

# ANUP MALLEABLES LIMITED

## DIRECTORS' REPORT

Your Directors have pleasure in presenting their Annual Report together with the audited accounts of your company for the year ended 31<sup>st</sup> March, 2010.

<u>FINANCIAL RESULTS</u>	Year Ended <u>31.03.2010</u>	Year Ended <u>31.03.2009</u>
Profit/(Loss) before Taxation	5,776,326	4,918,938
Less : Provision for diminution in value of long term investment	-	(518)
Excess Provision for Gratuity Written Back	(38,339)	-
Provision for Taxation	1,950,000	490,000
Provision for FBT	-	92,500
Deferred Tax Assets/Liabilities	(90,362)	747,299
Short Provision for FBT for earlier year	25,997	38,357
Profit/(Loss) after Taxation	<u>3,929,030</u>	<u>3,551,300</u>
Balance brought forwarded from last year	8,025,912	4,474,612
Balance of Profit carried to Balance Sheet	<u>11,954,942</u>	<u>8,025,912</u>

### 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 annual accounts for the financial year ended 31<sup>st</sup> March, 2010, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- ii) that the directors had 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** of the company for the year under review;
- iii) that the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safe guarding the assets of the company and for preventing and detecting fraud and other irregularities.
- iv) that the directors had prepared the accounts for the financial year ended 31<sup>st</sup> March, 2010 on a 'going concern basis'

Contd....2.

AUDITORS

Messrs Ashok Kedia & Company, Chartered Accountants, statutory auditors of the company retire at the forthcoming Annual General Meeting and are eligible after themselves for re-appointment.

CONSERVATION OF ENERGY & TECHNOLOGY ABSORPTION

The company has done efforts for rationalisation of energy consumption. No technology being absorbed during the year under review.

There is no other information under the Companies (Disclosure of particulars in the Report of Board of Directors) Rules 1988 to be furnished.

PARTICULARS OF EMPLOYEES

None of the Employees of the company were in receipt of remuneration on aggregating Rs. 2,00,000/- or more per month or Rs. 24,00,000/- or more per annum whether employed for full year or part of the year.

PERSONNEL

Your Directors would take to place on record their deep appreciation for the contribution made by the employees at all levels for the smooth operation of the company during the year.

FOREIGN EXCHANGE EARNING AND OUTGO

- a) Foreign Exchange Earning : NIL
- b) Foreign Exchange Outgo : NIL

Regd. Office :  
8, Waterloo Street,  
Kolkata – 700 069

Dated the 02<sup>nd</sup> Sep , 2010.

For & on behalf of the Board

  
Director

## AUDITORS' REPORT

To The Members of M/s Anup Malleables Limited

We have audited the attached Balance Sheet of M/s Anup Malleables Limited. as at 31<sup>st</sup> March, 2010 and also the Profit and Loss Account for the year ended on that date annexed thereto and Cash Flow Statement 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.

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 of material misstatement. An audit includes examining, on a 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.

As required by the Companies (Auditor's Report) Order, 2003 (as amended) 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.

Further to our comments in the Annexure referred to above, we report that:

- (i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
- (ii) In our opinion, proper books of account as required by law have been kept by the company so far as appears from our examination of those books;
- (iii) The Balance Sheet and Profit and Loss Account and cash flow statement dealt with by this report are in agreement with the books of account;
- (iv) In our opinion, the Balance Sheet and Profit and Loss Account and cash flow statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;
- (v) On the basis of written representations received from the directors, as on 31<sup>st</sup> March, 2010, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31<sup>st</sup> March, 2010 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;
- (vi) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read with Notes to the account in Schedule No. 19 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:
  - (a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31<sup>st</sup> March, 2010; and
  - (b) in the case of the Profit and Loss Account, of the Profit for the year ended on that date.
  - (c) In the case of Cash Flow Statement of the Cash flow's of the company for the year ended on that date.

4, Gangadhar Babu Lane,  
Kolkata - 700 012.

Dated the 02<sup>nd</sup> day of Sep, 2010.

For ASHOK KEDIA & COMPANY,  
CHARTERED ACCOUNTANTS,  
Regn. No. 323330E

  
CA. A.K. KEDIA  
PARTNER  
M. No. 050510



**Annexure**

Referred to in paragraph 3 of our report of even date.

- (i) (a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) All the assets have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) During the year, the company has not disposed off any part of fixed assets.
- (ii) (a) The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
- (b) The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
- (c) The company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stock and the book records were not material.
- (iii) (a) The Company has not given any loans during the year, sub-clause (b), (c) and (d) are not applicable.
- (e) The company had taken loan from three parties covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year was 49,50,000/- and the year-ended balance of loans taken from such parties was Rs. 29,50,000/-.
- (f) In our opinion, the rate of interest and other terms & conditions on which loan have been taken from 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
- (g) Loans taken by the company is repayable on demand.
- (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 the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal controls.
- (v) (a) According to information and explanations given to us, we are of the opinion that the transactions that need to be entered in the register maintained u/s 301 of the Companies Act, 1956 have 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 lakhs 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) The Company has not accepted any deposit from public hence the provisions of section 58A and 58AA of the Companies Act, 1956 are not applicable.
- (vii) In our opinion, the company has an internal audit system commensurate with the size and nature of its business.
- (viii) The Central Government has not prescribed the maintenance of cost records under section 209(1) (d) of the Companies Act, 1956 for the company.



- (ix) (a) The Company has been generally regular in depositing income-tax, sales tax, excise duty, service tax, cess and other taxes with the appropriate authorities. The provisions relating to investor education and protection fund, wealth tax and custom duty are not applicable to the Company.
- (b) According to the information and explanations given to us, there are no dues outstanding in respect of Income Tax, wealth tax, sales tax, service tax, custom duty, excise duty and cess which have not been deposited on account of any dispute except JST amounting to Rs. 863,805/- for financial year 1993-94 and 1994-95 under appeal before DCCT.
- (x) The company does not have accumulated losses as at the end of financial year. The company has not incurred cash losses during the financial year covered by our audit and also 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 a financial institution, bank or debenture holders.
- (xii) We are of the opinion that the company has not granted 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 provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the company.
- (xiv) In our opinion, the company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the company.
- (xv) In our opinion, the term and conditions on which the company has given guarantees for loans taken by others from banks or financial institutions are not prejudicial to the interest of the company.
- (xvi) In our opinion, the term loans have been applied for the purpose for which they were raised.
- (xvii) According to the information given to us and on and over all examination of the Balance Sheet of the company, we report that no funds raised on short-term basis have been used for long-term investments.
- (xviii) According to the information and explanations given to us, the company has not made preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Act, 1956.
- (xix) According to the information and explanations given to us, the company has not issued any secured debentures during the period covered by our report. Accordingly provisions of Clause 4(xix) of the Companies (Auditors Report) Order 2003 (as amended) are not applicable to the company.
- (xx) During the period covered by our audit report, the company has not raised any money by public issues.
- (xxi) According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the course of our audit.

4, Gangadhar Babu Lane,  
Kolkata - 700 012

Dated the 02<sup>nd</sup> day of Sep, 2010.

For ASHOK KEDIA & COMPANY,  
CHARTERED ACCOUNTANTS,  
Regn. No. 323330E

  
CA. A.K. KEDIA  
PARTNER  
M. No. 050510



**MESSRS ANUP MALLEABLES LIMITED**  
**BALANCE SHEET AS AT 31ST MARCH, 2010**

	SCHEDULE	AS AT 31.03.2010 RS.	AS AT 31.03.2009 RS.
<b>SOURCES OF FUNDS :</b>			
<u>Shareholders' Fund :-</u>			7,500,000
a) Share Capital	1	7,500,000	
b) Reserve and surplus	2	17,094,747	13,165,717
<u>Loan Fund :-</u>			17,774,648
a) Secured Loan	3	13,164,818	3,550,000
b) Unsecured Loan	4	2,950,000	3,167,827
Deferred Tax Liability		3,077,465	45,158,192
		43,787,030	
 <b>APPLICATION OF FUND :</b>			
<u>FIXED ASSETS :-</u>	5		51,136,230
a) Gross Block		53,123,610	34,413,782
b) Less: Depreciation		36,073,614	16,722,448
c) Net Block		17,049,996	
<b>INVESTMENTS :</b>	6	1,499,362	1,249,362
 <u>CURRENT ASSETS, LOANS AND ADVANCES:</u>			
a) Inventories	7	21,678,242	18,389,238
b) Sundry Debtors	8	7,559,152	7,888,702
c) Cash & Bank Balances	9	2,218,133	2,479,065
d) Loans & Advances	10	8,878,507	12,642,482
		40,334,034	41,399,487
 <u>LESS: CURRENT LIABILITIES AND PROVISIONS:</u>			
a) Current liabilities	11	14,419,038	13,032,453
b) Provisions	12	677,324	1,180,652
		15,096,362	14,213,105
<b>NET CURRENT ASSETS :</b>		25,237,672	27,186,382
		43,787,030	45,158,192
<b>NOTES ON ACCOUNTS</b>	19	-	-

This is the Balance Sheet referred to our annexed report of even date

For ASHOK KEDIA & COMPANY  
CHARTERED ACCOUNTANTS

CA. A.K.KEDIA  
PARTNER  
M.No. 050510

4, Gangadhar Babu Lane,  
Kolkata 700 012

Dated the 22<sup>nd</sup> day of Sep 2010.

  
Managing Director

  
Director



**MESSRS ANUP MALLEABLES LIMITED**  
**PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2010**

	SCHEDULE	YEAR ENDED 31.03.2010 RS.	YEAR ENDED 31.03.2009 RS.
<b><u>INCOME :</u></b>			
Sales		16,193,703	37,078,178
Job Work (TDS Rs.9,40,762/-, Previous year Rs.5,56,391/-)		43,032,394	22,055,000
Other Income	13	1,993,964	675,219
Closing Stock	14	9,750,343	8,989,779
		70,970,404	68,798,176
<b><u>EXPENDITURE :</u></b>			
Opening Stock	15	8,989,779	14,409,871
Raw Materials Consumed	16	10,454,879	12,001,445
Manufacturing & Other expenditure	17.	42,045,530	31,743,251
Interest	18	2,044,058	4,317,180
Depreciation		1,659,832	1,407,491
		65,194,078	63,879,238
Profit/(Loss) before Taxation		5,776,326	4,918,938
Less : Provision for diminution in value of long term investment		-	(518)
Excess Provision for Gratuity Written Back		(38,339)	-
Provision for Taxation		1,950,000	490,000
Provision for FBT		-	92,500
Deferred Tax Assets/Liabilities		(90,362)	747,299
Short Provision for FBT for earlier year		25,997	38,357
		3,929,030	3,551,300
Profit/(Loss) after Taxation		8,025,912	4,474,612
Balance brought forwarded from last year		11,954,942	8,025,912
Balance of Profit carried to Balance Sheet		-	-
Earning per share (Basic & Diluted) (Rs) (Face Value Rs.10/- each)		5.24	4.74

**NOTES ON ACCOUNTS**

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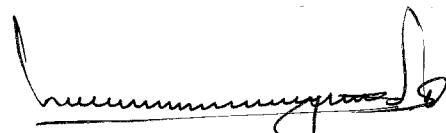
This is the Profit & Loss Account referred to our annexed report of even date

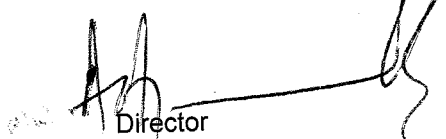
For ASHOK KEDIA & COMPANY  
 CHARTERED ACCOUNTANTS

CA. A.K.KEDIA  
 PARTNER  
 M. No. 050510

4, Gangadhar Babu Lane,  
 Kolkata 700 012

Dated the 5<sup>th</sup> day of Sep 2010.

  
 Managing Director

  
 Director



ANUP MALLEABLES LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2010

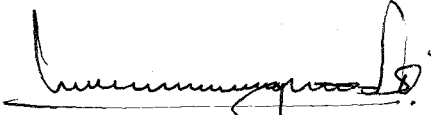
	YEAR ENDED 31.03.2010	YEAR ENDED 31.03.2009
<b>A Cash Flow from Operative Activities:</b>		
Net Profit (Loss) before Tax and Extra ordinary items	5,776,326	4,918,938
Adjustments for :-		
Depreciation	1,659,832	1,407,491
Bonus	-	476,950
Gratuity	-	351,723
Interest Received	(150,629)	(233,743)
Interest charged to Profit & Loss A/c	2,044,058	4,317,180
Operating Profit before working capital charge	9,329,587	11,238,539
Adjustments for :-		
Trade & Other Receivables	329,550	2,175,805
Inventories	(3,289,004)	3,661,232
Trade Payable	1,386,585	(10,584,047)
Cash generation from operation	7,756,718	6,491,529
Tax paid	(977,094)	(23,838)
Bonus Paid	(476,950)	-
Cash flow before extra ordinary items	6,302,674	6,467,691
<b>Net cash from Operating Activities</b>	<b>6,302,674</b>	<b>6,467,691</b>
<b>B Cash Flow from Investing Activities:</b>		
Purchase of Fixed Assets & Capital Expenditure	(1,987,380)	(1,571,527)
Changes in Loans & Advances	2,777,033	1,649,839
Investment in Shares	(250,000)	-
Interest Received	150,629	233,743
<b>Net Cash Flow from Investing Activities</b>	<b>690,282</b>	<b>312,055</b>
<b>C Cash Flow from Financing Activities:</b>		
Increase / (Decrease) from Issue of Shares (Including Share Application Money)		
Intrest Paid	(2,044,058)	(4,317,180)
Increase / decrease in Borrowings		
Long Term	(3,245,835)	(123,244)
Other	(1,963,995)	(4,197,901)
<b>Net Cash used in Financing Activities</b>	<b>(7,253,888)</b>	<b>(8,638,325)</b>
Net Increase / (Decrease) in cash equivalents	(260,932)	(1,858,579)
Cash and Cash Equivalents as on 1st April (Opening Balance)	2,479,065	4,337,644
Cash and Cash Equivalents as on 31st March (Closing Balance)	<b>2,218,133</b>	<b>2,479,065</b>

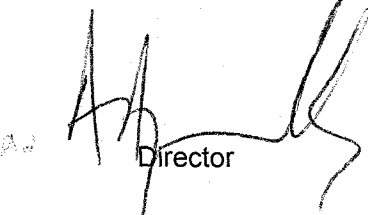
For ASHOK KEDIA & COMPANY  
CHARTERED ACCOUNTANTS

CA. A.K.KEDIA  
PARTNER  
M. No. 050510

4, Gangadhar Babu Lane,  
Kolkata 700 012

Dated the 02<sup>nd</sup> day of Sep 2010

  
Managing Director

  
Director



**MESSRS ANUP MALLEABLES LIMITED**

**AS AT  
31.03.2010  
RS.**

**AS AT  
31.03.2009  
RS.**

**SCHEDULE : 1**

**SHARE CAPITAL :**

**AUTHORIZED :**

1000000 (1000000) Equity Shares of Rs 10/-each.

10,000,000

10,000,000

10,000,000

10,000,000

**Issued, Subscribed & Paid up :-**

750000 (750000) Equity Shares of Rs 10/- each  
fully paid up in cash.

7,500,000

7,500,000

7,500,000

7,500,000

**SCHEDULE : 2**

**RESERVES & SURPLUS**

Capital Reserve (Capital subsidy received)

2,000,000

2,000,000

Investment Allowance Reserve (Utilized)

3,139,805

3,139,805

**Profit & Loss Account :**

Opening balance

8,025,912

4,474,612

Add: During the year

3,929,030

11,954,942

3,551,300

8,025,912

17,094,747

13,165,717

**SCHEDULE : 3**

**SECURED LOANS:**

From Bank Of India, A/c Term Loan

-

2,645,835

From Bank of India, C/C A/c

10,814,818

11,128,813 \*

From Bank of India, Book-Debts A/c

2,350,000

4,000,000

( Secured by hypothecation of stocks and  
Book-Debts and first Mortgage charges of all

Immovable assets and also personally  
guaranteed by Directors Shri D.K. Agarwalla,  
Shri N. K. Agarwalla & Shri Adarsh Agarwalla  
& Corporate Guarantee by M/s Mechanical &  
Electrical Engineering Co (P) Ltd. & Waste  
Products Reclaimer Pvt. Ltd.

13,164,818

17,774,648

**MESSRS ANUP MALLEABLES LIMITED**

	AS AT 31.03.2010 RS.	AS AT 31.03.2009 RS.
<b>SCHEDULE : 4</b>		
<b>UNSECURED LOANS</b>		
From Companies	2,950,000	1,550,000
From A Director	-	2,000,000
	2,950,000	3,550,000
 <b>SCHEDULE : 6</b>		
<b>INVESTMENTS</b>		
None Trade Long Term (at Cost)	1,500	1,500
12 years National Saving Certificates (Deposited with central excise department as security deposit.)		
<u>QUOTED :</u>		
26400 (1400) Equity Shares of Foundry Fuel Products Limited. of Rs 10/- each fully paid up.	264,000	14,000
<u>Shares (Unquoted)</u>		
70,600 (70,600) Equity Shares of Mechanical & Electrical Engg. Co (P) Ltd., @ Rs.10/- each fully paid up.	807,000	807,000
1704 (1704) Equity Shares of Waste Products Reclaimer (P) Ltd., @ Rs.100/- each fully paid up.	433,246	433,246
	1,505,746	1,255,746
Less Provision for Diminution in value of Long Term Investments	6,384	6,384
	1,499,362	1,249,362
 <u>SUMMARY</u>		
Aggregate of quoted Investments	264,000	14,000
Aggregate of Non-quoted Investments	1,240,246	1,240,246
(Market Value of quoted Investments)	224,664	7,616
 <b>SCHEDULE : 7</b>		
<b>INVENTORIES</b>		
(As taken , valued and certified by the management)		
Raw Materials	10,121,167	4,094,815
Stores & Spares parts	992,773	1,150,220
Manufacturing Components	813,959	3,531,254
Work-in-progress	9,517,164	7,740,000
Finished Goods	223,235	1,239,835
Capital goods	-	623,170
Scrap of Compensating Beam	9,944	9,944
	21,678,242	18,389,238

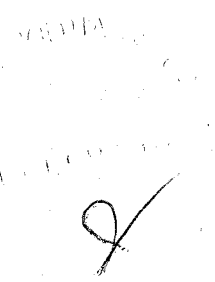
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**ANUP MALLEABLES LIMITED**

**SCHEDULE : 5**

**FIXED ASSETS**

PARTICULARS	GROSS BLOCK				DEPRECIATION			NET BLOCK		
	Cost As on 01.04.2009	Addition	Sales/ discarded	Total	Up To 31.03.2009	For The Year	Adjustments	Total	AS AT 30.09.2010	AS AT 31.03.2009
	2 RS	3 RS	4 RS	5 RS	6 RS	7 RS	8 RS	9 RS	10 RS	11 RS
GOODWILL	755,000	-	-	755,000	-	-	-	-	755,000	755,000
LAND	452,983	-	-	452,983	-	-	-	-	452,983	452,983
SHED & BUILDINGS :	15,610,885	-	-	15,610,885	9,674,512	460,670	-	10,135,182	5,475,703	5,936,373
PLANT & MACHINERY	28,521,370	114,000	-	28,635,370	20,771,275	690,470	-	21,461,745	7,173,625	7,750,095
ELECTRIC INSTALLATION	981,616	-	-	981,616	981,616	-	-	981,616	-	-
FURNITURE & FIXTURE AND OFFICE	3,509,795	467,948	-	3,977,743	2,456,047	323,052	-	2,779,099	1,198,644	1,053,748
VEHICLES	1,304,581	1,405,432	-	2,710,013	530,332	185,640	-	715,972	1,994,041	774,249
<b>Total</b>	<b>51,136,230</b>	<b>1,987,380</b>	<b>-</b>	<b>53,123,610</b>	<b>34,413,782</b>	<b>1,659,832</b>	<b>-</b>	<b>36,073,614</b>	<b>17,049,996</b>	<b>16,722,448</b>
Previous Year's Figures	49,579,703	1,571,527	15,000	51,136,230	33,021,291	1,407,491	15,000	34,413,782	16,722,448	



**MESSRS ANUP MALLEABLES LIMITED****AS AT  
31.03.2010  
RS.****AS AT  
31.03.2009  
RS.****SCHEDULE : 8****SUNDRY DEBTORS****(Unsecured considered good)****Out standing for a period exceeding  
six months  
Others Debts**2,421,656  
5,137,496  
7,559,1522,795,032  
5,093,670  
7,888,702**SCHEDULE : 9****CASH AND BANK BALANCES****Cash in hand (as per books & certified )**

357,901

246,043

**Balances with scheduled Banks****In Current Account**

97,334

554,041

**In Collection Account**

-

6,967

**In Fixed Deposits**

1,762,898

1,672,014

2,218,1332,479,065**SCHEDULE : 10****LOANS & ADVANCES****(Unsecured considered good except as given)****Advances recoverable in cash or in kind  
or for the value to be received.**

3,964,830

9,938,371

**Advances to Suppliers**

35,000

-

**Advance for Land**

4,128,114

1,499,101

**Security Deposits**

18,734

18,734

**Sales Tax Department.**

-

986,942

**T D S. Refundable/Advance Tax (Net of Provision)**

30,551

45,276

**Prepaid Expenses**

51,271

25,797

**Balance with Central Excise Department**

221,159

85,120

**Intrest accrued on Fixed Deposits**

28,799

-

**Cenvat Receivable**

400,049

43,141

**Value Aded Tax**8,878,50712,642,482

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**MESSRS ANUP MALLEABLES LIMITED**

	<b>AS AT 31.03.2010 RS.</b>	<b>AS AT 31.03.2009 RS.</b>
<b>SCHEDULE : 11</b>		
<b>CURRENT LIABILITIES</b>		
Sundry Creditors	-	-
Due to Micro, Small & Medium Enterprises	11,596,759	10,366,295
Others	1,600,000	1,600,000
Advances from Customers	764,566	514,839
Liabilities for Expenses	457,713	551,319
Other Liabilities	<u>14,419,038</u>	<u>13,032,453</u>
<b>SCHEDULE : 12</b>		
<b>PROVISIONS</b>		
For Gratuity	572,863	611,202
For Income Tax (Net of TDS/Adv. Tax)	104,461	-
For FBT	-	92,500
For Bonus	-	476,950
	<u>677,324</u>	<u>1,180,652</u>
<b>SCHEDULE : 13</b>		
<b>OTHER INCOME</b>		
Interest on Fixed Deposit with Bank	150,629	173,591
(TDS Rs.14,590/- Previous Year Rs. 14,270/-)		
Interest from I. Tax Department	2,460	60,152
Transporting Charges (Net)	364,000	373,500
Profit on Sale of Fixed Assets	-	15,000
Sundry Balance W/off	206,984	34,087
Commission Received	-	18,889
L.D Deduction	1,269,891	-
	<u>1,993,964</u>	<u>675,219</u>
<b>SCHEDULE : 14</b>		
<b>CLOSING STOCK</b>		
Finished Goods	223,992	1,240,592
Work-in-progress	9,517,164	7,740,000
Scrap of Compensating Beam	9,187	9,187
	<u>9,750,343</u>	<u>8,989,779</u>
<b>SCHEDULE : 15</b>		
<b>OPENING STOCK</b>		
Finished Goods	1,240,592	1,429,100
Less Excise duty on Finished Goods	-	30,859
	<u>1,240,592</u>	<u>1,398,241</u>
Work-in-progress	7,740,000	13,002,443
Scraps of Compensating Beam	9,187	9,187
	<u>8,989,779</u>	<u>14,409,871</u>

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**MESSRS ANUP MALLEABLES LIMITED**

**YEAR ENDED  
31.03.2010  
RS.**

**YEAR ENDED  
31.03.2009  
RS.**

**SCHEDULE : 16**

**RAW MATERIALS**

Opening Stock	4,094,816	1,699,228
Add: Purchase	<u>16,481,230</u>	<u>14,442,161</u>
Total	20,576,046	16,141,389
Less Discount	-	45,128
Less : Closing Stock	<u>10,121,167</u>	<u>4,094,816</u>
Consumption	<u>10,454,879</u>	<u>12,001,445</u>

**SCHEDULE : 17**

**MANUFACTURING & OTHER EXPENDITURE**

Stores & Spares Consumed	9,984,900	8,345,667
Manufacturing Components Consumed	8,671,598	5,744,871
Director Remuneration	420,000	360,000
Salary, Wages, Bonus & Labour Charges	4,828,403	6,276,584
Contribution to P.F, ESI & Other Funds	77,353	-
Labour & Staff Welfare	13,708	9,826
Fabrication, Fetting & Assembly Charges	3,064,850	569,650
Power & Fuels	4,477,182	1,822,278
Insurance	70,825	96,308
Rent, Rates & Taxes	311,597	210,250
Repairs to Plant & Machinery	3,793,310	149,174
Repairs to Buildings	1,123,500	527,522
Repairs to others	161,562	59,191
Freight Transportation & Forwarding	1,182,311	734,078
Deductions	-	2,415,636
Traveling Expenses	494,926	512,411
Motor Car & Delivery Van Expenses	638,605	439,584
Bank Commission Charges	413,073	397,270
Security service charges	299,993	285,876
Cash Transaction Tax	-	7,434
Sales Tax (Assessed)	6,952	12,241
Miscellaneous expenses	1,122,336	1,042,749
Radiography & Testing Charges	473,361	122,243
Central Excise Duty	-	17,751
Loss on sales of Assets	-	1,230,000
Prior period Expenses	7,500	335,354
Service Tax (Assets)	6,940	-
Auditors Remuneration	28,575	19,303
Loss on sales of capital goods	<u>372,170</u>	<u>31,743,251</u>
	<u>42,045,530</u>	

**SCHEDULE : 18**

**INTEREST**

On Term Loan	224,616	442,881
To Others	<u>1,819,442</u>	<u>3,874,299</u>
	<u>2,044,058</u>	<u>4,317,180</u>

MESSRS ANUP MALLEABLES LTD

**SCHEDULE – 19**

**NOTES TO THE BALANCE SHEET AS AT 31<sup>ST</sup> MARCH 2010 AND PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED ON THAT DATE**

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**A Significant Accounting Policies:**

(a) **Basis of preparation of financial statements :**

- (i) The financial statements have been prepared under the historical cost convention and accrual basis in accordance with the generally accepted accounting principles and provisions of the Companies Act, 1956 as adopted consistently by the Company.
- (ii) Accounting policies not specifically referred to otherwise be consistent with generally accepted accounting principles followed by the Company.

(b) **Fixed Assets and Depreciation :**

- (i) Fixed Assets are stated at cost less depreciation.
- (ii) Depreciation is provided on Straight-Line method at the rates specified in Schedule –XIV of the Companies Act, 1956

(c) **Impairment of Assets**

An asset is treated as impaired when carrying cost of the asset exceeds its recoverable amount. An impairment loss, if any, is charged to the Profit and Loss Account in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting periods is reversed if there has been a change in the estimate of the recoverable amount.

(d) **Investments:**

- (i) Long Term Investments are carried at cost after deducting provisions, where the fall in market value has been considered as other than temporary in nature.
- (ii) Current Investments are valued at lower of cost or market value.

(e) **Valuation of Inventories:**

Raw materials, stores & spares and finished goods are valued at cost or net realizable value, whichever is lower. Cost is determined on FIFO Basis.

(f) **Borrowing Cost**

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to revenue.

(g) **Employee Benefits**

Effective from financial year 2007-08, the company adopted Accounting Standard (AS) 15 (Revised 2005) dealing with Employee Benefits, issued by the Institute of Chartered Accountants of India. The Company has defined benefit plans for gratuity to eligible employees. The Company does not have policy of carry forward of the compensated absence to the employees. The details of these defined benefit plans recognized in the financial statement are as under :

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	Gratuity	
	Current Year	Previous Year
<u>Defined Benefit Plan</u>		
<b>A Reconciliation of opening and closing balance of the present value of defined benefit obligation</b>		
Obligation at the beginning of the year	611202	259,479
Current Service Cost	106710	117,808
Interest Cost	47362	34,827
Actuarial (gain)/Loss	(192412)	199,088
Benefits paid	--	--
<b>Obligation at the end of the year</b>	<b>572863</b>	<b>611,202</b>
<b>B Reconciliation of opening and closing balance of fair value of plan assets</b>		
Plan assets at the beginning of the year, at fair value	--	--
Expected Return on plan assets	--	--
Actuarial gain/(loss)	--	--
Contribution	--	--
Benefits paid	--	--
<b>Plan assets at the end of the year, at fair value</b>	<b>--</b>	<b>--</b>
<b>C Net/Assets (Liability) recognized in Balance Sheet</b>	(611202)	(259,479)
Obligation at the end of the year	(38339)	351,723
Less: Plan assets at the end of the year, at fair value	--	--
<b>Liability recognized in Balance Sheet as at 31.03.08</b>	<b>(572863)</b>	<b>(611,202)</b>
<b>D Components of employer expenses for the year</b>		
Current service cost	106710	117808
Interest cost	47363	34,827
Expected return on plan assets	--	--
Net Actuarial (gain)/loss	(192412)	199,088
<b>Net cost</b>		
<b>E Assumptions</b>	%	%
Discount Rates (p.a)	8.0	8.0
Expected Rate of Return on plan assets (p.a)	0.0	0.0
Expected rate of increase in compensation levels (p.a)	5.0	5.0

Defined Contribution Plan

Employees' Provident Fund & Other contribution plan is not applicable to the company.

h) Revenue Recognition

Revenue is recognized at the point of dispatch of materials to the customers from stock points. Other Income has been accounted for on accrual basis.

i) Sales:

Sales are net off sales tax. Revenue from sales is recognized at the point of dispatch to the customers when the risk and reward stands transferred to the customers.



j) Taxes on Income

Current Tax is determined as the tax payable in respect of taxable income for the year.

Provision is made for Deferred tax for all timing differences arising between taxable incomes and accounting income at currently enacted or substantively enacted tax rate.

Deferred Tax assets are recognized, only if there is reasonable certainty that they will be realized and are reviewed for the appropriateness of their respective carrying values at each balance sheet date.

k) Provisions, Contingent Liabilities & Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the notes to the accounts. Contingent Asset is neither recognized nor disclosed in the financial statements.

B NOTES ON ACCOUNTS

1. i) Previous year's figures have been regrouped and re-arranged wherever necessary and rounded off to nearest rupee.
- ii) Previous year's figures have been given in brackets.
- iii) Current year figures have been rounded off to nearest rupee.
2. Contingent Liability
  - (a) Contingent Liabilities in respect of Sales tax demand under appeal Rs. 863,805/- (Previous year 863,805/-)
  - (b) Bank guarantee outstanding Rs.7,558,543/- (Previous Year 4,933,402/-) & Letter of Credit outstanding Rs. Nil (previous year Rs.Nil) against which fixed deposits Rs.2,026,425/- (Previous year 1,592,195/-) are lying with Bank.
3. Sundry Creditors  
Disclosure under Micro and Small Enterprises Development Act, 2006.  
The Company has not received the required information from creditors regarding their status under the Micro, small and Medium Enterprises Development Act, 2006. Hence disclosures, 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 made.
4. In the opinion of the Board of Directors, all current assets loans & advances are expected to be realized in the ordinary course of business at least an amount equal to the amount at which they are stated in the Balance Sheet.
5. Additional information under part II of schedule VI of the Companies Act, 1956.

(i) CAPACITY AND PRODUCTION

Item	Unit	Licensed Capacity	Installed Capacity	Actual Production
Steel Castings	M.T.	7500 (7500)	7500 (7500)	- (-)
Cast Iron	M.T.	2000 (2000)	1000 (1000)	- (-)
Fabrication / Assembly Items	Nos	N.A	N.A	(57)

9

(ii) Quantitative information of finished goods, Raw materials &amp; stores &amp; spares consumed.

a) Details of finished goods:-

Particulars	Unit	Opening Stock		Production		Sales		Closing Stock	
		Qty.	Value	Qty.	Qty.	Value	Qty.	Value	
Other Steel	MT	4.633	202,680	-	-	-	-	4.633	202,680
Casting		(4.633)	(202,680)	(-)	(-)	(-)	(-)	(4.633)	(202,680)
Scrap	M.T	3.060	20,555	-	-	-	-	3.060	20,555
		(3.060)	(20,555)	(-)	(-)	(-)	(-)	(3.060)	(20,555)
Compensating Beam	Nos	8	9,944	-	-	-	-	8	9,944
WDG-3	Nos	(8)	(9,944)	(-)	(-)	(-)	(-)	(8)	(9,944)
WAG 7	Nos	-	--	31	31	16,193,703	-	-	-
		(-)	(--)	(-)	(-)	(--)	(-)	(-)	(-)
Magnet Frame	Nos	-	--	(56)	(56)	(28,300,456)	(-)	(-)	(-)
Casub Bogies	Nos	-	--	-	-	--	-	-	-
		(-)	(-)	(-)	(-)	(--)	(-)	(-)	(-)
Coke Oven Plant Components	Set	-	-	-	-	--	-	-	-
		(-)	(-)	(1)	(1)	(8,777,722)	(-)	(-)	(-)

1) Sales are net of Sales Return

a) Details of Raw Materials Consumed:

Particulars	31.03.2010	31.03.2009
M.S.Plate/Iron Materials	10,454,879	12,001,445

(iii) Value of Imported / Indigenous Raw Materials, Stores &amp; Spares Parts and Components consumed.

	Raw Material Consumed		Stores & Spare and Manufacturing Components Consumed	
	Value	%	Value	%
Imported	-	-	-	-
	(-)	(-)	(-)	(-)
Indigenous	10,454,879	100	18,656,498	100
	(12,001,445)	(100)	(14,090,538)	(100)

6. Miscellaneous Expenses do not include any item in excess of Rs. 5000/- or one percent of turnover whichever is higher.

7. Payment to Auditors

	Current Year	Previous Year
As Audit Fee	17,500	12,500
As Tax Audit Fee	7,500	5,000
As Certification Charges	1,000	1,000
Service Tax	2,575	1,803
	<b>28,575</b>	<b>20,303</b>

8. SEGMENT REPORTING

In accordance with the Accounting Standard – 17 on "Segment Reporting", issued by the Institute of Chartered Accountants of India, the company has identified two reportable business segments i.e. Sale of Manufactured good and Job Work, which are regularly evaluated by the management, in deciding the allocation of resources and assessment of performance. The segment performance is given below:

<u>Particulars</u>	<u>Manufacturing Sales</u>	<u>Job Work</u>	<u>Unallocated</u>	<u>Total</u>
1 Revenue	14,564,842	45,421,819	1,993,964	61980625
2 Results	521,636	13,372,292	(6073544)	7,820,384
3 Interest				2,044,058
4 Other Unallocable income net of Unallocable expenditure				-
5 Total Profit before tax				5776326
6 Other Information				
Segment Assets	17,103,136	15,768,451	26,011,805	58,883,392
Segment Liabilities	2,521,720	7,238,270	49,123,402	58,883,392
Capital Expenditure				1,987,380
Depreciation				1,659,832

## 9. RELATED PARTY DISCLOSURES

Related party disclosure as required by Accounting Standard – 18 "Related party disclosures" are given below

A) Name of the Related parties with whom transaction have take place during the year :

### 1. Key Management personnel of the Company

- (i) Shri Devendra Kumar Agarwalla (Managing Directors)
- (ii) Shri Adarsh Agarwalla (Director)
- (iii) Shri Nandan Kumar Agarwalla (Director)

### 2. Enterprises over which key Management Personnel and Relatives of such Personnel are able to exercise significant Influence:

- (i) M/s. Mechanical & Electrical Engineering Company (P) Limited
- (ii) M/s. Foundry Fuel Products Limited
- (iii) M/s. BLA Minerals (P) Limited
- (iv) M/s. BLA International (P) Limited
- (v) M/s. Waste Products Reclaimer (P) Limited

### 3. Relatives of Key Managerial Person

- (i) Smt. Madhu Agarwalla (Wife of Managing Director)
- (ii) Smt. Shrutika Agarwalla (Wife of Director, Shri Adarsh Agarwalla)

**Statement of transactions with Related Persons during the year 2009-10**

Sl No	Nature of the Transaction	Enterprises over which Key Management Personnel and Relatives of such Personnel are able to exercise significant influence.		Key Management		Relatives of key Management		Total	
		2009-10	2008-09	2009-10	2008-09	2009-10	2008-09	2009-10	2008-09
1	Remuneration to Director								
	Adarsh Agarwalla	---	---	420,000	360,000	---	---	420,000	360,000
2	Loan Given								
	Waste Products Reclaimer (P) Ltd.	--	618,000	---	---	---	---	---	618,000
3	Loan Repaid								
	Devendra Kumar Agarwalla	---	---	2,000,000	---	---	---	2,000,000	---
4	Receipt towards Loan								
	Devendra Kumar Agarwalla	---	---	---	2,000,000	---	---	---	2,000,000
	Waste Products Reclaimer (P) Ltd.	---	1,750,000	---	---	---	---	---	1,750,000
	Mechanical & Elec. Engg. Co. (P) Ltd.	14,00,000	---	---	---	---	---	14,00,000	---
5	Advance Repaid								
	BLA Minerals (P) Ltd	---	270,000	---	---	---	---	---	270,000
	Foundry Fuel Products Ltd	---	67,500	---	---	---	---	---	67,500
	Mechanical & Elec. Engg. Co. (P) Ltd.	---	4,665,000	---	---	---	---	---	4,665,000
	BLA International (P) Ltd.	---	2,018,054	---	---	---	---	---	2,018,054
6	Advance Taken								
	Mechanical & Elec. Engg. Co. (P) Ltd.	---	2,635,000	---	---	---	---	---	2,635,000
7	Service Rendered								
	Waste Products Reclaimer (P) Ltd.	998,750	387,934	---	---	---	---	998,750	387,934
	BLA International (P) Ltd.	925,000	---	---	---	---	---	925,000	---
	BLA Minerals (P) Ltd	870,100	---	---	---	---	---	870,100	---
8	Service Received								
	Waste Products Reclaimer (P) Ltd.	30,000	449,299	---	---	---	---	30,000	449,299
	Mechanical & Elec. Engg. Co. (P) Ltd.	345,500	116,533	---	---	---	---	345,500	116,533

9	<u>Sale</u>								
	Waste Products Reclaimer (P) Ltd.	---	810,000	---	---	---	---	---	810,000
	Mechanical & Elec. Engg. Co. (P) Ltd.	250,000	---	---	---	---	---	250,000	---
10	<u>Purchase</u>								
	Mechanical & Elec. Engg. Co. (P) Ltd.	950,000	1,200,000	---	---	---	---	950,000	1,200,000
	BLA Minerals (P) Ltd.	250,000	---	---	---	---	---	250,000	---
11	<u>Rent Paid/Hire charges</u>								
	Adarsh Agarwalla	---	---	142,500	90,000	---	---	142,500	90,000
	Madhu Agarwalla	---	---	---	---	142,500	90,000	142,500	90,000
	Waste Products Reclaimer (P) Ltd.	120,000	---	---	---	---	---	120,000	---
12	<u>Salary</u>								
	Shrutika Agarwalla	---	---	---	---	240,000	180,000	240,000	180,000

**Balance as on 31.03.2010 of Related Person**

Sl No	Nature of the Transaction	Enterprises		Key Management		Relatives of key Management		Total	
		2009-10	2008-09	2009-10	2008-09	2009-10	2008-09	2009-10	2008-09
1	<u>Creditors</u>								
	Mechanical & Elec. Engg. Co. (P) Ltd.	792,206	21,158	---	---	---	---	792,206	21,158
	Madhu Agarwalla	---	---	---	---	13,500	-	13,500	-
	Waste Products Reclaimer (P) Ltd.	363,250	---	---	---	---	---	363,250	---
2	<u>Debtors</u>								
	Waste Products Reclaimer (P) Ltd.	---	276,320	---	---	---	---	---	276,320
3	<u>Loan Received</u>								
	Devendra Kumar Agarwalla	---	---	---	2,000,000	---	---	---	2,000,000
	Waste Products Reclaimer (P) Ltd.	1,550,000	1,550,000	---	---	---	---	1,550,000	1,550,000
	Mechanical & Elec. Engg. Co. (P) Ltd.	1,400,000	---	---	---	---	---	1,400,000	---
4	<u>Advance Taken</u>								
	Foundry Fuel Products Ltd	1,600,000	1,600,000	---	---	---	---	1,600,000	1,600,000

10. Earning per shares

The earnings per shares, computed as per the requirement under Accounting Standard 20 on Earning per shares, issued by the Institute of Chartered Accountants of India, is as under

	<u>Current year</u>	<u>Previous year</u>
Net Profit (Loss) Rs.	3,929,030	3,551,300
Weighted average number of Shares	750,000	750,000
Basic / Diluted EPS (Rs) (on nominal value Rs. 10/-per Share)	5.24	4.74

11. Expenditure in Foreign Exchange Rs. NIL (Previous year Rs. 208050/-)

12. Expenses of Professional Tax amounting to Rs. 7500/- relating to previous year has been paid during the year.

13. Additional Information as required under Part IV of Schedule VI to the Companies Act 1956  
Balance Sheet Abstract and Company's General Business Profiles:

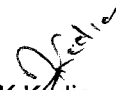
I. Registration No.:	State Code	Balance Sheet Date	
33923 of 1981	21	31.03.2010	
II. Capital raised during the year:			
Public Issue	Nil	Right Issue	Nil
Bonus Issue	Nil	Private Placement	Nil
III. Position of Mobilization and deployment of funds: (Amount in Rs.)			
Total Liabilities	43,787,030	Total Assets	43,787,030
<b>Sources of Funds</b>		<b>Application of Funds</b>	
Paid up Capital	7,500,000	Net Fixed Assets	17,049,096
Reserves & Surplus	17,094,747	Investments	1,499,362
Secured Loans	13,164,818	Net Current Assets	25,237,672
Unsecured Loans	2,950,000		
Deferred Tax Liabilities	3,077,465		
IV. Performance of Company: (Amount in Rs)			
Turnover	59,226,097	Total Expenditure	56,204,299
Profit/(Loss) Before Tax	5,776,326	Profit / (Loss) after Tax	3,929,030
Earning Per Share	5.24	Dividend Rate	Nil
V. Generic Code No			
Product Description	Steel Casting		

Signatures to Schedule "1" to "19"

Forming Part of the Balance Sheet and Profit and Loss Account

As per our annexed report of even date.

For ASHOK KEDIA & COMPANY  
CHARTERED ACCOUNTANTS,

  
 CA. A.K. Kedia  
 PARTNER  
 M.No. 050510

4, Gangadhar Babu Lane,  
Kolkata 700 012Dated the 07<sup>th</sup> day of Sep, 2010

DCA

