

KABSONS INDUSTRIES LIMITED

21th Annual Report 2012 – 2013

BOARD OF DIRECTORS	:	Mr.G.K.KABRA	CHAIRMAN (UPTO 05.11.2012)
	:	Mr. RAJIV KABRA	CHAIRMAN AND EXECUTIVE DIRECTOR
	:	Mr.P.V SUBBA RAO	DIRECTOR
	:	Mr.P SARAVAI AH	DIRECTOR (UPTO 05.11.2012)
	:	Mr.Y SUBRAHMANYA SARMA	DIRECTOR
AUDITORS	:	M/s. BRAHMAYYA & CO., Chartered Accountants, Flat No.403 & 404, Golden Green Appts, Erramanzil Colony, Somajiguda, Hyderabad - 500 082.	
AUDIT COMMITTEE	:	P.V SUBBA RAO	CHAIRMAN
		G.K.KABRA (UPTO 05.11.2012)	
		RAJIV KABRA	
		P.SARAVAI AH (UPTO 05.11.2012)	
		Y SUBRAHMANYA SARMA	
BANKERS	:	HDFC BANK LTD, Banjara Hills, HYDERABAD - 500 034.	
	:	STATE BANK OF INDIA Yellareddyguda, HYDERABAD - 500 073.	
REGISTERED OFFICE	:	Plot No.48, 8-3-1087, Srinagar Colony, HYDERABAD - 500 073.	
SHARE TRANSFER AGENTS/DEMAT AGENTS	:	M/S.XL SOFTECH SYSTEMS LTD 3, Sagar Society, Road No.2, Banjara Hills, HYDERABAD - 500 034.	
FACTORY	:	Plot No.B-3, Phase 1, MIDC, Waluj, AURANGABAD - 431 133.	
BOTTLING PLANTS	:	Aurangabad, Dharwad, Jaipur, Rohtak, Baroda, Bhubaneswar, Ranchi.	



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NOTICE

Notice is hereby given that the 21st Annual General Meeting of the members of the Company will be held Wednesday, September 25th, 2013 at 4 P.M at Registered at 8-3-1087, Plot No.48, Opp. Ratnadeep Super Market, Srinagar Colony, Hyderabad-500 073 to transact the following business:

ORDINARY BUSINESS:


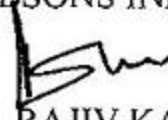
1. To receive, consider and adopt the Audited Balance Sheet as at 31st March 2013 and Profit & Loss Account for the year ended on that date together with report of Directors and Auditors thereon.
2. To appoint a Director in place of Mr.P V Subba Rao, who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint, M/s. Brahmayya & Co., Chartered Accountants, Hyderabad, Auditors who retires and being eligible offer for reappointment, to hold office from the conclusion of this meeting until conclusion of next Annual General Meeting and authorise Board of Directors of the Company to fix their remuneration.

SPECIAL BUSINESS:

4. To consider and if thought fit, to pass the following Resolution with or without modification as an ordinary Resolution.

“RESOLVED THAT Mr.Y Subrahmanya Sarma who was appointed as Additional Director of the Company by the Board of Directors with effect from 05/11/2012 and who vacates his office under section 260 of the Companies Act, 1956 be and is hereby appointed as Director of the Company”.

By Order of the Board
For KABSONS INDUSTRIES LIMITED



RAJIV KABRA
Executive Director

Place : Hyderabad
Date : 29-05-2013

Notes:

- a) A Member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a Member of the Company. Proxies in order to be effective, the duly completed, stamped and signed proxy form shall be deposited at the registered office of the Company, not less than 48 hours before the commencement of the Meeting.
- b) The Members are requested to notify immediately any change of address to the registered office quoting their Registered Folio No.
- c) The Members are requested to bring the Annual Report along with them at the time of Annual General Meeting and are also requested to send their queries, if any, on the adoption of accounts well in advance, so as to enable the company to place relevant records and information at the Annual General Meeting.

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956:

Item no.4: Sri. Y Subrahmanya Sarma was appointed as a additional director under section 260 of the Companies Act, 1956 read with Articles of Association of the Company with effect from 05/11/2012 and he hold office upto the date of Annual General Meeting, under subject, He expressed his willingness to be appointed as Director in the Annual General Meeting. The Company was received a notice in writing from share holder signifying and recommending the candidature of Sri Y Subrahmanya Sarma for the office of Director and the said Share holder has also deposited the requisite amount along with this notice as contemplated under section 257 of Companies Act, 1956. Non of the Directors other than the proposed appointee are interested in the passing of this resolution. In this circumstance it is decided to appoint and regularise Sri.Y Subrahmanya Sarma as a Director of the Company, subject to retirement by rotation. Hence members are requested to pass appropriate resolution under special business.



DIRECTORS' REPORT

To The Members of **KABSONS INDUSTRIES LIMITED**,

Your Directors hereby present the 21st Annual Report and Accounts of the Company for the year ended 31st March, 2013.

FINANCIAL RESULTS:

(Rs.in Lakhs)

	Year Ended 31.03.2013	Year Ended 31.03.2012
1) Sales, Other Income & Exceptional items	265.19	241.48
2) Profit before Interest, Financial Charges and Depreciation	132.65	104.61
3) Interest and Financial Charges	--	0.05
4) Profit Before Depreciation	132.65	104.56
5) Depreciation	30.86	34.85
6) Profit after Financial Charges and Depreciation	101.79	69.71

DISCUSSION ON FINANCIAL PERFORMANCE:

During the year under consideration the Company got a profit of Rs.132.65 Lakhs before interest and depreciation as against profit of Rs.104.61 Lakhs during the previous year, which includes lease income and lease income is the major source of revenue to the Company.

OUT LOOK:

Your Company is concentrating on leasing out the bottling plants wherever opportunities are available.

Your Company also entered into a Bottling Assistance Contract with M/s.SHV Energy Private Limited at our LPG Plant located at Khurda and efforts are being taken to start similar arrangements with other parties at other available locations.

DIRECTORS: Mr.P V Subba rao is retiring at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment as Director, liable to retire by rotation.

Mr.Y Subrahmanya Sarma, Additional Director holds office upto the date of ensuing Annual General Meeting. He expressed his willingness to be appointed as Director in the Annual General Meeting.

AUDITORS: Messers Brahmayya & Co., Chartered Accountants, Auditors of the company, retire at the conclusion of the Annual General Meeting and being eligible, offers themselves for re-appointment. The Company has received a certificate from them to the effect that the appointment, if made, would be within the limits prescribed under Section 224(1-B) of the Companies Act, 1956.

DIRECTORS RESPONSIBILITY STATEMENT AS REQUIRED UNDER SEC 217 (2AA) OF COMPANIES ACT 1956:

Pursuant to the requirement under Section 217 (2AA) of the Companies Act, 1956, with respect to Directors' Responsibility Statement, it is hereby confirmed:

- That in the preparation of the accounts for the financial year ended 31st March 2013, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- That the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and the profit of the Company for the year under review;



- iii) 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;
- iv) That the Directors have prepared the accounts for the financial year ended 31st March, 2013 on a going concern basis despite accumulated losses, erosion of net worth, excess of current liabilities over current assets and uncertainty associated with the operations of the Company.

CONSERVATION OF ENERGY/TECHNOLOGY ABSORPTION/FOREIGN EXCHANGE EARNINGS AND OUTGO:

As required under section 217(1)(e) of the Companies Act, 1956 read with Rule 2 of the Companies (Disclosure of Particulars in the Report of the Directors) Rules, 1988 information relating to conservation of Energy, Technology Absorption and Foreign Exchange Earnings and outgo is given in Annexure to the extent applicable and forms part of this report.

DISCLOSURES AS PER LISTING AGREEMENT:

Cash Flow Statement: In compliance of clause 32 of the Listing Agreement, the Cash Flow Statement prepared in accordance with the requirements prescribed by SEBI is appended to this Annual Report.

CORPORATE GOVERNANCE:

Pursuant to clause 49 to the Listing Agreement with Stock Exchanges, a separate section titled "CORPORATE GOVERNANCE" has been attached to this Annual Report. A Certificate from the Practicing Company Secretary of the Company regarding compliance of conditions of Corporate Governance stipulated in the Listing Agreement with Stock Exchanges, are annexed to and form part of the Annual Report.

PARTICULARS OF EMPLOYEES:

There are no employees who attract Section 217(2A) of the Companies Act, 1956 and therefore the particulars were not given.

INFORMATION & EXPLANATION IN RESPECT OF QUALIFICATION / RESERVATION OR ADVERSE REMARKS CONTAINED IN INDEPENDENT AUDITORS REPORT UNDER PARAS: BASIS FOR QUALIFIED OPINION, EMPHASIS OF MATTER AND OTHER MATTERS:

- A) In view of very limited strength of employees, presently working with the Company, the requirements of AS-15 Employee Benefits in respect of gratuity could not be complied with. However provision for gratuity as required under Payment of Gratuity Act has been provided for.
- B) In spite of continues erosion of networth, position of excess of current liabilities over current assets and uncertainty associated with operations of the company, the Accounts of the Company are prepared on going concern basis.
- C) Interest for the year Rs.6,40,343/- on deposits of distributors/dealers has not been provided in view of company's adverse financial position and will be negotiated for waiver resulting to overstatement of profit by that amount and understatement of current liabilities by Rs.78,05,598/-
- D) The company could not get confirmation of balances in respect of Trade Receivables and Trade Payables other than due from/to related parties as most of them are very old and presently no transactions are being taken place with them.

PERSONNEL:

Your Directors would like to place on record their deep sense of appreciation of the services of executives, staff and workers of the Company. Industrial Relations continued to be cordial throughout the year at all locations.



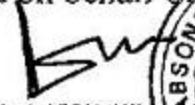
ACKNOWLEDGMENT:

Your Directors Express their thanks for the guidance and assistance received from State Bank of India, HDFC Bank Ltd, Department of Explosives and their Officials, Central Excise, Pollution Control Boards and Commercial Tax Departments of respective States, host of other State and Central Government Departments, Securities Exchange Board of India, and Stock Exchanges at Mumbai, Ahmedabad, Delhi, Kolkata and Chennai and others.

Your Directors would like to express their gratitude to all Corporate, Institutional and Individual Shareholders for the confidence reposed by them in the Company.

Place: Hyderabad
Date : 29-05-2013

for and on behalf of the


RAJIV KABRA

Chairman & Executive Director



ANNEXURE - A TO THE DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MARCH, 2013:

Information under Section 217(1)(e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 and forming part of the Directors' Report.

FORM - B

**PARTICULARS WITH RESPECT TO ABSORPTION
RESEARCH AND DEVELOPMENT (R & D)**

1. Specific areas in which R&D carried out by the Company	NIL	NIL
2. Benefit derived as a result of the above R & D	--	---
3. Future plan of action	--	---
4. Expenditure on R&D	Current Year	Previous Year
	(Rs.)	(Rs.)
a) Capital	NIL	NIL
b) Recurring	NIL	NIL
TOTAL		
c) Total R&D expenditure as % turnover	NIL	NIL

TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION:

1. Efforts in brief made towards technology, absorption, adaptation	NIL	NIL
2. Benefits derived as a result of the above efforts i.e., product improvement, cost reduction, product development, import substitution etc.	NIL	NIL
3. Import of technology	NIL	NIL

FORM C

FOREIGN EXCHANGE EARNINGS & OUT GO

	Current Year (Rs.)	Previous Year (Rs.)
FOREIGN EXCHANGE EARNINGS:	NIL	NIL
FOREIGN EXCHANGE OUTGO:	NIL	NIL



REPORT ON CORPORATE GOVERNANCE: - Annexure - B.

1) COMPANY PHILOSOPHY ON CORPORATE GOVERNANCE:

The Company's philosophy of Corporate Governance is aimed at attainment of highest levels of transparency and accountability in all facets of operations and in all its interactions with State Bank of India, Government Departments, Distributors, Dealers, Suppliers, Shareholders, Employees and the Lenders.

The Statutory auditors of the company have examined the company's compliance, and have certified the same, as required under the SEBI Guidelines. Such Certificate is reproduced as Annexure - C

A Separate Management discussion and analysis report covering a wide range of issues is given to this report as Annexure - D.

2) BOARD OF DIRECTORS:

The Board of Directors comprises three members including alternate Directors. The Board's role, functions, responsibility and accountability are clearly defined.

At the Board Meeting of the Company apart from all important matters affecting the business affairs of the Company, the directors are being provided information, stipulated in clause 49 of the Listing Agreement.

a) BOARD MEETINGS:

Meeting of the Board of Directors are held at Company's Registered Office at Hyderabad, and are scheduled well in advance. The Board meets at least once in a quarter to review performance and financial results. The agenda for the meeting is prepared in consultation with Executive Director and the papers are circulated to the directors in advance. The Board Members have access to all information pertaining to the Company and are free to recommend inclusion of any matter in the agenda for discussion.

b) THE COMPOSITION OF THE BOARD IS AS FOLLOWS:

Sl.No.	Name of the Directors	Status	Category
1.	Sri. Rajiv Kabra	Chairman & Executive Director	Promoter / Executive Director
2.	Sri.G.K.Kabra	Chairman	Promoter/Director (upto 05.11.2012)
3.	Sri. P V Subba Rao	Director	Non-Executive/Independent Director
4.	Sri. Y Subrahmanya Sarma	Director	Non-Executive/Independent Director
5.	Sri.P.Saraviah	Director	Non-Executive/Non-Independent Director (upto 05.11.2012)

c) DETAILS OF BOARD MEETINGS HELD AND ATTENDANCE OF DIRECTORS:

Name of the Director	No.of Board Meetings		Attendance at Last AGM
	Held	Attended	
Sri. P V Subba Rao	4	4	Attended
Sri. Rajiv Kabra	4	4	Attended
Sri. Y S Sarma	4	2	N/A
Sri. G.K.Kabra	4	3	Attended
Sri. P.Saravaiah	4	3	Attended

d) NUMBER OF BOARD MEETINGS HELD AND THE DATES ON WHICH HELD:

Five Board Meetings were held during the year. The dates on which the meetings were held on 01/06/2012, 28/08/2012, 05/11/2012 and 25/02/2013.



3) AUDIT COMMITTEE:

a) Brief Description of terms of reference:

The terms of reference of the Audit Committee are comprehensive and cover the matters specified for Audit Committee under Listing Agreement with Stock Exchanges.

b) Composition: Names of members and Chairperson:

As on March 31, 2013, the Audit Committee of the Board comprised three members viz., Mr.Rajiv Kabra, Promoter/Director, Mr.P V Subba Rao, and Mr.Y Subrahmanya Sarma are Independent Directors, Mr.P V Subba Rao is the Chairman of the Audit Committee and the requirements of Section 292A of the Companies Act, 1956 and Clause 49 of the Listing Agreements have been complied with. Mr.G K Kabra and Mr.P Saravaiah are ceased to be members of the Committee consequent to their resignations as Directors with effect from November 05, 2012.

c) Meetings and attendance during the year:

Meetings are scheduled in advance and the committee has met on 1st June, 2012, 28^h August, 2012, 5th November, 2012 and 25th February, 2013.

All the members of the Audit Committee attended the meetings.

4) INVESTORS GRIEVANCE COMMITTEE / SHARE TRANSFER COMMITTEE:

The Board of Directors designated an "Investor Grievance Committee" as a measure of good corporate governance and to strengthen the investor relations. Mr.Rajiv Kabra, Executive Director who personally looks after the investor grievances and heads the Committee. The Committee also looks into redressing the shareholders' complaints.

The following are the status of Complaints which were received during the year:

S.No	Date of Receipt	Nature of the Complaint	No of Complaints Received	No of Complaints Cleared	Date of Clearing	Remarks
1.	-	Non-receipt of Share Certificates sent for transfer	1	1	-	Nil.

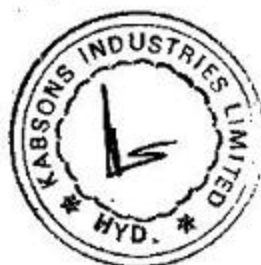
5) GENERAL BODY MEETINGS: Location and time of last 3 Annual General Meetings:

Sl.No.	Year	Meeting	Venue	Date	Time
1)	2009 - 2010	A.G.M	At Registered Office 8-3-1087, Plot No.48 Srinagar Colony Hyderabad	23.09.2010	4.00 PM
2)	2010 - 2011	A.G.M	At Registered Office 8-3-1087, Plot No.48 Srinagar Colony Hyderabad	29.09.2011	4.00 PM
3)	2011 - 2012	A.G.M	At Registered Office 8-3-1087, Plot No.48 Srinagar Colony Hyderabad	29.09.2012	4.00 PM

6) DISCLOSURES:

a) None of the transactions with any of the related parties were in conflict with the interest of the company.

b) There have been no instances of non - Compliance by the company, penalties, strictures imposed on the company by Stock Exchanges or SEBI or any statutory authority, on any matter related to capital markets, during the last three years.



7) MEANS OF COMMUNICATION:

The Board takes on record the Un-Audited Financial Results (with limited reviews by the auditors) and the financial results are in the prescribed format of the Stock Exchanges where the Company is listed. Further quarterly Un-audited financial results are also published at least in two newspapers within 48 hours of the conclusion of the meeting of the Board in which they are taken on record. The Quarterly Financial results will be published in Business Standard/The Financial Express and Andhra Prabha/ Andhra Bhoomi in regional language of the region i.e., Andhra Pradesh, since the place of the Registered office of the Company is situated at Hyderabad (A.P).

8) GENERAL SHAREHOLDERS INFORMATION:

a) As indicated in the notice to our shareholders, the Annual General Meeting of the company will be held on Wednesday, September 25th, 2013 at 4 P.M at Registered Office at 8-3-1087, Plot No.48, Opp.Ratnadeep Super Market, Srinagar Colony, Hyderabad – 500 073.

b) Financial Calendar:

Annual General Meeting	25 th September, 2013
Unaudited results for the quarter ending June 30 th , 2013	Last week of July, 2013
Unaudited results for the Quarter/Half year ending September 30 th , 2013	Last week of October, 2013
Unaudited results for the quarter ending December 31 st , 2013	Last Week of January, 2013
Audited Results for the year ending March 31 st , 2014	Last week of May, 2014

c) **Date of Book Closure:** from 19th September, 2013 to 25th September, 2013 both days inclusive for the purpose of Annual General Meeting.

d) **The Shares of the Company are listed on the following Exchanges with the following stock codes.**

Name & Address of the Stock Exchange	Stock Code:	Name & Address of the Stock Exchange	Stock Code
The Stock Exchange Mumbai, Phiroze Jeejeebhoy Towers, Dalal Street, MUMBAI - 400 001	K0266	Delhi Stock Exch Ass Ltd, DSE House 3/1, Asaf Ali Road, NEW DELHI – 110 002.	7306
Madras Stock Exchange Ltd, Exchange Building, Post Box No.183, 11, Second Line Beach, CHENNAI - 600 001.	NIL	The Calcutta Stock Ass Ltd, 7, Lyons Range, CALCUTTA - 700 001.	NIL
The Stock Exch Ahmedabad, 29075/ Kamdhenu Complex, Opp:Sahajanand College, Panjara Pole, AHMEDABAD - 380 015.	KABSONS IND		

There is an outstanding Listing Fee of Rs.2,70,819, Rs.1,35,562, Rs.1,27,233, Rs.68,682 to Delhi Stock Exchange, Ahmedabad Stock Exchange, KolKata Stock Exchange, Madras Stock Exchange respectively and Rs.33,708 to Mumbai Stock Exchange, where, they have suspended company shares for trading from 3rd February, 2003 due to non- payment of re-instatement fee.



e) Monthly High and Low Stock Quotations for preceding six months of the accounting year under review:

Month & Year	Bombay Stock Exchange	
	Price (Rs)	Price (Rs)
	High	Low
Nil trading during the year		

Note: Shares of the company are not regularly traded in the Stock Exchanges.

f) NAME AND ADDRESS OF SHARE TRANSFER AGENTS / DEMAT AGENTS:

M/S.XL SOFTECH SYSTEMS LTD
 3, Sagar Society,
 Road No.2, Banjara Hills,
 HYDERABAD - 500 034
 PHONE NO(S):040-23545913
 040-23545914
 E-mail : xlfield@rediffmail.com

g) Share Transfer System:

Shareholders are advised to contact the Registrar and Share Transfer Agents for effecting transfers of shares both in physical and electronic form.

h)a) DISTRIBUTION OF SHAREHOLDING AS ON 31ST MARCH, 2013.

Share holdings of nominal value of	Share holders		No. of Shares Number	% Total
	Number	% Total		
(1)	(2)	(3)	(4)	(5)
Upto - 5000	17,435	94.29	2,21,05,180	12.66
5,001 - 10,000	357	1.93	29,61,000	1.70
10,001 - 20,000	165	0.89	25,03,000	1.43
20,001 - 30,000	385	2.08	97,01,100	5.56
30,001 - 40,000	22	0.12	7,83,990	0.45
40,001 - 50,000	45	0.24	21,89,240	1.25
50,001 - 1,00,000	40	0.22	32,09,500	1.84
1,00,001 and above	42	0.23	13,11,76,990	75.11
Total :	18,491	100.00	17,46,30,000	100.00

b) DISTRIBUTION OF SHAREHOLDING PATTERN AS ON 31ST MARCH, 2011:

Sl.No.	Category	No. of Shares Held	% of Share Holding
A	PROMOTER'S HOLDING:		
1.	PROMOTERS:		
	- Indian Promoters	1,18,77,950	68.02
B	NON-PROMOTERS HOLDING:		
2.	Banks,(OBC)	100	0.00
	Non-Govt Institutions - (ICICI)	5,00,000	2.86
	- (UTI)	1,000	0.01
C	OTHERS:		
3.	Private Corporate Bodies	1,46,500	0.84
4.	Indian Public	47,21,550	27.03
5.	NRIs/OCBs	2,15,900	1.24
TOTAL:		1,74,63,000	100.00



Please Note that Foreign Shareholding is the sum of:

Particulars	No.of Shares	%
a) Foreign Promoters	: Nil	
b) FIIs	: Nil	
c) NRIs/OCBs	: 2,15,900	1.24%
d) Foreign Banks	: Nil	
e) Foreign Nationals	: Nil	
f) GDRs/ADRs	: Nil	

i) Dematerialization of shares:

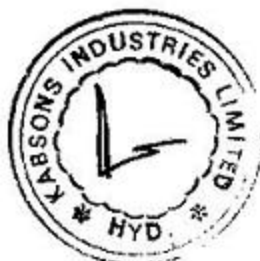
Trading of Equity shares of the company are compulsory in dematerialised form with effect from 28th December, 2000. The ISIN of Dematerialised shares of the company allotted by the NSDL is "INE645C01010". The modes of holding of the Company's equity shares as on March 31, 2013 is as under:

Description	No. of Shareholders	No. of Shares	% Equity
PHYSICAL	13,969	38,50,736	22.05
NSDL	3,483	1,32,58,283	75.92
CDSL	1,039	3,53,981	2.03
Total	18,491	17463000	100.00

j) ADDRESS FOR CORRESPONDENCE:

Shareholders can send in their correspondence to the Company's Registered office address as under:

REGISTERED OFFICE : M/s.Kabsons Industries Limited,
Plot No.48, 8-3-1087,
Srinagar Colony,
HYDERABAD - 500 073.
Ph.No.: 040-66630001,02,06
E-mail : operationslpg@rediffmail.com
Grievance redressal division Email : kilshareholders@gmail.com



CERTIFICATE UNDER CLAUSE 49 (v) OF THE LISTING AGREEMENT

We, as required under Clause 49(v) of the Listing Agreement with Stock Exchanges, certify that

- (a) We have reviewed financial statements and the Cash flow statement for the year 2012-13 and that to the best of our knowledge and belief:
- (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations
- (b) to the best of our knowledge and belief, there are no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the auditors and the Audit committee
- (a) significant changes, if any, in internal control over financial reporting during the year;
 - (b) significant changes, if any, in accounting policies during the year and that the same have been disclosed in the notes to the financial statements;
 - (c) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.


Place: Hyderabad
Date : 29-05-2013


RAJIV KARRA
Chairman & Executive Director

DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT BY THE GENERAL MANAGER (FINANCE) UNDER CLAUSE 49(I)(D)(II) OF THE LISTING AGREEMENT TO THE MEMBERS OF KABSONS INDUSTRIES LTD.

I, Rajiv Kabra, Executive Director of Kabsons Industries Limited, to the best of my knowledge and belief, declare that all the members of the Board and Senior Management Personnel have affirmed compliance with the code of conduct of the Company in respect of the financial year ended 31st March, 2013.

Place: Hyderabad
Date : 29-05-2013


RAJIV KABRA
Chairman & Executive Director



S. SRIKANTH & ASSOCIATES COMPANY SECRETARIES

Flat No. 5A, Parameswara Apartments, Beside SBH, Anandnagar, Khairatabad, Hyderabad - 500 004.
Phone : 040 - 40171671, Cell : 9849890217
E-mail : srikanthpcs99@gmail.com

CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

To the Members of
KABSONS INDUSTRIES LIMITED

We have examined all the relevant records of Kabsons Industries Limited for the purpose of certifying compliance of the conditions of the Corporate Governance under Clause 49 of the Listing Agreement with the Stock Exchanges for the year ended March 31, 2013. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of certification.

The compliance of conditions of corporate governance is the responsibility of the Management. Our examination was limited to the procedure and implementation process adopted by the Company for ensuring the compliance of the conditions of the corporate governance.

This certificate 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.

On the basis of our examination of the records, produced and the explanations and information furnished, we certify that the Company has complied with all the mandatory conditions of the said Clause 49 of the Listing Agreement.

For S.Srikanth & Associates
Company Secretaries

Hyderabad
May 29, 2013



S. Srikanth

S.Srikanth
Proprietor
CP No.7999

ANNEXURE - D MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

A) LPG Industry: Most of the LPG volume is handled by PSU's for domestic supplies. With such large scale penetration on the part of the PSU's at a substantially lower than market price, effect the prospects of the private sector, operating in the same segment and recently the PSU's started limiting the supply of cylinders to 9 numbers in a year to consumers and issuing cash subsidy to this extent.

B) Business Review: The Company has been focusing on Lease incomes so as to utilize the existing assets. There exists a mismatch of capacity in terms of availability in certain markets and demand in the other markets. Consequently, there are very few plants where the servicing operations are viable for the operations of the company. This situation is not going to change too much in the near future.

During the year under consideration, the Company entered into a Bottling Assistance Agreement with one of the group companies of Reliance Industries at our Bottling Plant situated at Aurangabad from the month of March, 2013 and Bottling Assistance given to one of the PSU's at our Ranchi Plant is discontinued from their side from the month of February, 2013. Our Company disposed off the Bottling Plant located at Jalpaiguri as the Plant was lying idle for last 13 years.

C) Management of risks: There is considerable pressure to keep up the realization from the services in view of the highly competitive market.

D) Financial Performance:

The Following is the Financial Performance of your Company: Rs.in Lakhs

	2012-13	2011-12	Inc/(Dec) %
INCOME:			
Sales	50.90	46.58	9.27
Other Income	214.29	194.90	9.95
Total :	256.19	241.48	9.82
EXPENDITURE:			
Manufacturing Expenses	50.37	46.02	(9.45)
Staff Cost	22.76	19.27	(18.11)
Other Expenses	59.41	71.58	17.00
Financial Expenses	0.00	0.05	100.00
Depreciation	30.86	34.85	11.45
Total :	163.40	171.77	4.87
PROFIT / (LOSS)	101.79	69.71	46.02





Brahmayya & Co.,

CHARTERED ACCOUNTANTS

VIJAYAWADA, HYDERABAD, VISAKHAPATNAM, GUNTUR, KAKINADA, TANUKU, ALSO AT CHENNAI, BANGALORE AND ADONI.

INDEPENDENT AUDITORS' REPORT

To the Members of **KABSONS INDUSTRIES LIMITED**

Report on the Financial Statements

We have audited the accompanying Financial Statements of **KABSONS INDUSTRIES LIMITED, HYDERABAD (A.P)** ("The Company") which comprise the Balance Sheet as at 31st March, 2013 and the Statement of Profit and Loss and cash flow statement for the year then ended, and Summary of Significant Accounting Policies and other explanatory information.

Management's responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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





Brahmayya & Co.,

CHARTERED ACCOUNTANTS

VIJAYAWADA, HYDERABAD, VISAKHAPATNAM, GUNTUR, KAKINADA, TANUKU, ALSO AT CHENNAI, BANGALORE AND ADONI.

Basis for qualified opinion:

The Company has not adopted and complied with the requirements of AS-15 'Employee Benefits' in respect of the Gratuity liability which constitute a departure from the Accounting standards referred in section 211(3C) of the Act. In view of this the liability of the company in this regard could not be ascertained. Consequently, we are unable to comment about the impact of the same on the profit for the year, income tax and shareholder's funds.

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the Basis for Qualified Opinion Paragraph, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

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

Emphasis of matter

- (a) *We draw attention to Note 24.1 in the financial statements which states that the Company's current liabilities exceeded its current assets by Rs. 4.75 crores. Further, as indicated by the Company's Balance Sheet as at March 31, 2013, the net worth of the Company has eroded completely. These conditions along with other matters as set forth in Note 24.1, indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.*
- (b) *We draw attention to Note 24.3 in the financial statements which states that the Company has not provided for the interest expense amounting to Rs. 6,40,343 for the year and Rs. 71,65,255 for earlier years against the Trade Deposits received from the Dealers/ Distributors. Consequently, the same has resulted in overstatement of profit for the year by Rs. 6,40,343, understatement of the balance in the statement of profit and loss by Rs. Rs. 78,05,598 and understatement of Current Liabilities by Rs. 78,05,598.*

Other matters

The Company could not get confirmation of balances in respect of:

- (a) *Trade Receivables amounting to Rs. 17,59,604 and (b) Trade Payables amounting to Rs. 21,52,146. Consequently, we are unable to determine, if any adjustments are required to the amounts reflecting in the Balance Sheet as at March 31, 2013 and the impact of the same on the profit for the year, income tax and shareholder's funds. Our opinion is not qualified in this regard.*

Report on other Legal and Regulatory requirements




Brahmayya & Co.,

CHARTERED ACCOUNTANTS

VIJAYAWADA, HYDERABAD, VISAKHAPATNAM, GUNTUR, KAKINADA, TANUKU, ALSO AT CHENNAI, BANGALORE AND ADONI.

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
 - (a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - (b) in our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - (c) the Balance Sheet, the Statement of Profit and Loss and Cash Flow statement dealt with by this report are in agreement with the books of account;
 - (d) *except for the matter described under the basis for qualified opinion paragraph, in our opinion, the Balance sheet, Statement of Profit and Loss, and Cash flow Statement comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Act;*
 - (e) on the basis of Written representations received from the Directors as on March 31, 2013 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a Director in terms of clause (g) of sub-section (1) of section 274 of the Act;
 - (f) Since the Central Government has not issued any notification as to the rate at which cess is to be paid under section 441A of the Companies Act 1956 nor has it issued any rules under the said section prescribing the manner in which such cess is to be paid, no cess is due and payable by the company.

for BRAHMAYYA & CO.,
Chartered Accountants
Firms' Regn.No.000513S


(D. SEETHARAMAIAH)
Partner
Membership No. 002907

Place: Hyderabad
Date: 29.05.2013

ANNEXURE REFERRED TO IN PARAGRAPH 1 OF OUR REPORT OF EVEN DATE

Statement on the Companies (Auditor's Report) Order 2003

Re: KABSONS INDUSTRIES LIMITED

- i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) All the assets have not been physically verified by the management during the year but there is a regular program of verification which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) During the year, the company has disposed off fixed assets which are not substantial part of the fixed assets.
- ii) (a) The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
- (b) The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
- (c) The company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records have been properly dealt with in the books of account.
- iii) (a) The company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained u/s.301 of the Act.
- (b) The company had taken interest free secured loan from a Company , interest-free unsecured loan from another Company and from a party covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year was Rs. 53 Lakhs and the year-end balance of loans taken from such parties was Rs. 31 Lakhs.
- (c) In our opinion, the terms and conditions on which loans have been taken from companies, and parties listed in the register maintained under section 301 of the Companies Act, 1956 are not prima facie, prejudicial to the interest of the company.
- (d) According to explanations given to us, the lenders have not specified repayment terms. In view of this we cannot comment upon whether the payment of principal is regular.
- iv) In our opinion and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the Company and the nature of its business with regard to purchases of inventory, fixed assets and with regard to the sale of goods and gas.



During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control systems.

- v) (a) According to the information and explanations given to us, we are of the opinion that the particulars of contracts or arrangements referred to in section 301 of the Act have been entered in the register required to be maintained under that section; and
- (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.
- vi) The company has not accepted the deposits from the public within the meaning of Section 58A and 58AA of the Companies Act, 1956 and the Rules framed there under.
- vii) The company has no internal audit system.
- viii) The Central Government has not prescribed maintenance of cost records under clause (d) of sub-section (1) of Section 209 (1)(d) of the Companies Act, 1956 for the products/ items dealt with by the company.
- ix) (a) The company is not regular in depositing with appropriate authorities undisputed statutory dues including investor education protection fund, employee's state insurance, sales tax. The extent of the arrears of outstanding statutory dues as at the last day of the financial year for a period of more than six months from the date they became payable are as given below:

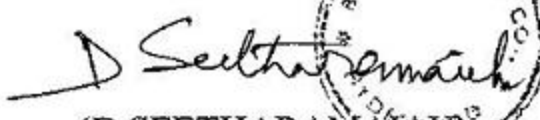
S.no	Name of the Statute	Nature of the dues	Amount (Rs.)	Period to which the amount relates	Due date
1	Companies Act, 1956	Investor Education and Protection Fund	22,550	1994-95	19.10.2001
2	Maharashtra Sales Tax Act	Sales Tax	5,817	2005-06	15.05.2005
3	Maharashtra Sales Tax Act	Sales Tax	9,538	2004-05	15.04.2005
4	Maharashtra Sales Tax Act	Sales Tax	800	2003-04	15.01.2004
5	BST Act	Sales Tax and Penalty	73,735	1997-98	15.08.2004
6	BST Act	Sales Tax and Penalty	1,34,780	1998-99	15.08.2004
7	CST Act	Sales Tax and Penalty	1,31,000	1997-98	15.08.2004
8	CST Act	Sales Tax and Penalty	5,17,000	1998-99	15.08.2004

- (b) According to the information and explanations given to us, there are no dues of sales tax, income tax, customs duty, wealth tax, excise duty, service tax and cess which have not been deposited on account of any dispute.
- x) The accumulated losses of the company are more than fifty percent of its net worth. The company has not incurred cash losses during the financial year covered by our audit and as well as in the immediately preceding financial year.

- xi) During the financial year covered by our audit the Company had not borrowed from financial institutions. Hence, clause (xi) of the above referred Order is not applicable.
- xii) The company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- xiii) The company is neither a chit fund nor a nidhi mutual benefit fund/ society. Therefore, the provisions of clause 4(xiii) of the above referred Order are not applicable to the company.
- xiv) The company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the above referred Order are not applicable to the company.
- xv) The Company has not given any guarantee for loans taken by others from banks or financial institutions.
- xvi) During the year the company has not availed any term loans from banks or financial institutions. Accordingly, the provisions of clause 4(xvi) of the above referred Order are not applicable to the company.
- xvii) According to the information and explanations given to us and on overall examination of the balance sheet of the company, we report that the no funds raised on short-term basis have been used for long-term investment.
- xviii) The company has not made preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Act during the year.
- xix) The company has not issued any debentures. Accordingly, the provisions of clause 4(xix) of the above referred Order are not applicable to the company.
- xx) During the year the company has not raised money by public issue. Accordingly, the provisions of clause 4(xx) of the above referred Order are not applicable to the company.
- xxi) According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the course of our audit.

Place: Hyderabad
Date: 29.05.2013

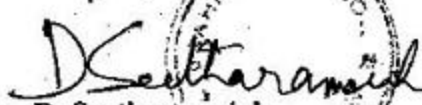
for BRAHMAYYA & CO.,
Chartered Accountants.
Firm's Regn.No.0005135


(D.SEETHARAMAIAH)
Partner
Membership No.002907

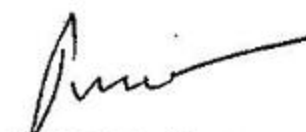
	Particulars	Note No.	As at 31 March 2013		As at 31 March 2012	
I.	EQUITY AND LIABILITIES					
1	Shareholder's funds					
	(a) Share capital	2	174,630,000		174,630,000	
	(b) Reserves and surplus	3	(189,286,422)	(14,656,422)	(199,464,962)	(24,834,962)
2	Non-current Liabilities					
	(a) Other long term liabilities	4	2,922,500		5,010,132	
	(b) Long-term provisions	5	109,464	3,031,964	52,026	5,062,158
3	Current Liabilities					
	(a) Short-term borrowings	6	3,100,000		5,300,000	
	(b) Trade payables		2,152,146		2,002,384	
	(c) Other current liabilities	7	89,661,047		89,654,082	
	(d) Short-term provisions	8	35,273	94,948,466	37,243	96,993,709
	Total			83,324,008		77,220,905
II.	ASSETS					
1	Non-current assets					
	(a) Fixed Assets					
	Tangible assets	9	26,860,214		27,897,613	
	Intangible assets	9	-	26,860,214	-	27,897,613
	(b) Long-term loans and advances	10	1,014,952		2,024,885	
	(c) Other Non-Current Assets	11	7,973,079	8,988,031	113,545	2,138,430
2	Current assets					
	(a) Inventories	12	904,186		491,411	
	(b) Trade receivables	13	1,759,604		3,188,609	
	(c) Cash and cash equivalents	14	7,640,598		7,737,777	
	(d) Short-term loans and advances	15	2,378,159		1,011,078	
	(e) Other current assets	16	34,793,216	47,475,763	34,755,987	47,184,862
	Total			83,324,008		77,220,905
	Significant Accounting policies	1				
	Other disclosures	24				

The notes to financial statements form an integral part of the financial statements.

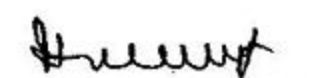
As per our report of even date
for BRAHMAYYA & CO.
Chartered Accountants
Firms' Registration No.: 000513S


D. Seetharamaiah
Partner
Membership No: 002907

For and on behalf of the Board of Directors


(P V Subba Rao)
Director


(Rajiv Kabra)
Executive Director


(M. Krishna Murthy)
G.M (Finance)

Place: Hyderabad
Date: 29.05.2013

Kabsons Industries Limited

Statement of Profit and Loss for the year ended 31st March 2013

(All amounts in rupees, unless otherwise stated)

	Particulars	Note No.	Current Year	Previous Year
I.	Revenue from operations	17	13,245,197	13,405,185
II.	Other income	18	1,486,980	2,805,989
III.	Total Revenue		14,732,177	16,211,174
IV.	Expenses			
	Purchases of Stock-in-Trade	19	4,759,562	3,175,076
	Changes in inventories of work-in-progress and Stock-in-Trade	20	(412,775)	810,354
	Employee benefits expense	21	2,276,178	1,927,401
	Finance costs		-	5,023
	Depreciation and amortization expense	9	3,086,083	3,485,289
	Other expenses	22	6,631,530	7,774,063
	Total expenses		16,340,578	17,177,206
V.	Profit before exceptional items and tax		(1,608,401)	(966,032)
VI.	Exceptional items	23	11,786,942	7,937,093
VII.	Profit/ (Loss) before tax		10,178,540	6,971,061
VII.	Tax expense			
	Current tax	25.5.1	-	-
	Deferred tax	25.5.2	-	-
IX.	Profit/ (Loss) for the period (XI + XIV)		10,178,540	6,971,061
X.	Earnings per equity share (Face value Rs. 10/- per share)			
	Basic and Diluted	25.4	0.58	0.40

The notes to accounts are an integral part of the financial statements.

As per our report of even date
for BRAHMAYYA & CO.

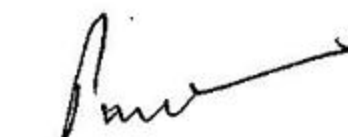
Chartered Accountants

Firms' Registration No.: 000543S

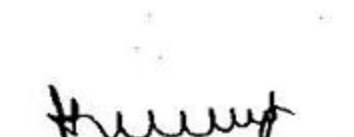

D. Seetharamaiah
Partner

Membership No: 002907

For and on behalf of Board of Directors


(P.V Subba Rao)
Director


(Rajiv Kabra)
Executive Director


(M. Krishna Murthy)
G.M (Finance)

Place: Hyderabad
Date: 29-05-2013

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

(In Rupees)

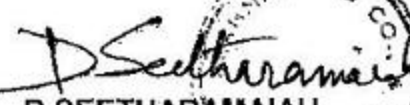
	Year Ended 31.03.2013	Year Ended 31.03.2012
A. CASH FLOW FROM OPERATING ACTIVITIES	Rs.	Rs.
Profit for the year before extraordinary items	10,178,540	6,971,061
Adjustments for:		
Depreciation	3,086,083	3,485,289
Depreciation provided in earlier years now written up	(2,881,775)	-
Investments written off	-	15,000
Interest Income / earned	(676,167)	(1,030,579)
Interest expenses	-	5,023
Profit on sale of assets	(9,311,205)	(6,139,281)
Operating Profit before working Capital Changes	395,476	3,306,513
Adjustments for:		
Trade and other receivables	1,000,886	(1,196,987)
Inventories	(412,775)	820,949
Trade payables	(1,875,438)	(1,184,847)
NET CASH FROM OPERATING ACTIVITIES	(891,851)	1,745,628
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(137,704)	(1,659,420)
Sale of assets	10,282,000	6,700,000
Proceeds from/ Investment in term deposits/ margin money deposits	140,543	(5,828,166)
Investment in deposits for period exceeding 1 year	(7,758,134)	(101,494)
Interest received	608,510	925,260
NET CASH USED IN INVESTING ACTIVITIES	3,135,215	36,180
C. CASH FLOW FROM FINANCING ACTIVITIES		
Interest paid	-	(5,023)
Repayment of Loans	(2,200,000)	(1,900,000)
Receipt of Loans	-	-
NET CASH GENERATED FROM FINANCING ACTIVITIES	(2,200,000)	(1,905,023)
Net Increase/ (Decrease) in cash and cash equivalents (A+B+C)	43,364	(123,215)
Cash and Cash equivalents as at 01.04.12 (Opening balance)	698,770	821,985
Cash and Cash equivalents as at 31.03.13 (Closing balance)	742,134	698,770

Note: Reconciliation of cash and cash equivalents with Balance Sheet as at 31 March 2013

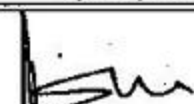
Cash and Cash equivalents as per cash flow statement
Add: Investment in term deposits and margin money deposits
Cash and Cash equivalents as per Balance Sheet

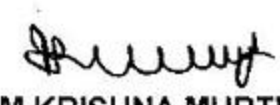
742,134	698,770
6,898,464	7,039,007
<u>7,640,598</u>	<u>7,737,777</u>

For BRAHMAYYA & Co.,
Chartered Accountants
Firm Regn. No.000513S


D. SEETHARAMAIAH
Partner
Membership No.002907


P.V SUBBA RAO
Director


RAJIV KABRA
Executive Director


M KRISHNA MURTHY
General Manager (F)

Kabsons Industries Limited

Notes to Financial statements for the year ended 31 March 2013

I. Significant Accounting Policies

The following are the significant accounting policies adopted by the Company in the preparation and presentation of financial statements:

- i) Financial statements are based on historical cost.
- ii) Special Incentive received is treated as Capital Reserve.
- iii) Fixed Assets are stated at cost net of depreciation provided for and MODVAT credit availed.
- iv) Leasehold land is amortized over the period of lease. Immovable assets on the lease hold lands are amortized in accordance with Schedule -XIV to the Companies Act, 1956 where the estimated life of the assets is less than the lease periods.

Where the estimated life of the immovable assets on lease hold lands is more than the lease periods, they are amortised over the lease periods.

Depreciation on the assets of the Company, other than those mentioned above, is provided on straight line basis / written down value method in accordance with schedule XIV to the Companies Act 1956.

- v) Stores and Packing materials, work-in-progress and stock in trade are valued at lower of the cost and realisable value.
- vi) Sales are exclusive of taxes and duties collected.
- vii) Provident Fund is administrated and remittances are made to Provident Fund Commissioner.
- viii) Liabilities towards gratuity and leave encashment are provided for in accordance with the provisions of Payment of Gratuity Act 1972, Factories Act, 1948 and Shops and Establishment Act, 1988 respectively.
- x) Contingent liabilities are indicated by way of a note and will be provided/ paid on crystallisation.



Notes to Financial statements for the year ended 31st March 2013

2. Share Capital

(All amounts in rupees, unless otherwise stated)

Particulars	As at 31st March 2013		As at 31 March 2012	
	Numbers	Rs.	Numbers	Rs.
Authorised				
Equity Shares of Rs.10 each	18,000,000	180,000,000	18,000,000	180,000,000
Issued, Subscribed & Paid up				
Equity Shares of Rs.10 each fully paid	17,463,000	174,630,000	17,463,000	174,630,000
Total	17,463,000	174,630,000	17,463,000	174,630,000

a. Reconciliation of shares outstanding at the end of the reporting period

Particulars	As at 31st March 2013		As at 31 March 2012	
	No. of shares	Rs.	No. of shares	Rs.
Shares outstanding at the beginning of the year	17,463,000	174,630,000	17,463,000	174,630,000
Add: Shares issued during the year	-	-	-	-
Shares outstanding at the end of the year	17,463,000	174,630,000	17,463,000	174,630,000

b. Terms/ rights attached to equity shares

The company has only one class of equity shares having a face value of Rs. 10 per share. Each holder of equity share is entitled to one vote per share. The dividends recommended by the Board of Directors if any, are subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the equity share holders are entitled to receive the remaining assets of the Company after distribution of all preferential claims, in proportion to the number of shares held.

c. List of shareholders holding more than 5% of total number of shares in the company

Name of Shareholder	As at 31st March 2013		As at 31 March 2012	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Mr. Rajiv Kabra	9,114,300	52.19	9,112,000	52.18
M/s. Lata Engineering Company Pvt. Ltd.	1,011,000	5.79	1,011,000	5.79

3. Reserves and Surplus

Particulars	As at 31st March 2013	As at 31 March 2012
	Rs.	Rs.
a. Capital Reserves	3,000,000	3,000,000
b. Securities Premium Reserve	47,237,415	47,237,415
c. Surplus (Balance in statement of profit and loss)		
Balance as per last financial statements	(249,702,377)	(256,673,438)
Add: Profit for the year.	10,178,540	6,971,061
Closing Balance	(239,523,837)	(249,702,377)
Total	(189,286,422)	(199,464,962)



Notes to Financial statements for the year ended 31st March 2013

4. Other long term liabilities

(All amounts in rupees, unless otherwise stated)

Particulars	Non-current portion		Current portion	
	As at 31st March 2013	As at 31 March 2012	As at 31st March 2013	As at 31 March 2012
Sales Tax Deferred Liability	-	21,919	21,919	184,704
Other liabilities				
i) Security Deposits	2,922,500	2,922,500	-	-
ii) Other liabilities	-	2,065,713	2,250,772	797,556
Total	2,922,500	5,010,132	2,272,691	982,260

- a. All the liabilities falling due within 12 months from the date of Balance Sheet have been classified as current liabilities, the aggregate of which is shown as 'current maturities of long-term liabilities' under Note - 7, 'Other Current Liabilities'.
- b. Outstanding sales tax deferred liability is repayable to the Maharashtra State Government as given below:

Particulars	FY 2013-14
Due date of payment	01.05.2013
Instalment amount payable	21,919

- c. The Security Deposits are received towards lease of plants at various locations and are interest-free.

5. Long Term Provisions

Particulars	Non-current portion		Current portion	
	As at 31st March 2013	As at 31 March 2012	As at 31st March 2013	As at 31 March 2012
<u>Provision for Employee Benefits :</u>				
(a) Gratuity	51,490	33,923	-	383,654
(b) Eamed Leave Encashment	57,974	18,103	-	70,000
Total	109,464	52,026	-	453,654

6. Short Term Borrowings

Particulars	As at 31 March 2013	As at 31 March 2012
<u>Loans and advances from related parties, repayable on demand (interest-free)</u>		
a. Secured		
Lata Engineering Company Private Limited	100,000	2,000,000
b. Unsecured		
Inter Corporate Deposit	3,000,000	3,000,000
Loan from Director	-	300,000
Total	3,100,000	5,300,000

- a. Loan of M/s.Lata Engineering Company Private Limited is secured by way of a first charge on the Fixed Assets of the Company located at plot no.124 & 125, Tupudana Industrial Growth Center, Ranchi, Jharkhand and Open plot at Nellimerla Industrial Area, Vizianagaram Dist, Andhra Pradesh.



Notes to Financial statements for the year ended 31st March 2013

7. Other Current Liabilities

Particulars	As at 31 March 2013	As at 31 March 2012
Current maturities of long-term liabilities (Refer Note - 4a)	2,272,691	982,260
Distributor / Dealer Deposit	8,720,633	8,730,633
Cylinder Deposits from Consumers	71,943,882	71,937,682
Interest accrued and due on Distributor/Dealer deposits (Refer Note - 24.3)	1,317,817	1,320,226
Dues to Dealers and Consumers	3,062,998	3,140,573
Dues towards Capital Items	21,869	21,869
Dues to Staff	363,375	1,013,585
<u>Other payables</u>		
Statutory dues	1,085,827	1,345,908
Others	849,405	1,138,796
Investor Education and protection fund - Unpaid application money received for allotment of shares and due for refund	22,550	22,550
Total	89,661,047	89,654,082

8. Short-Term Provisions

Particulars	As at 31 March 2013	As at 31 March 2012
<u>Provision for Employee Benefits:</u>		
Bonus	4,374	6,910
Provision for audit fees	30,899	30,333
Total	35,273	37,243



Notes to Financial statements for the year ended 31st March 2013

(All amounts in rupees, unless otherwise stated)

9. Fixed Assets

Particulars	Gross Block				Depreciation			Net Block			
	As at 31st March 2012	Additions	Deductions	As at 31st March 2013	Upto 31 March 2012	Adjustments	For the period	On deductions	Upto 31st March 2013	As at 31st March 2013	As at 31st March 2012
a											
Tangible Assets											
Land:											
Leasehold	5,800,228	-	352,750	5,447,478	1,985,646	-	76,962	87,699	1,974,909	3,472,569	3,814,582
Freehold	1,281,926	-	-	1,281,926	-	-	-	-	-	1,281,926	1,281,926
Buildings:											
Factory	27,836,743	-	1,685,385	26,151,358	17,042,016	-	925,056	1,187,321	16,779,751	9,371,607	10,794,727
Non Factory	3,030,697	-	-	3,030,697	915,545	-	48,106	-	963,651	2,067,046	2,115,152
Plant and Equipment	31,197,969	119,604	2,360,802	28,956,771	23,504,526	-	1,466,821	2,154,625	22,816,722	6,140,049	7,693,443
Electrical Equipment	6,541,369	-	348,666	6,192,703	5,438,084	-	258,301	348,666	5,347,719	844,984	1,103,285
Furniture and Fittings	3,249,115	-	21,337	3,227,778	3,234,958	(35,877)	-	21,337	3,177,744	50,034	14,157
Data Processing Equipment	3,233,964	12,100	-	3,246,064	3,162,342	(87,702)	1,144	-	3,075,784	170,280	71,622
Office equipment	1,436,769	6,000	1,245	1,441,524	1,269,534	-	53,866	1,245	1,322,155	119,369	167,235
Vehicles	570,096	-	68,377	501,719	424,596	-	43,008	66,874	400,730	100,989	145,500
Cycle	1,710	-	-	1,710	1,710	-	-	-	1,710	-	-
Cylinders	64,113,619	-	-	64,113,619	63,417,635	(2,758,196)	212,819	-	60,872,258	3,241,361	695,984
Sub Total:	148,294,205	137,704	4,838,562	143,593,347	120,396,592	(2,881,775)	3,086,083	3,867,767	116,733,133	26,860,214	27,897,613
b											
Intangible Assets											
Software	8,550	-	-	8,550	8,550	-	-	-	8,550	-	-
Sub Total:	8,550	-	-	8,550	8,550	-	-	-	8,550	-	-
Grand Total	148,302,755	137,704	4,838,562	143,601,897	120,405,142	(2,881,775)	3,086,083	3,867,767	116,741,683	26,860,214	27,897,613
Previous Year:	148,805,111	1,659,420	2,161,776	148,302,755	118,520,911	-	3,485,289	1,601,058	120,405,142	27,897,613	30,284,200



Notes to Financial statements for the year ended 31st March 2013

10. Long Term Loans and Advances (Unsecured, considered good)

(All amounts in rupees, unless otherwise stated)

Particulars	As at 31 March 2013	As at 31 March 2012
Sundry Deposits	1,014,952	2,024,885
Total	1,014,952	2,024,885

11. Other Non-current Assets

Particulars	As at 31 March 2013	As at 31 March 2012
Prepayments	113,451	12,051
Other bank Balances - Term Deposits with more than 12 months maturity	7,859,628	101,494
Total	7,973,079	113,545

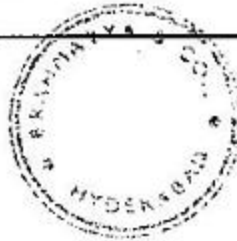
a. Out of the total amount of term deposits, deposits amounting to Rs. 26,59,628 have been pledged with the Bankers towards issue of Bank Guarantees

12. Inventories (Valued and Certified by the Executive Director)

Particulars	As at 31 March 2013	As at 31 March 2012
a. Work-in-progress (at realisable value)	42,504	42,504
b. Stock-in-trade (lower of realisable value and cost)	783,678	370,903
c. Stores and Packing materials (at realisable value)	78,004	78,004
Total	904,186	491,411

13. Trade Receivables (Unsecured)

Particulars	As at 31 March 2013	As at 31 March 2012
Debts outstanding for a period exceeding six months		
Considered good	771,454	1,067,207
Considered doubtful	218,412	218,412
Less: Provision for doubtful debts	(218,412)	(218,412)
	771,454	1,067,207
Others considered good	988,150	2,121,402
Total	1,759,604	3,188,609



Notes to Financial statements for the year ended 31st March 2013

14. Cash and cash equivalents

(All amounts in rupees, unless otherwise stated)

Particulars	As at 31st March 2013		As at 31 March 2012	
	Rs.	Rs.	Rs.	Rs.
a. Balances with banks				
In current accounts	658,639		638,263	
Margin money deposits	1,301,967		1,074,381	
In term deposits	5,596,497	7,557,103	5,964,626	7,677,270
b. Cash on hand		61,418		38,430
c. Share Application Money Refund A/c.		22,077		22,077
Total :		7,640,598		7,737,777

a. Margin money deposit receipts are held with the bankers with a lien marked in their favour against Bank Guarantees issued by them.

b. Margin money deposits and term deposits have a maturity period of more than three months and less than one year.

15. Short-term loans and advances (Unsecured, considered good)

Particulars	As at 31st March 2013		As at 31 March 2012	
Deposit		1,000,000		-
Short term loan (unsecured)		-		273,000
Tax deducted at source		1,378,159		738,078
Bills of Exchange (Considered Doubtful)	2,450,000		2,450,000	
Less: Provision made	(2,450,000)	-	(2,450,000)	-
Total :		2,378,159		1,011,078

16. Other Current Assets

Particulars	As at	As at
	31 March 2013	31 March 2012
Vendor advance	151,002	288,066
Claims receivable (Refer Note - 24.4)	723,273	679,072
Earnst Money Deposit	100,000	100,000
Amounts recoverable from staff	41,066	1,000
Cylinder Deposits	33,420,900	33,412,900
Interest accrued but not due	204,649	136,992
Prepayments	152,326	137,957
Total	34,793,216	34,755,987



Notes to Financial statements for the year ended 31st March 2013

17. Revenue from Operations

(All amounts in rupees, unless otherwise stated)

Particulars	Current Year	Previous Year
Sale of gas (trading item)	5,010,161	4,579,535
<u>Other operating revenues</u>		
Rental/ hire charges	79,952	78,912
Plants Lease	2,911,800	3,104,400
Rent	1,929,000	1,870,017
Gas filling charges	3,314,284	3,772,321
Total	13,245,197	13,405,185

a. Details of sales of trading item

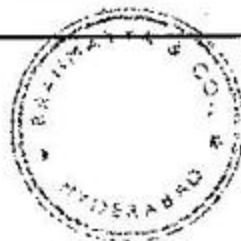
Particulars	Current Year	Previous Year
Gas	5,010,161	4,579,535
Total	5,010,161	4,579,535

18. Other income

Particulars	Current Year	Previous Year
Interest Income (TDS: Rs.68,098/-)	676,167	304,579
<u>Other non-operating revenue</u>		
Loading/ unloading charges	416,450	459,340
Miscellaneous income	394,363	2,042,070
Total	1,486,980	2,805,989

19. Purchases of Stock-in-Trade

Particulars	Current Year	Previous Year
Gas	4,759,562	3,175,076
Total	4,759,562	3,175,076



Notes to Financial statements for the year ended 31st March 2013

20. Changes in inventories of Work-in-progress and Stock-in-Trade

(All amounts in rupees, unless otherwise stated)

Particulars	Current Year	Previous Year
Opening Stock		
i) Work-in-progress	42,504	42,504
ii) Stock-in-trade	370,903	1,191,852
	413,407	1,234,356
Less: Stocks written off (Traded Items)	-	(10,595)
	413,407	1,223,761
Closing Stock		
i) Work-in-progress	(42,504)	(42,504)
ii) Stock-in-trade	(783,678)	(370,903)
	(412,775)	810,354
(Increase) / Decrease in stocks		

a. Details of Stock-in-trade - closing stock

Particulars	Current Year	Previous Year
LPG Gas	773,778	361,003
Single burner stoves	9,900	9,900
Total	783,678	370,903

b. Details of work-in-progress - closing stock

Particulars	Current Year	Previous Year
Brazed cylinders	30,456	30,456
Others	12,048	12,048
Total	42,504	42,504

21. Employee benefits expense

Particulars	Current Year	Previous Year
Salaries, Wages and Allowances	1,969,618	1,640,960
Contribution to Provident and other funds	94,112	86,499
Staff Welfare	91,843	107,375
Gratuity	120,605	92,567
Total	2,276,178	1,927,401



Notes to Financial statements for the year ended 31st March 2013

22. Other expenses

(All amounts in rupees, unless otherwise stated)

Particulars	Current Year	Previous Year
Consumption of stores and spares	23,540	131,243
Power and fuel	689,965	616,896
Rent & Water Charges	502,641	527,140
Rental/Hire charges paid for Cylinders	91,429	89,443
Repairs & Maintenance		
i) Plant & Machinery	520,983	703,981
ii) Buildings	8,300	29,000
iii) Other Assets	17,171	24,164
Insurance	83,693	94,738
Rates & Taxes	278,558	159,721
Gas Filling Charges	91,782	83,503
Printing & Stationary	22,924	24,817
Postage & Telephones	95,569	87,034
Travelling & Conveyance	294,681	358,285
Service Charges	2,897,778	3,258,192
Auditors' Remuneration		
: As Auditors	25,281	24,818
: For Tax Audit	5,618	5,515
: For Certification	10,266	12,133
Prior Period Expenses	45,984	820,289
Miscellaneous expenses	925,367	723,151
Total	6,631,530	7,774,063

23. Exceptional Items:

Particulars	Current Year	Previous Year
Interest from legal disputed account	-	726,000
Credit Balances Written Back	479,888	581,407
Excess Provisions Written Back (net)	64,074	501,000
Profit on Sale of Assets	9,311,205	6,139,281
Stocks written off	-	(10,595)
Compensation to Civil Contractor	(950,000)	-
<u>Prior period item</u>		
Excess Depreciation provided in earlier years now written up	2,881,775	-
Total	11,786,942	7,937,093



Notes to Financial statements for the year ended 31 March 2013

24. Other disclosures

24.1. Financial statements of the Company have been prepared on 'going concern basis' despite:

- Complete erosion of net worth as at 31 March 2013;
- Current liabilities exceeded the current assets by Rs.474.72 Lakhs as at 31 March 2013; and
- Uncertainty associated with the operations of the company.

24.2. Contingent Liabilities not provided for in respect of:

Particulars	As at 31 March 2013	As at 31 March 2012
i) Bank Guarantees issued by Bankers	37,20,000	11,20,000
ii) A claim made by a Civil Contractor at Baroda, as the matter is pending in Civil Court.	NIL	1,11,00,000
iii) Claims made by dealers/distributors not acknowledged by the Company	5,94,315	5,94,315

24.3. Interest accrued and due on Distributor/Dealer deposits

In view of the Company's adverse financial position, interest payable to various distributors and dealers on their deposits would be negotiated with them for waiver. Hence, no provision is made for interest for the current year amounting to Rs.6,40,343/- (Previous year: Rs.6,41,221/-) and interest for earlier years amounting to Rs.71,65,255/-. Had the interest provision been made, the profit for the current year would have been less by Rs.6,40,343/- and current liabilities would have been more by Rs.78,05,598/-.

24.4. Claims receivable (included under other current assets)

During the year, the Company has recognized Rs.7,23,273 (previous year: Rs.4,18,024) as income, which is the minimum commitment charges and the operational loss in respect of Aurangabad bottling plant, collectible from the operations Agent.

24.5. Additional information

a. Value of imports calculated on C.I.F basis during the financial year:

The Company has no imports for the current financial year and the previous year to report.

b. Expenditure in foreign currency during the financial year on account of:

The Company has no expenditure in foreign currency for the current financial year and the previous year to report.

c. Earnings in foreign exchange:

The Company has no earnings in foreign exchange for the current financial year and the previous year to report.



Notes to Financial statements for the year ended 31 March 2013

- d. The value of consumption of imported and indigenously obtained raw materials, stores and spare parts and the percentage of each to the total consumption:

Particulars	Current Year Rs.		Previous Year Rs.	
	Amount	%	Amount	%
Indigenous	23,540	100	1,31,243	100
Imported	-	-	-	-
Total	23,540	100	1,31,243	100

25. Disclosures in accordance with the requirements of Accounting Standards stated under the Companies (Accounting standards) Rules 2006.

The Company has made disclosures in accordance with the accounting standards as applicable for the year under report.

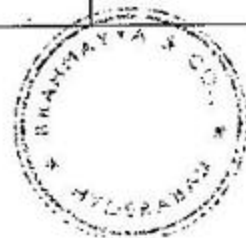
25.1. Segment Reporting

The Company operates only in one business segment namely, sale of gas and hence the requirements of AS – 17 are not applicable.

25.2. Related Party Disclosures

The Related party disclosures as required by AS – 18 are given below:

S.no	Name of the Related Party	Nature of Relationship
1	Rajiv Kabra	Key Management Personnel
2	Satish Kabra	Relatives of Key Management Personnel
3	Annapurna Kabra	
4	Lata Engineering Company P. Ltd	Substantial Shareholder
5	PKL Ltd	Enterprise having common control by Key Management Personnel
6	Kabsons Technologies P. Ltd	Subsidiary Company of Substantial Shareholder
7	Ideal Engineers Hyderabad P. Ltd	Enterprises controlled by relatives of the Key Management Personnel
8	A.P.Leasing Services	
9	Kabsons Gas Equipment P. Ltd	
10	Gasolec Appliances P. Ltd	
11	S.K.Leasing Services	
12	Detective Devices P. Ltd	



Notes to Financial statements for the year ended 31 March 2013

a. Transactions with Key Management Personnel

S.no.	Nature of transaction	Current Year Rs.	Previous Year Rs.
1	Remuneration*	--	--
2	Un secured Loans:		
	Outstanding at the beginning of the year	3,00,000	22,00,000
	Received during the year	--	--
	Repaid during the year	3,00,000	19,00,000
	Outstanding at the end of the year	Nil	3,00,000

* Director's remuneration as approved in the earlier Annual General Meeting effective from 01.08.2009 @ Rs.25,000/- P.M. amounting to Rs.20,50,000/- upto 31st March, 2013 (previous year Rs.17,50,000/-) is not provided for in the books, pending approval from the Central Government.

b. Transactions with Substantial Shareholder

Nature of transaction	Current Year Rs.	Previous Year Rs.
Rendering of technical services	--	30,000
Sale of Gas	78,432	64,034
Rent received	1,80,000	1,80,000
Cylinder deposit paid	74,94,200	74,94,200
Secured Loan:		
Outstanding at the beginning of the year	20,00,000	20,00,000
Received during the year	--	--
Repaid during the year	19,00,000	--
Outstanding at the end of the year	1,00,000	20,00,000
Balance in current account receivable	16,475	23,179

c. Transactions with Enterprise having common control by Key Management Personnel

Nature of transaction	Current Year Rs.	Previous Year Rs.
Godown rent received	1,80,000	1,80,000
Rental/ hire charges paid	96,000	27,500
Purchase of gas	16,68,290	--
Sale of scrap	--	7,35,950
Cylinder deposit paid:		
Outstanding at the beginning of the year	68,17,250	68,14,750
Received during the year	--	--
Paid during the year	8,000	2,500
Outstanding at the end of the year	68,25,250	68,17,250
Balance in current account receivable	34,417	7,87,867



Notes to Financial statements for the year ended 31 March 2013

d. Transactions with Subsidiary Company of Substantial Shareholder

Nature of transaction	Current Year Rs.	Previous Year Rs.
Inter corporate deposit received:		
Outstanding at the beginning of the year	30,00,000	30,00,000
Received during the year	--	--
Repaid during the year	--	--
Outstanding at the end of the year	30,00,000	30,00,000

e. Transactions with Enterprises controlled by relatives of the Key Management Personnel

Nature of transaction	Current Year Rs.	Previous Year Rs.
Purchase of gas	6,28,651	13,52,691
Gas filling charges paid	35,602	28,353
Cylinder rent paid	--	63,000
Minimum commitment charges paid	56,180	55,150
Rendering of technical services	--	36,000
Cylinder deposit paid:		
Outstanding at the beginning of the year	1,92,09,450	1,92,09,450
Received during the year	--	--
Repaid during the year	--	--
Outstanding at the end of the year	1,92,09,450	1,92,09,450
Trade receivables	Nil	83,973
Trade payables	14,41,405	15,85,760

25.3. Accounting for Leases

The disclosures pursuant to the requirements of AS – 19 are given below:

Class of Asset	Land	Building	Plant and Machinery	Other Assets	Total
Gross Carrying Amount	10,15,521	50,62,940	1,27,41,855	1,08,834	18,929,150
Accumulated Depreciation	4,89,662	32,77,515	75,25,623	88,676	11,381,476
Depreciation recognised for the year	11,120	1,69,102	5,77,290	7,469	764,981
Net block as at 31.03.2013	5,14,739	16,16,323	46,38,942	12,689	6,782,693

General description of the Company's significant leasing arrangements:

The company has given on lease, various assets of its LPG Bottling Plants situated at:

- 1) Plot No.706 & 708, GIDC, Palej Industrial Estate, Gujarat;
- 2) Killa No.170 & 171, Sampla Berry Road, Ismaila Village, Rohtak, Haryana; and
- 3) Plot No.37, Belur Industrial Estate, Dist. Dharwad, Karnataka

on a fixed term lease basis, after which the lease agreements can be extended or terminated on mutual consent basis.



Notes to Financial statements for the year ended 31 March 2013

25.4. Earnings per share

The computation of earnings per share as required under AS – 20 is given below:

Particulars	Current Year	Previous Year
Profit as per Statement of Profit and Loss (in rupees)	1,01,78,540	69,71,061
Number of equity shares outstanding	1,74,63,000	1,74,63,000
Basic and diluted earnings per share in rupees (face value of Rs.10/-)	0.58	0.40

25.5. Taxes on income

25.5.1. Current Tax

Provision for current tax is not made, in view of the brought forward unabsorbed depreciation and business loss, in accordance with the provisions of the Income-tax Act, 1961 as well as book profits tax under Section 115JB of the Income-tax Act, 1961.

25.5.2. Deferred tax

In view of the absence of reasonable certainty that sufficient future taxable income will be available against which deferred tax asset can be realized, the Company has considered it prudent not to provide for deferred tax asset of Rs. 4.84 crores (Previous Year Rs. 4.93 crores), in accordance with Accounting Standard – 22, Accounting for taxes on income, resulted on account of brought forward losses and unabsorbed depreciation.

S.no	Particulars	Current Year Rs.	Previous Year Rs.
A. Items of Deferred Tax Assets			
1	Unabsorbed depreciation and other disallowances	17,66,85,486	17,90,35,375
B. Items of Deferred Tax Liabilities			
1	Difference in W.D.V as per books and as per Income-tax Act	2,01,06,358	1,94,93,438
Net Deferred Tax Asset (A-B)		15,65,79,128	15,95,41,937
Tax thereon @ 30.90 %		4,83,82,951	4,92,98,459

26. Dues to Micro, Small and Medium Enterprises

On the basis of details furnished by the suppliers, there are no amounts to be reported as dues to micro, small and medium enterprises as required under section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act')



Notes to Financial statements for the year ended 31 March 2013

27. Previous Year's figures

Previous Year's figures have been reclassified, wherever necessary so as to conform with the requirements of the Revised Schedule VI to the Companies Act, 1956.

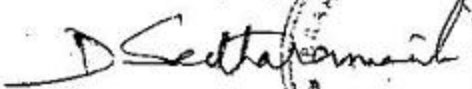
Per our report of even date

For Brahmayya & Co.


Chartered Accountants

Firms' Registration No.: 000513S

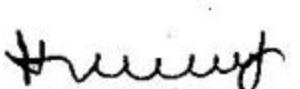
For and on behalf of the Board of Directors


(D. Seetharamaiah)
Partner




(P V Subba Rao)
Director


(Rajiv Kabra)
Executive Director


(M. Krishna Murthy)
G.M (Finance)

Membership No: 002907

Place: Hyderabad

Date: 29.05.2013

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

1. Registration Details

Registration No: 01-14458

State Code: 01

Balance Sheet Date 31-03-2013

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

Public Issue	Rights Issue
NIL	NIL
Bonus Issue	Private Placement
NIL	NIL

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

Total Liabilities	Total Assets
83,324	83,324

Sources of Funds:

Paid-up Capital	Reserves & Surplus
1,74,630	(1,89,286)
Non-Current Liabilities	Current Liabilities
3,032	94,948

Application of Funds:

Net Non-Current Assets	Net Current Assets
35,848	47,476

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

Turnover	Total Expenditure
26,519	16,340
Profit before Tax	Profit after Tax
10,179	10,179
Earning per Share in Rs.	Dividend @%
0.58	NIL

V. Generic names of Three Principal Products/Services of Company

(as per monetary terms)

1. Item Code	731100.01
Product Description	Cylinders Manufacturing
2. Item Code	
Service Description	Gas Filling / Distribution.
3. Item Code	
Service Description	Gas Transportation