

MAGICUT[®]

Trident Tools Limited

Annual Report 2011 - 12

Celebrating 30 years of Excellence



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Annual General Meeting

Date : September 27, 2012

Time : 02.00 P.M

Registered office : Survey No. 26,Tembhode, Shirgaon Road, Dhansar Village, Palghar – 401,404

Registered Office & Factory

Survey no. 26,Tembhode,
Shirgaon Road, Dhansar Village,
Palghar – 401 404

Corporate Office

Hercules Estate, Ashok Nagar, A.C. Road,
Kandivali (E),Mumbai – 400 101

Corporate Information**Board of Directors**

Narendra R. Gupta	- Chairman & Whole Time Director
Ravi N. Gupta	- Managing Director & Compliance Officer
Suresh Bhandary	- Independent Director
Satish Marathe	- Independent Director

Committees**Audit Committee**

Suresh Bhandary	- Chairman
Satish Marathe	- Member
Narendra R. Gupta	- Member

Investor Grievance Committee

Satish Marathe	- Chairman
Suresh Bhandary	- Member
Narendra R. Gupta	- Member

Remuneration Committee

Narendra R. Gupta	- Chairman
Satish Marathe	- Member
Suresh Bhandary	- Member

Statutory Auditors

Girish Patel & Co.
F-103/104, Patel Nagar,
M.G.Road, kandivali (w)
Mumbai-400 067

Banker

Punjab National Bank

Registrar & Share Transfer Agent

Sharex Dynamic India Private Limited
Unit No. 1, Luthra Ind. Premises, Safed Pool,
Andheri Kurla Road, Andheri East, Mumbai – 400 072.

CHAIRMAN'S STATEMENT

Narendra R. Gupta
Chairman & Whole Time Director

Dear Fellow Shareholders

It is a privilege and an honour to present to you Trident Tools Limited (MAGICUT), Annual Report and the audited accounts for the financial year ended 31st March, 2012.

F.Y. 2011-12 was a challenging year where the global economy witnessed lower economic growth resulting from the Euro Zone Debt Crisis, High Oil prices and other crisis. The European economies stagnated and the US witnessed a downgrade in credit rating, while the growth engines of the global economy, China and India were forced to tighten liquidity to tame rising inflation. Despite these constraints and the challenging environment, the company performed reasonably well.

For all of us at MAGICUT, it was a satisfactory year strategically and operationally. Operationally, MAGICUT has recorded an all-round superior performance where our actions to strengthen market (profitability) position, improve efficiencies and tighten cost have paid handsome returns. Company's business demonstrated a significant improvement benefiting from economic conditions, aggressive marketing and brand promoting efforts. Our focus is on three key aspects of value creation, i.e., profitability, assets- productivity and growth.

Am very glad to address you with an excellent performance by your company during the financial year 2011-12 and our main objective to go one step ahead and create value.

During this eventful year, your company achieved a Gross Turnover of ₹40,15,72,101/- and a Net Profit of ₹77,27,402/-

The overall revenues have notched an impressive 86.25% year-on-year growth while operating profit have risen by 64.67% to ₹4,60,95,571/- from the previous year ₹2,79,93,438/-. Better working capital management across the business has led to surge in pre-tax profit by 109.66% to ₹1,86,66,310/-.

The overall financial position of the company remains strong. More importantly, the performance of our company has shown healthy improvement quarter on quarter. Our business has demonstrated considerable improvement in terms of volume and pricing during the year, thus clearly pointing towards changing fortunes of our business, with the economy gearing towards improvement.

Structural Plan

To align the interest of shareholders and employees, and to manage capital better the company has made a strategic move to go for a backward integration plan for manufacturing of Bimetal Strips. We are glad to inform you that, our company is the first company in India who is manufacturing this product and amongst few all over the world. With this your company will not only have higher value addition by reducing raw material cost but will also be generating more revenues through direct sale of these Bimetal strips in Domestic and International

Markets.

We are further glad to inform you that the above project was scheduled to be started during September 2012, but with the highly efficient management team and well-organized employees our company has succeeded to complete the above project well before estimated time and started its manufacturing activity during end of July 2012.

The Company is planning to go for additional expansions both in products and markets all over the world during the current year. Trident Tools Limited leads and sets the yardstick for fast-growing industry and is determined to live up to its stakeholders' expectations, including shareholders, customers, governments and all the members of the communities we operate in.

For the purpose of the above the company is planning to raise additional funds via right issue of shares subject to approval, permission and all the compliance of section 81(1A) of Companies act 1956, notice of the same is given for the consents of the shareholders in this Annual General meeting.

Summary

In essence, the company's growth over the next few years will be driven by the new line of products and markets which appears to have strong growth prospects. We have a positive outlook and that coupled with well-thought strategies planned for this business will ensure improved volume and profitability in our operations. Efficient utilization of physical and strategic assets will be the key driver for creation of value in future. Our Strategies are geared to deliver enhanced value for shareholders in future.

At this juncture, would like to take the opportunity of placing on record appreciation of all our employees and members of the management team at Trident Tools as it was only because of their dedication and commitment that we have been able to reach our set goals. Our employees are integral to our success and thank all members of the team for standing together in our effort.

The future holds immense promise for us and we are geared to measure up to every challenge that leaps at us. We have made a good start and shall take our learning into the next year with confidence, spirit and passion.

With Warm Regards

Sd/-

Narendra R. Gupta
Chairman & Whole Time Director

NOTICE OF THE ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT THE ANNUAL GENERAL MEETING OF TRIDENT TOOLS LIMITED WILL BE HELD ON 27TH SEPTEMBER 2012 AT SURVEY NO.26, TEMBHODE SHIRGAON ROAD, DHANSAR VILLAGE, PALGHAR - 401 404 AT 2.P.M. TO TRANSACT THE FOLLOWING BUSINESS.

Ordinary Business:

1. **To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2012 and the Profit and Loss Account for the year ended on that date and the reports of the Board of Directors and Auditors thereon:**

To consider and if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:

"RESOLVED THAT the Audited Balance Sheet of the Company as at 31st March 2012 and Profit & Loss Account for the year ended on that date along with the schedules, annexure and report of directors placed before this meeting be and are hereby received, considered and approved.

To declare dividend on equity shares for the year ended March 31st, 2012:

To consider and if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:

"RESOLVED THAT, the recommendation of the Board of Directors for payment of dividend on 67,50,000 fully paid Equity Shares of ₹10/- each at the rate of 3% (Paisa 0.30 per share) to those holders of shares whose names appear on the register of members at the time of Annual General Meeting of the Company, be and is hereby approved and the dividend so declared".

2. **To re-appoint Auditors and fix their remuneration:**

To consider and if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 224 and other applicable provisions, if any, of the Companies Act, 1956, M/s. Girish Patel & Co., Chartered Accountants, be and are hereby appointed as the Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting up to the conclusion of the next Annual General Meeting of the Company.

RESOLVED FURTHER THAT the Statutory Auditors be paid such remuneration as may be mutually agreed upon between the Board of Directors of the Company and the Statutory Auditors, plus reimbursement of out of pocket expenses."

3. **Resolution to be passed under Section 293(1)(d) to enhance the power of Board of Directors of the Company to borrow funds:**

To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

"RESOLVED THAT in supersession of the Resolution passed at the Extra-Ordinary General Meeting of the Company held on 16th January 2012 and pursuant to the provisions of Section 293(1)(d) and other applicable provisions, if any, of the Companies Act, 1956, the consent of the Company be and is hereby granted to the Board of Directors of the Company for borrowing moneys for and on behalf of the Company from time to time as and when required by the Company provided, that the money to be borrowed together with the money already borrowed (apart from the temporary loans obtained from time to time by the Company from its Bankers in the ordinary course of business) and remaining un-discharged at any given time shall not

exceed ₹100 Crore (Rupees One hundred Crore Only) notwithstanding that such borrowings exceed the aggregate, for the time being, of the paid up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose;

FURTHER RESOLVED THAT the Board be and is hereby authorized to sign and execute all such documents, deeds and writings and to do all such acts, deeds, matters and things as may be necessary expedient and incidental thereto for giving effect to this resolution.”

4. Resolution to be passed under Section 293(1)(a) to empower of Board of Directors of the Company to create charge over the assets of the Company:

To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

“RESOLVED THAT consent of the Company be and is hereby accorded under Section 293(1)(a) and other applicable provisions, if any, of the Companies Act, 1956, to the Board of Directors of the Company (hereinafter referred to as “The Board” which term shall be deemed to include any committee thereof for the time being exercising the powers conferred on the Board by this Resolution) to mortgage / charge and / or also to create liens, charges and all other encumbrances of whatsoever nature on all or any of the Company’s immovable and movable properties and the whole or substantially the whole of all or any of the undertakings of the Company, where-so-ever situate, present and future, together with power to take over the management of the business and concern of the Company in certain events, in such form and in such manner as the Board may think fit and proper, in favour of Banks / Institutions / other lenders / trustees of the holders of securities, aggregating to a nominal value not exceeding ₹100 Crores (Rupees One Hundred Crores only) to be issued from time to time in one or more tranches under its borrowing powers, to secure the principal amount together with interest, compound interest and all costs, charges and expenses and all other monies as may become due and payable by the Company, in that behalf and to vary or modify existing securities, from time to time, in such manner and in such form on all or any of the properties or part of any of the property and the undertakings of the Company, both present and future, as may be decided by the Board and as agreed to by the said banks / institutions / other lenders / trustees of the holders of securities issued hereunder and the existing or future series of debentures / bonds or other lenders, bankers and Financial Institutions, both present and future, to secure existing series of debentures, loans, financial facilities as may be obtained by the Company from time to time and as may be deemed appropriate by the Board;

FURTHER RESOLVED THAT the Board be and is hereby authorized to sign and execute all such documents, deeds and writings and to do all such acts, deeds, matters and things as may be necessary expedient and incidental thereto for giving effect to this resolution.”

5. To increase Authorized Share Capital of the Company :

To consider and if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to Section 16 and Section 94 of the Companies Act, 1956, and other applicable provisions of the Companies Act, 1956, the Authorised Share Capital of the Company be and is hereby increased from ₹7,00,00,000 (Rupees Seven Crores) divided into 70,00,000 equity shares of ₹10 (Rupees Ten) each to ₹20,00,00,000 (Rupees Twenty Crores) divided into 20,00,000 (Twenty Lakhs) equity shares of ₹10/- (Rupees Ten), each and consequently the existing Clause V of the Memorandum of Association of the Company be and is hereby altered by deleting the same and substituting in its place and instead thereof, the following as new Clause V:

“The Authorised Share Capital of the Company is ₹20,00,00,000 (Rupees Twenty Crores) divided into 20,00,000 (Twenty Lakhs) equity shares of ₹10/- (Rupees Ten) each with the rights, privileges and conditions attaching thereto as may be provided by the Articles of Association of the Company for the time being, with power to increase and reduce the Capital of the Company and to divide the shares in the Capital for the time being into several classes and to attach there to respectively such preferential, deferred, guaranteed,

qualified or special rights, privileges and conditions as may be determined by or in accordance with the Articles of Association of the Company and to vary, modify, amalgamate or abrogate any such rights, privileges or conditions in such manner as may for the time being be provided by the Articles of Association of the Company.”

Special Business:

6. Proposal to make Rights Issue of Shares under Section 81(1A) of Companies Act, 1956

"RESOLVED THAT in terms of section 81(1A) and other applicable provisions, if any, of the Companies Act, 1956 and in accordance with the provisions of Articles of Association of the Company and subject to the consent of the Securities and Exchange Board of India (SEBI) and all other concerned authorities and Departments, if and to the extent necessary, and such other approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications as may be prescribed in granting such approvals, permissions and sanctions which may be agreed to by the Board of Directors of the Company (hereinafter referred to as "The Board" which term shall be deemed to include any committee of the Board), subject to the consent of shareholders in ensuing Annual General Meeting accorded to the Board to create, offer and issue to the equity shareholders of the Company as on the records date (to be fixed for the purpose) equity shares of ₹10/- each of the Company for a sum of up to ₹10,00,00,000 (Rupees Ten Crores) or such sum as may be determined by the Board of Directors in this regard, in the ratio to be determined by the Board (the "Rights Issue") and for cash at such premium as may be per share as may be fixed and determined by the Board prior to the issue and offer thereof to such category of persons in consultation with SEBI or such other Authorities as may be prescribed or in accordance with such guidelines or other provisions of law as may be prevailing at that time and otherwise earning pari passu with the equity shares of the Company as then issued and to retain over subscription if any in respect of such issue to such extent as may be then permissible, and at such time or times as the Board at its absolute discretion and in the best interest of the company may deem fit on such other terms and conditions as may be mentioned in the draft Letter of Offer to be issued by the Company in respect of the Rights Issue.

RESOLVED FURTHER THAT Mr. Ravi N. Gupta, be and is hereby appointed as Compliance Officer for the purpose of Rights Issue.

RESOLVED FURTHER THAT Mr. Narendra R. Gupta, Chairman, Mr. Ravi N. Gupta, Managing Director be and hereby authorised to do all such acts, deeds, matters and things as may be necessary for the purpose of Rights Issue as aforesaid including but not limited to the following:

To fix record date(s) for the purpose of the Rights Issue for ascertaining the names of members who will be entitled to the aforesaid offer of equity shares in consultation with the stock exchange with which the Company's Shares are listed.

To decide and determine final size of Rights Issue the price per share either prior to or after filing of the draft Letter of Offer with SEBI and the rights entitlement ratio for equity shares including terms of the Rights Issue.

To decide treatment to be given to the fractional entitlement if any , including rounding upwards or downwards or ignoring such fractional entitlements or issue of fractional coupons and the terms and conditions for consolidation of fractional entitlements into a whole share and application to the company for the same as well as to decide the dispose off the shares representing the fractional coupons which are no so consolidated and presented to the Company for allotment of whole shares or treating fractional entitlement in the manner as may be approved by SEBI and the stock exchanges;

To decide the opening and closing dates for the Rights Issue and to extend, vary or alter the same as it may deem fit at its absolute discretion or as may be suggested or stipulated by SEBI, stock exchanges or other authorities from time to time;

To finalise the draft Letter of Offer, Letter of Offer, Composite Application Form, abridged Letter of Offer (If approved) and other documents and to file the same with SEBI , stock exchanges and other concerned authorities and issue the same to equity shareholders of the Company;

To appoint Lead Managers to the Right Issue, Bankers, Registrar, Legal Advisors, Monitoring Agency, Consultants, Advisors, Underwriters, Printers and such other agencies as may be desired and to remunerate such agencies in cash or otherwise including by way of payment of commission, brokerage , fees, reimbursement of expenses incurred in relation to the issue of securities and other expenses, if any;

To finalize the basis of allotment of equity shares in consultation with Lead Managers, Registrars and designated stock exchanges and other stock exchanges where the existing shares are listed , if necessary ;
To issue and allot the equity shares in one or more trenches and to do all such acts, deeds, matters and things necessary or desirable in connection with or incidental to the issue of equity shares;

To issue Letter of Allotment and Share Certificates, to the proposed allottees either in dematerialised form or in physical form as may be required by the allottees;

To enter names of the allottees in the Register of members of the Company;
Issue new shares (including new certificates if required) representing the equity shares issued as part of Rights Issue with new distinctive numbers as laid down in companies (Issue of Share Certificates) Rules, 1960 and also to inform the depositories to take the necessary action to give effect to the above and do all such acts, deeds, matters and things or desirable in connection with or incidental to the Rights Issue;
To settle any question, difficulty, or doubt that may arise in connection with the Rights Issue including the issue and allotment of the equity shares as aforesaid and to do all such acts, deeds and things as the Committee may in its absolute discretion consider necessary, proper, desirable or appropriate for settling such question, difficulty or doubt and making the said Right Issue and allotment of equity shares;

To decide the mode and manner of allotment of shares if any not subscribed and left/ remaining after allotment of rights shares and additional shares applied by the shareholders and renounces;

To open Bank Account(s) to receive applications along with application monies in respect of the issue of the shares and to make refunds;

To file necessary returns, make declarations/ announcements, furnish information etc, to the concerned authorities in connection with the Rights Issue;

To sign and execute any other document, agreement, undertaking in connection with the Rights Issue; and

To take all such other steps as may be necessary in connection with this Rights Issue.

RESOLVED FURTHER THAT the following persons viz.

Mr. Narendra R. Gupta	Chairman
Mr. Ravi N. Gupta	Managing Director

Be and are hereby severally authorised to do all such acts, matters, deeds and things and to execute all such deeds, documents and agreements etc, as may be required for the purpose of the proposed Rights Issue including but not limited to following:

To obtain the requisite approvals, consents and sanctions from SEBI, stock exchanges, RBI, Registrars of Companies , Government of India, Foreign Investment Promotion Board (“FIPB”), lenders of the Company etc.;

To file necessary certificates / returns / forms with SEBI, stock exchanges, RBI, Registrars of Companies, Government of India and other authorities;

To issue Public Advertisement and Notices;

To apply to the stock exchanges for obtaining in principle approval for listing and for permission to trade the equity shares and to do all such acts, deeds, matters and things and to sign all such papers, documents and agreements, as may be necessary to seek the listing of such equity shares on the Bombay Stock Exchange Limited with power to settle any query, difficulty or doubt that may arise in regard to the Rights Issue;

To apply to the concerned depositories for the admission of equity shares in to the depository system; and

To incur necessary expenses such as fees of various agencies, filing fees, stamp duty etc.

RESOLVED FURTHER THAT Mr. Ravi N. Gupta, Managing Director & Compliance Officer shall do all such acts, deeds as may be required.”

Annexure to Notice - Explanatory Statement under Section 173(2) of the Companies Act, 1956

Item No. 3&4:

As per the provisions of Section 293(1)(d) of the Companies Act, 1956, the Board can borrow money subject to the condition that the money to be borrowed together with the monies already borrowed by the Company (apart from the temporary loans obtained from the Company's bankers in the ordinary course of business) shall not exceed the aggregate, for the time being, of the paid-up share capital and free reserves, that is to say, reserves not set apart for any specific purpose unless the Shareholders have authorized the Board to borrow the monies up to some higher limits. Accordingly in terms of the provisions of Section 293(1)(d) of the Companies Act, 1956, taking the audited figures of the Balance Sheet as on 31st March, 2012 as basis, the Board of Directors of the Company can borrow up to ₹100 Crores apart from bank borrowings for working capital purposes. In super session of approval of members taken on 16th January 2012, in order to finance the growth in the business of the Company it is proposed to enhance the power of Board of Directors to borrow up to a sum not exceeding ₹100 crores in terms of Section 293(1)(d) of the Companies Act, 1956. Hence the approval of the members of the Company is being sought for the resolution set-out under Item no.3 by way of Ordinary Resolution.

In view of aforesaid proposal to borrow funds from time to time, the Company may have to secure the borrowing by way of mortgage / charge over all or any part of the movable and / or immovable properties of the Company and as per the provisions of Section 293(1)(a) of the Companies Act, 1956, the mortgage or charge on all or any part of the movable and /or immovable properties of the Company, may be deemed as disposal of the whole, or substantially the whole, of the undertaking of the Company and hence approval of the Members of the Company is being sought for the resolution set out under Item no. 4 by way of an Ordinary Resolution.

The Board of Directors of your Company recommends the passing of the resolutions set-out under Item No. 3 and 4 of the Notice as Ordinary Resolutions in terms of Section 293(1)(d) and 293(1) (a) respectively of the Companies Act, 1956.

None of the Directors is concerned or interested in the resolution.

Item No. 6:

The Company proposes to raise Capital through Rights Issue.

In terms of provisions of section 81(1), the Company proposes to raise funds by issue of shares to the existing Shareholders of the Company up to ₹10,00,00,000/- (Rupees Ten Crores Only) or such sum as may be determined by the Board of Directors to meet various business requirements of the Company.

Interest of the Directors: None of the Directors are interested or concerned in the proposed resolution except to the extent of their shareholding held in the Company.

NOTES:

1. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and proxy need not be a member of the Company. The proxy form duly completed must reach the registered office of the Company not less than 48 hours before the commencement of the meeting.
2. An Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 in relation to the items of Special Business to be transacted at the meeting is annexed hereto as no special business to discuss in the meeting.
3. All documents referred to in the accompanying notice are open for inspection at the Registered Office of the Company on all working days between 11.00 a.m. to 1.00 p.m. up to the date of Annual General Meeting.
4. The dividend on Equity Shares for the year ended 31st March 2012, recommended will be paid
 - i. to those members, holding shares in physical form, whose names appear in the Register of Members as on 20th September 2012.
 - ii. in respect of shares held in electronic mode, on the basis of beneficial ownership, as per details furnished by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) as on 20th September 2012
 - iii. The Register of Members and the Share transfer books of the Company will remain closed from 20th September 2012 till 27th September 2012 (both days inclusive).
5. Members holding shares in physical form are requested to advise about change of address to Sharex Dynamic (I) Private Limited. Members holding shares in electronic form are requested to intimate their respective Depository Participants (DP) about any change of address or Bank mandate and not to the Company or Registrar and Transfer Agents.
6. Members / proxies should bring their attendance slip duly completed for attending the meeting.

By Order of the Board of Directors**Ravi N Gupta****Managing Director****5th September 2012****Regd. Office:****Survey No.26, Tembhode Shirgaon Road,
Dhansar Village, Palghar-401 404**

DIRECTORS' REPORT

Dear Shareholders,

Your Directors have pleasure in presenting the Annual Report on the operations of the Company together with the Audited Accounts for the year ended 31st March, 2012.

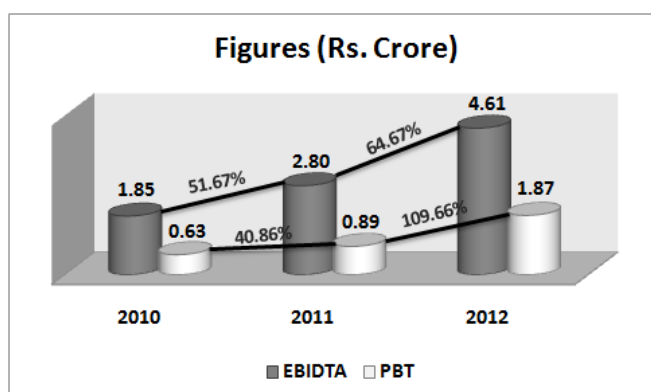
Financial Highlights:

Particulars	(₹ in Lakhs) 2011-2012	(₹ in Lakhs) 2010-2011
Sales(Inclusive of Excise Duty/Service tax)	4015.72	2156.14
Other Income	3.04	2.41
Profit before Finance cost, Depreciation & Tax expenses	460.96	279.93
Finance cost	213.87	171.58
Depreciation	60.42	19.32
Profit before Tax	186.66	890.03
Current Tax	38.08	10.00
Deferred Tax	71.31	-
Profit for the year/ period	77.27	79.03

Operations & Performance:

F.Y. 2011-12 was a challenging year. The global economy, witnessed lower economic growth, resulting from the Euro Zone Debt Crisis, High Oil prices and other crisis. The European economies stagnated and the US witnessed a downgrade in credit rating, while the growth engines of the global economy, China and India were forced to tighten liquidity to tame rising inflation. Despite these constraints and the challenging environment, the company performed reasonably well and the highlights of the performance are as under:

- Revenue from operations increased by **86.25%** to **₹40,15,72,101/-** from the previous year **₹21,56,13,744/-**
- EBIDTA increased by **64.67%** to **₹4,60,95,571/-** from the previous year **₹2,79,93,438/-**
- Profit before Tax increased by **109.66%** to **₹1,86,66,310/-** from the previous year **₹89,03,232/-**
- Net Profit after Tax decreased by **2.22%** to **₹77,27,402/-** from the previous year **₹79,03,232/-** due to high deferred tax provision in the current year & due to short provision of tax in the previous year.



Although the Company maintains adequate internal control systems covering all its operation areas. The Directors are putting in their further efforts and are hopeful of improved working during the years to come.

Barring unforeseen circumstances, your Directors are confident of achieving better results in the ensuing year.

Dividend:

The Board of Directors at its meeting held on May 14, 2012 declared dividend of ₹0.30 Paisa per equity share having face value of ₹10/- each. The dividend on Ordinary shares is subject to the approval of the Shareholders in the Annual General meeting. The total dividend pay-out for the financial year 2011-12 will be ₹23,53,506/- (includes dividend distribution tax ₹328506/-) (P.Y. 20,77,109/- includes dividend distribution tax ₹306855/-).

Capital Work-in-Progress & Expansions Plans:

Your company has completed a capital project expansion plan in Palghar Factory and the manufacturing activity has started from 1st June' 2011. It's our pleasure to inform you that during the coming year, your company will start one more capital project expansion plan for manufacturing of Bimetal Strips that will be the first in India. The production of Bimetal Strips has already started and with this your company will not only have higher value addition by reducing the raw material cost but will also be generating more revenue through direct sale both in domestic and international markets.

The overall capital expenditure plan is pegged around ₹17 Crores out of which ₹8.84 Crores has been incurred till 31st March 2012.

Scheme of Merger with Quickcut Engineering Company Private Limited:

The Board of Directors has unanimously approved the scheme of Merger between Trident Tools Limited and Quickcut Engineering Company Private Limited in the meeting dated 16th December, 2011. We have obtained NOC to file this petition to High Court from BSE on 18th June, 2012 and the same will be filed before the High Court shortly for further proceeding.

Preferential Issue of Share Warrants:

Snehal Multitrade Private Limited subscribed to 23,40,000 share warrants, where by each warrant would entitle one ordinary share of the company. As per SEBI (ICDR Regulation 2009), an amount equivalent to 25% of the price of warrants was received from Snehal Multitrade Private Limited. The Option to Convert Warrants into the Ordinary Shares is excisable by Snehal Multitrade Private Limited before 15th July 2013. This Issue of shares against warrant are subject to the approval of Merger from High Court as specified above.

Internal Control Systems and their Adequacy:

The Company has a proper and adequate system of controls in order to ensure that all assets are safeguarded against loss from unauthorised use or disposal. All transactions are properly checked, verified, recorded and reported correctly.

Regular Internal Audit checks are carried out to ensure that the responsibilities are executed effectively and that proper and adequate systems are in place.

Safety, Health and Environment:

Your Company is giving utmost importance to safety, health and environment related issues. The employees are continuously educated and trained to improve their awareness and skills. All safety statutory requirements like licenses, mock drills under emergency conditions and fire extinguisher etc are complied with. As a proactive approach, periodical safety audit is conducted to identify and eliminate possible potential causes of accidents.

Your Company is certified for Quality Management Systems under ISO 9001:2008.

Your Company feels climate change as the greatest threat affecting economic stability, vulnerable communities and the society at large. The endemic depletion of natural resources and the destruction of fragile environmental and social systems through the second half of the last century have compelled us to review our development patterns. Your company is working towards increasing greenery around our plant and minimizing waste generation by promoting recovery, recycle and reuse. We have already planted about 6000 trees around our Palghar plant and are moving towards environmentally friendly technologies such as gas furnaces among other things.

Management Discussion & Analysis Report:

Pursuant to Clause 49 of the Listing Agreement with the Stock Exchange, a Management Discussion and Analysis Report, is made a part of the Annual Report.

Insurance:

All properties and insurable interests of the Company including Building and Plant & Machinery have been adequately insured.

Human Resources:

Your Company considers human resource to be an important and valuable asset for the organization. Therefore, constantly strives to attract, recruit and retain best talents for the current and future needs.

The Company has taken-up the following initiatives:

1. Necessary training programmes i.e., technical and soft skills have been organized in association with external agencies.
2. Offering career growth at all levels.
3. Conducting programmes on Safety, Health and Environment.

The Employer -Employee relations have been generally cordial throughout the year.

Auditors:

M/s. Girish Patel & Co., Chartered Accountants, the Statutory Auditors of the Company retire at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment. Members are requested to appoint auditors for the current year and to authorize the Board to fix their remuneration.

Auditors' Report:

The observations made by the Auditors in their Report read with the relevant notes as given in the Notes on Accounts for the year ended 31st March, 2011 are self explanatory and therefore do not call for any further comments under Section 217(3) of the Companies Act, 1956.

Corporate Governance:

Your Company complies with all mandatory requirements as stipulated under Clause 49 of the Listing Agreement of the Stock Exchanges. The Report on Corporate Governance along with the Auditors Certificate on its compliance, forms part of this Report and is annexed hereto.

Directors' Responsibility Statement:

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

- that in the preparation of the annual accounts, the applicable accounting standards have been followed;
- that the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2012 and of the profit of the Company for that period;
- that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- that the annual accounts for the year ended March 31, 2012 have been prepared on a going concern basis.

Fixed Deposits:

The Company has not accepted any deposit from the public within the meaning of Section 58 A & 58 AA of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975.

Particulars of Employees:

The Company does not have any employee in receipt of remuneration equal to or exceeding the limits prescribed under Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975 as amended.

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo:**A] Conservation of Energy and Technology Absorption:**

Company has taken effective steps at every stage to reduce energy consumption and conserve energy in all phases of operation.

Your Company has been continuously upgrading facilities in order to minimize power consumption, maximizing on power factors at its manufacturing locations.

Information as per Section 217(1)(e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 is annexed as Annexure 'A'.

B] Foreign Exchange Earnings & Outgo:

PARTICULARS	2011-12	2010-11
Foreign Exchange Earning	12,37,11,230	7,15,88,937
Foreign Exchange Outgo	8,53,78,922	5,65,90,221

Acknowledgements:

Your Directors take this opportunity to express their gratitude for the support and co-operation from the investors, Financial Institutions, Banks, Government authorities, and Customers. Your Directors express their deep appreciation to the Company's employees at all levels for their unstinted efforts and valuable contributions during the year.

For and on behalf of the Board

**Mumbai
June 21, 2012**

**Narendra Gupta
Chairman & Whole Time Director**

Annexure - A

(Information under Section 217 (1) (e) of the Companies Act, 1956, read with Companies (Disclosure of Particulars in Report of Board of Directors) Rules, 1988 and forming part of the Directors' Report for the year ended 31st March, 2012)

A. CONSERVATION OF ENERGY:

- a. Energy conservation measures taken by using LPG Gas in new Furnace
- b. Further R & D work is being carried on for reduction of time cycle of the Process.
- c. Impact of measures of (a) and (b) above for reduction of energy consumption and consequent impact on the cost of production of goods.
The above measures have resulted in energy saving and consequent decrease in the cost of production.
- d. Details regarding Total Energy Consumption and Energy Consumption per unit of production are not applicable to any units of the Company.

B. TECHNOLOGY ABSORPTION: Research & Development.

1. Specific Areas in which R & D carried out by the Company:

Development of new types of Saws was undertaken during the year.

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

Meet market demand of new generation Saws, which are import substitute items and export products to overseas countries.

3. Future Plan of action:

Future development of products such as Bimetal Strips being taken up.

4. Expenditure on R&D:

- | | | |
|------------------------------------------------------------|---|-----------------|
| a) Capital |) | |
| b) Recurring |) | |
| c) Total |) | Not Quantified. |
| d) Total R&D Expenditure as a Percentage of total turnover |) | |

5. Technology Absorption, Adaptation and innovation:

Process of Technology continued in the areas mentioned above.

Management Discussion and Analysis Report

Economy Survey:

Despite the low growth figure of 6.9%, India remains one of the fastest growing economies of the world as all major countries including the fast growing emerging economies are seeing a significant slowdown. The global economic environment which was tenuous at best throughout the year, turned sharply adverse in September, 2011, owing to the turmoil in the euro-zone countries and questions about others, reflected in sharp ratings downgrades of sovereign debt in most major advanced countries. While a large part of the reason for the slowing of the Indian economy can be attributed to global factors, domestic factors also played role. Among these are the tightening of monetary policy owing to high and persistent headline inflation and slowing investment and industrial activity. However, for the Indian economy, the outlook for growth and price stability at this juncture looks more promising. There are signs from some high frequency indicators that the weakness in economic activity has bottomed out and a gradual upswing is imminent. The Economic Survey expects the growth rate of real GDP to pick up to 7.6% in 2012-13 and faster beyond that.

Industry Structure and Opportunities:

Your Company is engaged in the business of manufacturing of wide range of Saws and Tools like Hand Hacksaw Blades & Frames, Junior Hacksaw Blades & Frames, Power Hacksaw Blades, Bimetal Hole Saws, Accessories & Kits, Reciprocating Saw Blades, Air Saws Blades and Tool Bits. These are used in almost every sector for cutting of materials like angle, channel, flat plates, rods and such other things. They are also required in auto repairing shops, general repairing workshops, fitting shops, welding shops and technical institutes. To meet the customer demand is vital force that drives the organization towards higher performances standard of manufacturing and product quality. To achieve this at every stage of manufacturing cycle, the company has set of Six 'P' progress maxim based on Policy, Product, Process, Prevention, Protection and Project, enabling it to stay at the forefront of manufacturing technology. Our professionally qualified team of technologist and engineers ensure a high satisfactory level of products in all respects.

There is plenty of room for the company to grow in its existing fields of business, e.g. the company is constantly expanding its customer base with in the India in the dealer market and internationally as well. Growth in the existing business area is expected to come from market growth, further market penetration, the supply of existing customers in other regions and the enlargement of the product portfolio. Additional economies of scale will be achieved by means of further capacity utilization. The company will be able to achieve these targets with a minimum of capital expenditure since reserve capacities, already exist.

The future of Saws and Cutting Tools industry largely depends on the growth of industrialization, engineering sector, real estate, automobile sector etc. As India is emerging as one of the key auto, engineering centers and real estate in the world, the demand for Saws and Cutting Tools will increase.

Threats/ Risks & Concerns:

The major risks and concerns attributed to the performance of the company are:

1. Change in tax structure, change in government policies, development and stability of Indian economy against the negative external and internal forces may also impact the overall performance of the Company.
2. Profitability may be affected on account of competition from both existing manufacturers and imports of the company's products.
3. The Company is exposed to risks from market fluctuation of foreign exchange.

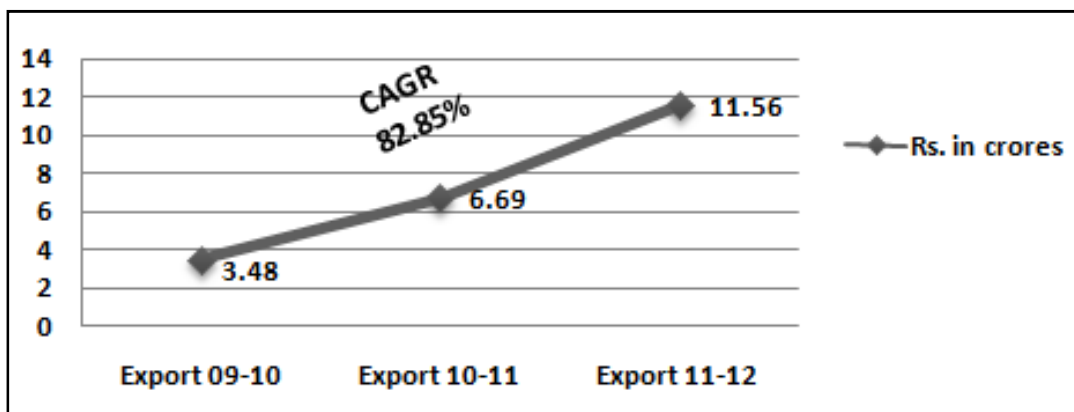
Financial Performance:

The year gone was full of achievements for the company. The company has improved its performance significantly in the previous year. It has gained the ability to have revenue stream from a number of industry sectors. The highlights of the performance are as under:

- Revenue from operations increased by **86.25%** to **₹40,15,72,101/-** from the previous year **₹21,56,13,744/-**.

- EBITDA increased by **64.67%** to **₹4,60,95,571/-** from the previous year **₹2,79,93,438/-**.
- Profit before Tax increased by **109.66%** to **₹1,86,66,310/-** from the previous year **₹89,03,232/-**
- Net Profit decreased by **2.22%** to **₹77,27,402/-** from the previous year **₹79,03,232/-** due to high deferred tax provision in the current year and due to short provision of tax in the previous year.

Apart from this the company has been consistently performing excellent in the international market. With the well planned strategy MAGICUT international sales have had a very good run during the last three years and had grown with a CAGR of 82.52%.



Future Outlook:

Demands for Saws and Cutting Tools are going to be high in the coming years in the market, thus the company has bright future and has built itself to face each and every market challenges. The long-term outlook of MAGICUT is positive, as the demand for its products grows at an enhanced rate. Looking at the growing demands for the Saws and Cutting Tools products, the company has already increased its installed capacity. Your company seeks to be cost effective high quality producer and is focus on maintaining its cost competitiveness by introducing backward integration projects, in order to avail benefits of large scale production at one place.

Internal Control Systems and their Adequacy:

The Company has a proper and adequate system of controls in order to ensure that all assets are safeguarded against loss from unauthorised use or disposal. All transactions are properly checked, verified, recorded and reported correctly.

Regular Internal Audit checks are carried out to ensure that the responsibilities are executed effectively and that proper and adequate systems are in place.

Safety, Health and Environment:

Your Company is giving utmost importance to safety, health and environment related issues. The employees are continuously educated and trained to improve their awareness and skills. All safety statutory requirements like licenses, mock drills under emergency conditions and fire extinguisher etc are complied with. As a proactive approach, periodical safety audit is conducted to identify and eliminate possible potential causes of accidents.

Your Company is certified for Quality Management Systems under ISO 9001:2008.

Your Company feels climate change as the greatest threat affecting economic stability, vulnerable communities and the society at large. The endemic depletion of natural resources and the destruction of fragile environmental and social systems through the second half of the last century have compelled us to review our development patterns. Your company is working towards increasing greenery around our plant and minimizing waste generation by promoting recovery, recycle and reuse. We have already planted about 6000 trees around our Palghar plant and are moving towards environmentally friendly technologies such as gas furnaces among other things.

Human Resources:

Your Company considers human resource to be an important and valuable asset for the organization. Therefore, constantly strives to attract, recruit and retain best talents for the current and future needs.

The Company has taken-up the following initiatives:

- Necessary training programmes i.e., technical and soft skills have been organized in association with external agencies.
- Offering career growth at all levels.
- Conducting programmes on Safety, Health and Environment.

The Employer -Employee relations have been generally cordial throughout the year.

Cautionary Statement:

Statements in this Management Discussion and Analysis Report are based upon the data available with the Company and on certain assumptions having regard to the economic conditions, government policies, political developments within and outside the country etc. The management is not in a position to guarantee the accuracy of the assumptions and projected performance of the Company in future. It is, therefore, cautioned that the actual results may differ from those expressed or implied herein.

Report On Corporate Governance

Corporate Governance is about commitment to values and about ethical business conduct. It is about how an organization is managed. This includes its corporate and other structure, its culture, policies and the manner in which it deals with various stakeholders. Accordingly, timely and accurate disclosure of information regarding the financial performance, ownership and material development affecting the Company, is an integral part of Corporate Governance. Adoption of good Corporate Governance practices helps to develop a good image of the organization, attracts best talent and keeps stakeholders satisfied.

1. Company Philosophy:

Trident Tools Limited is committed to a good governance practices that create long term sustainable shareholder value. Company's philosophy on Corporate Governance envisages the attainment of the highest levels of transparency, accountability and equity in all facets of its operations and in all its interactions with its shareholders, employees, the Government and the lenders.

2. Board of Directors:

The company's policy is to maintain optimum combination of Executive and Non-Executive Directors. The strength of the Board of Directors as on 31st March 2012 was four. Two were Executive Directors including Executive Chairman and Managing Director and two non-executive independent Directors.

During the year 7 Board Meetings were held on 30th April 2011, 10th May 2011, 11th August 2011, 14th November 2011, 16th December 2011, 14th February 2012, 29th March 2012. The composition of Board of Directors and their attendance at the Board Meetings during the year is as follows:

Name of Director	Nature of Directorship	No. of Board Meeting		No. of other Directorship	Committee Membership		Attended last AGM
		Held	Attended		Member	Chairman	
Narendra R Gupta	Executive Chairman	7	7	15	3	2	Yes
Ravi N Gupta	Managing Director	7	7	11	1	0	Yes
Satish K Marathe	Independent Director	7	4	-	3	1	Yes
Suresh V Bhandary	Independent Director	7	4	-	3	1	-

* Independent Director means a director defined as such under Clause 49 of the Listing Agreement

* The Directorship held by Directors as mentioned above, does not include Alternate Directorships and Directorships of Foreign Companies, Section 25 Companies and Private Limited Companies.

* In accordance with Clause 49 of the Listing Agreement, Memberships/ Chairmanships of only the Audit Committee and Shareholders'/ Investors' Grievance Committee of all Public Limited Companies have been considered.

3. Audit Committee:

Composition:

The Audit Committee comprises of two Non-executive Independent Directors and one Executive Director of the Company, The Audit Committee met four times during the year on, 10th May 2011, 1st August 2011, 14th November 2011, 14th February 2012, Attendance of the members at the meeting was as follows.

Sr. No.	Name	Status	No. of Meetings attended
1	Suresh V Bhandary	Chairman	4
2	Satish K Marathe	Member	4
3	Narendra R. Gupta	Member	4

Mr. Ravi Gupta, Managing Director of the Company is a permanent invitee to the said Audit Committee meetings.

4. Remuneration Committee:

Composition:

Shri Narendra R. Gupta - Chairman
 Shri Satish K Marathe - Member
 Shri Suresh V Bhandary - Member

The board terms of reference of Remuneration Committee are to determine and recommend to the Board, compensation payable to Directors and Managerial Personnel. No Remuneration Committee meeting was held during the year.

5. Shareholders' / Investors Grievance Committee:

Composition:

Shri Satish K Marathe - Chairman
 Shri Narendra R. Gupta - Member
 Shri Suresh V Bhandary - Member

The Shareholders' / Investors Grievance Committee was re-constituted on revocation of suspension of the Company by BSE.

The Company received 8 complaints during the year 2011-2012 and all the complaints were redressed. There were no outstanding complaints as on 31st March, 2012.

Mr. Ravi N Gupta, Managing Director is the Compliance Officer under the relevant SEBI directions.

Compliance Officer:	
Name:	Mr. Ravi N Gupta, Managing Director
Address:	Trident Tools Limited Survey No. 26, Tembhode Shirgaon Road, Dhansar Village, Palghar – 401 404.
Phone No. :	(022) 2884 7191
Fax No. :	(022) 2846 2388
E-mail :	info@magicuttools.com

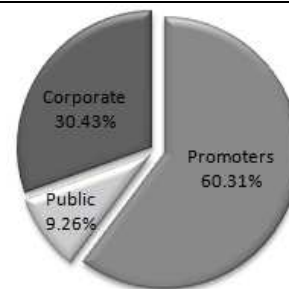
Pursuant to new Clause 47(f) of the listing agreement, the Company's E-mail ID for grievance redressed purpose is investor@magicuttools.com, where complaints can be lodged by the investors.

6. Means of Communication:

The Company publishes quarterly un-audited financial results, notices and other advertisements in Free Press Journal English daily and Navashakti, a Marathi daily, regularly.

7. General Shareholder's Information

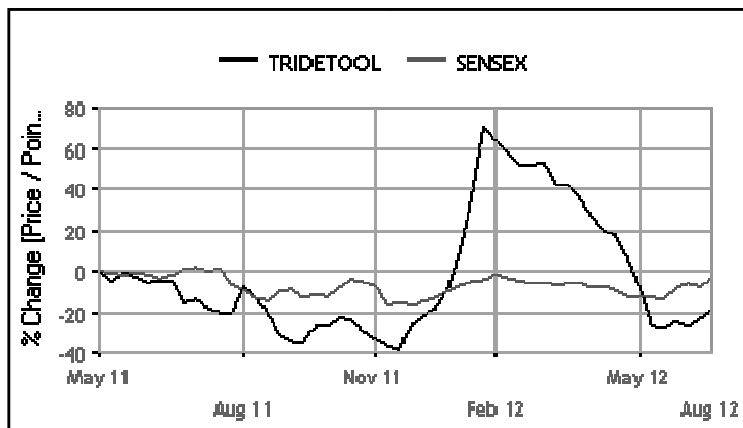
Registered Office & Factory:	Trident Tools Limited Survey No. 26, Tembhode Shirgaon Road, Dhansar Village, Palghar – 401 404.	
Corporate Office:	Trident Tools Limited Hercules Estate, Ashok Nagar, A.C. Road, Kandivali East, Mumbai – 400 101.	
Annual General Meeting	Date and Time: 27 th September 2012 at 02:00 P.M. Venue: Trident Tools Limited, Survey No. 26, Tembhode Shirgaon Road, Dhansar Village, Palghar – 401 404. Dividend payment date : within 4 th October 2012 Date of Book Closure: 20 th Sept. 2012 to 27 th Sept. 2012	
Financial calendar (Tentative)	<ul style="list-style-type: none"> ○ Results for the quarter ending 30th June 2012 by 14th August 2012 ○ Results for the quarter ending 30th September 2012 by 14th November 2012 ○ Results for the quarter ending 31st December 2012 by 14th February 2013 ○ Results for the quarter/year ending 31st March 2013 by 14th May 2013 ○ Next Annual General Meeting (next year) by 30th September 2013 	
Listing on Stock Exchanges and Stock Code	Bombay Stock Exchange Limited, Mumbai and Stock Code (Stock Code : 531972) Annual Listing Fee (as applicable) paid up to 2012 – 13	
Demat ISIN in NSDL and CDSL for Equity Shares	ISIN INE179D01018	
Registrar & Transfer Agents	Sharex Dynamic (India) Private Limited Unit no 1, Luthra Ind. Premises, 2 nd Floor, Andheri-Kurla Road, Safed Pool, Andheri (E), Mumbai -400072 Tel. : 022-28515606 , 28515644 Fax : 022-28512885 Email : sharexindia@vsnl.com	
Shareholding Pattern:	No. of Shares	Percentage %
1. Promoter & Promoter Groups	4071080	60.31%
2. Public individual Shareholding	625076	9.26%
3. Public Body Corporate	2053844	30.43%
Total	6750000	100.00%



8. Market Information

Monthly High and low quotation of shares traded on Bombay Stock Exchange Ltd. (BSE)

Month	BSE	
	High	Low
11-Apr	15.85	12.18
11-May	17.30	15.10
11-Jun	16.60	14.25
11-Jul	14.75	13.01
11-Aug	15.79	11.68
11-Sep	11.97	10.65
11-Oct	13.18	11.37
11-Nov	12.48	10.86
11-Dec	12.14	10.00
12-Jan	19.71	12.74
12-Feb	28.30	20.65
12-Mar	25.35	23.10



9. Distribution of Shareholding as on March 31, 2012

No. of Shares	No. of Shareholders	%	No. of Shares	%
1 - 500	540	62.43	176397	2.61
501 - 1000	224	25.90	215459	3.19
1001 - 5000	72	8.32	153154	2.27
5001 - 10000	8	0.92	72244	1.07
10001 and above	21	2.43	6132746	90.86
Total	865	100.00	6750000	100.00

Pursuant to clause 47 (c) of the listing Agreement with the stock exchanges, certificates, on half yearly basis have been issued by Company Secretary-in-Practice for due compliance of share transfer formalities by the Company.

A Company Secretary-in-Practice carried out an audit of Share Capital Audit to reconcile the total admitted capital with NSDL and CDSL and the total issued and listed capital. The audit confirms that the total issued/ paid up capital is in agreement with the aggregate of the total number of shares in physical form and the total number of shares in dematerialised form (held with NSDL and CDSL).

Practicing Company Secretaries' Certificate on Corporate Governance

To
The Members of
Trident Tools Limited

We have examined the compliance of the conditions of Corporate Governance by Trident Tools Limited ('the Company') for the year ended on March 31, 2012, as stipulated in Clause 49 of the Listing Agreement of the Company with the Stock Exchanges.

The compliance of the conditions of Corporate Governance is the responsibility of the management. Our examination was limited to a review of procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, and the representations made by the Directors and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Shalaka Koparkar & Co.
Practising Company Secretaries
Shalaka koparkar
ACS: 25314 CP: 9881
Mumbai, 31st August 2012

Secretarial Audit Report

To
The Members of
Trident Tools Limited

We have examined the registers, records, books and papers of Trident Tools Limited as required to be maintained under the Companies Act, 1956 (the Act) and the rules made there under and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on 31st March 2012.

1. In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished and representations made to us by the Company, its officers and agents, we report that the Company has complied with the provisions of the Act, the Rules made there under and the Memorandum and Articles of Association of the Company with regard to:

- i. maintenance of various statutory registers and documents and making necessary entries therein;
- ii. closure of Register of Members;
- iii. forms, returns, documents and resolutions required to be filed with the Registrar of Companies, Regional Director, Central Government, Company Law Board or other authorities;
- iv. service of documents by the Company on its Members, Auditors and the Registrar of Companies;
- v. notice of Board and Committee meetings of Directors;
- vi. meetings of Directors and Committees of Directors and passing of circular resolutions;
- vii. notice and convening of Annual General Meeting held on 29th September, 2011;
- viii. minutes of the proceedings of the Board Meetings, Committee Meetings and General Meetings;
- ix. approvals of the Board of Directors, Committee of Directors, Members and government authorities, wherever required;
- x. constitution of the Board of Directors, Committees of Directors;
- xi. payment of remuneration to Directors, Managing Directors and Executive Directors;
- xii. appointment and remuneration of Statutory Auditors
- xiii. transfer and transmission of the Company's shares, issue and allotment of shares and issue and delivery of certificates of shares;
- xiv. declaration and payment of dividend.
- xv. transfer of amounts as required under the Act to the Investor Education and Protection Fund NA;
- xvi. borrowings and registration of charges;
- xvii. report of the Board of Directors;
- xviii. generally, all other applicable provisions of the Act and the Rules there under

2. We further report that:

- i. the Directors have complied with the requirements as to disclosure of interests and concerns in contracts and arrangements, shareholdings and directorships in other Companies and interest in other entities;
- ii. the Directors have complied with the disclosure requirements in respect to their eligibility of appointment, their being independent, compliance with Insider Trading Code of Conduct and the Code of Conduct for Directors and Management Personnel;
- iii. the Company has obtained all necessary approvals under various provisions of the Act;
- iv. as per information provided to us there was no prosecution initiated against or show cause notice received by the Company during the year under review under the Companies Act, SEBI Act, Depositories Act, Listing Agreement and rules, regulations and guidelines under these Acts.

3. We further report that:

- i. the Company has complied with the requirements under the Equity Listing Agreements entered into with the BSE Limited;
- ii. the Company has complied with the provisions of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 including the provisions with regard to disclosures and maintenance of records required under the Regulations;

- iii. the Company has complied with the provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading)Regulations, 1992 including the provisions with regard to disclosures and maintenance of records required under the Regulations;
- iv. the Company has complied with the provisions of the Securities and Exchange Board of India (Depositories and Participants Regulations, 1996 including submitting of Reconciliation of Share Capital Audit Reports;
- v. there were no issues during the year which required specific compliance of the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- vi. there were no issues during the year which required specific compliance of the provisions of the Securities Contracts (Regulation)Act,1956 (SCRA) and the Rules made under that Act.

For Shalaka Koparkar & Co.
Practising Company Secretaries
Shalaka Koparkar
ACS: 25314 CP: 9881
Mumbai, August 31, 2012

Auditors Report

To,
The Members of
Trident Tools Limited.

We have audited the attached Balance Sheet of **M/s. Trident Tools Ltd.**, as at 31st March, 2012 and also the related Profit and Loss Account and Cash Flow Statement of the Company 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 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 the said Order.

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

- i. 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.
- ii. In our opinion, proper looks of accounts 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 the 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 & Loss Account dealt with by this report comply with the accounting standards referred to in subsection (3C) of Section 211 of the Companies Act 1956.
- v. On the basis of written representations received from the directors, as on 31st March 2012, and taken on record by the board of directors, we report that none of the directors is disqualified as on 31st March, 2012 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 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:
 - 1) in the case of the Balance Sheet, of the state of affairs of the company at **31st March, 2012.**
 - 2) in the case of the Profit and Loss Account, of the profit for the year ended on **31st March, 2012.**
 - 3) in the case of the Cash Flow Statement of the company for the year ended on **31st March, 2012.**

For **GIRISH PATEL & CO.**
(CHARTERED ACCOUNTANTS)

Place: Mumbai.
Date : June 20, 2012

PROPRIETOR
M.NO.16743

Annexure to the Auditor's Report

(Statement referred to in paragraph 3 of our Report of even date on the accounts of **TRIDENT TOOLS LIMITED**. for the year ended **31st March, 2012**)

1. Fixed Assets

- i. The company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.
- ii. The Company has a regular program of physical verification of its fixed Assets. In our opinion periodicity of physical verification is reasonable having regard to the size of the company and nature of Fixed Assets. No material discrepancies were noticed on such verifications.
- iii. The company has not disposed off substantial part of fixed assets during the year.

2. Inventories

- i. Inventories have been physically verified during the year by the management. In our opinion the frequency of verification is reasonable.
- ii. In our opinion, the procedures of the verification of inventories by the management are reasonable and adequate in relation to the size of the company and natures of its business.
- iii. In our opinion, the company is maintaining proper records of the inventory. The discrepancies noticed on verification between the physical stocks and book records were not material.

3. The company has taken/given interest free loans repayable on demand from/to companies/firms covered in the register maintained under section 301 of the Companies Act, 1956. The details whereof is as under:

	LOANS TAKEN	LOANS GIVEN
No. of Parties	6	0
Maximum Amount	₹ 64,15,850	₹ --
Year End Balance	₹ --	₹ --

4. 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 regards to purchase of goods and with regards to sale of goods. During the course of our audit we have not observed any continuing failure to correct major weakness in the internal controls procedure.
5. In our opinion and according to the information and explanation given to us the company has entered into transactions for purchase of goods, materials or services and sale of goods, materials or services aggregating to ₹500000/- or more from parties covered under section 301 of the companies Act, 1956. Prices paid for such goods are reasonable having regard to terms and conditions of purchases as compared with purchases from other parties.
6. In our opinion, and according to the information and explanations given to us, the company has not accepted new deposits from public in contravention of provisions of section 58A of the Companies Act, 1956 and companies acceptance of deposits rules 1975.
7. In our opinion, the company has Internal Audit System during the year.
8. To the best of our knowledge and belief, the maintenance of cost records has not been prescribed by the Central Government under section 209 (1) (d) of the Companies Act, 1956, in respect of activities carried on by the company.
9. (a) The company has been regular in depositing undisputed statutory dues including provident Fund, Investor Education and protecting Fund, Employee's State Insurance, Income Tax, Sales Tax, Wealth

Tax, Customs Duty, Excise Duty, Cess and other statutory dues with the appropriate authorities in India.

- (b) At the end of the financial year there were no undisputed amounts payable in respect of Sale Tax, Central sales tax, Income tax and Custom duty at the year end for period of more than six months from the date they become payable.
10. The company has not incurred cash loss in the current year and there are no accumulated losses at the year end.
 11. In our opinion and according to the information and explanation given to us, the company has not defaulted in repayment of dues to its bankers.
 12. The company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
 13. As the company is not a chit fund, nidhi mutual benefit fund or society the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
 14. In our opinion and according to the information and explanations given to us, the company is not dealer or trader in securities.
 15. According to the information and explanations given to us, the Company has not given guarantee for loans taken by others from bank or financial institutions, the terms and conditions where of, in our opinion, are not prima-facie prejudicial to the interest of the Company.
 16. The company has taken term loan during the year. The loan taken is used for the purpose for which it was taken,
 17. According to the information and explanations given to us and on an overall examination of the Balance Sheet of the company, we report that no funds raised on short-term basis have been used for long-term investment. No long-term funds have been used to finance short-term assets.
 18. The company has not made any preferential allotment of shares during the year to parties and companies covered in the register maintained under section 301 of the Act.
 19. The company has not raised any funds by way of debenture during the year.
 20. The company has not raised any money by way of public issue during the year.
 21. During the course of our examination of the books of account carried out in accordance with the generally accepted auditing practices in India, we have not come across any instance of fraud on or by the company nor we have been informed by the management of any such instance being noticed or reported during the year.

For **GIRISH PATEL & CO.**
(CHARTERED ACCOUNTANTS)

Place: Mumbai.
Date : June 20, 2012

PROPRIETOR
M.NO.16743

Balance Sheet As At 31st March 2012

		(in Rupees)	
	Note No.	As at 31 st March, 2012	As at 31st March, 2011
I. EQUITY AND LIABILITIES			
1 Shareholders' funds			
i.	1	6,75,00,000	6,16,84,775
ii.	2	3,84,19,205	2,92,77,402
iii.	3	80,87,000	-
2 Non-current liabilities			
i.	4	12,89,98,705	4,12,31,638
ii.	5	1,01,55,677	30,25,061
iii.	6	7,15,000	-
3 Current liabilities			
i.	7	11,07,16,269	9,65,79,391
ii.	8	4,62,31,383	4,26,18,240
iii.	9	86,86,053	1,00,53,832
iv.	10	1,21,16,724	45,69,306
TOTAL		43,16,26,016	28,90,39,645
II. ASSETS			
1 Non-current assets			
I. Fixed assets			
i.	11	9,76,75,328	5,27,04,806
ii.	11	52,50,000	60,00,000
iii.	11	8,84,23,402	2,87,40,871
II.	12	58,741	59,991
III.	13	23,52,715	10,82,521
2 Current assets			
i.			
ii.	14	5,81,98,921	12,77,96,401
iii.	15	5,64,56,107	3,96,67,933
iv.	16	60,03,854	26,40,663
v.	17	1,69,88,051	3,03,46,459
vi.	18	2,18,896	-
TOTAL		43,16,26,016	28,90,39,645

Significant accounting policies and notes to accounts

1 - 35

As per our Report of even date

For and on behalf of Board

For GIRISH PATEL & CO.

Narendra R.Gupta**Ravi N.Gupta**

Chartered Accountants

Chairman

Director

Girish Patel**Snehal M.Raikar**

Proprietor

Company Secretary

Mumbai**June 20, 2012**

Profit & Loss Account For The Year Ended 31st March 2012

Particulars	Note No.	(in Rupees)	
		31 March 2012	31 March 2011
I. Revenue from operations	19	371884851	203126168
II. Other income	20	303728	240871
III. Total Revenue (I + II)		372188579	203367039
IV. Expenses:			
Cost of materials consumed	21	267146412	139451283
Purchases of Stock-in-Trade		-	-
Changes in inventories of finished goods work-in-progress and Stock-in-Trade	22	(28,849,645)	(20,540,176)
Employee benefits expense	23	24611976	18694432
Finance costs	24	21387027	17158352
Depreciation and amortization expense	11	6042234	1931854
Other expenses	25	63184264	37768063
Total expenses		353522269	194463807
V. Profit before tax (III- IV)		18666310	8903232
VI. Tax expense:			
(1) Current tax		3808292	1000000
(2) Deferred tax		7130616	0
VII. Profit (Loss) for the period (V - VI)		7727402	7903232
VIII Earnings per equity share:			
(1) Basic		1.14	1.31
(2) Diluted			
Significant accounting policies and notes to accounts	1 - 35		

As per our Report of even date

For **GIRISH PATEL & CO.**
Chartered Accountants**Girish Patel**
Proprietor**Mumbai**
June 20, 2012

For and on behalf of Board

Narendra R.Gupta **Ravi N.Gupta**
Chairman Director**Snehal M.Raikar**
Company Secretary

Cash Flow Statement For The Year Ended 31st March 2012

		(in Rupees)	
		2011 - 2012	2010 - 2011
A.	Cash Flow from Operating Activities		
	Profit Before Tax and Extraordinary items	18,666,310	8,903,232
	(as per Profit and Loss Account)		
	Adjustment for:		
	Depreciation & Amortization	6,042,234	1,931,854
	Profit on sale of Fixed Assets	(9,456)	-
	Investment Written off	1,250	-
	Provision for Gratuity	290,000	-
	Provision for Leave Encashment	452,000	-
	Interest & Finance Charges	21,387,027	17,158,352
	Dividend Income	(700)	-
	Operating Profit before Working Capital Changes	46,828,666	27,993,438
	Adjustment for:		
	(Increase)/Decrease in Inventories	(30,402,520)	(41,951,076)
	(Increase)/Decrease in Sundry Debtors	(16,788,174)	68,837,976
	(Increase)/Decrease in Other Receivable	14,047,293	5,357,895
	Increase/(Decrease) in Trade and Others Payables	3,603,984	(70,822,822)
	Cash Generated From Operations	17,289,249	(10,584,589)
	Income Tax Paid	2,682,258	2,034,539
	Cash Inflow Before Prior Period Adjustments	14,606,991	(12,619,128)
	Less : Prior Period Adjustment	-	-
	Net Cash from Operating Activities	14,606,991	(12,619,128)
	A		
B.	Cash Flow from Investing Activities		
	Acquisition of Fixed Assets	(109,953,341)	(29,274,784)
	Sale of Fixed Assets	17,510	-
	Dividend Income	700	-
	Net Cash from Investing Activities	(109,935,131)	(29,274,784)
	B		

Cash Flow Statement For The Year 2011-12 (Contd.)**C. Cash Flow from Financing Activities**

Proceeds from issue of Equity Shares	8,492,000	23,875
Proceeds from premium on issue of Equity shares	2,216,412	-
Proceeds from share warrants	8,087,000	-
Increase/(Decrease) in Secured Loan	101,903,945	60,117,470
Interest & Finance Charges	(21,387,027)	(17,158,352)
Payment of Dividend & Taxes	(620,997)	(1,455,340)
Interest Expenditure	-	-
Net Cash from Financial Activities	98,691,332	41,527,654
Net Increase in Cash and Cash Equivalents (A+B+C)	3,363,192	(366,259)
Cash and Cash Equivalents - Opening Balance	2,640,663	3,006,922
Cash and Cash Equivalents - Closing Balance	6,003,855	2,640,663

As per our Report of even date

For GIRISH PATEL & CO.
Chartered Accountants

Girish Patel
Proprietor

Mumbai
June 20, 2012

For and on behalf of Board

Narendra R.Gupta **Ravi N.Gupta**
Chairman Director

Snehal M.Raikar
Company Secretary

Significant Accounting Policies

A. Basis of Preparation

These financial statement have been prepared and presented under the historical cost convention on the accrual basis of accounting, unless otherwise stated and comply with generally accepted accounting principles, statutory requirements, the Accounting Standards (AS) issued by the Institute of Chartered Accountants of India (ICAI) to the extent applicable and current practice prevailing.

B. Use of Estimates

The preparation of the financial statements, in conformity with generally accepted accounting principles, requires management to make estimates and assumptions that affect the reported amounts of Assets and Liabilities , revenues and expenses and disclosure of Contingent Liabilities at the date of the financial statements. Actual result could differ from those estimates. Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Any revision to the accounting estimates is recognized prospectively in the current and future period.

C. Fixed Assets/ Capital Work-in-Progress/ Intangible Assets

Fixed assets are stated at actual cost, which comprises of purchase consideration and other directly attributable costs for bringing the assets to its working condition for the intended use. Direct Costs are Capitalized until fixed assets are ready for use. Capital work-in-progress comprises of the cost of fixed assets that are not yet ready for their intended use at the reporting date. Intangible assets are recorded at the consideration paid for acquisition of such assets and are carried at cost less accumulated amortization and impairment.

D. Depreciation and Amortization

As informed to us by the management of the company the manufacturing unit at palghar had remained closed up to 31st May' 2011 and hence it has not charged any depreciation on the fixed assets pertaining to the said manufacturing activity for that period. However depreciation has been provided on written down value as per rates of depreciation prescribed as per schedule XIV of the Company Act, 1956 except plant & machinery and electrical installation which is provided on straight line method.

E. Investments

Investments that are readily realizable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long term investments. Current investments are carried at lower of cost and fair value determined on an individual basis. Long term investments are carried at cost. However provision for diminution in the value is made to recognize a decline other than temporary in the value of investments.

F. Revenue Recognition

- i. Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.
- ii. Revenue is recognized when the significant risks and rewards of ownership of the goods have passed to the buyer.
- iii. The Company follows the Accrual System of accounting and recognizes income and expenditure on accrual basis.

G. Inventory

Inventories are valued at cost or net realisable value whichever is lower. Cost of inventories comprises all costs of purchase, conversion and other costs incurred in bringing the inventories to their present location and condition.

H. Taxation

- i. Current Income tax on income for the current period is determined on the basis of taxable income and tax credit computed in accordance with the provisions of the Income Tax Act 1961, and based on expected outcome of assessment /appeals.
- ii. Deferred Tax is recognized subject to the consideration of prudence on the timing difference, being the difference between the taxable income and accounting income that originate in one period and are capable of reversal of one or more subsequent periods.

I. Employee Benefits**a. Short Term Employees Benefits**

Short Term Employees Benefits are recognized as an expense at the undiscounted amount in the Profit and Loss Account of the period in which the related services are rendered.

b. Post Employment Benefits

- i. **Provident Fund - Defined Contribution Plan**
The Company contributes monthly at a determined rate. These contributions are remitted to the Employees' Provident Fund Organisation, India for this purpose and is charged to Profit and Loss Account on accrual basis.
- ii. **Gratuity - Defined Benefit Plan**
The Company provides for gratuity to all the eligible employees. The benefit is in the form of lump sum payments to vested employees on retirement, on death while in employment, or termination of employment for an amount equivalent to 15 days salary payable for each completed year of service. Vesting occurs on the completion of five years of service. Liability in respect of gratuity is determined using the projected unit credit method with actuarial valuations as on the Balance Sheet date and gains/losses are recognised immediately in the Profit and Loss Account.
- iii. **Leave Encashment**
Liability in respect of leave encashment is determined using the projected unit credit method with actuarial valuations as on the Balance Sheet date and gains/losses are recognised immediately in the Profit and Loss Account.

J . Foreign Currency Transaction

- i. Transaction denominated in foreign currency if any, are recorded at the exchange rate prevailing on the date of transactions. Exchange difference arising on foreign exchange transactions settled during the year, if any, are recognized in the Profit and Loss account of the year except that exchange difference related to acquisition of fixed assets from a country outside India are adjusted in the carrying amount of the related Fixed Assets.
- ii. Monetary assets and liabilities in foreign currency, if any, are translated at the year end at the closing exchange rate and the resultant exchange differences are recognized in the Profit and Loss Account. Non-monetary foreign currency items are carried at cost.
- iii. The premium or discount on forward exchange contracts, if any, is amortized as expenses or income over the life of the contract

K. Impairment of Assets

- i. The Carrying amount of assets is reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized where the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is greater of the assets net selling price and value in use. In assessing value in use the estimated future cash flows are discounted to their present value at the weighted average cost of capital
- ii. After impairment, depreciation/deletion is provided in subsequent period on the revised carrying amount of the asset over its remaining useful life.
- iii. Impairment loss recognized in an earlier period will be reversed in a later period depending on changes in circumstances to the extent that the discounted future net cash flows are higher than net book value at the time. In reversing impairment losses, the carrying amount of the asset will be increased to lower of its original carrying value or the carrying value that would have been determined (net of depletion) had no impairment loss been recognized in prior periods.

L Borrowing Costs

Borrowing costs that are directly attributable to the acquisition, construction or production of qualifying assets are capitalized as part of the cost of those assets. Other borrowing costs are recognized as an expense in the period in which they are incurred.

M. Excise and Customs Duty

Excise Duty in respect of finished goods lying in the factory premises and Customs duty on goods lying in customs bonded warehouse are provided for and included in the valuation of Inventory.

N. Earnings per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to the equity shareholders by the weighted average number of equity shares outstanding the period. The weighted number of equity shares outstanding during the period is adjusted for events of bonus issue.

Notes Forming Parts Of Accounts

Note 1

Disclosure pursuant to Note no. 6(A)(a, b & c) of Part I of Schedule VI to the Companies Act, 1956

Particulars	31-Mar-12		31-Mar-11
		Amount	
<u>Share Capital</u>			
<u>Authorised</u>			
70,00,000 Equity Shares of ₹10 each		70,000,000	70,000,000
<u>Issued Subscribed & Paid up</u>			
67,50,000 (P.Y. 50,00,000) Equity Shares of ₹10 each	67,500,000		50,000,000
Less:- Calls in arrears- by others	-	67,500,000	5,815,225
<u>Share Capital Suspense Account</u>			
17,50,000 Equity shares of ₹10/- each allotment to be made pursuant to the scheme of amalgamation, completion formalities.		-	17,500,000
Total		67,500,000	61,684,775

Note 1 A

Disclosure pursuant to Note no. 6(A)(d) of Part I of Schedule VI to the Companies Act, 1956

(Following disclosure should be made for each class of Shares)

Particulars	Equity Shares	
	Number	Amount
Shares outstanding at the beginning of the year	5,000,000	50,000,000
Shares Issued during the year	1,750,000	17,500,000
Shares bought back during the year	-	-
Shares outstanding at the end of the year	6,750,000	67,500,000

Note 1 B

Disclosure pursuant to Note no. 6(A)(g) of Part I of Schedule VI to the Companies Act, 1956 (if more than 5%)

Sr No	Name of Shareholder	As at 31 March 2012		As at 31 March 2011	
		No. of Shares held	% of Holding	No. of Shares held	% of Holding
1	SITA NARENDRA GUPTA	562400	8.33%	0	0.00%
2	SHEETAL RAVI GUPTA	467660	6.93%	450160	9.00%
3	RAVI NARENDRA GUPTA	1108100	16.42%	0	0.00%
4	GREESHA RAVI GUPTA	475000	7.04%	475000	9.50%
5	HARSHWARDHAN RAVI GUPTA	476050	7.05%	476050	9.52%
6	NARENDRA RAMESHCHANDRA GUPTA (HUF)	560700	8.31%	490700	9.81%
7	RAVI N GUPTA (HUF)	421170	6.24%	421170	8.42%
8	VULCAN TOOLS PRIVATE LIMITED	540650	8.01%	540650	10.81%
	TOTAL	4611730	68.32%	2853730	57.07%

As per records of the Company, including its registers of Shareholders/Members and other declaration received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

Note 1 C

Disclosure pursuant to Note no. 6(A)(I) of Part I of Schedule VI to the Companies Act, 1956

Sr No	No.of shares forfeited	Amount originally paid up
1	849200	2676775

The above forfeited shares has been re-issued, subscribed & fully paid-up.

Note 2

Disclosure pursuant to Note no. 6(B) of Part I of Schedule VI to the Companies Act, 1956

Reserves & Surplus	As at 31 March 2012	As at 31 March 2011
	Amount	Amount
a. Capital Reserves		
Opening Balance	9,250,000	9,250,000
(+) Current Year Transfer	2,676,775	
Closing Balance	11,926,775	9,250,000
b. Securities Premium Account		
Opening Balance	14,926,350	14,926,350
Add : Premium on reissue of Forfeited shares	2,216,412	
Closing Balance	17,142,762	14,926,350
c. Revaluation Reserve		
Opening Balance	3,281,781	3,281,781
Closing Balance	3,281,781	3,281,781
d. Surplus		
Opening balance	1,819,271	(4,587,849)
(+) Net Profit/(Net Loss) For the current year	7,727,402	7,903,232
(+) Mat Credit available	677,975	-
(-) Short provision of Dividend & Taxes for the year 2010-11	620,997	-
(-) Short Provision of Income Tax for earlier years	1,182,258	40,000
(-) Proposed Dividends	2,025,000	1,244,640
(-) Tax on Dividend	328,506	211,472
Closing Balance	6,067,887	1,819,271
Total	38,419,205	29,277,402

Note 3

Share Warrants	As at 31 March 2012	As at 31 March 2011
Money received against share warrants (23,40,000 warrants of ₹10/- each shall be convertible into 23,40,000 Equity shares of ₹10/- each fully paid up, at a price of ₹12.61/- including premium of ₹2.61/-, allotment to be made pursuant to the scheme of amalgamation, completion formalities.)	8087000	-
	8087000	-

Note 4

Disclosure pursuant to Note no. 6(C) of Part I of Schedule VI to the Companies Act, 1956

Long Term Borrowings	As at 31 March 2012	As at 31 March 2011
	Secured	Secured
Secured		
(a) Term loans		
From banks		
P.N.B.TERM LOAN A/C NO.175600IB20032773	2351001	3038407
P.N.B.TERM LOAN A/C NO.175600IB20032834	30494535	34175634
P.N.B.TERM LOAN A/C NO.175600IB20032904	59957693	-
P.N.B.TERM LOAN A/C NO.175600IC00000146	3042316	3765641
(b) Motor Car Loan		
From banks		
P.N.B.MOTOR CAR A/C NO.175600IB20332922 (Tata LPT)	701123	-
P.N.B.MOTOR CAR LOAN A/C NO.175600NG00002969 (Swift)	212037	251956
P.N.B.MOTOR CAR LOAN A/C NO.175600NG00003126 (Innova)	963673	-
P.N.B.MOTOR CAR LOAN A/C NO.175600NG00003311 (Vento)	878827	-
UnSecured		
From others	30397500	-
Total	128998705	41231638

(a) Term loans:-**P.N.B.TERM LOAN A/C NO.175600IB20032773 - (₹50 Lacs)**- **Security** :- Various machineries to be purchased out of the term loan- **Rate of Interest** :- 15.25%- **Margin** :- 25%- **Terms of Repayment** :- 78 equal monthly instalment starting from 26/04/2008 and last instalment is due on 26/09/2014**P.N.B.TERM LOAN A/C NO.175600IB20032834 - (₹350 lacs)**-**Security** :- Various machineries to be purchased out of the term loan, as per the Quotation approved by SSIO.-**Rate of Interest** :- BPLR + TP + 1% i.e. 11 + 0.50 + 1 = 12.50% p.a.-**Margin** :- 25%-**Terms of Repayment** :-Moratorium - 6 months from the date of first release and thereafter 84 equal monthly instalment starting from 01.10.2010 and last instalment is due on 30.09.2017, total door to door tenor of 90 months.**P.N.B.TERM LOAN A/C NO.175600IB20032904 - (₹1150 lacs)**- **Security** :- Various machineries to be purchased out of the term loan.- **Rate of Interest** :- BR + TP 0.50 + 4.50% = 15.75% p.a.- **Margin** :- 25%- **Terms of Repayment** :-Moratorium - 12 months from the date of first release and thereafter 72 monthly instalment*** starting from October 2012 and last instalment is due on 30.09.2018, total door to door tenor of 84 months

***Instalment will be according to the following schedule. (₹ in Lacs)

% of Term loan	Principle Repayment	Monthly Instalments	Total Repayments	No of Instalments (Monthly)	Period
14%	161	13.42	402.50	30.00	From Oct 2012 to Mar 2015
16%	184	15.33	184.00	12.00	From Apr 2015 to Mar 2016
18%	207	17.25	207.00	12.00	From Apr 2016 to Mar 2017
20%	230	19.17	230.00	12.00	From Apr 2017 to Mar 2018
22%	253	21.08	126.50	6.00	From Apr 2018 to Sept 2018
			1,150.00	72.00	

P.N.B.TERM LOAN A/C NO.175600IC00000146 - (₹50 Lacs)

- **Security :-** Various machineries to be purchased out of the term loan.
- **Rate of Interest :-** 15.25% p.a.
- **Margin :-** 25%
- **Terms of Repayment :-** 72 monthly instalment starting from 31/10/2009 and last instalment is due on 31/10/2015

Note 4 (a)

**Personal / Corporate Guarantee :- (₹ In Lacs)

Name of Guarantor Mr/ Mrs	Relationship with borrower	Net Worth	Immovable Property
Ravi N. Gupta	Director	126.47	Nil
Narendra R. Gupta	Director	27.18	Nil
M/S Vimal Textiles	Owner of the Collateral security	104.56	98.88

(b) Motor Car loan taken from PNB against hypothecation of Motor Car:-

P.N.B.MOTOR CAR A/C NO.175600IB20332922 (Tata LPT) - (₹ 7 Lacs)

- **Security :-** Hypothecation of Motor Car (TATA LPT)
- **Rate of Interest :-** 15.25% p.a.
- **Margin :-** 25%
- **Terms of Repayment :-** 84 equal monthly instalment of ₹8330/- starting from 23/12/2011 and last instalment is due on 23/12/2018

P.N.B.MOTOR CAR LOAN A/C NO.175600NG00002969 (Swift) - (₹4.64 Lacs)

- **Security :-** Hypothecation of Motor Car (SWIFT)
- **Rate of Interest :-** 12% p.a.
- **Margin :-** 25%
- **Terms of Repayment :-** 84 equal monthly instalment of ₹8000/- starting from 31/08/2007 and last instalment is due on 31/08/2014

P.N.B.MOTOR CAR LOAN A/C NO.175600NG00003126 (Innova) - (₹10.36 Lacs)

- **Security :-** Hypothecation of Motor Car (INNOVA)
- **Rate of Interest :-** 12% p.a.
- **Margin :-** 25%
- **Terms of Repayment :-** 84 equal monthly instalment of ₹18567/- starting from 25/07/2011 and last instalment is due on 25/07/2018

P.N.B.MOTOR CAR LOAN A/C NO.175600NG00003311 (Vento)

- **Security :-** Hypothecation of Motor Car (VENTO)
- **Rate of Interest :-** 12% p.a.
- **Margin :-** 25%
- **Terms of Repayment :-** 84 equal monthly instalment of ₹19500/- starting from 25/04/2012 and last instalment is due on 25/04/2019

Notes 5**Deferred Tax**

Particulars	Amount (In ₹)	Timing Difference	Effect on Taxation	Type	Originating / Reversal
1. WDV					
As per Companies Act	95,243,751				
As per Income Tax Act	61,635,481	33,608,270	Less	Liability	Originating
2. Disallowed U/S 40A(7)					
As per Companies Act	290,000				
As per Income Tax Act	-	290,000	More	Assets	Originating
3. Disallowed U/S 43 B					
As per Companies Act	452,000				
As per Income Tax Act	-	452,000	More	Assets	Originating
Total (Liability)		33,608,270			
Total Assets		742,000			
Total Timing Difference		32,866,270			
Tax on Timing Difference @ 30.90%		10,155,677			
Total Liability		10,155,677			
Less: Deferred Tax Liabilities up to Previous Year		3,025,061			
Provision for Deferred Tax Asset/Liability		7,130,616			

Note 6**Disclosure pursuant to Note no. 6(E) of Part I of Schedule VI to the Companies Act, 1956**

Long Term Provisions	As at 31 March 2012	As at 31 March 2011
	Amount	Amount
(a) Provision for employee benefits		
Gratuity (unfunded)	290,000.00	-
Leave Encashment (unfunded)	425,000.00	-
Total	715,000.00	-

Note 7**Disclosure pursuant to Note no. 6(F) of Part I of Schedule VI to the Companies Act, 1956**

Short Term Borrowings	As at 31 March 2012	As at 31 March 2011
	Secured	Secured
Secured		
(a) Working Capital Loan		
From banks		
P.N.B./C A/c.No.1756008700000594	91452662	96579391
(b) Packing Credit		
From banks		
P.N.B.175600UE00000157 (PCFC)	4937500.00	-
P.N.B.175600UE00000166 (PCFC)	5164105.00	-
P.N.B.175600UE00000175 (PCFC)	4539192.00	-
P.N.B.175600UE00000184 (PCFC)	4622810.00	-
Total	110716269	96579391

(a) Working Capital Loan - CC (H)

- **Security** :- Hypothecation of entire stock of raw materials, stock in progress and finished goods, consumable stores & spare & packing material etc., and Book debts arising out of genuine sale transaction.
- **Rate of Interest** :- BR + 4.50% presently 15.25% P.A.
- **Margin** :- 25%
- **Ceiling on Limits** :- Total outstanding under CC (H) + PC + FOBP/FOUBP should not exceed ₹1050 lacs.

(b) Packing Credit :

- **Security** :-First charge on entire current assets, present & future, including entire stocks, book debts, loans & advance etc. DP, however, to be allowed against stocks only as per CC (H) facility
- **Amount Limit** :- Up to ₹500 lacs (sub limit to CC (H) 1050 lacs Limit)
- **Margin** :- 25% for packing credit
- **Terms of Repayment** :- Each packing credit shall be adjusted by the borrower within the specified period (maximum 180 days) duly assessed on the basis of the total operating cycle from procurement of raw material to actual shipment of finished goods of validity period of Export order/LC, whichever is earlier

****Personal Guarantee** :- Refer Note 4(a)

Note 8

Trade Payables	As at 31 March 2012	As at 31 March 2011
	Amount	Amount
(a) Trade Payables	46,231,383	42,618,240
Total	46,231,383	42,618,240

Note 9

Disclosure pursuant to Note no. 6(G) of Part I of Schedule VI to the Companies Act, 1956

Other Current Liabilities *	As at 31 March 2012	As at 31 March 2011
	Amount	Amount
(a) Current maturities of long-term debt		
P.N.B.- MOTOR CAR LOAN A/C NO.175600NG00002932	-	179,077
P.N.B.- TERM LOAN A/C NO.175600IB20032700	-	(28,404)
(b) Others Payables		
i) Advance from customer	2,926,285	8,575,084
ii) Statutory dues	5,759,768	1,328,075
Total	8,686,053	10,053,832

Note 10

Disclosure pursuant to Note no. 6(H) of Part I of Schedule VI to the Companies Act, 1956

Short Term Provisions	As at 31 March 2012	As at 31 March 2011
	Amount	Amount
(a) Provision for Taxes	7,996,368	3,005,818
(b) Proposed dividend	2,025,000	1,244,640
(c) Tax on dividend	328,506	211,472
(d) Provision for Employee benefits		
Salary & Reimbursements	1,597,697	-
Contribution to PF	117,593	45,183
Contribution to ESIC	6,860	9,693
Contribution to PT	17,700	52,500
Leave Encashment (Unfunded)	27,000	-
Total	12,116,724	4,569,306

Note 11

Disclosure pursuant to Note no.6 I (i), (ii), (iii); Note no.6 J (i),(ii); Note no. J and Note no. L of Part I of Schedule VI to the Companies Act, 1956

Description	Gross Block			Depreciation Block			Net Block	
	As at	Additions	Deductions	As at	For the	Adjustments	As at	As at
	1.04.11			31.03.12	Year		31.03.12	31.03.12
A Tangible Assets								
Lease Hold Land	6639952	0	0	6639952	0	0	0	6639952.00
Building	7209265	2934518	0	10143783	641947	0	2887273	7256510.34
Plant & Machinery	49370986	40609498	0	89980484	3371862	0	15755349	74225134.85
Furniture & Fixtures	771194	316523	0	1087717	135457	0	419041	668675.59
Motor Cars	2404739	3132235	0	5536974	516928	0	2046939	3490035.52
Office Equipments	748692	24720	0	773412	15337	0	658626	114786.00
Factory Equipments	129283	119015	0	248298	22171	0	70618	177680.00
Laboratory Equipments	2631147	0	0	2631147	106998	0	1814582	816565.32
Electrical Installation	3084547	2641734	0	5726281	225511	0	2174149	3552131.70
Air condition	278158	117951	0	396109	26368	0	158423	237685.90
Computer	794383	374616	17510	1151489	229655	9456	655318	496170.96
Total (A)	74,062,346	50,270,810	17,510	124,315,646	5,292,234	9,456	26,640,318	97,675,328
Previous year	73,580,970	627,083	145,707	74,062,346	1,181,854	52,537	21,357,540	52,704,806
B Intangible Assets								
Goodwill	7500000	0	0	7500000	750000	0	2250000	5250000
Total (B)	7,500,000	-	-	7,500,000	750,000	-	2,250,000	5,250,000
Total (A+B)	81,562,346	50,270,810	17,510	131,815,646	6,042,234	9,456	28,890,318	102,925,328
C Capital Work In Progress								
Total	-	-	-	-	-	-	-	88423402
								28740871

9.1 The manufacturing unit has remained closed upto 31 May 2011 due to closure and hence depreciation charged on Fixed Assets from 1st June 2011 onwards.

9.2 Capital work-in-progress under development includes :-

i) Rs.88423402/- (P.Y.Rs. Nil) on account of Bimetal project development expenditure.

ii) Rs. Nil (Previous year Rs.28740871/-) on account of Project development/expansion expenditure, completed during the year on 31st May 2011.

Note 12

Disclosure pursuant to Note no. 6(K) of Part I of Schedule VI to the Companies Act, 1956

Non - Current Investment	As at 31 March 2012	As at 31 March 2011
	Amount	Amount
Other Investments (at cost)		
(a) Investment in Equity Shares - Quoted, Fully paid up		
i)1000 (P.Y. 1000) Equity shares of BANK OF BARODA LIMITED, of ₹10 each. (Market Value ₹793.65/share as on 31.3.2012)	54,241	54,241
ii)100 (P.Y. 100) Equity shares of BANK OF INDIA LIMITED, of ₹10 each. (Market Value ₹361/share as on 31.3.2012)	4,500	4,500
(b) Investment in Equity Shares - Unquoted, Fully paid up		
i)(P.Y.50) Equity shares of M/s Bhawani sahkari Coop. Bank Ltd, of ₹10 each.	-	1,250
Total	58,741	59,991

Note 13

Disclosure pursuant to Note no. L (i),(ii) and (iii) of Part I of Schedule VI to the Companies Act, 1956

Long Term Loans and Advances	As at 31 March 2012	As at 31 March 2011
	Amount	Amount
Unsecured, considered good		
a. Security Deposits	2,352,715	1,082,521
Total	2,352,715	1,082,521

Note 14

Disclosure pursuant to Note no.O (i), (ii) and (ii) of Part I of Schedule VI to the Companies Act, 1956

Inventories	As at 31 March 2012	As at 31 March 2011
	Amount	Amount
Valued at lower of cost or Net realisable value		
a. Raw Materials and components	46018213	44187004
b. Work-in-progress	68586201	49843751
c. Finished goods	40704412	30597217
d. Stores and spares	2890095	3168429
Grand Total	158,198,921	127,796,401

Note 15

Disclosure pursuant to Note no.P (i), (ii), (iii) and (iv) of Part I of Schedule VI to the Companies Act, 1956

Trade Receivables	As at 31 March 2012	As at 31 March 2011
	Amount	Amount
Unsecured, considered good		
Due for more than 6 month	22881423	18393976
others	33574684	21273957
Total	56,456,107	39,667,933

Note 16

Disclosure pursuant to Note no.Q (i), (ii), (iii), (iv) and (v) of Part I of Schedule VI to the Companies Act, 1956

Cash and cash equivalents	As at 31 March 2012	As at 31 March 2011
	Amount	Amount
a. Balances with banks	1,389,067	33,162
b. Fixed deposits with bank*	3,253,090	2,150,211
i) FDR 175600PR00013870 WITH P.N.B (₹2100000 + Accrued Interest ₹209236)	2309236	
ii) FDR NO.175600DP00000306 WITH P.N.B. (₹400000 + Accrued Interest ₹28309)	428309	
iii) FDR NO.175600DP00001556 WITH PNB (₹500000 + Accrued Interest ₹15545)	515545	
(Deposits with maturity of more than 12 month)		
c. Cash on hand	1,361,697	457,290
Total	6,003,854	2,640,663

*Fixed deposits (Against Margin Money for LC/BC) with bank include Accrued interest of ₹253090 (P.Y. RS.50211)

Note 17

Disclosure pursuant to Note no.R (i), (ii) and (iii) of Part I of Schedule VI to the Companies Act, 1956

Short-term loans and advances	As at 31 March 2012	As at 31 March 2011
	Amount	Amount
Unsecured, considered good		
a. Advance recoverable in cash or in kind or for value to be received considered good	4,160,601	20,124,318
b. Balance with Customs, central Excise, Mvat & Income Tax Authorities	12,827,450	10,222,141
Total	16,988,051	30,346,459

Note 18

As per Point No. 6S of General Instructions for Preparation of Balance Sheet

Other current assets (specify nature)	As at 31 March 2012	As at 31 March 2011
	Amount	Amount
a. Prepaid Expenses	218,896	-
Total	218,896.00	-

Note 19

Disclosure pursuant to Note no. 2 of Part II of Schedule VI to the Companies Act, 1956

Revenue From Operations	As at 31 March 2012	As at 31 March 2011
	Amount	Amount
Sale of products	394,685,584	210,041,703
Sale of services	98,973	212,648
Other operating revenues	6,787,544	5,359,393
	401,572,101	215,613,744
Less: Excise duty/ Service tax	29,687,250	12,487,576
Total	371,884,851	203,126,168

Note 20

Disclosure pursuant to Note no. 4 of Part II of Schedule VI to the Companies Act, 1956

Other Income	As at 31 March 2012	As at 31 March 2011
	Amount	Amount
Interest Income	228,088	240,871
(in case of a company other than a finance company)		
i) FDR 175600PR00013870 WITH P.N.B	176,693	
ii) FDR NO.175600DP00000306 WITH P.N.B.	31,454	
iii) FDR NO.175600DP00001556 WITH PNB	17,273	
iii) FDR NO.175600OR00000480 WITH PNB	2,564	
iv) Interest On S.B. A/c	104	
Dividend Income	700	-
Sundry Debit/ credit balance written off	64,044	-
Profit on sale of Assets	9,456	-
Miscellaneous Income	1,440	-
Total	303,728	240,871

Note 21

Cost of Raw Material consumed	As at 31 March 2012	As at 31 March 2011
	Amount	Amount
Inventory at the beginning of the year	44,187,004	23,668,858
Add : Purchases	268,977,621	159,969,429
Less: Inventory at the end of the year	46,018,213	44,187,004
Total	267,146,412	139,451,283

Note 22

Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	As at 31 March 2012	As at 31 March 2011
	Amount	Amount
<u>Inventories at the end of the year</u>		
a. Finished Goods	40,704,412	30,597,217
b. Work -in- progress	68,586,201	49,843,751
	109,290,613	80,440,968
<u>Inventory at the beginning of the year</u>		
a. Finished Goods	30,597,217	13,980,602
b. Work -in- progress	49,843,751	45,920,190
	80,440,968	59,900,792
Total	(28,849,645)	(20,540,176)

Note 23

Disclosure pursuant to Note no. 5(i)(a) of Part II of Schedule VI to the Companies Act, 1956

Employee Benefits Expense	As at 31 March 2012	As at 31 March 2011
	Amount	Amount
(a) Salaries, Bonus and incentives	22,859,600	17,853,181
(b) Contribution to Provident and other funds	666,146	400,291
(c) Staff welfare expenses	1,086,230	298,997
(d) Others Expenses	-	141,963
Total	24,611,976	18,694,432

Note 24

Disclosure pursuant to Note no. 3 of Part II of Schedule VI to the Companies Act, 1956

Finance costs	As at 31 March 2012		As at 31 March 2011	
	Amount	Amount	Amount	Amount
INTEREST EXPENSES :-		19,965,164		14,436,738
- Interest on Working Capital (C/C)	13,669,910		10,245,635	
Interest on Term Loan				
- Interest on PNB Term Loan - 175600IB20032773	411,895		466,403	
			21,182	
			169,771	
- Interest on PNB Term Loan - 175600IB20032834	4,139,321		2,107,582	
- Interest on PNB Term Loan - 175600IC00000146	520,037		562,181	
Interest on Motor Car				
- Interest on PNB Motor Car Loan - 175600IB20332932	36,754		-	
- Interest on PNB Motor Car Loan - 175600NG00002932	(7,349)		32,423	
- Interest on PNB Motor Car Loan - 175600NG00002969	56,081		26,585	
- Interest on PNB Motor Car Loan - 175600NG00003126	94,776		-	
- Interest on PNB Motor Car Loan - 175600NG00003311	3,827		-	
Interest on PCFC				
P.N.B.175600UE00000157 (PCFC)	56,285		-	
P.N.B.175600UE00000166 (PCFC)	45,916		-	
P.N.B.175600UE00000175 (PCFC)	36,064		-	
P.N.B.175600UD00000042 (PCFC)	-		716,847	
P.N.B.175600UD000000051 (PCFC)	345,998		-	
Interest on P.N.B.BUYER'S CREDIT LIMITS	555,649		21,470	
Interest on Central Excise & Service Tax	-		66,659	
Other borrowing costs		398,746		1,490,422
Bank Charges & Commission		1,023,117		1,231,192
Applicable net gain/loss on foreign currency transactions and translation		-		-
Total		21,387,027		17,158,352

Note 25

Sr No	Other expenses	As at 31 March 2012		As at 31 March 2011	
		Amount	Amount	Amount	Amount
1	<u>Manufacturing Expenses</u>				
	Consumption of Stores & Spares	12,666,719		10,098,944	
	Power & Fuel	9,449,897		8,779,484	
	Direct Expenses	5,273,481		2,177,047	
	Exchange Difference (net)	4,202,985		(1,985,558)	
	Excise Duty on Finished goods	4,126,870		-	
	Repairs to machinery	1,303,628	37,023,580	2,066,571	21,136,488
2	<u>Administrative Expenses</u>				
	LEGAL & PROFESSIONAL CHARGES	1,210,301		1,554,990	
	Director Remunerations & Other Expenses	2,509,714		1,197,733	
	CONVEYANCE EXPENSES	411,954		306,384	
	Telephone & Internet Charges	701,124		847,934	
	Office Maintenance & Other Expenses	237,656		313,975	
	Factory Maintenance & Other Expenses	1,791,339		451,748	
	Rates & taxes	80,100		478,780	
	Rent	204,300		62,250	
	REPAIR & MAINTENANCE (Others)	1,105,249		264,715	
	REPAIR & MAINTENANCE (Building)	65,693		-	
	Travelling Expenses (H/O)& Vapi	192,982		-	
	Motor Car Expenses	589,178		487,029	
	Gardening Charges	1,297,618		-	
	Secretarial Work Charges	362,319		154,407	
	PRINTING & STATIONERY (Misc)	476,486		91,346	
	Insurance	348,254		169,392	
	GENERAL EXPENSES	865,637		389,340	
	Payment to Auditors	75,000	12,524,906	50,000	6,820,024
3	<u>Selling & Distribution Expenses</u>				
	Warehousing and Distribution expenses	5,374,191		2,920,369	
	Advertisement & sales promotion	1,730,151		1,843,755	
	Foreign and Domestic Travelling Expenses	5,449,984		3,915,588	
	Other Selling & Distribution expenses	907,885	13,462,210	846,575	9,526,287
4	<u>Miscellaneous Expense</u>		173,568		285,264
	Total		63,184,264		37,768,063

Sr No	Audit fees	As at 31 March 2012	As at 31 March 2011
		Amount	Amount
1	Payments to the auditor as		
	a. auditor,		
	a. As Auditor		
	Statutory Audit Fee	50,000	35,000
	Tax Audit Fee	25,000	15,000
	Total	75,000	50,000

Note 26

Disclosure pursuant to Note no. 5(viii)(a) of Part II of Schedule VI to the Companies Act, 1956

VALUE OF IMPORTED GOODS CALCULATED ON C.I.F. BASIS

<u>Description</u>	<u>2011-12</u>	<u>2010-11</u>
a) Capital Goods	NIL	NIL
b) Raw Materials	77765929	65427058
c) Trading Goods	NIL	NIL

Note 27

Disclosure pursuant to Note no. 5(viii)(b) of Part II of Schedule VI to the Companies Act, 1956

<u>Expenditure in foreign currency during the financial year in respect of:</u>	<u>2011-12</u>	<u>2010-11</u>
	<u>Amount</u>	<u>Amount</u>
v) Travelling Expenses	1793000	1317777

Note 28

Disclosure pursuant to Note no. 5(viii)(c) of Part II of Schedule VI to the Companies Act, 1956

CONSUMPTION OF RAW MATERIAL

<u>Description</u>	<u>2011-12</u>		<u>2010-11</u>	
	<u>VALUE (RS)</u>	<u>PERCENTAGE</u>	<u>VALUE (RS)</u>	<u>PERCENTAGE</u>
IMPORTED	221831348	87.37	55556532	42.48
INDIGINEOUS	32061092	12.63	75230209	57.52
	253892440	100.00	130786741	100.00

The Value of Raw Material consumption is excluding expenses.

Note 29

Disclosure pursuant to Note no. 5(viii)(e) of Part II of Schedule VI to the Companies Act, 1956

<u>Earnings in Foreign Exchange</u>	<u>2011-12</u>	<u>2010-11</u>
	<u>Amount</u>	<u>Amount</u>
Export at FOB value	120729064	71588937

Note 30**Earnings Per Share**

<u>Description</u>	<u>2011-12</u>	<u>2010-11</u>
Profit/(Loss) after Tax as per Profit and Loss Account	7,727,402	7,903,232
Weighted-average No of Equity Share of ₹10/- each for basic/diluted EPS	6,750,000	6,049,308
Earning per Share Basic/Diluted - ₹	1.14	1.31

Note 31**EMPLOYEE BENEFITS - Disclosures pursuant to Accounting Standard - 15 (Revised)**

Defined Contribution plans:

Contribution to the regional Provident Fund Commissioner to secure retrial benefits in respect of Employees' Provident Fund and Employees' Family Pension Fund, based on the Statutory Provisions as per the Employees' provident Fund Scheme, ₹666146/- (Previous Year ₹400291/-) is recognised as an expense and shown under the head "Salary, Wages and Employees' Benefits" (Schedule-23) in the Profit and Loss Account.

Defined Benefit plans:

I. Reconciliation of Defined Benefit Obligation (DBO)		Gratuity (Unfunded)	
		2012	2011
Present value of DBO at start of year	Nil	-	
Current Service Cost	193	-	
Interest Cost	*	-	
Past Service Cost	97	-	
Actuarial Loss/(Gain)	*	-	
Present value of DBO at end of year	290	-	
* No Interest cost and actuarial (gain)/loss since this is the first year of valuation			
II. Expenses Recognised in the Profit and Loss Account		Gratuity (Unfunded)	
		2012	2011
Current Service Cost	193	-	
Past Service Cost	97	-	
Actuarial Loss/(Gain)	-	-	
Employer Expense	290	-	
III. Net Liability/ (Asset) recognised in the Balance Sheet		Gratuity (Unfunded)	
		2012	2011
Present Value of DBO	290	-	
Fair Value of Plan Assets	-	-	
Net Liability/ (Asset)	290	-	
Unrecognised Past service cost	-	-	
Liability/ (Asset) recognised in the Balance Sheet	290	-	
Of which, Short term Provision	-	-	
IV. Actuarial Assumptions		Gratuity (Unfunded)	
		2012	2011
Salary Growth Rate	10% pa for the first 2 years and 7% pa thereafter	-	
Discount Rate	8.7% pa	-	
Withdrawal/ Attrition Rate			
For Employees up to age 35	10% pa	-	
For Employees greater than age 35	2% pa	-	
Mortality Rate	LIC 1994-96(Ult.)	-	
Expected average remaining working life (years)	21	-	
V. Experience Adjustments		Gratuity (Unfunded)	
		2012	2011
Defined Benefit Obligation	290	-	
Fair Value of Plan Assets	-	-	
Funded Position: [Surplus/ (Deficit)]	(290)	-	
Experience Adjustment on Plan Liabilities: (Gain)/ Loss	-	-	
Experience Adjustment on Plan Assets: Gain/ (Loss)	-	-	

During the year the company has provided the Leave Encashment Liability of ₹452000/- (P.Y. Nil) as per actuarial valuation certificate.

Note 32

Disclosure pursuant to Note no. 6(U) of Part I of Schedule VI to the Companies Act, 1956

<u>Particulars</u>	Total ₹	₹ Per share
Dividends proposed to be distributed to equity shareholders	2,025,000.00	0.30

Note 33

Related Party Disclosure

(a) List of Related Parties

i) Key Management Personnel

Ravi N.Gupta

Narendra R. Gupta

(Managing Director)

(Whole Time Director)

(b) Transaction with Related Parties

Related Parties
Key Management personnel
₹

Payment to Directors

2509714

(1197733)

Note:- Figures in the bracket indicate previous year figures.

34. Previous figure have been regrouped and re-arranged wherever considered necessary.

35. Other additional information of part II of Schedule VI of the Companies Act,1956 are either Nil or Not Applicable

As per our Report of even date

For and on behalf of Board

For GIRISH PATEL & CO.

Chartered Accountants

Narendra R.Gupta

Chairman

Ravi N.Gupta

Director

Girish Patel

Proprietor

Snehal M.Raikar

Company Secretary

Mumbai

June 20, 2012

Registered Office: : Survey No. 26, Tembhode, Shirgaon Road, Dhansar Village, Palghar – 401,404

Dear Shareholder,

Sub: Dividend

You will be aware that the Board of Directors of the Company, at its meeting held on May 14, 2012, recommended a dividend of ₹0.30 per equity share of ₹10/- subject to the approval of the members at the Annual General Meeting scheduled to be held on September 27, 2012.

To avoid loss of dividend warrants in transit and undue delay in respect of receipt of dividend warrants, the Company has provided a facility to the members for remittance of dividend through the National Electronic Clearing Services (NECS). NECS essentially operates on the new and unique bank account number allotted by banks post implementation of Core Banking Solution (CBS) for centralized processing on inward instructions and efficiency in handling bulk transaction. This facility is available at locations identified by Reserve Bank of India from time to time. This is in addition to the existing facility of ECS in other locations.

Members holding shares in electronic mode are requested to intimate all changes pertaining to their bank details to their Depository Participant and not to the Company or Company's Share Transfer Agent, in order to arrange the dividend payment by NECS / ECS or through warrant by printing the bank details, as the case may be.

Members who hold shares in physical form and desirous of availing this facility are requested to use the format below, to furnish the bank details of the first named shareholder and send the same to the Company/Share Transfer Agent, not later than October 3, 2012 to update the bank details and arrange the dividend payment by NECS / ECS or through warrant by printing the bank details, as the case may be.

----- TEAR OFF -----

Registered Office: : Survey No. 26, Tembhode, Shirgaon Road, Dhansar Village, Palghar – 401,404

**NECS / ECS Mandate / Bank details updation Form
For the use of members holding shares in physical form only**

I/We hereby provide the Bank account details of the first named shareholder for arranging payment of dividend through NECS/ECS, if available for the location OR to print the bank details on the dividend warrant as the case may be.

1. Folio number	
2. Name of the first named shareholder	
3. Bank name	
4. Bank account number (Core Banking No.)	
5. Account type (SB/OD/CURR/NRO)	
6. Nine Digit MICR code appearing on the cheque issued by the bank	Please attach a photocopy of the cheque leaf pertaining to the above account for verification/acceptance.

I/We hereby declare that the particulars given above are correct and complete. If the transaction is delayed because of incomplete or incorrect information, I/We will not hold the Company responsible.

1 _____ 2 _____ 3 _____

Signature of shareholder(s)

Registered Office: : Survey No. 26, Tembhode, Shirgaon Road, Dhansar Village, Palghar – 401,404

ATTENDANCE SLIP

Please bring this attendance slip and hand it over at the entrance of the venue of the meeting

Name & Address of the Shareholder

.....

FOLIO NO.

DP/ID*

CLIENT ID*

I hereby record my presence at ANNUAL GENERAL MEETING AT SURVEY NO. 26, TEMBHODE, SHIRGAON ROAD, DHANSAR VILLAGE, PALGHAR – 401,404 at 02:00 P.M. on Thursday September 27, 2012.

Signature of the Member or Proxy

Shares Held

Shareholders/Proxy holders are requested to bring the attendance slips with them duly completed and hand them over at the entrance.

----- TEAR OFF -----

Registered Office: : Survey No. 26, Tembhode, Shirgaon Road, Dhansar Village, Palghar – 401,404

PROXY FORMS

I/We _____ of _____ being a member(s) of Trident Tools Limited, hereby appoint _____ of _____ or failing him/her _____ of _____ as my/our proxy to attend and vote for me/us on my/our behalf at the Annual General Meeting of the Company to be held on Thursday, September 27th, 2012 at 02.00 p.m. at Survey No 26, Tembhode Shirgaon Road, Dhansar Village, Palghar 401404 and at any adjournment thereof.

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

FOLIO NO.

DP.ID		CLIENT ID	
-------	--	-----------	--

Affix ₹1 Revenue Stamp and Sign

NOTE: (1) The Proxy to be valid, should be deposited at the Registered Office of the Company at Survey No. 26, Tembhode, Shirgaon Road, Dhansar Village, Palghar – 401,404 not less than 48 hours before the time fixed for holding the meeting or adjourned meeting.

(2) A Proxy need not be a member of the Company.

(3) This is only optional. Please put a 'X' in the appropriate column against the resolutions indicated in the Box. If you leave the 'For or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate. Should you so desire, you may also appoint the Chairman or the Company Secretary of the Company as your Proxy, who shall carry out your mandate as indicate above in the event of a poll being demanded at the meeting.

(4) Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.

(5) In the case of jointholders, the signature of any one holder will be sufficient, but names of all the jointholders should be stated.

MAGICUT[®]

Trident Tools Ltd.

Hercules Estate, Ashok Nagar, A. C. Road, Kandivali East, Mumbai 400 101. India.

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Web: www.magicuttools.com **Email:** info@magicuttools.com