
Tangible Assets - Premises	8,34,038	-	8,34,038	6,40,902	9,657	-	6,31,245	1,83,479	1,93,136
Rs.	8,34,038	-	8,34,038	6,40,902	9,657	-	6,31,245	1,83,479	1,93,136



HEM HOLDING AND TRADING LIMITED

NOTES TO FINANCIAL STATEMENTS

5 Non-Current Investments (At Cost) :

Trade :

I. Equity Shares (Quoted) :

Name of the Company & Funds	*Number of Shares / Units		Face Value of each Share (Rupees)	As at 31st March, 2013 Rupees	As at 31st March, 2012 Rupees
Simplex Castings Limited	48700	(48,913)	10	17,68,630.83	17,81,561.23
Hindustan Lever Limited	400	(400)	1	60,024.00	60,024.00
Oil and Natural Gas Corporation Limited	280	(280)	5	39,010.00	39,010.00
Hindalco Industries Ltd. (Fully paid up)	528	(528)	1	68,113.00	68,113.00
Pfizer (India) Limited	66	(66)	10	45,210.00	45,210.00
Chambal Fertilizers & Chemicals Limited	1000	(1,000)	10	20,600.00	20,600.00
East India Hotels Limited	750	(750)	2	22,350.00	22,350.00
ICICI Bank Limited	250	(250)	10	69,000.00	69,000.00
Sunflag Iron & Steel Co. Limited	3000	(3,000)	10	55,169.24	55,169.24
Investment & Precision Casting Limited	400	(400)	10	50,278.80	50,278.80
National Thermal Power Co. Limited	900	(900)	10	1,39,545.35	1,39,545.35
Ballarpur Industries Limited	1500	(1,500)	2	38,970.00	38,970.00
Sarda Energy & Minerals Limited	100	(100)	10	14,483.50	14,483.50
Siemens Limited	200	(200)	2	1,00,455.81	1,00,455.81
State Bank of India Limited	60	(60)	10	63,569.39	63,569.39
Hindustan Zinc Limited	1000	(1,000)	2	80,412.14	80,412.14
Reliance Communication Ltd.	500	(500)	10	2,29,292.76	2,29,292.76
Central Bank Of India	96	(96)	10	9,828.00	9,828.00
Reliance Power Limited	25	(25)	10	6,880.00	6,880.00
IDBI Bank Limited	1000	(1,000)	10	45,099.00	45,099.00
IDFC Limited	400	(400)	10	37,220.35	37,220.35
Shri Bajrang Alloys Limited	1000	(1,000)	10	27,590.28	27,590.28
Tamboli Capital Limited	800	(800)	10	15,273.74	15,273.74
TOTAL (I)				30,07,006.19	30,19,936.59

II. Mutual Funds : (Quoted) :

HSBC Midcap Equity Fund Growth Account	3,260.92	(3,260.92)	15.3331	50,000.00	50,000.00
HDFC Top 200 Fund Growth Account	703.72	(703.72)	138.975	1,00,000.00	1,00,000.00
HSBC Midcap Equity Fund Dividend	8,801.956	(8,801.956)	10.225	90,000.00	90,000.00
HSBC Midcap Equity Fund Dividend Pay Out	4,148.999	(4,148.999)	12.0511	1,40,000.00	50,000.00
Fidelity Equity Growth Fund	9,669.55	(9,669.554)	11.893	1,15,000.00	1,15,000.00
SBI Blue Chip Fund	5,000.00	(5,000.00)	10.00	50,000.00	50,000.00
Fidelly India Special Situation Fund	9,779.95	(9,779.951)	10.225	1,00,000.00	1,00,000.00
Franklin Templeton India Equity Fund-Dividend	19,550.34	(19,550.342)	10.23	2,00,000.00	2,00,000.00
SBI - Infrastructure Fund- Dividend	-	(1,000.00)	10.00	-	1,00,000.00
SBI SHF Ultra Short Term Retail-Growth	-	(4996.65)	10.00	-	50,000.00
TOTAL (II)				7,55,000.00	9,05,000.00
TOTAL (I + II)				37,62,006.19	39,24,936.59

(Market Value of Quoted Investments Rs.5044620/- Previous year Rs.5672535/-)

Previous Year's figures are shown in brackets.



HEM HOLDING AND TRADING LIMITED

NOTES TO FINANCIAL STATEMENTS

As at March 31 st

	<u>2013</u>	<u>2012</u>
	Rs.	Rs.
6 Long Term Loans And Advances :		
Advances recoverable in cash or in kind or for value to be received	5,700.00	5,700.00
	<u>5,700.00</u>	<u>5,700.00</u>
7 Cash and Cash Equivalents:		
- Balance with Bank		
In Current Accounts	4,84,159.84	4,76,443.91
In Fixed Deposits*	<u>26,00,000.00</u>	<u>15,00,000.00</u>
- Cash on Hand	7,016.65	4,868.65
	<u>30,91,176.49</u>	<u>19,81,312.56</u>
*includes fixed deposits maturing after 12 months	<u>22,00,000.00</u>	-
8 Other Current Assets :		
Dividend Receivable	13,685.24	
Interest Receivable	<u>84,636.00</u>	1,07,167.00
	<u>98,321.24</u>	<u>1,07,167.00</u>



HEM HOLDING AND TRADING LIMITED

NOTES TO FINANCIAL STATEMENTS

As at 31st March

	<u>2013</u>	<u>2012</u>
	Rs.	Rs.
9 Revenue from Operations:		
a) Dividend	1,85,225.02	1,78,470.48
b) Interest on Bank Deposits	1,90,014.00	1,24,343.00
	<u>3,75,239.02</u>	<u>3,02,813.48</u>
10 Other Income		
Rent	9,00,000.00	8,04,000.00
	<u>12,75,239.02</u>	<u>11,06,813.48</u>
11 Other Expenses:		
Rates and Taxes (Premises)	65,732.00	65,732.00
Repairs to Premises	7,500.00	1,30,578.00
Directors' Fees	14,000.00	13,000.00
Auditors' Remuneration:		
- Audit Fees	12,500.00	12,500.00
- Taxation Matters	3,500.00	3,500.00
-Service Tax	<u>1,978.00</u>	<u>1,978.00</u>
Professional Fess	9,495.00	13,773.00
Advertisement	23,905.00	25,664.00
Postage and Telephones	14,829.00	14,596.00
Conveyance	7,924.00	8,669.00
Listing Fees	17,154.00	16,845.00
Demat Charges	561.94	1,115.00
Loss on sale of Investments	18,220.31	
Miscellaneous Expenses	6,300.00	7,052.00
	<u>2,03,599.25</u>	<u>3,14,992.00</u>



HEM HOLDING AND TRADING LIMITED

SIGNIFICANT ACCOUNTING POLICIES AND OTHER NOTES

NOTE - 12

1) ACCOUNTING POLICIES :

(a) Basis of Accounting :

The accounts have been prepared on the basis of historical costs.

(b) Fixed Assets :

Fixed Assets are valued at cost less depreciation. Cost comprises of purchase price and any attributable cost of bringing the assets to the working conditions for its intended use.

(c) Depreciation :

Depreciation on Fixed Assets has been provided on "Written Down Value Basis" in the manner and at the rates specified in Schedule XIV of the Companies Act, 1956.

(d) Investments :

Investments are stated at cost of acquisition. Investments being Long Term Investments, diminution, if any, in their market value on account of temporary factors is not provided for.

(e) Recognition of Income and Expenditure :

Items of Income and Expenditure are generally recognised on accrual basis.

(f) Contingent Liabilities :

Contingent Liabilities, if any, are generally not provided in the accounts and are shown separately in notes to the accounts.



(g) Deferred Tax :

- 2 -

Deferred tax asset or liability is recognised for timing differences between the profit as per financial statements and the profit offered for income tax, based on tax rates enacted or substantively enacted at the Balance Sheet date. Deferred tax assets are recognised only if there is reasonable certainty that sufficient future taxable income will be available, against which they can be realised.

- 2) There being no dealings with the Micro, Small and Medium Enterprises, there are no out standings to such parties.
- 3) The Company's business activity falls within a single primary business segment. Viz finance and investments. As such there are no separate reportable Segments as per Accounting Standard 17.

4) RELATED PARTY DISCLOSURES UNDER ACCOUNTING STANDARD 18.

A. Related Parties :

(i) Associate Companies

- Globe Industrial Valves (I) Pvt.Ltd.
- Prabha Plantation Pvt. Ltd.
- Sim Prabha Estates and Trading Company Pvt. Ltd.
- Sangam Forgings Pvt Ltd.
- SEFW/ Projects Pvt. Ltd.
- Simplex Castings Ltd.

(ii) Directors :

- Shri H. C. Shah
- Shri Shamji. M. Shah
- Shri Prabha M. Shah
- Shri Ketan Woolchand Shah



B. Related party Transactions :

SR. NO

NATURE OF TRANSACTIONS

1 Sitting Fees

2012-2013

DIRECTORS

2011-2012

13,000.00

18,000.00

C. There are no write offs/write back of any amounts for any of the above related parties.

5)

In accordance with accounting Standard -22 Accounting for taxes on income deferred Tax asset arising on account of brought forwarded losses and unabsorbed depreciation are presently not recognised for want of certainty of future taxable income being generated.

2012-2013

2011-2012

6)

Earnings per Share (EPS) :
Profit/(Loss) after tax
Number of Equity Shares
at the beginning and at
the end of the year
Basic/Diluted Earning per share

8,51,983

6,01,656

2,40,000

2,40,000

Rs.

3.55

2.51

7)

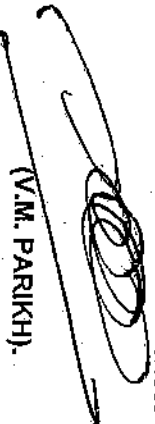
Previous Year's figures have been regrouped/rearranged, wherever necessary, for comparison and to comply with disclosure requirement as per Revised Schedule VI.

Signatures to Notes 1 to 12

FOR PARIKH & SHAH.

CHARTERED ACCOUNTANTS.

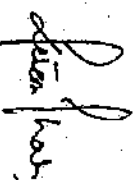
FIRM REGISTRATION NO. 107528W



(V.M. PARIKH).

PARTNER.

MEMBERSHIP NO.7878.



P.M. Shah



MUMBAI : 29TH MAY, 2013.

MUMBAI : 29TH MAY, 2013.

DIRECTORS.

FORM A

1 Name of the Company **HEM HOLDINGS AND TRADING LIMITED**

2 Annual Financial Statement for the year ended **31st March, 2013**

3 Type of Audit Observation **Un-qualified**

4 Frequency of observation **None**

5 Signed by **Director** *P.H.L.*

Auditor of the Company *



PARIKH & SHAH
CHARTERED ACCOUNTANTS
Shop: Chambers, 1st Floor,
13 Mathew Road,
MUMBAI-400 004.



For PARIKH & SHAH
CHARTERED ACCOUNTANTS.

[Signature]

V. M. PARIKH
PARTNER

MEMBERSHIP No. 797