

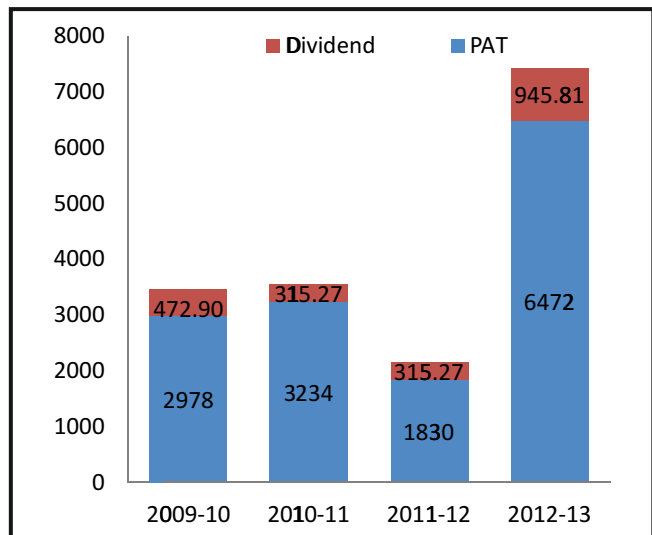
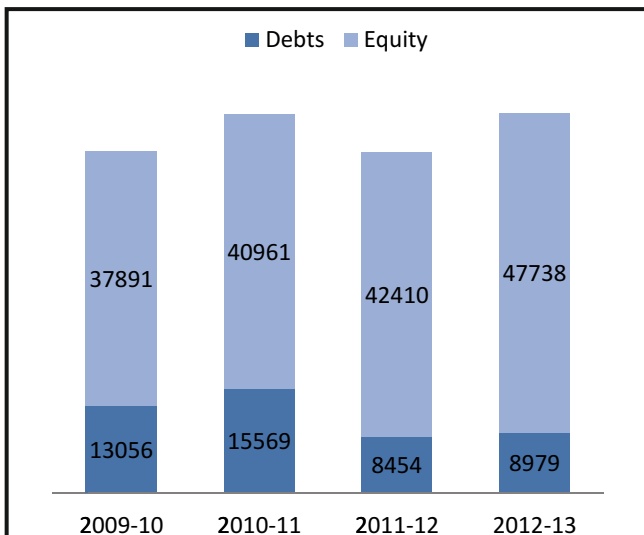
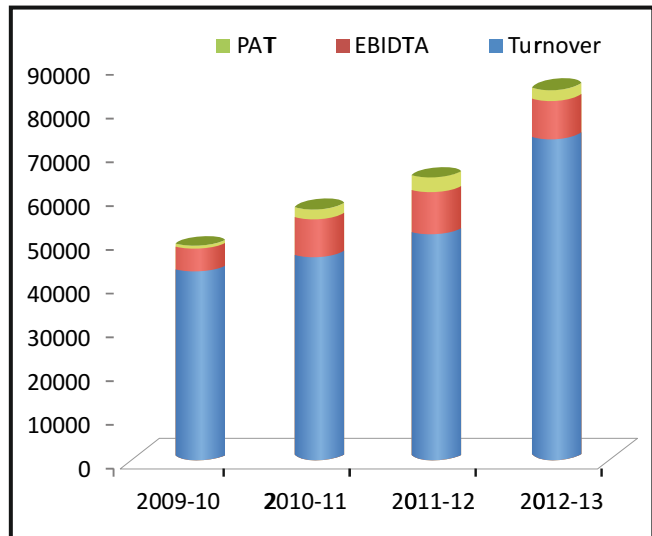
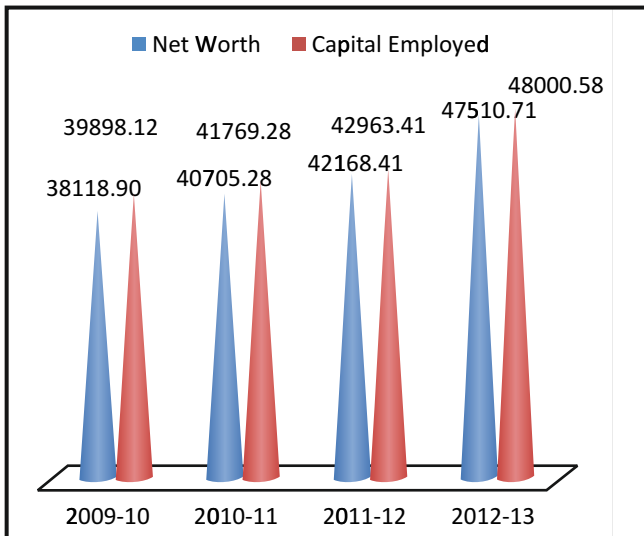
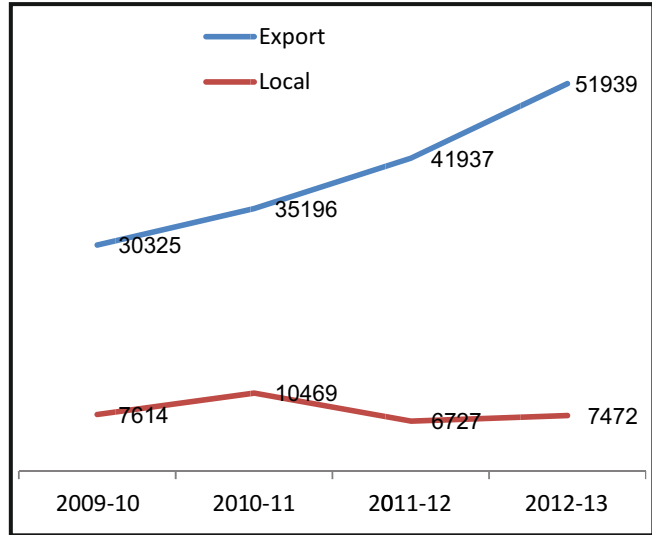
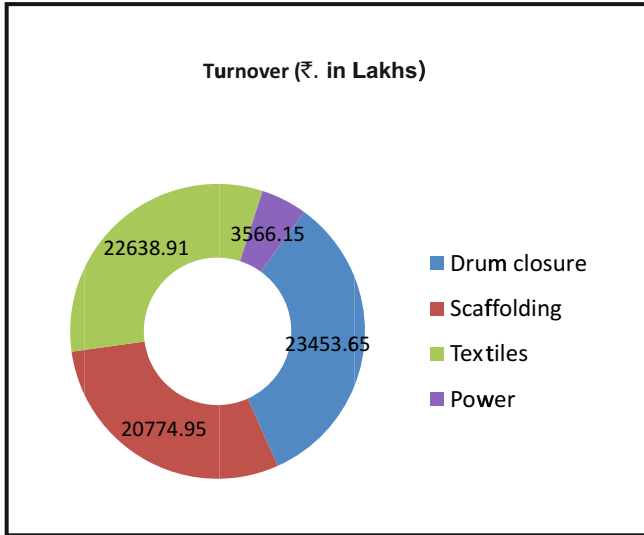


Annual Report
2012-13

Technocraft Industries (India) Limited



FINANCIAL SNAPSHOT





GENERAL INFORMATION

Board of Directors

Mr. M.D. Saraf	Chairman
Mr. S.K. Saraf	Managing Director
Mr. S.M. Saraf	Managing Director
Mr. Atanu Choudhary	Whole time Director
Mr. S.B. Agarwal	Independent Director
Mr. G.K. Gupta	Independent Director
Mr. Anand Didwania	Independent Director
Mr. Pankaj Toprani	Independent Director

Senior Management

Mr. Navneet Kumar Saraf	COO
Mr. Ashish Kumar Saraf	CFO
Mr. Subhash Khandelwal	President Mktg.

Company Secretary & Compliance Officer

Mr. Manoj Jain

Bankers

Bank of India
IDBI Bank
HDFC Bank
CITI Bank NA

Auditors

M.L. Sharma & Co.
Chartered Accountants
107, First Floor, Chartered House
297/299, Dr. Cawasji Hormashi Street
Marine Lines, Mumbai- 400002

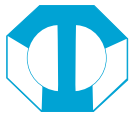
Registrar & Share Registrar Agent

System Support Services
209, Shivai Industrial Area
Andheri Kurla Road, Andheri (E)
Mumbai- 400072

Registered & Corporate Office

"Technocraft House"
A-25, MIDC, Marol Industrial Area,
Road No. 3, Opp. ESIS Hospital,
Andheri (E), Mumbai- 400093
Maharashtra, India
Tel: 022-40982222, Fax No. 022-28356559

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NOTICE

Notice is hereby given that the **21st** Annual General Meeting of the Members of Technocraft Industries (India) Limited will be held on **Monday 30th September, 2013** at **11.00 a.m.** at Technocraft House , A-25, MIDC, Road No. 3, Opp. ESIS Hospital, Andheri (E), Mumbai, 400093 to transact with or without modification (s) as may be permissible, the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2013, Profit & Loss Account for the year ended on that date together with the report of the Directors and Auditors thereon.
2. To Declare Dividend on 3, 15, 26,750 Equity Shares for the year ended 31st March 2013.
3. To appoint a Director in place of Mr. Ganesh Kumar Gupta, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr. Pankaj Toprani, who retires by rotation and being eligible, offers himself for re-appointment.
5. To consider and if thought fit, to pass, following resolution as an Ordinary Resolution.

"RESOLVED THAT pursuant to provision of section 224 and other applicable provision, if any, of the Companies Act, 1956 M/s M.L.Sharma & Co, Chartered Accountants, (Registration No. 109963W) be and is hereby appointed as the Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of next Annual General Meeting on the remuneration as may be fixed by the Board of Directors of the Company."

SPECIAL BUSINESS:

6. Re – appointment of Managing Director

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

"RESOLVED THAT in accordance with the provisions of Section 198, 269, and 309 read together with Schedule XIII and all other applicable provisions of the Companies Act, 1956 (including any statutory modification(s) or re-enactment thereof, for the time being in force), and subject to the approval of shareholders, Mr. Sharad Kumar Saraf be re-appointed as a Managing Director of the Company, with substantial powers of management to be exercised by him, with effect from 1st September, 2013 for a period of five years on such terms and conditions including remuneration as set out below with liberty to the Board to vary, alter and modify such terms and conditions including salary, allowances, perquisites and commission at any time during the tenure of his office as may be agreed to by the Board of Directors and Mr. Sharad Kumar Saraf."

Terms and Conditions of Appointment

1. **Period of Appointment:-** Appointment shall be for a period of 5 (five) years beginning from September 01, 2013 and ending on August 31, 2018
2. **Details of remuneration:**
 - A) **Basic Salary:** - ₹. 4 Lac per month (₹. Four Lacs only) with authority to the Board of Directors to revise the basic salary from time to time taking into account the performance of the Company subject however to a ceiling of ₹. 5 Lacs per month.
 - B) **Commission:-** Payable for each financial year, up to 1% of net profits of the Company for that year, subject to such ceiling as may be fixed by the Board of Directors from time to time, with the present ceiling fixed by the Board being an amount equivalent to the Annual Salary for the relevant financial



NOTICE

year. The amount of Commission shall be payable after the Annual Accounts are approved by the Board of Directors and adopted by the Shareholders.

- C) **Bonus:-** Annual Bonus at the same rate as payable to other senior employees of the Company.
- D) **House Rent Allowance:-** 60% of salary as House Rent Allowance. The expenditure incurred by the Company on Gas, Electricity, Water and Furnishings shall be subject to a ceiling of 10% of the salary.
- E) **Perquisites:-**
- (i) **Earned Leave/Privilege Leave:** On full pay and allowance as per the rules of the Company, but not more than one month's leave for every 11 months of service. The balance of leave at the end of each year will be encashable as per the Company's Rules.
 - (ii) **Reimbursement of medical expenses:** incurred in India or abroad including hospitalization, nursing home and surgical charges for self and family. However, the reimbursement shall not exceed one-month salary in a year or three months salary over a period of three years.
 - (iii) **Leave travel concession:** For self and family once in a year in accordance with the Rules of the Company.
 - (iv) **Telephone:** Free use of Telephone at residence.
 - (v) **Club Fees:** Fees for clubs subject to a maximum of two clubs.
 - (vi) **Servant's salary:** Servant's salary, subject to a maximum of 2 servants on a salary of up to ₹.2500/- per servant per month.
 - (vii) **Personal Accident Insurance:** Premium not to exceed ₹.4000/- per annum.
 - (viii) **Car:** Free use of Company's Car with driver. If the Company does not provide driver, reimbursement of actual salary paid to the driver.
 - (ix) **Entertainment expenses:** Reimbursement of entertainment expenses incurred in the course of business of the Company.
 - (x) **Corporate Credit Card:** for use both in India and Abroad for business purposes.
 - (xi) **Gratuity:** Not to exceed half a month's salary for each completed year of service, subject to a ceiling as may be fixed by the Government.
 - (xii) **Minimum Remuneration :** Where in any financial year, the Company has no profit or its profits are inadequate, the Company him minimum remuneration as provided in Section II of Part II of Schedule XIII of the Companies Act, 1956 as notified from time to time.

RESOLVED FURTHER THAT for the purpose of giving effect to the foregoing resolution, The Board of Directors of the Company be and is hereby authorised to do all such acts, matters and things, as may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in the said resolution.

7. Re – appointment of Managing Director

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

"RESOLVED THAT in accordance with the provisions of Section 198, 269, and 309 read together with Schedule XIII and all other applicable provisions of the Companies Act, 1956 (including any statutory modification(s) or re-enactment thereof, for the time being in force), and subject to the



NOTICE

approval of shareholders, Mr. Sudarshan Kumar Saraf be re-appointed as a Managing Director of the Company, with substantial powers of management to be exercised by him, with effect from 1st September, 2013 for a period of five years on such terms and conditions including remuneration as set out below with liberty to the Board to vary, alter and modify such terms and conditions including salary, allowances, perquisites and commission at any time during the tenure of his office as may be agreed to by the Board of Directors and Mr. Sudarshan Kumar Saraf.

Terms and Conditions of Appointment

1. **Period of Appointment:-** Appointment shall be for a period of 5 (five) years beginning from September 01, 2013 and ending on August 31, 2018.
2. **Details of remuneration:**
 - A) **Basic Salary:** ₹. 4 Lac per month (₹. Four Lac only) with authority to the Board of Directors to revise the basic salary from time to time taking into account the performance of the Company subject however to a ceiling of ₹. 5 Lac per month
 - B) **Commission:-** Payable for each financial year, up to 1% of net profits of the Company for that year, subject to such ceiling as may be fixed by the Board of Directors from time to time, with the present ceiling fixed by the Board being an amount equivalent to the Annual Salary for the relevant financial year. The amount of Commission shall be payable after the Annual Accounts are approved by the Board of Directors and adopted by the Shareholders.
 - C) **Bonus:-** Annual Bonus at the same rate as payable to other senior employees of the Company.
 - D) **House Rent Allowance:** - 60% of salary as House Rent Allowance. The expenditure incurred by the Company on Gas, Electricity, Water and Furnishings shall be subject to a ceiling of 10% of the salary.
 - E) **Perquisites:-**
 - (i) **Earned Leave/Privilege Leave:** On full pay and allowance as per the rules of the Company, but not more than one month's leave for every 11 months of service. The balance of leave at the end of each year will be encashable as per the Company's Rules.
 - (ii) **Reimbursement of medical expenses:** incurred in India or abroad including hospitalization, nursing home and surgical charges for self and family. However, the reimbursement shall not exceed one-month salary in a year or three months salary over a period of three years.
 - (iii) **Leave travel concession:** For self and family once in a year in accordance with the Rules of the Company.
 - (iv) **Telephone:** Free use of Telephone at residence.
 - (v) **Club Fees:** Fees for clubs subject to a maximum of two clubs.
 - (vi) **Servant's salary:** Servant's salary, subject to a maximum of 2 servants on a salary of up to ₹.2500/- per servant per month.
 - (vii) **Personal Accident Insurance:** Premium not to exceed ₹.4000/- per annum.
 - (viii) **Car:** Free use of Company's Car with driver. If the Company does not provide driver, reimbursement of actual salary paid to the driver.
 - (ix) **Entertainment expenses:** Reimbursement of entertainment expenses incurred in the course of business of the Company.



NOTICE

- (x) **Corporate Credit Card:** for use both in India and Abroad for business purposes.
- (xi) **Gratuity:** Not to exceed half a month's salary for each completed year of service, subject to a ceiling as may be fixed by the Government.
- (xii) **Minimum Remuneration:** Where in any financial year, the Company has no profit or its profits are inadequate, the Company shall minimum remuneration as provided in Section II of Part II of Schedule XIII of the Companies Act, 1956 as notified from time to time.

RESOLVED FURTHER THAT for the purpose of giving effect to the foregoing resolution, The Board of Directors of the Company be and is hereby authorised to do all such acts, matters and things, as may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in the said resolution.

By the Order of Board of Directors
For Technocraft Industries (I) Limited

Mumbai 12th August, 2013

Manoj Jain
Company Secretary

Notes:

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ALSO ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/ HERSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXY FORM SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE TIME FIXED FOR THE MEETING. PROXIES SUBMITTED ON BEHALF OF LIMITED COMPANIES, SOCIETIES, ETC MUST BE SUPPORTED BY APPROPRIATE RESOLUTION/AUTHORITY, AS APPLICABLE.
2. The corporate members intended to send their authorised representative to attend the meeting are required to send certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the meeting.
3. The Register of members and Share Transfer Register of the Company will remain closed from **Wednesday, 25th September 2013 to Monday, 30th September, 2013**, both days inclusive. If the final dividend as recommended by the Board of Directors is approved at the meeting, payment of such dividend will be made on or after **30th September to the shareholders, whose names appear on the Register of Members of the Company on Monday 30th September, 2013.**
4. Members are requested to notify immediately any change in their address along with Pin code Number to the Company/ Share Transfer Agent.
5. The Non Resident –Indian Members are requested to inform the Company's Registrar and Share Transfer Agent immediately:
 - a. The change in the residential status to return to India for permanent settlement.
 - b. The particulars of the Bank Account maintained in India with complete name, branch, type of accounts, account numbers and address of the Bank with PIN code no. if not furnished earlier.
6. The Company's Equity Shares are listed at National Stock Exchange & Bombay Stock Exchange. Annual listing fee has been paid to the said exchanges in time.
7. Members who wish to seek any further information/clarification at the meeting, on the annual accounts or operation of the Company are requested to send their queries at least one week in advance from the date of the Meeting to the Company Secretary at the registered office.



NOTICE

- 8 Members may kindly note that their Bank account details, as furnished by their Depositories to the Company, will be printed on their dividend warrant, as per the applicable regulations of the depositories and Company will not entertain any direct request from such members for deletion of or change in bank account details. Members who wish to change such bank account details are therefore requested to advise their depositories participants about such change with complete details of bank accounts.
- 9 Those shareholders who have not encashed their warrants are requested to immediately return the outdated warrants to the Company or to write to the Company or Company's Registrar to enable the Company to issue Demand Draft in lieu thereof.
- 10 The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Member holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participant with whom they are maintaining their demat accounts.
- 11 Members are requested to bring their attendance slip along with their copy of annual report to the meeting.

By the Order of Board of Directors
For Technocraft Industries (I) Limited

Manoj Jain
Company Secretary

Mumbai, 12th August, 2013



NOTICE

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

ITEM NO. 7

Re-appointment of Sharad Kumar Saraf

The Board of Directors of the Company (Board), at its Meeting held on **12th August, 2013**, re-appointed Mr. Sharad Kumar Saraf as Managing Directors of the Company for a period of 5 (five) years w.e.f 1st September, 2013 up to 31st August, 2018. The said reappointments as well as term thereof are subject to approval of the Members of the Company.

Mr. Sharad Kumar Saraf having 43 years of industrial and commercial experience. Holding a degree in electronics engineering from the prestigious Indian Institute of Technology, Bombay. After graduating from IIT in 1969, underwent one-year Industrial Training in Germany in 1970. Promoted the Technocraft group in 1972, and since has been instrumental in the overall progress of the organization, handles all the commercial aspects of the company.

He is the President of Confederation of Exporting Units (CEU) and Indo Romanian Chamber of Commerce. Ex - vice President & Chairman (WR) of Federation of Indian Export Organizations (FIEO), Ex-President of The Council of EU Chambers of Commerce in India. Honorary Ambassador of New Orleans, LA, U.S.A., Ex -Vice Chairman (WR) – Engineering Export Promotion Council and is associated as Managing Committee Member, Mill Owners' Association, Chairman, India- Central Europe Business Committee, Bombay Chamber of Commerce & Industry. Chairman, Shanti Seva Nidhi, Member, Governing Council, Bombay Textile Research Association, he has been a keen observer and activists representing the different industry groups. He is also on the board of BMS Industries Ltd , Ashrit Holdings Limited, Technosoft Engineering Projects Limited, confederation of Indian Textile Industry, Technocraft Tabla Formworks Private Limited., Dujodwala Products Limited, The Council of EU Chambers of Commerce In India, Shreyan Infra & Power Private Limited and Cotton Association of India.

Mr. Sharad Kumar Saraf has been instrumental in the overall progress of the organization and handles all the commercial aspects of the company. This may be treated as an abstract pursuant to provisions of the section 302 of the Companies Act, 1956.

Mr. Sharad Kumar Saraf, Mr. Sudarshan Kumar Saraf and Mr. Madhoprasad Saraf are deemed to be interested in the resolution no. 7.

Your Directors recommends the resolutions for your approval.

ITEM NO.8

Re-appointment of Sudarshan Kumar Saraf

The Board of Directors of the Company (Board), at its Meeting held on 12th August, 2013, re-appointed Mr. Sudarshan Kumar Saraf as Managing Directors of the Company for a period of 5 (five) years w.e.f 1st September, 2013 upto 31st August, 2018. The said reappointments as well as term thereof are subject to approval of the Members of the Company.

Mr. Sudarshan Kumar Saraf is the Managing Director (Engineering & Manufacturing Operations) of the Company. Holds Bachelors in Mechanical Engineering from the prestigious Indian Institute of Technology, Bombay. He founded the group and has been instrumental in the growth of the group to its present size starting form almost scratch. He directs all the engineering operations of the group.

Mr. Saraf was conferred the distinguished service award for the year 1999 by the Institute of Technology, Bombay, he pioneered the development of interval thread rolling process, developed and built SPM's and tools that increased yields and some were first of its kind introduced in America which saved the customer a few people per shift, he holds 3 patents each in new process, new product and new tooling.



NOTICE

He is also on the board of BMS Industries Limited, Ashrit Holdings Limited, Technosoft Engineering Projects Limited.

This may be treated as an abstract pursuant to provisions of the section 302 of the Companies Act, 1956.

Mr. Sudarshan Kumar Saraf, Mr. Sharad Kumar Saraf and Mr. Madhoprasad Saraf are deemed to be interested in the resolution no. 8.

Your Directors recommends the resolutions for your approval.

**By Order of the Board
For Technocraft Industries (India) Limited**

Sd-

Place: Mumbai
Date: 12th August, 2013

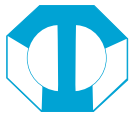
Manoj Jain
Company Secretary



NOTICE

Details of Directors Seeking Appointment/Reappointment at the forthcoming Annual General Meeting

Particulars	Ganesh Kumar Gupta	Pankaj Toprani
Date of Birth	09.12.1952	28.06.1955
Date of Appointment	28.02.2006	25.06.2009
Director Identification Number	00024567	02690151
Qualification	Graduate	CA, CS, LLB
Expertise in specific functional area	<p>The Chairman of Indian Silk Export Promotion Council, which is also sponsored by Ministry of Textiles, Government of India and is responsible for the Promotion of silk industry in India. Mr. Gupta served as chairman and president of the Federation of Indian Export Organizations (FIEO). Has thorough knowledge of the import – export trade and all the connected laws as well as foreign exchange regulations. Going by his vast experience and wide popularity in the textile trade, he has been accredited with different positions at different times by government of India. He served as the Chairman of the Government of India's Textile Committee. He served as Chairman of SERTPC AND Chairman of FIEO - WR</p>	<p>Rich experience in Taxation matters and practicing as a Tax lawyer at High Court, Bombay</p>
Directorship held in other public companies (excluding foreign, private and section 25 companies)	<ul style="list-style-type: none">• VSH Silk Mills Limited.• Vijay Silk House (Mumbai) Limited.• Vijay Silk House (Bangalore) Limited.• Vinayak Power Limited.• Purvanchal Special Economic Zones & Textile Park Limited.• GKG Financial Consultants Limited.	Nil
No of Shares held in the Company.	NIL	NIL



DIRECTORS' REPORT

Dear Members,

Directors of your Company have pleasure in presenting the 21st Annual Report together with the Audited Statement of Accounts for the year ended 31st March, 2013.

FINANCIAL HIGHLIGHTS

(₹. In Lacs)

Particulars	Standalone		Consolidated	
	2012-13	2011-12	2012-13	2011-12
Gross Turnover and Other Income	66989.31	57064.29	83233.69	67302.12
Profit Before Interest, Depreciation and Taxation (EBIDTA)	12825.00	6580.88	14473.23	7008.74
Less: Interest	600.74	722.33	814.09	1141.72
Profit before Depreciation and Taxation (EBDTA)	12224.26	5858.55	13659.14	5867.02
Less: Depreciation	2643.51	2920.44	2962.10	3145.18
Profit Before Tax (PBT)	9580.75	2938.11	10697.04	2721.84
Less: Provision for Taxation (including deferred Tax)	3108.04	1107.65	3271.62	1195.06
Net profit for the Year	6472.71	1830.46	7425.42	1526.79
Add: Surplus brought forward from previous year	6428.39	4964.34	6152.12	4824.95
Profit available for Appropriation	12901.07	6794.80	13578.24	6734.52
Appropriation				
Transfer to General Reserve	645.00	0.00	645.00	200.00
Proposed Dividend	630.54	315.27	630.54	315.27
Dividend Distribution Tax	107.16	51.14	107.16	51.14
Balance Carried to Balance Sheet	11125.71	6428.38	11784.76	6152.12

PERFORMANCE

FY 2012-13 was a tremendous year in Company history. The Company achieved its best results. The gross sale and other income for the financial year under review were ₹.66989.31 Lakhs against ₹. 57064.29 Lakhs for the previous financial year an increase of 17%. Total EBIDITA for the year stood at ₹.12825.00 Lakhs against ₹.6580.88 Lakhs for the previous year, an increase of 95%. PAT stood as ₹. 6472.71 Lakhs as compared to ₹. 1830.46 Lakhs previous year, an increase of 254%

On Consolidation basis the gross sale and other income for the financial year under review were ₹.83233.69 Lakhs against ₹. 67302.12 Lakhs for the previous financial year an increase of 24%. Total PAT for the year stood at ₹. 7425.42 Lakhs against ₹. 1526.78 Lakhs for the previous year an increase of 386%.

DIVIDEND

Your Directors are pleased to recommend final dividend of ₹.2 i.e.20% per equity share of ₹. 10/-, subject to the approval of shareholders at their Annual General Meeting. The Company has already declared an Interim Dividend of ₹. 1/- per shares at the time of approval of 2nd Quarter results. The total outflow, including interim and final dividend would be ₹. 1104.11 Lakhs including Dividend Distribution Tax. The Payout ratio of current year dividend is 17%.

DEPOSIT

During the year ended on 31st March 2013 the Company has not accepted any Fixed Deposits from the public under section 58A and 58AA of the Companies Act, 1956 r/w Companies (Acceptance of Deposit) Rules, 1975.



DIRECTORS

Mr. Ganesh Kumar Gupta & Mr. Pankaj Toprani, Directors, retire from the Board by rotation and eligible have offered them for re-appointment at ensuing Annual General Meetings. The Notice convening Annual General Meeting includes the proposals of re-appointment of Directors.

Brief resume of the above Directors, their expertise in specific functional area, name of the Public Limited companies in which they hold the directorship and their shareholdings in the Company, as stipulated under clause 49 of the Listing Agreement are given in the Report on Corporate Governance forming part of Annual Report.

STATURORY AUDITORS

The present Statutory Auditors of the Company M/s M.L.Sharma & Co, Chartered Accountants (Registration No.109963W), Mumbai, retire as statutory auditors at the conclusion of this Annual General Meeting of the Company. They are eligible for re-appointment and Company received a certificate from them that their reappointment, if made, would be within the limit specified under section 224 (1B) of the Companies Act, 1956 and they are not disqualified for such an appointment within the meaning of sub section (3) and (4) of section 226 of the Companies Act, 1956. Their appointment is recommended by the Board.

AUDITORS' REPORT

The observation made in the Auditors' Report, read together with the relevant notes thereon are self-explanatory and hence, do not call for any comments under section 217(3) of the Companies Act, 1956. The Auditors' Report on consolidated Accounts is also attached. The Consolidated Accounts have been prepared in accordance with the Accounting Standards prescribed by The Institute of Chartered Accountants of India.

COST AUDIT

In Pursuance to the provisions of Section 233B of the Companies Act, 1956 and with the prior approval of the Central Government, M/s. NKJ & Associates., Cost Accountants (Regn. No. 18869) were appointed as Cost Auditors of the Company to conduct audit of cost records for the financial year 2013-14.

The Cost Audit Report for the financial year 2012-13 is due to is filed with the Ministry of Corporate Affairs within 180 days from the close of the financial year. Therefore, the completion of Cost Records & Cost Audit of the same is in progress.

CONSOLIDATED FINANCIALS

The Ministry of Corporate Affairs (MCA) by General Circular No.2/2011 dated 8th February, 2011, issued a direction under section 212(8) of the Companies Act, 1956; that the provision of section 212 shall not apply to companies in relation to their subsidiaries, subject to fulfill certain conditions mentioned in the said circular with immediate effect. The Board of Directors of your companies at the meeting held on 22nd May, 2013, approved the Audited Consolidated Financial Statements for the financial year 2012-13 in accordance with the Accounting Standard (AS-21) and other Accounting Standards issued by the Institute of Chartered Accountants of India as well as clause 32 of Listing Agreement, which includes financial information of all its subsidiaries and forms part of this Annual Report.

The Annual Accounts and financials of all the subsidiaries of your company and related details information shall be made available to members on request and are open for inspection at the registered office of the Company. Your Company has complied with all the conditions as stated mentioned under the circular and accordingly not attached the financial statements of the subsidiaries for the financial year 2012-13. A statements of summarized financials of all the subsidiaries of your company including capital, reserve, total assets, total liabilities, details of investment, turnover etc. pursuant to General Circular issued by the Ministry of Corporate Affairs, forms part of this report.



CORPORATE GOVERNANCE

Pursuant to Clause 49 of the Listing Agreement with the Stock Exchanges, a Management Discussion & Analysis, Corporate Governance Report and Auditors' Certificate regarding compliance of conditions of Corporate Governance are made a part of the Annual Report.

MANAGEMENT DISCUSSION AND ANALYSIS

The detailed review of operation, performance and future outlook of your company and its business is given in the Management and Discussion Analysis, which forms part of this report.

PARTICULARS OF EMPLOYEES

Particulars of Employees of the Company, as required under section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 for the year ended 31st March, 2013.

Employees employed throughout the financial year 2012-2013 and who received remuneration for the financial year in the aggregate of not less than ₹. 60, 00,000/- per annual

(₹. In Lacs)

Name	Designation	Age	Qualification	Experience	Date of Commencement of employment	Gross Remuneration
Mr. S.K.Saraf	Managing Director	66	B.Tech	41 Years	28.10.1992	146.40
Mr.S.M.Saraf	Managing Director	64	B.Tech	40 Years	28.10.1992	146.40
Mr. Navneet Saraf	Chief Operation Officer	35	B.E.(Mech)	13 Years	23.12.2006	73.20
Mr. Ashish Saraf	Chief Financial Officer	31	C.A.(Inter)	11 Years	23.12.2006	73.20

Notes:

- Gross Remuneration includes Salary, Bonus, and Allowances & Commission.

DIRECTORS' RESPONSIBILITY STATEMENT

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

- In the preparation of annual accounts, the applicable accounting standards has been followed along with proper explanation relating to material departure;
- The selected accounting policies were applied consistently and the Directors 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, 2013 and of the Profit of the Company for the year ended on that date;
- Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provision of the Companies Act,1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- The Annual Accounts have been prepared on a 'going concern' basis.



GROUP

Persons constituting group within the definition of group as defined in the Monopolies and Restrictive Trade Practice Act, 1969. For the purpose of Securities and Exchange Board of India (Substantial Acquisition of Share and Takeover) Regulation, 2011, group includes the following:-

Sr.No.	Name of the Person/Entity	Sr. No.	Name of the Person/Entity
1.	Madhoprasad Saraf	17.	M. T. Information Technology
2.	Sharad Kumar Saraf	18.	Ashrit Holdings Limited
3.	Sudarshan Kumar Saraf	19.	Technocraft Tabla Formwork System Pvt. Ltd.
4.	Shanti Devi Saraf	20.	Technosoft Engineering Projects Ltd.
5.	Shakuntala Saraf	21.	M.D.Saraf Securities Pvt. Ltd.
6.	Suman Saraf	22.	BMS Industries Limited
7.	Navneet Kumar Saraf	23.	Shanti Seva Nidhi Trust
8.	Ashish Kumar Saraf	24.	Saraf Welfare Trust
9.	Nidhi Saraf	25.	Jokiram Welfare Trust
10.	Priyanka Saraf	26.	Saraswati Dwarkadas Saraf Trust
11.	Nidhi Saraf	27.	Technocraft International, UK
12.	Madhoprasad Saraf (HUF)	28.	Technocraft Hungary
13.	Sharad Kumar Saraf (HUF)	29.	Technocraft Australia Pty.
14.	Sudarshan Kumar Saraf (HUF)	30.	Technocraft Poland
15.	Navneet Kumar Saraf (HUF)	31.	Anhui Reliable Steel Technology Ltd.
16.	Ashish Kumar Saraf (HUF)		

ACKNOWLEDGEMENT

Your Directors would like to thank all Bankers, Central Government, State Government, Reserve Bank of India, Financial Institutions, Share Holders, Customers, Dealers, Suppliers and all other business associates for the continued support given by them to the Company and their confidence in its management. Your Directors also place on record their deep sense of appreciation for the services rendered by the employees of the Company.

ENERGY, TECHNOLOGY AND FOREIGN EXCHANGE

In compliance with the requirement of Section 217(1) (e) of the Companies Act, 1956 read with the Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988, the statement showing the particulars in relation to conservation of energy, technology absorption and foreign exchange earnings and outgoing is furnished and form part of this report as per **Annexure-A**.

For & On behalf of the Board

Mumbai, 22nd May, 2013

M. D. Saraf
Chairman



Annexure of Directors' Report

Power & Fuel Consumption (Division wise Break up)

Drum Closure Division

Power and Fuel Consumption	2012-13	2011-12
1. Electricity		
(a) Purchase Unit (KWH)	2105092	6573925
(b) Total Amount (₹)	19171441.03	42651889
(c) Rate per Unit (₹)	9.11	6.48
2. Through diesel Generator		
(a) Unit generate (Unit)	4765	19715
(b) Unit per ltr of Diesel	243953	14.22
(c) Cost/unit (₹)	51.19	29.15
3. Through C.P.P.		
(a) Total Unit	5113700	Nil
(b) Total Amount (₹)	36282040	Nil
(c) Rate per Unit (₹)	7.09	Nil

Scaffolding Division

4. Electricity		
(a) Purchase Unit (KWH)	1807455	4011335
(b) Total Amount (₹)	16473030	26670190
(c) Rate per Unit (₹)	9.11	6.65
5. Through diesel Generator		
(a) Unit generate (Unit)	Nil	132836
(b) Unit per ltr of Diesel	Nil	4.58
(c) Cost/unit (₹)	Nil	10.47
6. Through C.P.P.		
(d) Total Unit	4036400	1345800
(e) Total Amount (₹)	28595960	8813450
(f) Rate per Unit (₹)	7.08	6.55
7. COAL		
(a) Total quantity (M.Ton)	673.14	705.90
(b) Total Cost (₹)	3204055.70	2816541
(c) Average Rate (₹)	4759.83	3990.00
8. Furnace Oil		
(a) Quantity (M.ton)	411.82	333.00
(b) Total Amount (₹)	18935638.25	12416244
(c) Average Rate (₹)	45980.38	37286



Textile Division

Power and Fuel Consumption	2012-13	2011-12
1. Electricity		
(a) Purchase Unit (KWH)	7936586	20840056
(b) Total Amount (₹)	73529940	139732880
(c) Rate per Unit (₹)	9.26	6.71
2. Through CPP		
(a) Unit Purchase (Unit)	59370700	22972671
(b) Unit per kg of Coal	0.99 u/kgs	0.91 u/kgs
(c) Rate per unit (₹)	5.93	5.03
3. Furnace Oil		
(a) Quantity (MT)	131065	166114
(b) Total Amount	6175782	4734240
(c) Average rate	47.12	30.00

Technical Absorption

(a) Specific areas in which R & D is carried out by the Company

Company undertakes continuous research and development activities with an objective to reduce operational costs and improve the efficiency of our plants.

(b) Benefits derived as a result of the R&D

Reduction of manufacturing cost and it improves the efficiency and profitability of the Company.

Future plan of Action

Your Company intends to continue focus on core strength by adding new products, increase the production capacity.

Technology Absorption, Adoption and Innovation

(a) Efforts, in brief, made towards technology Absorption, adoption and Innovation

(b) Benefits derived as a result of the above effort:

To deliver highest possible quality product and solutions that satisfies our customer.

In case of Imported Technology, following Information is furnished: No imported Technology has used during the year.

Foreign Exchange Earning & Outgo

(₹.In Lacs)

Particulars	2012-13	2011-12
FOB Value of Export	49806.07	39519.32
CIF Value of Import Raw Material, Packing Material and Store and Spare parts	4760.96	408.99
Other Expenditures	844.71	616.08

Activities relating to Export

Your Company has taken various initiatives to increase export turnover by introducing new products and established foreign subsidiaries worldwide to sell, market and promote the various products of the Company. Further, the management of the Company made continues efforts to explore the new markets for its products. Company also appoints some foreign officers to capture the untapped market for its products.

For & On behalf of the Board

M. D. Saraf
Chairman



Management Discussion & Analysis Report

OVERVIEW

For the Indian economy, FY13 was a challenging year. GDP growth declined to 5% from 6.2% in the previous year on account of high fiscal deficit, high inflation, worsening current account deficit and slowdown in economic growth. During the second half of FY13, the government intervened with some policy reforms to stabilize the economy and also took steps to attract foreign direct investment and market based price for petro products to improve current account deficit. However, concern exists over containing the high current account deficit, prevailing supply side constraints and inadequate infrastructure investment. Though the long term prospects of the economic look promising, cautions optimism is the feeling in the short to medium term.

INDUSTRIAL STRUCTURE AND DEVELOPMENT

Against this background your company's performance is outstanding and continue maintained its leadership position in the Drum Closures segment. Other segments also performing good despite of negative market sentiments and policies. Your company continuously focuses on operational efficiency and unrelenting sustainability efforts. With its strategic initiatives, your company is well positioned to march ahead on its growth path .

Drum Closure

The Drum Closure segment is continuously maintaining its growth. The total revenue from the drum closure segment during the period was ₹ 20889 Lakhs compare to ₹ 17109 Lakhs. An increase of 22%. Almost 97% revenue generated from Export Sales. Profit of the year is ₹. 6522 lacs compare to ₹ 5096 Lacs, 28% increase of profit. The increase of sale is due to improvement in efficiency of Drum Closure manufacturing facilities and addition of new market. Your company is continuing maintaining position of world leader in the segment.

Scaffoldings

The profitability's of Scaffolding segment also improved during the year compare to previous year. The revenue generated during the year was ₹ 19174 Lakhs compare to previous year of ₹ 13589 Lakhs. The growth of 41% compare to previous year. The export revenue was ₹ 15040 Lacs. Profit of the segment increased tremendously compare to the loss of the previous year. The current year profit of the segment was ₹ 1420 Lacs compare to the loss of ₹ 1014 Lacs.

Textile & Garment

The Growth of Textiles has improved compare to previous year due to increase of demand both domestic as well as export. Total revenue from the segment was ₹ 20559 Lacs compare to ₹.20532 Lacs in previous year. The export revenue from textiles was 81% of total revenue# .

The Current year Profit of the segment was ₹ 15983.37 Lacs compare to the loss of ₹ 1396.71

Risks, Opportunity & Threat

The Company aims to address risks, opportunity and threat posed by the business environment by developing appropriate risk mitigation measure.

Raw Material –The Volatility of price of Steel and Cotton has increased significantly in the last few years. Therefore mitigating the impact of the price volatility is key objectives of the Company.

Market- Technocraft is Export Oriented Business and growth depend upon the demand in International Market specially USA and UK.

Financing: Technocrat's growth strategy is depended on the internal cash generation level and ability to draw external capital for growth projects



During the financial year 2012-13, the European economy continues to face headwinds this impact the demand of the Company's product in the region. In India too, the economy slow down considerably with high interest rate, impacting the Capital investment & other sectors.

Considering the industry volatility, Technocraft continued its journey of developing new markets and products and enhancing value added services to its customer.

Future Project

Your company successfully acquired a very interesting Engineering Design Services company located in Calgary, Canada specializing in Engineering, Procurement, Construction and Management Services in oil and gas sector. The company has been acquired as a subsidiary of our 100% subsidiary company Technosoft Information Technology Ltd. This acquisition will add great value to Technosoft, which was hitherto absent in oil and gas sector. The Canadian company Swift Engineering Inc. has a turnover of approximately ₹. 50 Crores with a very healthy bottom line of approximately ₹. 10 Crores. We expect this turnover to go upto ₹. 200 Crores by 31st March 2014 with a much better bottom line. This acquisition will make Technosoft a world class Engineering Design Services Company.

Your Company has already begun the project work for installing and commissioning of a 5 MW Solar Power Plant to be located in Solapur, Maharashtra. The plant will be commissioned by 31st March 2014, so that your company will be entitled to 50% extended rate of depreciation this year and balance 50% next year. Hence we expect to save our tax burden for the next two years. We propose to follow the REC route and expect an IRR of over 30%.

Apart from the above major projects, you company's in house growth is ongoing. In every division we are modernizing, upgrading technology and cutting costs.

Internal Control System and their adequacy

The Company has proper and adequate system of internal controls commensurate with its size and nature of operations to provide reasonable assurance that all assets are safeguarded, transactions are authorized, recorded and reported and applicable statutes and corporate policies are duly complied with. The internal control system is supplemented through an independent extensive internal audit program and periodic review by management and audit committee.

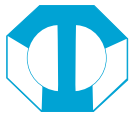
Segment wise financial performance

The summarized segment-wise performance of the Company for the financial year 2012-2013 is as follows

(₹.In Lacs)						
Business Segment	Drum Closures	Scaffolding	Yarn	Garment	Power	Total
A. Segment Revenue	20888.99	19174.32	18246.45	2312.69	3562.87	64185.32
B. Segment Results (profit and loss before interest)	6522.46	1420.11	1518.19	(64.53)	(318.67)	9077.56
Less: i) Finance Cost						600.74
ii) Other unallocable expenditure net of unallocable income						(1103.93)
Total Profit before tax						9580.75
C. Capital Employed (Segment assets-Segment liabilities)	8584.14	11582.85	10495.31	1146.05	3257.96	35066.31

Industrial Relation

During the year under review, development of leadership and people capability in the organization continued to be the focus. However, as several companies are witnessing in this economic slowdown reduction in labour cost and other cost cutting measures. This has resulted in some cut.



Cautionary Statement

Statement made in Management Discussion and Analysis Report describing the Company's objectives, estimates and expectation or predications are "Forward looking Statement" within the meaning of applicable laws and regulations. They are based on certain assumptions and expectations of future events. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the company's operation include global and Indian demand- supply condition, raw material availability, trained manpower, changes in Government regulations, tax regimes, economic development within India and the countries within which the company conducts business and other incidental factors.



Corporate Governance Report for the year 2012-2013

(As required under clause 49 of the Listing Agreements entered into with the Stock Exchanges)

Your Company recognizes communication as a key element of the overall corporate governance framework and therefore, emphasizes on seamless and efficient flow of relevant communication to all external constituencies. Your Company follows the principles of fair representation and full disclosure in all its dealings and communications. The Company's annual reports, results, presentations and other forms of corporate and financial communications provide extensive details and convey important information on a timely basis. Your Company has fully complied with all mandatory requirements of corporate governance in all material aspects. A report on corporate governance as per listing agreements given below:

1. Company's Philosophy on Corporate Governance

Your Company's philosophy on corporate governance envisages the alignment of the highest levels of transparency, accountability and equity, in all facets of its operations and in all its interactions with its stakeholders including shareholders, employees, government and lenders. The Company believes that all its operations and actions must serve the underlying goal of enhancing overall shareholders value, over a sustained period of time.

The Company believes that good corporate governance practices enable the management to direct and control the affairs of a company in an efficient manner and to achieve its ultimate goal of maximizing value for all its stakeholders. The Board of Directors supports the Board principles of Corporate Governance and lays strong emphasis on its trusteeship role to align and direct the actions of the organization to achieve its objective of transparency, accountability and integrity. The objective extends, not merely to meet with statutory requirement but also to go beyond them by putting into place procedures and systems which are in accordance with best practices for governance.

2. Board of Directors

Composition

The Board of Directors Consists of Professional draw from diverse fields. The Board headed by a Non- Executive Chairman. One- half of the Board consist of independent directors.

The day to day management of the Company is conducted by the Committee of the Director subject to the supervision and control of Board of Director.

During the year 2012-2013, the Board of Directors met four times on the following dates:

28th May, 2012, 09th August, 2012, 07th November, 2012, and 01st February, 2013. The gap between any two meetings had been less than four months, thus complying with the Clause 49 requirement. The dates of the meeting were decided well in advance. The information as required under Annexure I to Clause 49 is being made available to the Board.

The Details of composition of the Board, Directors attendance at the Board Meetings and at the last Annual General Meeting, Outside Directorship and the Board Committee Membership as at 31st March, 2013 is tabulated hereunder.

Name	Category	No. of Board Meeting attended during 2012-2013	Whether attended last AGM held on 30 th Sep. 2012	No of Directorship held in Indian public companies (including TIIL)#	No. of Board Committees of other Companies in which a member # #
Mr. M. D. Saraf	Chairman, Non Executive	4/4	Yes	4	1(Chairman)
Mr. S. K. Saraf	Managing Director, Executive	4/4	Yes	5	2(Member)
Mr. S. M. Saraf	Managing Director, Executive	4/4	Yes	4	1(Member)



Name	Category	No. of Board Meeting attended during 2012-2013	Whether attended last AGM held on 30 th Sep. 2012	No of Directorship held in Indian public companies (including TIIL)#	No. of Board Committees of other Companies in which a member # #
Mr. Atanu Choudhary	Whole Time Director	4/4	No	1	-
Mr. G.K.Gupta	Non-Executive-Independent	2/4	No	7	1(Member) 1(Chairman)
Mr. S.B.Agarwal	Non-Executive-Independent	4/4	Yes	3	1(Chairman) 2(Member)
Mr. Pankaj Toprani	Non-Executive-Independent	3/4	No	1	1(Member)
Mr. Anand Didwania	Non-Executive-Independent	3/4	No	2	2(Member)

excludes alternate directorship in foreign companies, private companies and companies governed by section 25 of the Companies Act, 1956.

Excludes Committee other than Audit Committee and Shareholder/ Investors Grievance Committee

CODE OF CONDUCT

The Company had adopted the code of conduct for all Directors and senior management of the Company, which is posted on the company's web-site. Further all directors and senior management personnel (as per clause 49 of the Listing Agreement) have affirmed compliance with the code. A declaration to this effect signed by the CEO is given in this annual report.

BOARD'S FUNCTIONING AND PROCEDURE

The Technocraft's Board plays a pivotal role in ensuring good governance. Its style of functioning is democratic. The members of the Board have always had complete freedom to express their opinion and decisions are taken on the basis of a consensus arrived at after detail discussion. The Members are also free to bring up any matter for discussion at the Board Meetings with the permission of the Chairman.

The Board's role, function, responsibility and accountability are clear defined. In addition to its primary role of setting corporate goals and monitoring corporate performance it directs and guides the activity of Management towards the set of goal and see the accountability with the view to ensure corporate philosophy and mission.

The items placed at the meeting of the Board include the following:

- Annual operating financial plans and budgets and update.
- Corporate performance against the business plan.
- The unaudited quarterly/half yearly financial result and the audited annual accounts of the Company, on both stand alone and consolidated basis including segment wise revenue, result and capital employed, for consideration and approval.
- Financial statements such as cash flow statements, inventories and debtors.
- Internal Audit report and Business risk assessment and step for mitigation risk.
- Review compliance of all laws applicable to the company including requirement under listing agreement with the stock exchange and steps taken by the Company to rectify instance of non compliance, if any.
- Material communication from the Government including SCN, demand, prosecution notice and penalty notice, if any.
- Sale of material natures' of Investment, subsidiaries' assets, which is not in normal course of business.
- Opportunities for expansion, modernization, new project, merger, acquisition and divestment;
- Delegation of power of the management.
- Information on senior appointment below the board level including the appointment of CFO and the Company Secretary;
- Communication to the stock exchange, the shareholders and the press regarding Company's performance;
- Report on investor grievance, shareholders pattern and Secretarial Audit Report.



The Minutes of the Meetings of the Board of Directors are individually given to all directors and confirmed at the subsequent Board Meeting.

Details of Board Meeting held during the financial year and the number of directors present:

Sr. No.	Date on which the Board Meeting were held	Total Strength of the Board	No. of Directors Present
1	May 28, 2012	8	8
2	August 09, 2012	8	8
3	November 07, 2012	8	6
4	February 01, 2013	8	6

COMMITTEE OF THE BOARD

AUDIT COMMITTEE (CONSTITUTED IN 2006)

The Audit Committee acts as a link between the Statutory and Internal Auditors and the Board of Directors. It address itself to matters pertaining to adequacy, accuracy and reliability of financial statements, adequacy of provisioning for liabilities, Working Capital Analysis, time and cost overrun Implementation of projects. The Audit Committee reviews the adequacy and efficacy of Internal Control System and whether the audit tests for Internal Control Systems are appropriate. The role of audit committee includes the following:-

- Review of Management Discussion and Analysis of Financial Condition and result of operation;
- Statement of significant related party transaction;
- Review with Statutory Auditors and Internal Auditor on the adequacy of Internal Control and steps to be taken for strengthening the areas of the weakness on Internal Controls;
- Review the appointment, terms of remuneration and removal of Internal Auditor;
- Review the Company's financial reporting process and disclosure of its financial information to ensure that financial statements are correct and fair;
- Recommending the appointment, reappointment and removal of Statutory auditor, fixing the audit fees and approval of any other services rendered by the auditors;
- Reviewing with the management, the quarterly/annually financial statements before submission to the board for approval with particular reference to:-

- (a) matters required to be included in the Directors' Responsibility Statements which form part;
- (b) of the Directors' Report as per section 217(2AA) of the Companies Act, 1956;
- (c) change, if any, in accounting policies and practices and reasons for the same;
- (d) significant adjustment made in the financial statements arising out of audit findings;
- (e) compliance with listing and other legal requirements relating to financial statement;
- (f) disclosure of any related party transaction;
- (g) qualification in draft audit report;

- Reviewing of operation and financial statements of Subsidiary Companies;
- To carry out any other function as mentioned in the terms of reference of the Committee and the Internal Audit character;

The members of the Audit Committee comprised of the following:-

Name of the Member	Category	Qualification
Mr. S. B. Agarwal	Non Executive/Independent	M.Com, M.A. (Eco.), FCA, LLB
Mr. G. K. Gupta	Non Executive/Independent	B.Com
Mr. Anand Didwania	Non Executive/Independent	B.Sc.
Mr. Pankaj Toprani	Non Executive/Independent	ACA, ACS, LLB



The dates on which the Audit Committee Meetings were held and the attendance of the members at the said meetings are as under:

Sr. No.	Date on which ACM were held	Attendance Record of the Members			
		S.B.Agarwal	Pankaj Toprani	G.K.Gupta	Anand Didwania
1	28 th May, 2012	Attended	Attended	Attended	Attended
2	09 th August, 2012	Attended	Attended	Attended	Attended
3	07 th November, 2012	Attended	Absence	Absence	Attended
4	01 st February, 2013	Attended	Attended	Absence	Absence

REMUNERATION COMMITTEE

The Company has formed this Committee to decide and approve the terms, condition and remuneration for appointment of executive directors. The remuneration committee consists of three directors' viz. Mr. S.B.Agarwal, Anand Didwania and Mr. G.K.Gupta. All three directors are independent directors.

Board terms of reference of the Remuneration committee includes recommendation to the Board of Salary/perquisites, commission and other retirement benefits to the Company Managing Director / Whole Time Director within the board parameters approved by the Board/ Shareholders.

No remuneration is paid to Non executive and Independent Directors except sitting fee @ 10,000 per meeting. The sitting fee paid during the year 2012-2013 is within the limit specified by the Govt. of India and Article of the Company.

The meeting of the Remuneration committee was held on 22nd May, 2013 to decide the re-appointment and remuneration of Mr. Sharad Kumar Saraf & Mr. Sudarshan Kumar Saraf, Managing Directors of the Company.

There was no Employee Stock Option Scheme during the Financial Year ended 31st March, 2013.

INVESTOR RELATION & SHARE TRANSFER COMMITTEE

The investor relation and Share Transfer Committee constituted by the Board to consider the Investor Grievance and other issues relating to shareholders including transfer and transmission of shares as well as non- receipt of dividend , Annual Report. In addition, committee looks into systems and procedure followed to track investors' complaints and suggest measures for improvement from time to time. The present members of the Committee are Mr. G.K.Gupta, Mr. Sharad Kumar Saraf and Mr. Sudarshan Kumar Saraf.

The Company secretary acts as Secretary to the Committee. He is compliance officer of the Company and also responsible for redressal of investors complaints.

During the year under review two meeting of the Committee was held on 28th December, 2012 and 28th March 2013. Details of attendance by Directors for the Committee are as follows:

Name of Director	Category	No of Meeting	Meeting Attended
G. K. Gupta	Chairman	2	2
Sharad Kumar Saraf	Member	2	2
Sudarshan Kumar Saraf	Member	2	2

Shareholders can mail their complaints at investor@technocraftgroup.com

Received	Attended	Pending
05	05	0

COMMITTEE OF BOARD

Committee of Board has been constituted on 31st October, 2007, to review day to day operations of the Company. The Committee currently constitutes Mr. S. K. Saraf, Mr. S. M. Saraf and Mr. M. D. Saraf and Mr. G. K. Gupta as its member.



Composition of Committee of Director

Mr. M. D. Saraf
Mr. S. K. Saraf
Mr. S. M. Saraf
Mr. G. K. Gupta

The Committee has been formed to review the day to day business operation of the Company.

SUBSIDIARIES COMPANIES

The Company does not have a material non listed subsidiary whose turnover or net worth exceeds 20% of the consolidated turnover or net worth respectively of the listed holding company and its subsidiaries in the immediately preceding accounting year.

DISCLOSURE

- (a) All the related transactions have been entered in to the ordinary course of business and were placed periodically before the audit committee in Summary form. There were no material individual transactions with related parties which were not in the normal course of business, required to be placed before the audit committee and that may have potential conflict with the interest of the Company at large. All individual transactions with related parties or others were on an arm's length.
- (b) The Company, during the year, has not entered into transactions of material nature with the directors, promoters and the management that may have potential conflict with the interest of the Company at large. Transactions with related parties are disclosed in notes of accounts.
- (c) No penalties, strictures have been imposed on the Company by the Stock Exchanges, SEBI and any other statutory authority on any matter related to capital market during the last three years.
- (d) There was no pecuniary relationship or transaction of the Non Executive Directors vis-à-vis the Company during the financial Year 2012-2013.
- (e) The Company has complied with all the mandatory requirements of clause 49 of Listing Agreement.
- (f) All Accounting Standards mandatory required have been followed in preparation of financial statements except those mentioned in the audit report by the Statutory Auditor of the Company.
- (g) The company follows Secretarial Standards (SS) issued by Institute of Company Secretaries of India.

GENERAL BODY MEETING

Location and time of General Meeting

Date	Year	Type	Venue	Time
28/09/2012	2011-12	Annual General Meeting	Technocraft House, A-25, Road No.3, MIDC, Marol Industrial Area, Andheri (E),Mumbai- 400 039	11:00 A.M
30/09/2011	2010-11	Annual General Meeting	Technocraft House, A-25, Road No.3, MIDC, Marol Industrial Area, Andheri (E),Mumbai- 400 039	11:00 A.M
16/09/2010	2009-10	Annual General Meeting	Technocraft House, A-25, Road No.3, MIDC, Marol Industrial Area, Andheri (E),Mumbai- 400 039	11:00 A.M

All resolutions moved at the last Annual General Meeting were passed by a show of hands by the requisite majority of members attending the meeting.

Court Convened meeting was held for approving the scheme of Re- organization and Amalgamation of Danube Fashions Limited with the Company.



MEANS OF COMMUNICATION

The unaudited quarterly/ half yearly and audited yearly results are announced within the time stipulated in the Listing Agreement with the Stock Exchanges. The aforesaid financial statements are taken on record by the Board of Directors and are communicated to the Stock Exchange where the Company's shares are listed. Once the Stock Exchange have been intimated these results are given by way of press release to various newspapers and published within 48 hours in two leading daily newspaper- one in English and one in Marathi.

The annual audited result for the year ended on 31st March 2013 was approved on 22th May, 2013. The aforesaid financial results are taken on record by the Board of Directors and are communicated to the Stock Exchanges. The audited annual financial results form a part of the Annual Report which is sent to the shareholders prior to the Annual General Meeting.

The Annual and quarterly results are put on the Company's website: www.technocraftgroup.com

GENERAL SHAREHOLDERS INFORMATION

UNCLAIMED DIVIDEND:

Section 205 of the Companies Act, 1956, mandates that companies transfer dividend that has been unclaimed for a period of seven years from the unpaid dividend account to the Investors Education and Protection Fund (IEPF). Accordingly, the dividend for the year 2007, 2008, 2009, 2010, 2011 & 2012, if unclaimed within a period of seven years will be transferred to IEPF. Pursuant to section 205A (5) of the Companies Act, 1956 the unpaid dividends that are due for transfer to the investor Education and Protection Fund are as follow:-

Financial Year Ended	Date of Declaration	Last Date for Claiming Unpaid Dividend	Due Date for Transfer to IEPF
31.03.2007	07.09.2007	06.09.2014	06.10.2014
31.03.2008	14.11.2008	13.11.2015	13.12.2015
31.03.2009	30.09.2009	29.09.2016	29.10.2016
31.03.2010	16.09.2010	15.09.2017	15.10.2017
31.03.2011	30.09.2011	29.09.2018	29.10.2018
31.03.2012	28.09.2012	27.09.2019	27.10.2019
31.03.2013 (Interim)	07.11.2012	07.11.2019	07.12.2019

In case of non receipt/ non encashment of the dividend warrants, Members are requested to correspond with the Company's Registrar.

LISTING OF STOCK EXCHANGE-

The Company's securities are listed on National Stock Exchange of India & the Stock Exchange, Mumbai. Annual Listing fee for the financial year 2013-2014 has been paid to both the Exchanges.

Name of the Stock Exchange	Stock Code
The Bombay Stock Exchange Limited	532804
National Stock Exchange of India Limited	TIIL



MARKET PRICE DATE OF EACH MONTH IN THE LAST FINANCIAL YEAR:

Bombay Stock Exchange Limited

Month	Open	High	Low	Close	No of Share	Total Turnover (₹ in lacs)
Apr-12	35.80	43.09	33.95	38.10	208536	81.02
May-12	40.00	40.00	34.00	35.90	138623	50.21
Jun-12	36.90	40.35	32.10	40.00	54322	20.05
Jul-12	37.05	42.30	32.05	41.00	98923	38.54
Aug-12	41.65	83.90	40.70	71.45	1094569	732.87
Sep-12	70.35	77.80	68.50	75.00	119371	87.77
Oct-12	76.80	90.50	75.05	81.50	159426	134.16
Nov-12	83.95	88.00	73.40	75.50	79770	65.85
Dec-12	75.10	78.45	71.10	74.40	44345	33.07
Jan-13	74.90	78.00	70.40	73.05	76565	56.45
Feb-13	71.75	81.25	62.00	69.95	73121	53.58
Mar-13	67.25	73.75	57.05	60.40	132598	86.39

National Stock Exchange Limited

Month	Open	High	Low	Close	No of Share	Total Turnover (₹In Lacs)
Apr-12	34.30	45.95	34.00	38.35	155892	61.66
May-12	38.05	40.50	34.00	35.60	68506	24.59
Jun-12	36.95	43.00	34.10	40.20	36762	13.72
Jul-12	39.50	42.25	36.75	41.05	104232	40.78
Aug-12	41.00	83.90	40.35	71.45	1283054	875.64
Sep-12	70.00	77.45	70.00	75.80	87668	64.38
Oct-12	74.25	89.00	74.25	81.25	181565	152.83
Nov-12	82.40	87.00	72.00	75.95	51027	42.03
Dec-12	74.00	80.90	69.35	73.50	68335	51.19
Jan-13	70.25	80.00	67.00	73.80	54773	40.29
Feb-13	71.40	80.85	66.00	69.50	55417	40.94
Mar-13	72.00	72.00	57.15	60.70	51427	33.20

REGISTRAR & TRANSFER AGENT:-

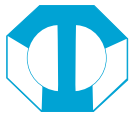
System Support Services
209, Shivai Industrial Area
Andheri Kurla Road, Andheri (E)
Mumbai- 400072

Phone No. 022- 2850 0835
Fax No. 022- 2850 1438
Email: syssss72@yahoo.com

SHARE TRANSFER SYSTEM

Technocraft's investor services are handled by System Support Services. Company's equity shares are traded only in dematerialization form.

As required under clause 47(C) of Listing Agreement entered into by Technocraft Industries(India) Limited and stock exchanges, a certificate is obtained every six month from a practicing Company Secretary, with regard to inter alia, effecting transfer, transmission, subdivision, consolidation, renewal and exchange of equity shares. The Certificate is forwarded to NSE and BSE, where shares are listed, within 24 hours of issuance and also placed before the Board.



DISTRIBUTION OF SHAREHOLDINGS AS ON 31ST MARCH, 2013

Sr. No.	Shares Range		No. of Shares	% to Capital	No. of Shareholders	% to Total no. of Holders
	From	To				
1	1	10	2628	0.008	537	3.86
2	11	25	11770	0.037	551	3.96
3	26	50	49155	0.156	1070	7.70
4	51	100	474118	1.504	6385	45.96
5	101	500	913512	2.898	4517	32.51
6	501	1000	338998	1.075	413	2.97
7	1001	5000	725756	2.302	314	2.26
8	5001	10000	302910	0.961	41	0.29
9	10001	10000	1441508	4.572	42	0.30
10	100001	ABOVE	27266395	86.487	21	0.15
	Total		31526750	100	13891	100

SHAREHOLDING PATTERN AS ON 31ST MARCH 2013

Category	No. of Shares held	% of Holding
Promoters & Promoters Group	23636562	74.97
Bank, Financial Institutions & Insurance Companies	764366	2.42
Private Corporate Bodies	1232230	3.90
Indian Public	5455583	17.30
NRI's/ OCBs	438009	1.38
Total	31526750	100.00

SHAREHOLDING OF THE DIRECTORS AS ON 31ST MARCH, 2013

Name	Category	No. of Shares
M. D. Saraf	Promoter-Non Executive Director	94759
S. K. Saraf	Promoter-Executive Director	423080
S. M. Saraf	Promoter-Executive Director	8750652
A. A. Choudhary	Executive Director	0.00
S. B. Agarwal	Independent Director	0.00
G. K. Gupta	Independent Director	0.00
Anand Didwania	Independent Director	0.00
Pankaj Toprani	Independent Director	0.00

SHAREHOLDERS EXCLUDING PROMOTERS HOLDING MORE THAN 1 % HOLDING AS ON 31ST MARCH, 2013

Name of the Shareholders	No of Shares	% of total shareholding
Indianivesh Securities Private Limited	379610	1.20
HDFC Trustee Company Limited	538745	1.70
Inuit U.S.Holdings Inc.	385575	1.22
Dipti Vinod Kumar Saboo	336104	1.06
Anil Kumar Goel	356941	1.13
Minal B. Patel	582056	1.84



DISCLOSURE WITH RESPECTS TO SHARES LYING IN SUSPENSE ACCOUNTS

In term of Clause 5A(I) of Listing Agreement, the company report following details in respect of equity shares laying in the suspense account which were issued in Demat form pursuant the public issues of the Company.

Particulars	Shareholders	No. of Shares
Aggregate number of shareholders and the outstanding shares in the suspense account lying on 1st April, 2012.	17	1382
Number of shareholders who approached to the Company for transfer of shares from suspense account during the year.	Nil	Nil
Number of shareholders to whom shares were transferred from suspense account during the year.	Nil	Nil
Aggregate number of shareholders and the outstanding shares in the suspense account laying on 31st March,2013.	17	1382

DEMATERIALIZATION OF SHARES & LIQUIDITY

Category	No. of Shares	% of shares to Total	No. of Shareholders	% of Total
N.S.D.L.	28419371	90.15	92536	6.61
C.D.S.L.	3107375	9.85	4636	33.34
Physical	4	00.00	2	0.05
Total	31526750	100	13891	100

The Company's shares are regularly traded on the National Stock Exchange of India Limited and Bombay Stock Exchange Limited. The International Securities Identification Number (ISIN) is INE545H01011.

DESIGNATED E-MAIL ADDRESS FOR INVESTOR SERVICES:

In terms of clause 47(f) of the Listing Agreement, the designated e-mail address for investor complaints is investor@technocraftgroup.com or you may directly mail to manoj.jain@technocraftgroup.com.

FINANCIAL CALENDAR:

Board Meeting for consideration of Accounts for the Financial year ended March, 2013 and recommendation of dividend	22nd May 2013
Posting/Email of Annual Report	25th August 2013
Book Closure Date	25th September to 30th September 2013
Last date of receipts of proxy forms	28th September 2013
Date, Time & Venue of the Annual General Meeting	30th September, 2013 At 11.00 a.m. At Registered office of the Company
Dividend Payment Date	15th October 2013
Probable date of dispatch of warrant	15th October 2013
Board Meeting for consideration of unaudited quarterly result for the financial year ended March 2013.	Within forty-five days from the end of the quarter (except last quarter) as stipulated under the Listing Agreement with the Stock Exchanges.



ADDRESS FOR CORRESPONDENCE

Manoj Jain
(Company Secretary & Compliance Officer)

Technocraft House,
A-25, Street No.3, MIDC, Marol Industrial Area,
Andheri (E), Mumbai- 400093
Ph. 022 4098 2222 (B), 4098 2106 (D)
Fax 022 2835 6559
Email: investor@technocraftgroup.com/manoj.jain@technocraftgroup.com

WORKS & FACTORIES

- **Drum Closure** : Plot No. C-5, Murbad Industrial Area, Dist: Thane. Tel: 02524-223220
- **Scaffoldings** : Plot No. 4/1, MIDC Murbad, Dist: Thane. Tel: 02524-222823
- **Textile & Power** : Village Dhanivali, Murbad, Dist: Thane. Tel: 02524-22941



CEO Certification

To the Board of Directors,
Technocraft Industries (India) Limited

We hereby certify that:

- a) We have reviewed the financial statements and cash flow statement of the Company for the year ended March 31, 2013 and to the best of our knowledge and belief:
 - i) These statements do not contain any material untrue statements 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 affair and are in compliance with the existing accounting standard, applicable laws and regulations, except those as mentioned in Auditor Report.
- b) There are, to the best of our knowledge and belief, no transaction entered into by the Company during the year, are fraudulent, illegal or violate of the Company's Code of Conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed the auditors and audit committee, deficiencies in the design or operation of such internal control, if any, of which we are aware and steps we have taken or propose to take to rectify these deficiencies.
- d) We have indicated to the auditors and audit committee:
 - i) Significant changes in internal control over financial reporting during the year;
 - ii) Significant changes in accounting policies during the year and that same have been disclosed in the notes to the financial statements; and
 - iii) Instance of significant fraud of which we have become aware and the involvement therein, if any, of the management or employee having a significant role in the Company's internal control systems over financing reporting.
- e) The disclosures have been received from the senior management personnel relating to the financial and commercial transaction in which they or their relatives may have personnel interest. However, none of these transactions have conflict with the Company.

For Technocraft Industries (India) Limited

Mumbai, 22nd May, 2013

**Sd/-
S. K. Saraf
(Managing Director)**



Declaration regarding compliance by Board Members and Senior management personnel with the Code of Conduct

I, Sharad Kumar Saraf, Managing Director of the Company, hereby confirm that all members of the Board of Directors and Senior Management Personnel have affirmed Compliance with the code of conduct, in terms of clause 49 (1)(D) (ii) of the Listing Agreement entered into with the stock exchanges, for the year ended 31st March, 2013.

For Technocraft Industries (India) Limited

**Sd/-
S.K.Saraf
(Managing Director)**

Mumbai, 22nd May, 2013

Auditors' Certificate regarding compliance of condition of Corporate Governance

To
The Members of
Technocraft Industries (India) Limited

We have examined the compliance of the conditions of Corporate Governance by **Technocraft Industries (India) Limited**, for the year ended 31st March, 2013 as stipulated in clause 49 of the Listing Agreement(s) of the Company with the Stock Exchange(s) in India.

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

Based on such review, In our opinion and to the best of our information and explanations given to us and the representations made to us, we certify that the Company has complies with the conditions of Corporate Governance as stipulated in the above mentioned in Clause 49 of Listing Agreement.

We state that no investor grievance for a period exceeding one month against the Company as on 31st March, 2013 is pending as per the records maintained by the Company and presented to the Investor/Shareholders Grievance Committee of the Board.

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

M.L.Sharma & Co
Firm Registration No.109963W
Chartered Accountants

C.H.Bandi
Partner
Membership No. 5385

Mumbai, 22nd May, 2013



INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF TECHNOCRAFT INDUSTRIES (INDIA) LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of TECHNOCRAFT INDUSTRIES (INDIA) LIMITED, which comprise the Balance Sheet as at March 31, 2013, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

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

- a) In the case of the Balance Sheet of the state of affairs of the Company as at 31st March, 2013;
- b) In the case of the Statement of Profit & Loss of the **PROFIT** for the year ended on that date; and
- c) In the case of Cash Flow statement, of the Cash Flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.



2. As required by section 227(3) of the Act, we report that:
- a. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c. The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d. In our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956;
 - e. On the basis of written representations received from the directors as on 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 Companies Act, 1956.

For M.L.SHARMA & CO.
Chartered Accountants
Firm Reg. No. 109963W

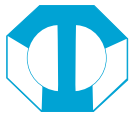
Place: Mumbai
Dated: 22nd May, 2013

(C.H. Bandi)
Partner
Membership No.5385



Annexure referred to in Paragraph of our Auditors' Report on even date on the Financial Statements for the year ended 31st March, 2013 of TECHNOCRAFT INDUSTRIES (INDIA) LIMITED) on the basis of such checks as we considered appropriate and in terms of the information and explanations given to us, we state that:-

- 1 a The Company has generally maintained proper records showing particulars including quantitative details and situation of fixed assets.
 - b As explained to us, the said fixed assets have been physically verified by the Management during the year which is reasonable and no material discrepancies have been noticed on such verification.
 - c In our opinion, and according to the information and explanation given to us, no substantial parts of Fixed Assets have been disposed of during the year.
- 2 a The stock of Finished Goods, Goods-in-Process, Raw Materials and Stores & Spares parts have been physically verified during the year by the Management and is reasonable in view of the nature of products of the Company.
 - b As explained to us, the procedure of physical verification of the above stocks followed by the Management is, in our opinion reasonable and adequate in relation to the size of the Company and nature of its business.
 - c The Company has maintained proper records of the inventories and the discrepancies noticed between the physical stock and book stock were not significant and the same have been properly dealt with in the Books of Account.
- 3 a In our opinion and according to the information and explanations given to us, the company has granted unsecured loans to 4 parties covered in the Register maintained under section 301 of the Companies Act, 1956. The maximum amount of Loan granted during the year was ₹ 10676.23 Lakhs and the year ended balance of Loan granted to such parties was ₹ 1226.92 lakhs.
 - b In our opinion, the rate of interest and other terms and conditions on which Loans have been granted to parties listed in the register maintained under section 301 of the Companies Act, 1956 are not prima facies, prejudicial to the interest of the company.
 - c Payment of Principal amount and interest are regular wherever stipulated.
 - d There is no overdue amount of loans granted to Companies, Firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956.
 - e The Company has not taken any loan, Secured or Unsecured from Companies, firms or other parties covered in the register maintained under section 301 of Companies Act, 1956 and accordingly, provisions of Paragraph 4 (iii) (e) to 4 (iii) (g) are not applicable to the Company.
- 4 On the basis of such checks carried out during the course of Audit and according to the information and explanations given to us, we are of the opinion that there is an adequate internal control system commensurate with the size of the company and nature of its business with regard to purchase of stores, raw materials including components, plant & machinery, equipments and other assets and for sale of goods and services.
- 5 a In our opinion, and according to the information and explanations given to us, the particulars of contract or arrangements referred to in u/s 301 of the Companies Act, 1956, have been properly entered in the register required to be maintained under that section.
 - b In our opinion, and according to the information and explanations given to us, the transaction made in pursuance of such contract or arrangements have been made at prices which are reasonable having regard to prevailing market prices for such goods, materials or services or the prices at which transactions for similar goods, materials or services have been made with other parties.



- 6 In our opinion, and according to the information and explanations given to us, the Company has not accepted any deposits from the public to which the provisions of section 58A of the Companies Act, 1956 and the rules framed there under apply.
- 7 In our opinion, the Company has an Internal Audit System commensurate with the size and nature of its Business.
- 8 We have broadly reviewed the books of account and records maintained by the company pursuant to the Rules made by the Central Government for the maintenance of cost records under section 209 (1) (d) of the Companies Act 1956 and are of opinion that prima facie the prescribed accounts and records have been made and maintained. We have however not made detailed Examination of the records with view to determining whether they are accurate or complete.
- 9 a According to the information and explanation given to us and the records of the Company examined by us, the Company have generally been regular in depositing provident fund dues, state insurance, income tax, sales tax, wealth tax, service tax, custom duty, excise duty, cess and any other statutory dues with the appropriate authorities and there are no undisputed amounts payable for the same were outstanding as at 31st March, 2013, for a year exceeding six months from the date they became payable.
- b According to the information and explanation given to us and the records of the Company examined by us, the Particulars of disputed statutory dues under various act which have not been deposited with the appropriate authorities are as under:-

Name of the Statute	Nature of dues	Amount (in lacs)	Forum where dispute is pending
Income Tax Act, 1961	Income Tax, Penalty & Interest		
	For A.Y. 2002-2003	585.24	Appeal filed with CIT (A)
	For A.Y. 2007-2008 (Penalty)	40.82	Appeal filed with CIT (A) u/s 271(1) (c)
	For A.Y 2007-2008	40.13	Appeal filed with ITAT
	For A.Y. 2008-2009	15.50	Appeal filed with CIT (A)
	For A.Y. 2005-2006	14.72	Appeal filed with CIT (A)
	For A.Y. 2009-2010	65.06	Appeal filed with CIT (A)
The Central Excise Act 1944	Excise Duty & Penalty		
	For F.Y 1999-2002 to Sep 2008.	1115.66	CESTAT, West Zonal Branch, Mumbai (Stay Granted by CESTAT from Pre – Deposit of the dues adjudged during the pendency of these appeals)
	For Period before 29-9-2008	195.60	CESTAT, West Zonal Branch, Mumbai (Stay Granted by CESTAT from Pre – Deposit of the dues adjudged during the pendency of these appeals)
	For period before 29-1-2009	266.77	CESTAT, West Zonal Branch, Mumbai (Stay Granted by CESTAT from Pre – Deposit of the dues adjudged during the pendency of these appeals)
	For period before 29-1-2009	3.04	CESTAT, West Zonal Branch, Mumbai (Stay Granted by Commissioner (Appeals) from the pre-Deposit of the dues adjudged during the pendency of these Appeals)
	Service Tax & Penalty		
	For F.Y 2006-07 & 2007-08	3.03	CESTAT, West Zonal Branch, Mumbai



10. The company has no accumulated losses and has not incurred any cash losses during the financial Year covered by our audit or in the immediately preceding financial year.
- 11 According to information & explanations given to us and the books and records examined by us, the Company has not defaulted in repayment of dues to Banks.
- 12 The company has not granted any loans and advances to any parties on the basis of security by way of pledge of shares, debentures and other securities.
- 13 The Provision of any special statute applicable to Chit fund/Nidhi/Mutual benefit fund/Societies is not applicable to the Company.
- 14 a In respect of investment dealt or traded by the company, proper records are maintained in respect of transaction and contracts and timely entries have been made therein.
b According to the information and explanations given to us, the shares and units of mutual fund have been held by the company in its own name.
- 15 In our opinion and according to the information and explanations given to us, the terms and conditions on which the company has given guarantee for cash credit taken by others from banks are not prima facial prejudicial to the interest of the company.
- 16 In our opinion and according to the information and explanations given to us, the term loans taken by the company have been applied for the purpose for which the term loans were obtained.
- 17 According to information & explanations given to us, the company has used its funds properly according to the nature and purposes of the funds.
- 18 The company has not made any preferential allotment of shares to parties and Companies covered in the register maintained u/s. 301 of the Companies Act, 1956.
- 19 The Company has not issued any Debentures during the year and does not have any debenture outstanding as at the year end.
- 20 According to information and explanations given to us, the company has not raised any money by way of Public issue during the year.
- 21 According to information and explanation given to us, no fraud on or by the Company has been noticed or reported during the period.

For M.L.SHARMA & CO.
Chartered Accountants
Firm Reg. No. 109963W

(C.H. Bandi)
Partner
Membership No.5385

Place: Mumbai
Dated: 22nd May, 2013



BALANCE SHEET AS AT 31ST MARCH 2013

PARTICULARS	NOTE NO.	(₹. In Lacs)	
		YEAR ENDED 31.03.2013	YEAR ENDED 31.03.2012
I. Equity & Liabilities			
1. Shareholder's Fund			
A. Share Capital	1	3,152.68	3,152.68
B. Reserves & Surplus	2	44,586.03	39,257.92
		<u>47,738.71</u>	<u>42,410.60</u>
2. Non-Current Liabilities			
A. Long Term Borrowings	3	489.87	695.55
B. Other Non Current Liabilities	4	101.02	99.68
		<u>590.89</u>	<u>795.23</u>
3. Current Liabilities			
A. Short Term Borrowings	5	8,388.57	7,658.11
B. Trade Payable	6	2,769.37	2,768.97
C. Other Current Liabilities	7	2,789.16	2,640.70
D. Short Term Provision	8	1,179.99	720.02
		<u>15,127.09</u>	<u>13,787.79</u>
Total		<u>63,456.69</u>	<u>56,993.62</u>
II. Assets			
1. Non- Current Assets			
A. Fixed Assets	9		
i. Tangible Assets		11,113.42	12,940.20
ii. Intangible Assets		42.86	167.48
iii. Capital WIP		15.44	169.79
		<u>11,171.72</u>	<u>13,277.46</u>
B. Non Current Investments	10	7,615.75	5,759.71
C. Deferred Tax Asset		632.67	440.81
D. Long Term Loans & Advances	11	456.13	170.26
E. Other Non Current Assets	12	341.79	1,209.79
		<u>20,218.06</u>	<u>20,858.04</u>
2. Current Assets			
A. Current Investment	13	8,784.17	-
B. Inventories	14	10,448.79	9,157.33
C. Trade Receivables	15	17,514.65	13,651.88
D. Cash And Cash Equivalent	16	1,238.60	1,056.58
E. Short Term Loans And Advances	17	1,258.44	8496.73
F. Other Current Assets	18	3,993.98	3773.07
		<u>43,238.63</u>	<u>36,135.58</u>
Total		<u>63,456.69</u>	<u>56,993.62</u>
Significant Accounting Policies			
Notes Forming Part of Accounts	28		

As per our Report of Even Date
For M.L.SHARMA & CO.
Firm Reg.No.109963W
CHARTERED ACCOUNTANTS

(C.H. BANDI)
PARTNER
(M.No.5385)

Place: MUMBAI
Date : 22nd May, 2013

For & on Behalf of Board of Directors

M.D. SARAF **S.M. SARAF**
(CHAIRMAN) (MANAGING DIRECTOR)

MANOJ JAIN
(COMPANY SECRETARY)



STATEMENT OF PROFIT & LOSS FOR YEAR ENDED 31ST MARCH 2013

PARTICULARS	NOTE NO.	(₹. In Lacs)	
		YEAR ENDED 31.03.2013	YEAR ENDED 31.03.2012
Revenue			
Revenue From Operation (Gross)	19	65,795.27	56,232.19
Less: Excise Duty		(999.10)	(1,025.18)
		64,796.17	55,207.01
Other Income	20	2,193.14	1,857.28
		66,989.31	57,064.29
Expenditures			
Cost Of Material Consumed	21	32,814.71	30,551.95
Purchase For Trading		3,321.58	1,551.94
Changes In Inventories Of Stock	22	412.57	1,996.73
Employees Benefit Expenses	23	3,357.55	3,369.28
Finance Costs	24	600.74	722.33
Depreciation		2,643.51	2,920.44
Amortisation Of Goodwill		121.92	121.92
Other Expenses	25	14,135.98	12,891.60
		57,408.56	54,126.18
Profit Before Taxation		9,580.75	2,938.11
Tax Expenses	26		
Current Tax		3,299.90	1,266.32
Deferred Tax (Net)		(191.86)	(158.67)
Profit After Tax		6,472.71	1,830.46
Earning Per Share -Basic & Diluted	27	20.53	5.81
Significant Accounting Policies	28		

As per our Report of Even Date
For M.L.SHARMA & CO.
Firm Reg.No.109963W
CHARTERED ACCOUNTANTS

(C.H. BANDI)
PARTNER
(M.No.5385)

Place: MUMBAI
Date : 22nd May, 2013

For & on Behalf of Board of Directors

M.D. SARAF **S.M. SARAF**
(CHAIRMAN) (MANAGING DIRECTOR)

MANOJ JAIN
(COMPANY SECRETARY)



CASH FLOW STATEMENT FOR YEAR ENDED MARCH 31st 2013

PARTICULARS	(₹. In Lacs)	
	YEAR ENDED 31.03.2013	YEAR ENDED 31.03.2012
A. Cash flow from operating activities:		
Net (loss)/profit before tax but after exceptional/ extraordinary items	9580.75	2938.11
Adjustments for:		
Depreciation	2643.51	2920.44
Amoratisation of Goodwill	121.92	121.92
Interest Expenses	426.88	560.64
Interest Income	(373.54)	(626.35)
Dividend Received	(0.02)	(0.02)
Rent Received	(152.11)	(139.48)
(Profit) on sale of Fixed Asset	(19.20)	(22.19)
Loss on sale of Fixed Asset	5.14	1.10
(Profit) on sale of Investments	(428.94)	(313.42)
Loss on Sale of Investment	12.84	65.36
Gain on Exchange (Net)	126.57	565.13
Operating profit before working capital changes	11943.79	6071.24
Adjustments for changes in working capital :		
- (INCREASE)/DECREASE in Sundry Debtors	(3862.77)	(3241.02)
- (INCREASE)/DECREASE in Other Receivables	(595.42)	183.07
- (INCREASE)/DECREASE in Inventories	(1291.47)	5258.79
- INCREASE/(DECREASE) in Trade and Other Payables	(395.89)	2052.99
Cash generated from operations	5798.24	10325.08
- Taxes (Paid) / Received	(2,695.41)	(727.65)
- Gain on Exchange (Net)	(126.57)	(565.13)
Net cash from operating activities (A)	2976.26	9032.30
B. Cash flow from Investing activities:		
Purchase of fixed assets including Capital Work in Progress	(686.19)	(1537.20)
Proceeds from Sale of fixed assets	26.36	554.35
Net realisation on Sale of Investments	6,918.30	7,009.80
Net additions to investments :		
In subsidiaries	(206.22)	(41.99)
In others	(16,936.18)	(4,270.70)
Net Loan (Given)/ recovered	7,253.79	(7,631.70)
Interest Received	412.68	646.84
Dividend Received	0.02	0.02
Rent Received	152.11	139.48
Net cash used in investing activities (B)	(3065.33)	(5131.10)



CASH FLOW STATEMENT FOR YEAR ENDED MARCH 31st 2013

PARTICULARS	(₹. In Lacs)	
	YEAR ENDED 31.03.2013	YEAR ENDED 31.03.2012
C. Cash flow from financing activities:		
Term Loans from Bank (net)	(201.68)	(276.81)
Short term borrowings from Banks (net)	730.47	(6847.10)
Interest Paid	(426.88)	(560.64)
Dividend Paid	(630.54)	(315.27)
Tax on Dividend	(102.29)	(52.36)
Net cash used in financing activities (C)	(630.91)	(8052.18)
Net Increase/(Decrease) in Cash & Cash Equivalents (A)+(B)+(C)	(719.99)	(4150.97)
Cash and cash equivalents at the beginning of the year	2,086.58	6237.55
Cash and cash equivalents at the end of the year	1366.60	2086.58
Cash and cash equivalents comprise		
Cash on hand	8.56	8.57
Balance with Scheduled Banks	1358.04	2078.01
Balance as per Balance Sheet	1366.60	2086.58

NOTES TO THE CASH FLOW STATEMENT

- 1 The above Cash flow statement has been prepared under the indirect method set out in AS-3 issued by ICAI.
- 2 Figures in brackets indicate cash outgo.
- 3 Previous period figures have been regrouped and recast wherever necessary to conform to the current period classification.

As per our Report of Even Date
For M.L.SHARMA & CO.
Firm Reg.No.109963W
CHARTERED ACCOUNTANTS

(C.H. BANDI)
PARTNER
(M.No.5385)

Place: MUMBAI
Date : 22nd May, 2013

For & on Behalf of Board of Directors

M.D. SARAF **S.M. SARAF**
(CHAIRMAN) (MANAGING DIRECTOR)

MANOJ JAIN
(COMPANY SECRETARY)



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2013

(₹. In Lacs)

	As At 31.03.2012	As At 31.03.2011
Note -1		
Share Capital		
Authorised		
4,00,00,000 (P.Y. 4,00,00,000) Equity Shares of ₹. 10/- Each.	4,000.00	4,000.00
	4,000.00	4,000.00
Issued,Subscribed & Paid-Up		
3,15,26,750 (P.Y. 3,15,26,750) Equity Shares of ₹. 10/- Each	3,152.68	3,152.68
Fully Paid Up.	3,152.68	3,152.68

- 1) The Company has only one class of Equity Shares having a par value of ₹.10 per share. Each shareholder is eligible for one vote per share.
- 2) The reconciliation of the number of share outstanding at the year end is set out below :

Particulars	Equity Shares			
	As At 31.03.2013		As At 31.03.2012	
	Number	₹.	Number	₹.
Shares outstanding at the beginning of the year	31,526,750	3,152.68	31,526,750	3,152.68
Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	31,526,750	3,152.68	31,526,750	3,152.68

- 3) The Details of Shareholders Holding more than 5% Shares is set out below :

Name of Shareholders	Equity Shares			
	As At 31.03.2013		As At 31.03.2012	
	No. Of Share Held	% Of Holding	No. Of Share Held	% Of Holding
	Number	₹.	Number	₹.
Shakuntala Saraf	6,739,512	21.37%	6,739,512	21.37%
Shantidevi Saraf	2,963,471	9.40%	2,963,471	9.40%
Sharad Kumar Madhoprasad HUF	2,874,946	9.12%	2,874,946	9.12%
Sudarshan Kumar Saraf	8,750,652	27.76%	8,750,652	27.76%

- 4) Other disclosure pursuant to Note no. 6 of Part I of Schedule VI to the Companies Act, 1956 is either Nil or not applicable to the Company.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2013

(₹. In Lacs)

	As At 31.03.2013	As At 31.03.2012
Note-2		
Reserves And Surplus		
General Reserves		
As Per Last Balance Sheet	25,080.00	25,080.00
Add : Transfer from the Surplus of Current Year	645.00	-
	25,725.00	25,080.00
Capital Reserve		
As Per Last Balance Sheet	20.51	20.51
	-	-
	20.51	20.51
Securities Premium		
Balance As Per Last Balance Sheet	7,486.84	7,486.84
	7,486.84	7,486.84
Revaluation Reserve		
As Per Last Balance Sheet	242.19	257.38
Less : Depreciation	14.22	15.19
	227.97	242.19
Surplus In Statement Of Profit And Loss		
As Per Last Balance Sheet	6,428.39	4,964.34
Add : Profit For The Period	6,472.71	1,830.46
	12,901.10	6,794.80
Less:Proposed Final Dividend	630.54	315.27
Less:Interim Dividend	315.27	-
Less:Prov.For Dividend Distribution Tax on final dividend	107.16	51.14
Less:Dividend Distribution Tax on Interim Dividend Paid	51.14	-
Less:Income Tax of Earlier Years	26.28	-
Less:Transferred To General Reserves	645.00	-
	11,125.71	6,428.38
	44,586.03	39,257.92

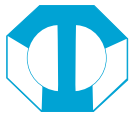
#Final Dividend proposed to be distributed to the Equity Shareholders is ₹. 2 Per Equity Share (P.Y.₹.1)

Note - 3 Long Term Borrowing

Term Loans

Bank of India	489.87	695.55
(Term of Repayment-5 Years) (Rate of Interest-12.5% P.A)	489.87	695.55

1. Term Loan From Bank Of India Is Secured Against Hypothecation of Plant & Machinery, Equipment Purchased Out of Term Loan And Also Against Equitable Mortgage of Specific immovable Properties of Yarn Division.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2013

	(₹. In Lacs)	
	As At 31.03.2013	As At 31.03.2012
Note - 4		
Other Non Current Liabilities		
Sundry Deposits	101.02	99.68
	101.02	99.68
Note - 5		
Short Term Borrowings		
Secured - From Banks		
1. Bank Of India - CC Account	214.70	359.55
2. BOI PCFC \$ A/c	2,356.25	3,499.42
3. CITI Bank PCFC Account	1,486.06	1,650.74
4. HDFC PCFC A/c	1,728.62	1,491.28
5. IDBI Overdraft A/c	88.19	151.41
6. IDBI PCFC A/c	356.76	505.69
	6,230.58	7,658.11
Un secured		
1. COMMON WEALTH BANK P.C.F.C \$ A/C	789.13	-
2. ING VYSYA BANK \$ P.C.F.C. A/C.	1,368.86	-
	2,157.99	-
	8,388.57	7,658.11

Notes :

1. Cash credit from **Bank of India** is secured against the hypothecation of stock and book debts both present & future Fixed Assets equitable mortgage of companies specific immovable properties.
2. Export packing credit against L/Cs. confirmed orders from **BOI PCFC\$** are secured against the hypothecation of stock & book debts both present & future and fixed assets & equitable mortgage of the companies specific immovable properties.
3. Export packing credit against L/Cs. confirmed orders from **CITI BANK** are secured against the hypothecation of stock & books debts both present & future and fixed assets & equitable mortgage of the companies specific immovable properties.
4. Export packing credit against L/Cs. confirmed orders from **HDFC BANK** are secured against the hypothecation of stock & book debts both present & future and fixed assets & equitable mortgage of the companies specific immovable properties.
5. Overdraft account with **IDBI BANK** are secured against the FDR of the company.
6. Export packing credit against L/Cs. confirmed orders from **IDBI BANK** are secured against the hypothecation of stock & book debts both present & future and fixed assets & equitable mortgage of the companies specific immovable properties.

Note-6

Trade Payable

Trade payables	2,769.37	2,768.97
(Other Than Micro, Small & Medium Enterprises)	2,769.37	2,768.97



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2013

(₹. In Lacs)

	As At 31.03.2013	As At 31.03.2012
Note-7		
Other Current Liabilities		
Current Maturities on long term deposit	216.00	212.00
Liabilities For Expenses	1,884.96	1,705.04
TDS Payable	52.75	57.50
Advance From Customers	481.69	503.78
Unclaimed Dividend	12.91	5.62
SBI Murbad (Temporary Overdrawn)	140.85	156.77
	2,789.16	2,640.70
Note - 8		
Short Term Provision		
Provisions For Employee Benefits		
Provision For Gratuity	195.48	216.87
Provision For Leave Salary Encashment	45.54	136.73
Others		
Proposed Dividend	630.54	315.27
Prov. For Dividend Distribution Tax	107.16	51.14
Provision For Taxation	12,942.35	-
Less : Advance Tax	12,741.08	-
	201.28	-
	1,179.99	720.02



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2013
SCHEDULES FORMING PART OF ACCOUNTS

Note 9 - FIXED ASSETS

(₹. In Lakhs)

Description	G R O S S B L O C K		D E P R E C I A T I O N		N E T B L O C K						
	As on 01.04.2012	Revaluation of assets as on 25/07/94	Addition during the period	Sale/ Transfer	As on 31.03.2013	As on 01.04.2012	Upto 01.04.2012	Adjust- ment	Upto 31.03.2013	As on 31.03.2013	As on 31.03.2012
I) TANGIBLE ASSETS											
A. LAND AND BUILDING											
1. Leasehold Improvement	11.18	-	-	-	11.18	11.18	-	-	11.18	-	-
2. Land	292.32	-	-	-	292.32	-	-	-	-	292.32	292.32
3. Leasehold Land	54.41	207.00	-	-	261.41	62.54	2.84	0.66	66.04	195.37	198.88
4. Factory Building	6,711.79	397.60	200.54	-	7,309.93	3,189.69	6.25	392.63	3,588.57	3,721.37	3,919.71
5. Building	33.95	-	0.18	-	34.13	0.49	-	1.68	2.17	31.96	33.46
6. Office Premises	1.61	227.83	-	-	229.44	136.61	4.62	0.02	141.25	88.19	92.83
7. Worker's Quarters	71.13	-	-	-	71.13	33.37	-	1.89	35.26	35.87	37.75
8. Staff Quarters	353.87	20.06	0.24	-	374.18	139.63	0.41	11.33	151.36	222.82	234.31
9. Car Parking Space	0.01	4.99	-	-	5.00	2.98	0.10	0.00	3.08	1.92	2.02
10. Tube-Well	11.34	-	-	-	11.34	4.34	-	0.35	4.69	6.65	7.01
11. Shop At Bandra	337.81	-	-	-	337.81	95.23	-	12.13	107.36	230.45	242.58
	7,879.43	857.49	200.97	-	8,937.88	3,676.05	14.22	420.69	4,110.96	4,826.93	5,060.86
B. PLANT & MACHINERY											
1. Plant & Machinery & Pollution equip.	24,419.07	217.64	534.16	86.17	25,084.71	17,505.88	-	2,066.02	19,494.92	5,589.79	7,130.83
2. Electrical Installation	923.74	-	27.48	7.25	943.97	483.21	-	62.93	539.49	404.48	440.53
3. Computers	185.73	-	7.18	-	192.91	160.60	-	11.28	171.88	21.03	25.13
4. Air Conditioner & Office Equip.	127.70	-	14.06	-	141.76	72.18	-	8.83	81.01	60.75	55.52
5. Motor Car & Vehicles	179.93	-	10.86	22.44	168.34	119.57	-	15.49	115.12	53.22	60.36
6. Weighing Scale	9.52	-	1.02	-	10.53	5.80	-	0.57	6.37	4.16	3.71
7. Forklift	75.67	-	14.24	-	89.91	67.19	-	2.71	69.89	20.02	8.49
8. Generator	939.07	-	-	-	939.07	883.39	-	15.49	898.88	40.19	55.68
9. Weighing Bridge	24.86	-	-	-	24.86	8.98	-	2.21	11.19	13.68	15.88
10. JCB (Crane)	21.00	-	-	-	21.00	6.51	-	2.62	9.13	11.87	14.49
11. Trolley	1.10	-	-	-	1.10	0.03	-	0.15	0.18	0.92	1.07
12. Water Filtration Plant	-	-	4.43	-	4.43	-	-	0.33	0.33	4.10	-
	26,907.39	217.64	613.43	115.86	27,622.60	19,313.34	-	2,188.64	21,398.41	6,224.19	7,811.69
C. FURNITURE & FIXTURES											
	204.25	-	8.48	-	212.73	136.61	-	13.82	150.43	62.30	67.65
	204.25	-	8.48	-	212.73	136.61	-	13.82	150.43	62.30	67.65
II) INTANGIBLE ASSETS											
1. Navision Software	19.85	-	-	-	19.85	19.85	-	-	19.85	(0.00)	(0.00)
2. Computer Software	62.40	-	17.67	-	80.07	26.61	-	20.36	46.97	33.10	35.79
3. Trade Mark	0.49	-	-	-	0.49	0.49	-	-	0.49	-	(0.00)
4. GOODWILL	609.62	-	-	-	609.62	477.92	-	121.92	599.85	9.76	131.69
	692.36	-	17.67	-	710.03	524.88	-	142.29	667.17	42.86	167.48
TOTAL	35,683.43	1,075.12	840.55	115.86	37,483.24	23,650.88	14.22	2,765.43	26,326.96	11,156.28	13,107.68
Previous Year	34,603.75	1,075.12	1,233.40	153.80	36,758.55	20,640.36	15.19	3,042.36	23,650.88	13,107.68	15,038.51
Capital Work in Progress	169.79	-	189.04	343.38	15.44	-	-	-	-	15.44	169.79

* DEDUCTED FROM REVALUATION RESERVE & NOT CHARGED TO PROFIT & LOSS A/C.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2013

(₹. In Lacs)

	As At 31.03.2013	As At 31.03.2012
Note - 10		
Non Current Investments : - (at cost)		
I. Trade		
A. Investment in Equity Shares of subsidiaries & joint venture (unquoted)		
(a) Technocraft International Ltd (5,00,002 Ordinary Shares of 1 pound each) (P.Y.500002)	381.77	381.77
(b) Technosoft Engineering Projects Limited (formerly known as Technosoft Information Technologies (I) Ltd.) (4,99,930 shares of ₹10/-) (P.Y. 499930 shares)	112.38	112.38
(c) Technocraft Trading (Poland) (4,500 shares of Pln 500 each) (P.Y.4500 shares)	265.07	265.07
(d) Technocraft Australia Pvt. Ltd. (2,180,54 shares of Aus \$ 1 each) (P.Y.2180.54 shares)	93.47	93.47
(e) Anhui Reliable Steel Tec. China	1,080.16	873.94
(f) Technocraft Tabla Formworks Sys. Pvt. Ltd. (6,49,995 shares of ₹.10/- each) (P.Y.649995 shares)	65.00	65.00
	<u>1,997.85</u>	<u>1,791.63</u>
II. Other than trade		
A. Investment in share of Co-Operative societies (unquoted)		
(a) 30 (P.Y.30)shares of ₹.50/- each of Mittal Court Premises Co-op. Society Ltd. fully paid up	0.02	0.02
(b) 15(P.Y.15) shares of ₹.50/- each of Udit Mittal Court Industrial Premises Co-op. Society Ltd.	0.01	0.01
(c) 10 (P.Y.10) shares of ₹.50/- each of godrej flat	0.01	0.01
B. Investment in Debenture (unquoted)		
(a) Citi Fin.Cons.Fin.I.ltd.NCD-443 (Nil) (P.Y.600 debentures of ₹.100000/- each)	-	600.00
(b) Benchmark Amc Pms a/c bop series 91 (Nil) (P.Y.200 debenture of ₹.100000/- each)	-	203.00
(c) Benchmark Debt Portfolio - structured (Nil) (200 debenture of ₹.100000/- each)	-	202.50
(d) Benchmark Amc Pms a/c bdp series115 (Nil) (P.Y.35 non conv. debenture of ₹.1000000/- each)	-	354.20
	<u>0.04</u>	<u>1,359.73</u>
	<u>1,997.89</u>	<u>3,151.36</u>
C. Investment in Mutual Fund (quoted)		
HDFC Equity Fund Growth (Niil)(P.Y. 1,42,187.142 units of ₹.246.1545/- each)	-	350.00
HDFC MF Monthly Income Plan (20,92,317.96 units of ₹.21.50/- each) (P.Y. 2092317.96)	450.00	450.00
HDFC top 200 growth (Niil) (P.Y. 1,85,093.63 units of ₹. 202.609/- each)	-	375.00
HDFC Gold Exchange Traded Fund (19,000 units of ₹. 1936.096/- each)(P.Y. 19000 units)	367.86	367.86



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2013

	(₹. In Lacs)	
	As At 31.03.2013	As At 31.03.2012
ICICI Prudential Long Term Plan Premium Cumulative (Nil) (P.Y. 14,97,334.74 units of ₹.10/- each)	-	150.00
ICICI Prudential Discovery Fund Growth (Nil) (P.Y. 2,70,080.6380 units of ₹.48.32/- each)	-	130.50
IDFC Small & Midcap Equity Fund Growth (Nil) (P.Y. 1,38,431.29 units of ₹.18.06/- each)	-	25.00
Sundaram Financial Services Opportunities Regular (Nil) (P.Y. 16,97,759.927 units of ₹. 20.61/- each)	-	350.00
Templeton India Income Opp Fund Growth (Nil) (P.Y. 38,85,296.02 units of ₹.10.55/- each)	-	410.00
Birla Sun Life Dynamic Bond Fund- growth (26,16,307.971 units of ₹.19.11/- each) (P.Y. Nil)	500.00	-
Birla Sun Life Fixed Term Plan - Gs (30,00,000 units of ₹.10,000/- each) (P.Y. Nil)	300.00	-
HDFC Short Term Opportunities Fund (1,04,25,963.591 units of ₹.14.46/- each) (P.Y. Nil)	1,300.00	-
HDFC Liquid Fund Growth (30,30,303.030 units of ₹.23.10/- each) (P.Y. Nil)	700.00	-
ICICI Prudential Inc Opp Fund (64,43,605.263 units of ₹.15.51/- each) (P.Y. Nil)	1,000.00	-
Reliance Dynamic Bond Fund - Growth (65,12,281.299 units of ₹.15.35/- each) (P.Y. Nil)	1,000.00	-
	<u>5,617.86</u>	<u>2,608.36</u>
	<u>7,615.75</u>	<u>5,759.71</u>
book amount of unquoted investment	1,997.89	3,151.36
book amount of quoted investment	5,617.86	2,608.36
market value of quoted investment	6,000.32	2,882.11
Note-11		
Long Term Loans & Advances		
Capital Advances	<u>456.13</u>	<u>170.26</u>
	<u>456.13</u>	<u>170.26</u>
Note-12		
Other Non Current Assets		
Balance With Scheduled Banks		
In Fixed Deposit Accounts Due After 12 Months (Fixed Deposits are pledged against Bank Overdraft)	128.00	1,030.00
Deposit With Government Departments	<u>213.79</u>	<u>179.79</u>
	<u>341.79</u>	<u>1,209.79</u>



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2013

(₹ In Lacs)

	As At 31.03.2013	As At 31.03.2012
Note - 13		
Current Investments (Non- Trade)		
Quoted		
HDFC FMP 369D DECEMBER 2012 (1)- GROWTH (1,00,00,000 Units of ₹ 10/- Each) (P.Y. NIL)	1,000.00	-
HDFC FMP 370D DECEMBER 2012 (2)- GROWTH (22,50,000 Units of ₹ 10/- Each) (P.Y. NIL)	225.00	-
HDFC FMP 371D JULY 2012 (2) (26,000,000 Units of ₹ 10/- Each) (P.Y. NIL)	2,600.00	-
HDFC FMP 371D DECEMBER 2012 (1) - GROWTH (10,000,000 Units of ₹ 10/- Each) (P.Y. NIL)	1,000.00	-
HDFC FMP 372D JUNE 2012 (2)- GROWTH (50,00,000 Units of ₹ 10/- Each) (P.Y. NIL)	500.00	-
HDFC FMP 372D JULY 2012(1)- GROWTH (50,00,000 Units of ₹ 10/- Each) (P.Y. NIL)	500.00	-
Un Quoted		
Commodity Investment	2959.17	-
	8,784.17	-
Book Value Of UnQuoted Investment	2,959.17	-
Book Value Of Quoted Investment	5,825.00	-
Market Value of Quoted Investment	6,086.19	-
Note - 14		
Inventories		
(As Taken, Valued And Certified By Management)		
Finished Goods	1,524.36	1,813.71
Raw Material	7,662.97	6,084.51
Semi Finished Goods	182.54	181.37
Scrap	121.22	245.61
Stores & Spares	667.47	600.79
Packing Materials	196.47	154.22
Fuel & Oil	93.76	77.11
	10,448.79	9,157.33
Note - 15		
Trade Receivable		
(Un-Secured & Considered Good by the Management)		
Debts Outstanding For More Than Six Months	23.65	21.24
Other Debts	17,491.00	13,630.63
	17,514.65	13,651.88



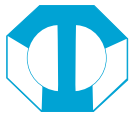
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2013

	(₹. In Lacs)	
	As At 31.03.2013	As At 31.03.2012
Note - 16		
Cash And Cash Equivalents		
Balance With Scheduled Banks		
In Current Account	56.01	858.27
Cash On Hand	8.56	8.57
Others		
Balance In Unclaimed Dividend Accounts	12.91	5.62
In Fixed Deposit A/c's Between 3 & 12 Months Initial Maturity (Fixed Deposit are pledged against Bank Overdraft)	1,161.12	184.12
	<u>1,238.60</u>	<u>1,056.58</u>
Note - 17		
Short Term Loans And Advances		
(Un-Secured Considered Good By The Management)		
Loans & Advances To Subsidiaries & Joint Venture		
(Repayable on Demand)		
(Rate of Loans Given : 8% & 9% P.A)		
Anhui Reliable Steel Tec. Co. L. - Loan	702.02	701.35
Technocraft Tabla Formwork Sys. P. L.	325.63	228.05
Technosoft Engineering Projects Limited (Formerly known as Technosoft Information Tech (I) Ltd.)	32.54	261.73
	<u>1060.19</u>	<u>1,191.13</u>
Loans & Advances To Associates		
(Rate of Loans Given : 9% P.A)		
Ashrit Holdings Ltd.	166.74	7,289.60
Others		
Staff Advances	31.51	16.01
	<u>1,258.44</u>	<u>8,496.73</u>
Note - 18		
Other Current Assets		
Advance Tax	-	10,993.95
Less : Provision For Taxation	-	<u>10,564.45</u>
	-	429.50
Balance With Sales Tax Dept.	2,116.21	1,807.76
Balance With Central Excise Dept.	1,393.95	785.92
Other Deposits	34.87	34.44
Prepaid Expenses	91.00	63.63
Others Receivables	357.95	651.82
	<u>3,993.98</u>	<u>3,773.07</u>
Note 19		
Revenue From Operation		
Sale Of Product	59,944.97	49,632.12
Sale Of Services	418.75	1,071.14
Other Operating Revenue	5,431.55	5,528.94
	<u>65,795.27</u>	<u>56,232.19</u>



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2013

	(₹. In Lacs)	
	As At 31.03.2013	As At 31.03.2012
Note - 20		
Other Income		
Interest Income (Gross, Inclusive of TDS of Rs 35.04 Lacs, P.Y. Rs. 64.37 lacs)	373.54	626.35
Other Non-Operating Income	1,238.53	212.90
Diff In Foreign Currency (net)	-	565.11
Profit on Sale of Investment	428.94	313.42
Rent Received (Gross, Inclusive of TDS of Rs 15.96 Lacs, P.Y. Rs. 13.94 lacs)	152.11	139.48
Dividend Received	0.02	0.02
	<u>2,193.14</u>	<u>1,857.28</u>
Note - 21		
Cost Of Material Consumed		
A. Raw Material Consumed		
Opening Stock Of Raw Material	6,084.51	9,295.09
Add : Purchases	<u>33,511.89</u>	<u>26,523.01</u>
	39,596.40	35,818.10
Less : Closing Stocks	<u>7,662.97</u>	<u>6,084.51</u>
	31,933.43	29,733.59
B. Packing Material Consumed		
	<u>881.28</u>	<u>818.35</u>
	<u>32,814.71</u>	<u>30,551.95</u>
Note - 22		
Changes In Inventories Of Stock		
Closing Stocks		
Finished Goods	1,524.36	1,813.71
Scrap / Waste	121.22	245.61
Semifinished Goods	<u>182.54</u>	<u>181.37</u>
	<u>1,828.12</u>	<u>2,240.70</u>
Less :		
Opening Stocks		
Finished Goods	1,813.71	3,696.37
Scrap / Waste	245.61	144.67
Semifinished Goods	<u>181.37</u>	<u>396.38</u>
	<u>2,240.69</u>	<u>4,237.42</u>
	<u>412.57</u>	<u>1,996.73</u>
Note - 23		
Employee Benefit Expenses		
Salaries, Wages, Bonus etc.	2,797.02	2,594.88
Contribution To P.F., ESIC etc.	169.55	146.04
Gratuity	-	255.67
Gratuity Fund Expenses	0.51	0.51
Staff Welfare Expenses	<u>92.64</u>	<u>75.41</u>
	<u>3,059.72</u>	<u>3,072.50</u>
Directors Remuneration (Including Commission)	<u>297.83</u>	<u>296.79</u>
	<u>3,357.55</u>	<u>3,369.28</u>



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2013

(₹. In Lacs)

	As At 31.03.2013	As At 31.03.2012
Note - 24		
Finance Cost		
Interest Paid		
Interest To Others	0.01	0.64
Interest To Bank (net)	426.87	560.00
	426.88	560.65
Other Financial Charges		
Bank Charges	122.28	95.43
Bank Guarantee Charges	5.33	4.54
Bank Processing Charges	14.62	29.64
Status Report Charges	-	2.45
L/C Charges	31.63	29.63
	173.86	161.69
	600.74	722.33

Note - 25 **Other Expenses**

Store/Spares & Other Components Consumed	2,572.40	2,364.72
Fuel And Oil Consumed	737.38	708.27
Power & Electricity	1,223.61	2,097.72
Job Work	2,278.85	1,466.52
Labour Charges	799.67	460.38
Water Charges	42.85	35.73
Other Manufacturing Expenses	1,009.00	1,019.24
Freight & Other Export Charges	2,703.07	2,099.60
Selling, Distribution Expenses on Sales	303.78	275.45
Warehouse & Handling Charges At USA	51.84	47.52
Commission/Brokerage	53.57	127.75
Royalty	-	99.40
Quality Claim	105.46	175.08
Sales Promotion	48.07	54.20
Travelling & Conveyance Expenses	190.52	142.38
Vehicle Expenses	130.26	122.68
Legal & Professional Expenses	140.88	93.78
Licence & Membership Fees	42.92	41.04
Rent, Rates & Taxes	60.29	48.55
Advertisement	3.15	2.53
Insurance (General)	52.50	37.03
Director Fees	3.00	2.90
Securities Transaction Tax	3.26	3.03
Engineering & Design Charges	74.48	57.81
Technical Training Expenses	17.38	11.89
Software Charges Paid	1.24	1.46
Printing & Stationery	28.72	30.83
Postage, Telegram & Telephone Exp.	64.74	75.32
Miscellaneous Expenses	13.06	10.64
Corporate Social Responsibility	156.00	250.00



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2013

(₹. In Lacs)

	As At 31.03.2013	As At 31.03.2012
Note - 25		
Other Expenses (Contd.)		
Donation	5.05	-
Audit Fees	4.00	4.00
Tax Audit Fees	1.00	1.00
Certification Charges/ Out of Pocket expenses	0.23	0.26
Machine Repair	327.14	175.31
Building Repair	194.24	143.06
Other Repairs & Maintenance	547.10	535.24
Loss of Sale of Investment	12.84	65.36
Loss of Sale of Motor Car	5.14	0.30
Sundry Balancewritten Off	0.72	3.42
Diff In Foreign Curr	126.57	-
Amalgamation Expenses	-	0.20
	<u>14,135.98</u>	<u>12,891.60</u>
Note - 26		
Tax Expenses		
Current Income Tax	3,299.90	1,266.32
	-	-
	3,299.90	1,266.32
Deferred Tax	(191.86)	(158.67)
	<u>3,108.04</u>	<u>1,107.65</u>
Note - 27		
Earning Per Share		
Net Profit For Equity Shareholders	6,472.71	1,830.46
Weighted Average Number of Equity Shares Outstanding during the year	315.27	315.27
Adjusted Basic & Diluted Earning Per Share (On Nominal Value Of ₹. 10/-Per Share)	20.53	5.81



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013

NOTE 28

I. SIGNIFICANT ACCOUNTING POLICIES

A. GENERAL

- These Financial Statement are prepared on the historical cost basis, in accordance with the Generally Accepted Accounting Principles in India, the Accounting Standards issued by The Institute of Chartered Accountants of India and the provisions of the Companies Act, 1956, adjusted by valuation of certain Fixed Assets and on the accounting principles of a going concern.
- Accounting Principles not specifically referred to otherwise are consistent and in consonance with the generally accepted accounting principles.

B. RECOGNITION OF INCOME AND EXPENDITURE

- Incomes and expenditures are recognized on accrual basis except benefits on Special Import License Premium, Sales Tax set off, Duty Drawback and all cash incentives, Claims receivable and Government taxes, which have been accounted on cash basis.
- Purchases are reported net of Trade discounts, Returns, Value Added Tax (to the extent refundable/ adjustable) & Sales, if any, made during the course of the business.
- Sales are reported net of Trade discounts, Quantity Discounts, Returns & Rebates, Excise Duty & Sales Tax.
- Sales of Scrap / Unusable Waste are reported net of Excise duty and Sales Tax.

C. INVENTORIES

- Inventories of Raw Materials, Finished Goods, Semi-Finished Goods, Trading Goods, Raw Material Scrap and Stores, Spares and other components, Packing Materials, Fuel and Oil are valued at cost or net realizable value, whichever is lower.
- Goods in transit are valued at cost or net realizable value, whichever is lower.
- Cost comprises of all cost of purchases, cost of conversion and other costs incurred in bringing the inventory to their present location and conditions.
- Cost is arrived at on FIFO basis.

D. FIXED ASSETS

Fixed Assets are stated at cost of acquisition or construction inclusive of incidental expenses related there to and includes amount added on revaluation less accumulated depreciation & cenvat credit.

E. DEPRECIATION

- Depreciation on Fixed Assets has been provided on pro-rata basis on the written down value method at the rates specified in schedule XIV, of the Companies Act, 1956.
- Leasehold Land is amortized over the period of lease.
- The amount of Depreciation on Revalued Assets charged for each period has been set off against Revaluation Reserve Account.

F. EXPENDITURE DURING CONSTRUCTION PERIOD

Expenditure during construction period is included under Capital Work in Progress and the same is allocated to the respective Fixed Assets on the completion of its construction.

G. FOREIGN EXCHANGE TRANSACTIONS

- Transactions denominated in foreign currency are normally accounted for at the exchange rate prevailing at the time of transaction.
- Monetary assets and Liabilities in foreign currency transactions remaining unsettled at the



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013

end of the year (other than forward contract transactions) are translated at the year end rates and the corresponding effect is given to the respective account.

- Exchange differences' arising on account of fluctuations in the rate of exchange is recognized in the statement of Profit & Loss.
- Exchange rate difference arising on account of conversion/translation of liabilities incurred for acquisition of Fixed Assets is recognized in the Statement of Profit & Loss.
- Investment & finance (including loans & equity contribution) in foreign subsidiaries are recorded in rupees by applying the exchange rate prevailing at the time of making Investments and Finance.

H. GOVERNMENT GRANTS

- Capital subsidy/government grants are accounted for where it is reasonably certain that the ultimate collection will be made.
- Capital subsidy/government grants in the form of Capital/Investment Incentives received from government/Semi-government authorities are credited to capital reserve account.
- Capital subsidy/government grants related to specific non depreciable assets are credited to capital reserve account.
- Capital subsidy/government grants related to specific depreciable assets are credited to capital reserve account and are recognized as income in profit and loss statement on a systematic and rational basis over the useful life of assets.
- Other Revenue Grants are credited to statement of Profit & Loss under 'Other Income' or deducted from the related Expenses.

I. INVESTMENTS

Long Term Investments are stated at Cost and provision for diminution in value in the perception of the management will only be considered.

J. EMPLOYEE BENEFITS

- The Company makes regular contribution to the Employees' Provident Fund and Employees' Pension Fund Schemes and these contributions are charged to Statement of Profit and Loss.
- The Leave Encashment & Gratuity liability is determined by actuarial valuation, using the Project Unit Credit Method as specified in AS 15 (Revised) "EMPLOYEE BENEFITS" and the liability is fully charged to Statement of Profit & Loss. Actuarial gains and losses arising on such valuation are also recognized immediately in Statement of Profit & Loss.

K. BORROWING COST

Borrowing costs directly attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of the assets up to the date the assets are put to use. Other borrowing costs are charged to the Statement of Profit & Loss in the year in which they are incurred.

L. LEASES

Lease rentals in respect of the assets acquired on Lease are charged to Statement of Profit and Loss.

M. TAXATION

Provision for current tax is made on the assessable income at the tax rate applicable to the relevant assessment year. Deferred tax resulting from "timing difference" between book and taxable profit is accounted for using the tax rate and tax laws that have been enacted or substantively enacted by the Balance Sheet Date. Deferred tax assets are recognized, only to the extent there is a reasonable certainty of its realization. At each Balance sheet date, the carrying amount of deferred tax assets is reviewed to reassure realization.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013

N. INTANGIBLE ASSETS

Intangible Assets are recognized by the Company only if it is probable that the future economic benefits that are attributable to the assets will flow to the enterprise and the cost of the same can be measured reliably.

Intangible Assets are amortized on a systematic basis over its useful life and the amortization for each period will be recognized as an expense.

O. IMPAIRMENT

Impairment loss is recognized wherever the carrying amount of an asset is in excess of its recoverable amount and the same is recognized as an expense in the statement of profit and loss and carrying amount of the asset is reduced to its recoverable amount.

Reversal of impairment losses recognized in prior years is recorded when there is an indication that the impairment losses recognized for the asset no longer exist or have decreased.

P. PROVISIONS

A Provision is recognized when an enterprise has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Q. CONTINGENT LIABILITY

Contingent Liabilities are not accounted for in the Accounts. These are disclosed by way of Notes to the financial Statements to the extent of information available with the Company.

2. NOTES FORMING PART OF THE ACCOUNTS

A. CONTINGENT LIABILITY

(₹. In Lacs)

Sr. No.	Contingent Liabilities and Commitments not provided For	For the Year Ended 31.03.2013	For the Year Ended 31.03.2012
I.	Stand by Letter of Credit (SBLC) aggregating to Euro 17,50,000 and USD 11,00,000 given to Banks on behalf of subsidiary Company in Poland.	1823.13	1552.84
II.	Corporate Guarantee aggregating to Pounds 25,00,000 given to Bank on behalf of Subsidiary Company in UK.	2069.75	492.04
III.	Stand by Letter of Credit (SBLC) aggregating to USD 4,00,000 given to Banks on behalf of Fellow Subsidiary Company, Impact Engineering Solutions Inc.	218.20	224.47
IV.	Bank Guarantee issued in favour of various Suppliers/Customers.	124.07	-
V.	Bank Guarantee issued in favour of Commissioner of Customs.	97.27	-
VI.	Bank Guarantee issued in favour of Commissioner of Central Excise, Kalyan.	57.10	-
VII.	Income Tax, Penalty and Interest Demands For the		
	A.Y.2002-03	585.24	75.44
	A.Y.2007-08 (Penalty)	40.82	-
	A.Y.2007-08	40.13	63.8
	A.Y.2008-09	15.5	15.5
	A.Y.2005-06	14.72	-
	A.Y.2009-10	65.06	-



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013

A. CONTINGENT LIABILITY (Contd.)

(₹. In Lacs)

Sr. No.	Contingent Liabilities and Commitments not provided For	For the Year Ended 31.03.2013	For the Year Ended 31.03.2012
VIII.	Show-Cause Notice for duty issued by Central Excise Department-Rebate of Excise duty paid on Exports goods by utilizing EOU's duty. Duty Rebate Denied (Order No. SB116&117) (Stay granted by Commissioner (Appeals) from the Pre-Deposit of the dues adjudged during the pendency of these appeals)	3.04	3.04
IX.	Show-Cause Notice for duty & Penalty issued by Central Excise Department-Clearance of Cotton waste under Exemption Notification No. 6/97 & 23/03 denied & apportioned Duty (30%) demanded. Duty & Penalty Involved in fuel & raw cotton from Financial Year 1999-2002 to Sep 2008 (Stay Granted by CESTAT from Pre - Deposit of the dues adjudged during the pendency of these appeals)	1115.66	1115.66
X.	Show-Cause Notice for duty and Penalty issued by Central Excise Department - Rebate of Excise duty paid on Exports goods by utilizing EOU's Duty. Duty Rebate Denied in Unit I of Yarn Division (Stay Granted by CESTAT from Pre - Deposit of the dues adjudged during the pendency of these appeals)	195.60	195.60
XI.	Show-Cause Notice for duty and Penalty issued by Central Excise Department - Rebate of Excise duty paid on Exports goods by utilizing EOU's Duty. Duty Rebate Denied in Unit II of Yarn Division. (Stay Granted by CESTAT from Pre - Deposit of the dues adjudged during the pendency of these appeals)	266.77	266.77
XII.	Demand of Service Tax (including Penalty) on Commission paid to foreign agents for Financial Year 2006-07 & 2007-08.	3.03	3.03
XIII.	Demand Notice for Payment of Royalty on extraction & transportation of mud, stones & sand issued by Tahasildar, Tal. Murbad, Dist. Thane	82.48	-
XIV.	Seven years Warranty beginning with the Financial year 2011-12 given to Spanco Limited against the Erection of the Towers	Amount unascertainable	Amount unascertainable

B. Excise duty in respect of finished goods is being accounted at the time of clearance of goods as per the practice followed by the Company. Such Excise duty liability as on 31st March 2013 on goods pending clearance, if accounted for, shall not affect the profit for the year.

C. The Company is entitled to receive Subsidy refund of Interest as per the Technology up gradation Fund Scheme of the Government of India, Ministry of Textile and accordingly ₹ 40.33 lakhs has been reduced from Interest to Bank.

D. Additions to the Computer Software have been capitalized as Intangible Assets & the same has been amortized over the Period of 3 years on Prorated basis from the date put to use.

E. RETIREMENT BENEFITS

- In respect of Leave Encashment Benefits as per the Revised Accounting Standard (AS)-15 on "Retirement Benefits", the Company has Charged Leave Encashment Expenses of ₹ 79.51 Lacs in the Statement of Profit & Loss.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013

Net asset / (liability) recognized in the Balance Sheet

(₹. In Lacs)

Sr. No	Funded Status	31.03.2013
a)	Present Value of Defined Benefit Obligation	45.54
b)	Fair Value of Plan Assets	-
c)	Net Asset/(Liability) Recognized in Balance Sheet	(45.54)

Total Expenses recognized in the statement of Profit & Loss for year ended on

Sr. No	Components of employer expenses	31.03.2013
a)	Current Service Cost	35.39
b)	Interest Cost	-
c)	Expected return on plan asset	-
d)	Actuarial Losses/(Gains)	44.12
e)	Total Expenses (Income) recognized in Statement of Statement of Profit & Loss	79.51

Reconciliation of Defined Benefit Obligation and fair Value of Assets for the year ending on

A	Change in Defined Benefit Obligation	31.03.2013
a)	Present Value of DBO at beginning of the year	-
b)	Current Service Cost	35.39
c)	Interest Cost	-
d)	Actual (Gains)/losses	44.12
e)	Benefits Paid	(33.97)
f)	Present Value of DBO at the end of year	45.54

B	Change in Fair Value of Assets	31.03.2013
a)	Plan assets At the Beginning of year	-
b)	Adjustment to Opening Fair Value of Plan Assets	-
c)	Expected Return on plan assets	-
d)	Actual Company contributions	33.97
e)	Actual Gains/(losses) on plan assets	-
f)	Benefits paid	(33.97)
g)	Plan assets at the end of year	-

Principal Actuarial Assumptions at the Balance Sheet date

Discount Rate	8.50%
Rate of return on plan Assets	-
Rate of increase salaries	4.00%
Expected Average remaining working lives of employees (years)	20.08

Note-As the Actuarial Valuation for Leave Encashment has been done for the 1st time, Comparison Figures for the Previous Year have not been given.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013

- In respect of Gratuity as per the Revised accounting standard (AS)-15 on "Retirement Benefits", the company has reversed gratuity liability (net) of ₹.21.21 Lacs in the Statement of Profit & Loss.

Net asset / (liability) recognized in the Balance Sheet As On (₹. In Lacs)

Sr. No	Funded Status	31.03.2013	31.03.2012
a)	Present Value of Defined Benefit Obligation	450.00	464.27
b)	Fair Value of Plan Assets	254.52	247.40
c)	Net Asset/(Liability) Recognized in Balance Sheet	(195.48)	(216.87)

Total Expenses recognized in the statement of Profit & Loss for year ended on

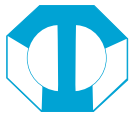
Sr. No	Components of employer expepses	31.03.2013	31.03.2012
a)	Current Service Cost	48.19	51.53
b)	Interest Cost	38.73	17.55
c)	Expected return on plan asset	(21.50)	(22.52)
d)	Actuarial Losses/(Gains)	(86.63)	209.11
e)	Total Expenses (Income) recognized in Statement of Statement of Profit & Loss	(21.21)	255.67

Reconciliation of Defined Benefit Obligation and fair Value of Assets for the year ending on

A	Change in Defined Benefit Obligation	31.03.2013	31.03.2012
a)	Present Value of DBO at beginning of the year	464.27	223.01
b)	Current Service Cost	48.19	51.53
c)	Interest Cost	38.73	17.55
d)	Actual (Gains)/losses	(83.83)	195.22
e)	Benefits Paid	(17.36)	(23.04)
f)	Present Value of DBO at the end of year	450.00	464.27
B	Change in Fair Value of Assets	31.03.2013	31.03.2012
a)	Plan assets At the Beginning of year	247.40	261.61
b)	Adjustment to Opening Fair Value of Plan Assets	0.19	0.19
c)	Expected Return on plan assets	21.50	22.52
d)	Actual Company contributions	-	-
e)	Actual Gains/(losses) on plan assets	2.80	(13.88)
f)	Benefits paid	(17.37)	(23.04)
g)	Plan assets at the end of year	254.52	247.40

Principal Actuarial Assumptions at the Balance Sheet date

Discount Rate	8.50%	8.50%
Rate of return on plan Assets	9.00%	9.00%
Rate of increase salaries	5.00%	4.00%
Expected Average remaining working lives of employees (years)	20.08	21.44



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013

F. DISCLOSURE OF RELATED PARTIES/RELATED PARTY TRANSACTIONS

In compliance with the AS-18 "RELATED PARTY DISCLOSURE", which has become mandatory, the required information are as under:-

(I) List of Related Parties over which control exists

Sr. No.	Name of the Related Party	Sr. No.	Name of the Related Party
I.	Subsidiary Company/Fellow Subsidiary Technocraft International Ltd, U.K. Technocraft Trading, Poland Technocraft Australia Pty Limited Technosoft Engineering Projects Ltd. (Formerly known as Technosoft Information Technologies (I) Ltd.) Impact Engineering Solutions Inc. CAE Systems GMBH Anhui Reliable Steel Tec. China	III	Key Management Personnel (KMP) Sharad Kumar Saraf Sudarshan Kumar Saraf Madhoprasad Saraf Navneet Kumar Saraf Ashish Kumar Saraf Atanu Anil Choudhary
		IV	Relatives & Enterprises of KMP Shantidevi Saraf Shakuntala Saraf Suman Saraf Nidhi Navneet Saraf Ritu Saraf Priyanka Saraf M.T. Information Technologies
II.	Associates Ashrit Holdings Ltd. B.M.S.Industries Ltd. M.D .Saraf Securities Pvt .Ltd.	V	Joint Venture Technocraft Tabla Formwork System Pvt. Ltd.
		VI	Co- Venturer Tabla Construction Systems

(II) Names of the Related Parties with whom transactions were carried out during year and description of relationship

Sr. No	Related Parties	Sr. No	Related Parties
I.	Subsidiaries/Fellow Subsidiary Technocraft International Ltd, U.K. Technocraft Trading Poland Technosoft Engineering Projects Ltd. (Formerly known as Technosoft Information Technologies (I) Ltd.) Technocraft Australia Pty Limited Anhui Reliable Steel Tec. China Impact Engineering Solutions Inc	II	Associates B.M.S.Industries Ltd. Ashrit Holdings Ltd.
		III	Joint Venture Technocraft Tabla Formwork System Private Ltd.
		IV	Key Management Personnel (KMP) Sharad Kumar Saraf Sudarshan Kumar Saraf Navneet Kumar Saraf Ashish Kumar Saraf Atanu Anil Choudhary



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013

(III) Disclosure of Related Party transactions

(₹.In Lacs)

Sr No	Nature of Relationship/ Transactions	Subsidiaries/ Fellow subsidiary	Associates	Joint Venture	Co-Venturer	KMP & Relatives	Total
1	Purchase of Goods & Services	1596.72 (1350.69)	2270.06 (1465.97)	NIL (36.9)	NIL (34.26)	NIL (NIL)	3866.78 (2887.82)
2	Sale of Goods & services	43.65 (3581.28)	387.87 (191.59)	301.48 (213.61)	NIL (NIL)	NIL (NIL)	733.00 (3986.48)
3	Interest Received	83.06 (80.33)	148.90 (193.45)	19.73 (0.41)	NIL (NIL)	NIL (NIL)	251.69 (274.19)
4	Directors' Remuneration & Commission	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)	297.83 (292.80)	297.83 (292.80)
5	Salary & Wages	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)	146.40 (146.40)	146.40 (146.40)
6	Warehouse Charges Received	NIL (NIL)	NIL (NIL)	36.00 (NIL)	NIL (NIL)	NIL (NIL)	36.00 (NIL)
7	Loan Given	1262.34 (1609.72)	14172.52 (12689.89)	344.04 (264.48)	NIL (NIL)	NIL (NIL)	15778.90 (14564.09)
8	Loan Recovered	1490.87 (1380.08)	21295.38 (5515.88)	246.46 (36.44)	NIL (NIL)	NIL (NIL)	23032.71 (6932.40)
9	Capital Investments	206.22 (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)	206.22 (NIL)

(IV) Amount due to/from Related Parties as on 31.03.2013

Sr No	Nature of Relationship/ Transactions	Subsidiaries/ Fellow subsidiary	Associates	Joint Venture	Co-Venturer	KMP & Relatives	Total
1	Trade Receivable/ Advance	11.86 (2275.57)	39.89 (NIL)	56.21 (NIL)	NIL (NIL)	NIL (NIL)	107.96 (2257.57)
2	Trade Payables/ Advance	7.99 (129.89)	147.38 (211.36)	NIL (36.64)	NIL (NIL)	NIL (NIL)	155.37 (377.88)
3	Loans & Advances	734.55 (963.08)	166.74 (7289.60)	325.63 (228.05)	NIL (NIL)	NIL (NIL)	1226.92 (8480.73)

() indicates previous year figures

G. In compliance with the Accounting Standard-22 "Accounting for Taxes on Income" which has become mandatory, the company has charged Deferred Tax Assets (net) amounting to ₹. 191.86 lacs in the Current year and the same has been credited to Statement of Profit & Loss

PARTICULARS	For the Year Ended 31 st March 2013	For the Year Ended 31 st March 2012
DEFERRED TAX LIABILITY \ (ASSETS)		
On A/c of difference in Depreciation	(132.20)	(132.23)
On Account of Timing Difference in Amalgamation Expenses	0.43	0.39
On Account of Timing Difference in Demerger Expenses	0.48	0.50
Long term Capital loss	5.87	(27.33)
On Account of Gratuity	(66.44)	-
NET IMPACT	(191.86)	(158.67)



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013

(₹.In Lacs)

POSITION OF DEFERRED TAX ASSETS & LIABILITIES AS ON BALANCE SHEET DATE ARE AS UNDER		
PARTICULARS	For the Year Ended 31st March 2013	For the Year Ended 31st March 2012
Deferred Tax Assets		
(On Account of Timing Difference in depreciation)	522.90	390.71
(On Account of Timing Difference in Amalgamation Expenses)	0.33	0.76
On Account of Timing Difference in Demerger Expenses	0.52	1.00
Long term Capital losses	42.48	48.34
Due to Gratuity	66.44	-
Net Deferred Tax Assets	632.67	440.81

- H. In compliance with the Accounting Standard 28 - "Impairment of Assets" which has become mandatory, the Company has considered its Fixed Assets at Cost of Acquisition or Cost of construction, less Depreciation as per policies adopted by the Company vide Note No. 1(D), (E) & (F) and none of the Assets has been revalued during the year. Based on the internal and external sources of information available with the Company recoverable amount of fixed Assets are higher than the carrying amount of Fixed Assets, therefore there is no Impairment of Assets.
- I. The Company is Co-Venture in Technocraft Tabla Form work System Pvt Ltd. The following Information is disclosed as per AS-27 – Financial Reporting of Interest in Joint Venture.

1) Details of the Jointly Controlled Entity.

- a) Name of the entity : Technocraft Tabla Formwork System Pvt Ltd.
 b) Address of the entity : A-25, M.I.D.C, Street No 3, Marol Industrial Area,
 Opp. ESIC Hospital, Andheri (E), Mumbai-400093
 c) Country of Incorporation : India
 d) Proportion Of Ownerships : 65%

- 2) Aggregate amount of Revenue, Expense, Asset and Liabilities related to the Interest of the company in the Joint- Venture namely Technocraft Tabla Formwork System Pvt. Ltd.

a) Revenue

(₹.In Lacs)

Particulars	For the Year Ended 31st March 2013	For the Year Ended 31st March 2012
Revenue from Operations	223.42	23.99
Other Income	0.67	25.86
Total	224.09	49.85

b) Expenses

Particulars	For the Year Ended 31st March 2013	For the Year Ended 31st March 2012
Trading Purchase	148.74	102.64
Changes in Inventories of Stock	(105.09)	(92.38)
Employee Retirement Benefits	18.46	15.75
Finance Cost	12.98	0.43
Depreciation	0.13	0.18
Amortization of Goodwill and Distribution Rights	4.58	4.58
Other Expenses	94.27	74.19
Total	174.07	105.39



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013

c) Assets

(₹. In Lacs)

Particulars	As At 31 st March 2013	As At 31 st March 2012
Intangible Assets	0.28	13.73
Tangible Assets	9.15	0.40
Deferred Tax Asset	9.74	25.15
Other Non Current Assets	7.74	-
Inventories	197.47	92.38
Trade Receivables	46.60	43.69
Cash & Cash Equivalents	0.15	0.08
Other Current Assets	28.82	18.58
TOTAL	299.95	194.01

d) Equity and Liabilities

Particulars	As At 31 st March 2013	As At 31 st March 2012
Share Capital	65.00	65.00
Reserves and Surplus	(22.40)	(56.90)
Short Term Borrowings	211.66	149.90
Trade Payable	36.53	2.59
Other Current Liabilities	9.94	32.78
Short Term Provisions	(0.78)	0.64
TOTAL	299.95	194.01

3) The Company is also having Joint Venture with Gilcheck Management Inc, Canadian company operating as Tabla Construction system as a Joint control operation in respect of production of Tabla Products.

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

K. Details of Raw Material Consumed:

(₹. In Lacs)

Class of Goods	31.3.2013	31.3.2012
Steel Sheets & Others	11894.99	10307.47
Zinc	1183.64	471.93
Cotton	12347.56	14060.29
Coal	2662.51	1260.09
Others *	3844.73	3474.06
Total	31933.43	29573.84

* Others do not include any individual item valuing more than 10% of total raw material consumed.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013

- L. Value of Imported and Indigenous Raw Materials, packing materials, Stores, Spares etc. Consumed and % there to Total Consumption: (₹. In Lacs)

	31.3.2013		31.3.2012	
1) Raw Materials				
Imported	14.81%	4728.77	1.28%	379.09
Indigenous	85.19%	27204.66	98.72%	29194.75
2) Packing Material				
Imported	-	-	0.88%	7.19
Indigenous	100%	881.28	99.12%	811.16
3) Stores and Spare Parts				
Imported	1.25%	32.19	0.96%	22.71
Indigenous	98.75%	2540.21	99.04%	2342.01

- M. C.I.F Value of Imports (₹. In Lacs)

	31.3.2013	31.3.2012
Raw Material	4728.77	379.09
Stores & Spares	32.19	22.71
Packing material	-	7.19

- N. Earning in Foreign Currency (₹. In Lacs)

	31.3.2013	31.3.2012
Export F.O.B Value	49806.07	39519.32

- O. Expenditure in Foreign Currency (₹. In Lacs)

	31.3.2013	31.3.2012
Business Support Service	620.37	422.59
Foreign Travelling	25.75	21.49
Warehousing and Handling Charges	50.40	47.52
Commission/Brokerage	-	8.10
Bank Charges	64.40	46.33
Freight on Export	13.08	0.79
Inspection/Testing	7.57	6.61
Clearing charges on Exports	63.14	62.65
Professional Fees	11.76	-
Sales Promotion	.07	0.97
License & Legal Fees		2.19
Interest to Bank	319.27	78.88
Quality Claims in Export Sales	104.85	59.92
L/C Charges	0.18	0.15
Engineering & Design Charges	25.12	-
Consultancy Charges	5.61	-
Repair and Maintenance	5.66	-



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013

- P.** Trade Receivables/Advances/Trade Payables/Loans etc. have been taken as per books awaiting respective confirmation and reconciliation.
- Q.** Previous Year figures have been regrouped or rearranged where considered necessary.
- R.** Figures in Financial Statements are converted into Lacs and any discrepancies in any total and the sum of the amounts listed are due to Rounding-Off.
- S.** Additional information pursuant to Part II of Schedule VI of the Companies Act, 1956 are Either NIL or N.A.

Signature to Notes 1 To 28 Attached

As per our Report of Even Date
For M.L.SHARMA & CO.
Firm Reg.No.109963W
CHARTERED ACCOUNTANTS

(C.H. BANDI)
PARTNER
(M.No.5385)

Place: MUMBAI
Date : 22nd May, 2013

For & on Behalf of Board of Directors

M.D. SARAF **S.M. SARAF**
(CHAIRMAN) (MANAGING DIRECTOR)

MANOJ JAIN
(COMPANY SECRETARY)



(T-1) In compliance with AS-17 "SEGMENT REPORTING", which has become mandatory, the required information are as under

A. PRIMARY SEGMENT

The Business Segment has been considered as the primary segment for disclosure. The categories included in each of the reported business segments are as follows:-

(i) Drum Closures (ii) Scaffoldings (iii) Cotton Yarn (iv) Garment (v) Power

The above business segments have been identified considering:

- i) The nature of the product
- ii) The deferring risk and returns
- iii) The internal financial reporting systems

Revenue and expenses have been accounted for based on the basis of their relationship to the operating activities of the segment.

Revenue and expenses, which relate to the enterprise as a whole and are not allocable to segment on a reasonable basis, have been included under "Unallocable." Inter segment transfer if any, are accounted for at competitive market prices charges to unaffiliated customer for similar goods

"SEGMENT REPORTING"

(₹. In Lacs)

Particulars	Drum Closures	Scaffoldings	Cotton Yarn	Garment Division	Power	Inter unit Elimination	Unallocable	Total
SEGMENT REVENUE								
Domestic (net of Excise duty)	434.86	3,100.29	1,939.53	1,276.06	673.95		-	5,533.20
Export	20,330.72	15,039.95	15,532.61	1,036.63	-	-	-	53,831.42
(a) External Sale Revenue	20,765.59	18,140.24	17,472.14	2,312.69	673.95	-	-	59,364.62
(b) Inter-segment Revenue	123.40	1,034.07	774.31	-	2,888.92	4,820.70	-	-
Total Revenue	20,888.99	19,174.32	18,246.45	2,312.69	3,562.87	4,820.70	-	59,364.62
SEGMENT REVENUE	20,888.99	19,174.32	18,246.45	2,312.69	3,562.87	4,820.70	-	59,364.62
	(17,108.80)	(13,589.14)	(17,357.60)	(3,174.67)	(1,247.27)	(2,799.41)	-	(49,678.07)
SEGMENT RESULTS	6,522.46	1,420.11	1,518.19	(64.53)	(318.67)		-	9,077.56
	(5,096.23)	(1,014.08)	(-1486.66)	(89.95)	(-999.65)			(3,713.95)
Less:								
Finance Cost	-	-	-	-	-	-	600.74	600.74
	-	-	-	-	-	-	(722.33)	(722.33)
Depreciation	-	-	-	-	-	-	47.28	47.28
	-	-	-	-	-	-	(42.00)	(42.00)
Amortisation of Goodwill	-	-	-	-	-	-	121.92	121.92
	-	-	-	-	-	-	(121.92)	(121.92)
Directors Remuneration	-	-	-	-	-	-	297.83	297.83
	-	-	-	-	-	-	(292.80)	(292.80)
Auditor's Remuneration							5.00	5.00
							(5.00)	(5.00)
Unallocable Expenses								314.96
								(638.48)
Interest Income								373.54
								(626.35)
Other Unallocable Income								1,087.22
								(150.38)
Profit/(Loss) on sale of Investment (net)								416.10
								(248.06)
Profit/(Loss) on sale of Fixed Asset(net)								14.06
								(21.90)
								Profit before taxation
								9,580.75
								(2,938.11)
Provision for taxes (including Deferred Tax)								3,108.04
								(1,107.65)
								Profit After Tax
								6,472.71
								(1,830.46)
OTHER INFORMATION								
Assets								
Segment Assets	10,448.16	13,801.65	11,332.73	1,300.92	3,791.55	12.64	-	40,662.37
	(9,586.60)	(10,229.45)	(11,191.39)	(1,352.48)	(4,632.16)	-	-	(36,992.08)
Unallocable Assets								22,794.32
								(20,001.54)
								Total of Assets
								63,456.69
								(56,993.62)



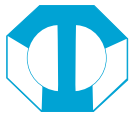
“SEGMENT REPORTING” (contd.)

(₹. In Lacs)

Particulars	Drum Closures	Scaffoldings	Cotton Yarn	Garment Division	Power	Inter unit Elimination	Unallocable	Total
Liabilities								
Segment Liabilities	1,864.02 (1,852.33)	2,218.80 (1,826.99)	837.42 (921.61)	154.87 (201.38)	533.59 (766.61)	12.64 -	- -	5,596.05 (5,568.91)
Unallocable Liabilities (including Borrowings)								10,121.93 (9,014.11)
								Total of Liabilities 15,717.98 (14,583.02)
Capital Expenditure (excluding capital WIP)								
Segment Capital Expenditure	345.52 (627.98)	263.60 (237.33)	24.10 (81.88)	14.21 (71.16)	172.75 (172.97)	- -	20.37 (41.38)	840.55 (1,232.69)
Depreciation								
Segment Depreciation	547.10 (568.83)	321.47 (363.61)	796.15 (1,051.31)	91.89 (107.68)	839.62 (787.01)	- -	- -	2,596.23 (2,878.44)
Unallocable Depreciation							47.28 (42.00)	47.28 (42.00)
Amortisation of Goodwill							121.92 (121.92)	121.92 (121.92)
								Total Depreciation 2,765.43 (3,042.36)
B. GEOGRAPHICAL SEGMENT								
External Sales Revenue								
India	434.87 (567.05)	3,100.29 (3,983.40)	1,939.53 (1,805.65)	1,276.06 (1,171.38)	673.95 (212.89)	- -	- -	7,424.70 (7,740.37)
Outside India	20,330.72 (16,486.92)	15,039.95 (8,681.07)	15,532.61 (14,767.32)	1,036.63 (2,002.40)	- -	- -	- -	51,939.32 (41,937.70)
Total External Revenue	20,765.59 (17,053.96)	18,140.24 (12,664.47)	17,472.14 (16,572.97)	2,312.69 (3,173.78)	673.95 (212.89)	- -	- -	59,364.62 (49,678.07)
Assets								
India	5,909.81 (5,712.15)	7,524.22 (7,675.99)	6,064.19 (6,353.64)	1,113.55 (927.51)	3,791.55 (4,632.16)	12.64 (0.00)	22,794.32 (20,001.54)	47,185.00 (45,302.99)
Outside India	4,538.35 (3,874.45)	6,277.43 (2,553.46)	5,268.54 (4,837.75)	187.37 (424.97)	- (0.00)	- (0.00)	- (0.00)	16,271.69 (11,690.63)
Total Assets	10,448.16 (9,586.60)	13,801.65 (10,229.45)	11,332.73 (11,191.39)	1,300.92 (1,352.48)	3,791.55 (4,632.16)	12.64 (0.00)	22,794.32 (20,001.54)	63,456.69 (56,993.62)

Note

1. Previous Year Figure have been regrouped /rearranged where ever considered necessary to make them Comparable with the Current Year Figures.
2. Segment Revenue includes only Sale of Product & Sale of Services. Sale of Products are net of Excise duty.
3. Total liabilities does not include shareholders Fund.



INDEPENDENT AUDITOR'S REPORT

TO THE BOARD OF DIRECTORS OF TECHNOCRAFT INDUSTRIES (INDIA) LIMITED

Report on the Consolidated Financial Statements

1. We have audited the attached Consolidated Financial Statements of **TECHNOCRAFT INDUSTRIES (INDIA) LIMITED ("the Company) and its SUBSIDIARIES & its JOINT VENTURE**, Which Comprises the Consolidated Balance Sheet as at 31st March, 2013, the Consolidated Statement of Profit & Loss and the Consolidated Cash Flow Statement for the year ended and Summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

3. Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.
4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated 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 consolidated financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

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

Opinion

5. We report that the Consolidated Financial Statements have been prepared by the company in accordance with the requirements of Accounting Standard (AS) 21 on "Consolidated Financial Statements", issued by The Institute of Chartered Accountants of India.

In our opinion and to the best of our information and according to the explanation given to us, and based on the consideration of the reports of the other auditors on separate financial statements of the Subsidiaries and Joint ventures as noted below, the Consolidated Financial Statements **Subject to Note No.28 (4) (a) regarding Non Provision of Doubtful Loans and Advances & Interest Provision & Note No. 28 (4) (b) regarding Change of Accounting Policy in respect of Gratuity Payment of Indian Subsidiary, give a true and fair view in conformity with the accounting principles generally accepted in India;**



- a) In the case of the Consolidated Balance Sheet of the state of affairs of the Company as at 31st March, 2013;
- b) In the case of the Consolidated Statement of Profit & Loss, of the **PROFIT** of the group for the year ended on that date; and
- c) In the case of Consolidated Statement Cash Flow statement, of the Cash Flows of the group for the year ended on that date.

Other Matter

6. We have also conducted the audit of the Financial Statement of Indian Subsidiaries, whose Financial Statements reflect total assets of ₹2464.90 lacs as at 31st March 2013, total revenues of ₹1836.84 lacs for the year then ended.
7. We have also conducted the audit of the Financial Statement of Indian Joint Venture whose Financial Statements reflect total assets of ₹299.95 lacs as at 31st March 2013, total revenues of ₹224.09 lacs for the year then ended. The total assets & total revenue have been considered only to the extent of the shares of Technocraft Industries (India) Ltd i.e. 65% in the Joint Venture.
8. The Financial Statements of Technocraft International Limited UK, foreign subsidiary, reflects total assets of ₹2422.70 lacs as at 31st December 2012. Total revenues of ₹ 3701.21 lacs for the year ended. These financial statements and other financial information have been AUDITED by the other auditors whose reports have been furnished to us, and our opinion, is based solely on the report of other auditors.
9. The Financial Statements of Technocraft Trading Sp. Zoo., foreign subsidiary reflects total assets of ₹ 2417.05 lacs as at 31st December 2012. Total revenues of ₹ 4004.52 lacs for the year ended. These financial statements and other financial information have been AUDITED by the other auditors whose reports have been furnished to us, and our opinion, is based solely on the report of other auditors.
10. The Financial Statements of Technocraft Australia PTY Ltd, foreign subsidiary reflects total assets of ₹ 1057.17 lacs as at 31st March 2013. Total revenues of ₹ 2339.58 lacs for the year ended. These financial statements and other financial information are based on the Management's estimates and are therefore UNAUDITED.
11. The Financial Statements of Anhui Reliable steel company Ltd, foreign subsidiary reflects total assets of ₹ 5202.94 lacs as at 31st December 2012. Total revenues of ₹ 6156.50 lacs for the year ended. These financial statements and other financial information are based on the Management's estimates and are therefore UNAUDITED.

For **M. L. SHARMA & CO.**
CHARTERED ACCOUNTANTS
FIRM REG. NO.109963W

(C. H. BANDI)
PARTNER

Membership No.5385

Place: Mumbai
Dated: 22nd May, 2013



CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2013

(₹. In Lacs)

PARTICULARS	NOTE NO.	AS ON 31.03.2013	AS ON 31.03.2012
I. Equities & Liabilities			
1. Shareholder'S Fund			
A. Share Capital	1	3,152.68	3,152.68
B. Reserves And Surplus	2	46,835.57	40,572.15
C. Capital Reserves On Consolidation		6.37	6.37
D. Minority Interest		217.64	199.55
		<u>50,212.26</u>	<u>43,930.75</u>
2. Non-Current Liabilities			
A. Long Term Borrowings	3	607.19	828.85
B. Deferred tax liability		39.89	40.99
C. Other Non Current Liabilities	4	101.02	99.68
		<u>748.10</u>	<u>969.52</u>
3. Current Liabilities			
A. Short Term Borrowings	5	11,232.58	9,341.91
B. Trade Payable	6	5,187.55	3,884.21
C. Other Current Liabilities	7	5,623.11	5,651.66
D. Short Term Provision	8	1,199.95	729.46
		<u>23,243.19</u>	<u>19,607.24</u>
Total		<u>74,203.55</u>	<u>64,507.51</u>
II. Assets			
1. Non Current Assets			
A. Fixed Assets	9		
Tangible Assets		14,635.90	16,200.18
Intangible Assets		332.07	520.70
Capital W.I.P.		38.76	170.56
		<u>15,006.73</u>	<u>16,891.44</u>
B. Non Current Investments	10	6,407.74	4,757.92
C. Deferred Tax Asset		747.42	621.85
D. Long Term Loans & Advances	11	461.08	172.57
E. Other Non Current Assets	12	361.45	1,225.03
		<u>7,977.69</u>	<u>6,777.37</u>
2. Current Assets			
A. Current Investment	13	8,784.17	-
B. Inventories	14	14,175.03	11,858.09
C. Trade Receivables	15	21,760.98	15,120.59
D. Cash & Cash Equivalent	16	1,939.20	2,226.30
E. Short Term Loans & Advances	17	315.91	7,758.07
F. Other Current Assets	18	4,243.84	3,875.65
		<u>51,219.13</u>	<u>40,838.70</u>
Total		<u>74,203.55</u>	<u>64,507.51</u>

Significant Accounting Policies & Notes Forming Part Of the financial Statements

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As per our Report of Even Date
For M.L.SHARMA & CO.
Firm Reg.No.109963W
CHARTERED ACCOUNTANTS

(C.H. BANDI)
PARTNER
(M.No.5385)

Place: MUMBAI
Date : 22nd May, 2013

For & on Behalf of Board of Directors

M.D. SARAF **S.M. SARAF**
(CHAIRMAN) (MANAGING DIRECTOR)

MANOJ JAIN
(COMPANY SECRETARY)



CONSOLIDATED STATEMENT OF PROFIT & LOSS FOR YEAR ENDED 31ST MARCH 2013

PARTICULARS	NOTE NO.	(₹. In Lacs)	
		AS ON 31.03.2013	AS ON 31.03.2012
1. Revenue			
Revenue From Operation (Gross)	19	81,875.62	66,216.97
Less: Excise Duty		(999.10)	(1,025.18)
		80,876.52	65,191.79
Other Income	20	2,357.17	2,110.33
Total		83,233.69	67,302.12
2. Expenses			
Trading Purchases		11,903.41	6,173.92
Cost of Material Consumed and Engineering, Designing & Software Charges	21	34,527.81	32,311.55
Changes in Inventories of Stock	22	(612.91)	2,071.18
Employee Benefits Expenses	23	5,296.23	4,781.73
Finance Cost	24	814.09	1,141.72
Depreciation		2,962.10	3,145.18
Amortisation of Goodwill & Distribution Expenses		126.50	126.50
Provision for Diminution In Value of Investment		-	32.17
Other Expenses	25	17,519.40	14,796.33
Total		72,536.65	64,580.28
Profit/(Loss) Before Taxation		10,697.04	2,721.84
Tax Expenses	26		
Current Tax		3,387.15	1,361.98
Deferred Tax (Net)		(115.53)	(166.92)
Profit After Tax		7,425.42	1,526.79
Adjusted Earning Per Share -Basic & Diluted	27	23.55	4.84
Significant Accounting Policies Notes Forming Part Of the financial Statements	28		

As per our Report of Even Date
For M.L.SHARMA & CO.
Firm Reg.No.109963W
CHARTERED ACCOUNTANTS

(C.H. BANDI)
PARTNER
(M.No.5385)

Place: MUMBAI
Date : 22nd May, 2013

For & on Behalf of Board of Directors

M.D. SARAF **S.M. SARAF**
(CHAIRMAN) (MANAGING DIRECTOR)

MANOJ JAIN
(COMPANY SECRETARY)



CONSOLIDATED CASH FLOW STATEMENT FOR YEAR ENDED 31ST MARCH 2013

PARTICULARS	(₹. In Lacs)	
	YEAR ENDED 31.03.2013	YEAR ENDED 31.03.2012
A. Cash flow from operating activities:		
Net (loss)/profit before tax but after exceptional/ extraordinary items	10,697.04	2721.84
Adjustments for:		
Depreciation	2,962.10	3145.18
Interest Expense	617.16	957.59
Interest Income	(293.79)	(576.91)
Dividend Received	(0.02)	(0.02)
Rent Received	(338.92)	(249.55)
(Profit) on sale of Fixed Assets	(19.20)	(21.09)
(Profit) on sale of Investments	(428.94)	(315.50)
Loss on Sale of Investment	12.84	65.36
Loss on Sale of Assets	5.14	0.30
(Gain) / Loss on Exchange (Net)	160.22	(595.67)
Amortisation Of Goodwill	126.50	126.50
Operating profit before working capital changes	13,500.13	5,258.03
Adjustments for changes in working capital :		
- (INCREASE)/DECREASE in Trade Receivables	(6640.39)	(1762.09)
- (INCREASE)/DECREASE in Other Receivables	7,284.50	(7459.73)
- (INCREASE)/DECREASE in Inventories	(2316.94)	5071.36
- INCREASE/(DECREASE) in Trade and Other Payables	208.23	1864.54
Cash generated from operations	12035.54	2972.11
- Taxes (Paid) / Received	(2794.19)	(778.49)
- Gain on Exchange (Net)	(160.22)	595.67
Net cash from operating activities (A)	9,081.12	2,789.29
B. Cash flow from Investing activities:		
Purchase of fixed assets	(1,237.87)	(2467.18)
Proceeds from Sale of fixed assets	33.82	303.56
Net realisation on Sale of Investments	6918.30	7094.14
Net additions to investments :	(16,936.19)	(4546.02)
Interest Received	293.75	597.28
Dividend Received	0.02	0.02
Business Service/ Rent Inome Received	338.92	249.55
Net cash used in investing activities (B)	(10,589.25)	1,231.35



CONSOLIDATED CASH FLOW STATEMENT FOR YEAR ENDED 31ST MARCH 2013

PARTICULARS	(₹. In Lacs)	
	YEAR ENDED 31.03.2013	YEAR ENDED 31.03.2012
C. Cash flow from financing activities:		
Term Loans From Bank	(221.66)	(1073.74)
Net short term borrowings from Banks	1,890.68	(5467.62)
Interest Paid	(617.16)	(957.59)
Dividend Paid	(630.54)	(315.27)
Dividend Distribution Tax Paid	(102.29)	(52.36)
Net cash used in financing activities (C)	319.03	(7,866.58)
Net Increase/(Decrease) in Cash & Cash Equivalents (A)+(B)+ (C)	(1,189.10)	(3,845.94)
Cash and cash equivalents at the beginning of the year	3,256.30	7,102.24
Cash and cash equivalents at the end of the year	2,067.20	3,256.30
Cash and cash equivalents comprise		
Cash on hand	14.44	15.73
Balance with Scheduled Banks	2,052.76	3240.57
Balance as per Balance Sheet	2,067.20	3,256.30

Notes to the Cash Flow Statement

- 1 The above Cash flow statement has been prepared under the indirect method set out in AS-3 issued by **ICAI**.
- 2 Figures in brackets indicate cash outgo.
- 3 "Previous period figures have been regrouped / rearranged to make them Comparable with the Current Year Figure."

As per our Report of Even Date

For M.L.SHARMA & CO.

Firm Reg.No.109963W

CHARTERED ACCOUNTANTS

(C.H. BANDI)

PARTNER

(M.No.5385)

Place: MUMBAI

Date : 22nd May, 2013

For & on Behalf of Board of Directors

M.D. SARAF

(CHAIRMAN)

S.M. SARAF

(MANAGING DIRECTOR)

MANOJ JAIN

(COMPANY SECRETARY)



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2013

(₹. In Lacs)

	As At 31.03.2013	As At 31.03.2012
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Note -1 Share Capital

Authorised

4,00,00,000 Equity Shares of ₹10/- Each	4,000.00	4,000.00
(Previous Year 4,00,00,000 Equity Shares)	<u>4,000.00</u>	<u>4,000.00</u>

Issued,Subscribed & Paid-Up

3,15,26,750 Equity Shares of ₹ 10/- Each (Fully Paid Up)	3,152.68	3,152.68
(Previous Year 3,15,26,750 Equity Shares)	<u>3,152.68</u>	<u>3,152.68</u>

- The Company has only one Class of Equity Shares having a par value of ₹10 per share. Each shareholder is eligible for one vote per shares.
- The Reconciliation of the Number of Share Outstanding at the year end is Set Out Below :

Particulars	Equity Shares			
	As at 31 st March 2013		As at 31 st March 2012	
	Number	₹	Number	₹
Shares outstanding at the beginning of the year	31,526,750	315,267,500	31,526,750	315,267,500
Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	31,526,750	315,267,500	31,526,750	315,267,500

- The Details of Shareholders Holding more than 5% Shares is set out below :

Name of Shareholders	As at 31 st March 2013		As at 31 st March 2012	
	No. Of Share Held	% Of Holding	No. Of Share Held	% Of Holding
	Number	₹	Number	₹
Shakuntala Saraf	6,739,512	21.37%	6,739,512	21.37%
Shantidevi Saraf	2,963,471	9.40%	2,963,471	9.40%
Sharad Kumar Madhoprasad HUF	2,874,946	9.12%	2,874,946	9.12%
Sudarshan Kumar Saraf	8,750,652	27.76%	8,750,652	27.76%

- Other disclosure pursuant to Note no. 6 of Part I of Schedule VI to the Companies Act, 1956 is either Nil or not applicable to the Company.

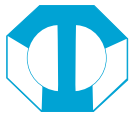


NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2013

(₹ In Lacs)

	As At 31.03.2013	As At 31.03.2012
Note-2		
Reserves and Surplus		
General Reserves		
As Per Last Balance Sheet	26,555.00	26,355.00
Add : Transfer From Surplus Of Current Year	645.00	200.00
	27,200.00	26,555.00
Capital Reserve		
As Per Last Balance Sheet	20.51	20.51
	20.51	20.51
Capital Redemption Reserve		
As Per Last Balance Sheet	2.50	2.50
	2.50	2.50
Revaluation Reserve		
As Per Last Balance Sheet	242.19	257.38
Less: Depreciation	14.22	15.19
	227.97	242.19
Securities Premium		
As Per Last Balance Sheet	7,599.83	7,599.83
	7,599.83	7,599.83
Surplus In Statement Of Profit And Loss		
As Per Last Balance Sheet	6,152.12	4,824.95
Add: Profit/(Loss) for the Period	7,425.41	1,526.79
Add: Adjustment of Unrealised Profits on stock	-	382.75
Add: Adjustment of Earlier Years	0.71	0.03
	13,578.24	6,734.52
Less: Proposed final Dividend	630.54	315.27
Less: Interim Dividend	315.27	-
Less: Prov. For Dividend Distribution Tax on final dividend	107.16	51.14
Less: Dividend Distribution Tax on Interim Dividend	51.14	-
Less: Transferred to General Reserves	645.00	200.00
Less: Income Tax of Earlier Years	26.28	-
Less: Profits of Technocraft Hungary, not consolidated	-	88.19
Less: Adjustment of Last Years Profits	-	(110.64)
Less: Share of Minority Interest in Profit	18.09	38.44
	1,793.48	582.40
	11,784.76	6,152.12
Total	46,835.57	40,572.15

Final Dividend Proposed to be Distributed to the Equity Shareholders is ₹ 2 per Equity Share (P.Y ₹1)



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2013

(₹. In Lacs)

	As At 31.03.2013	As At 31.03.2012
Note - 3		
Long Term Borrowing		
Term Loans (Secured)		
Bank of India, (Term of Repayment - 5 Years) (Rate of Interest - 12.5%P.A)	489.87	695.55
Royal Bank of Scotland ,Manchester (Term of Repayment - 20 Years) (Rate of Interest - 2.4%)	117.32	133.30
Total	607.19	828.85
Note :		
1. Term Loan from Bank of India is secured against Hypothecation of Plant & Machinery & Equipment purchased out of Term Loan and also against Equitable Mortgage of Specific Immovable Properties of Yarn Divisions.		
2. The Term Loan taken from Royal Bank of Scotland, Manchester by Technocraft International UK is secured by First Legal Charges over their freehold Property.		
Note - 4		
Other Non Current Liabilities		
Sundry Deposits	101.02	99.68
	101.02	99.68
Note - 5		
Short Term Borrowings		
Secured - From Banks		
1. Bank Of India - Cash Credit Account	214.70	435.60
2. Bank Of India - Overdraft Account	102.65	-
3. Citibank PCFC Account	1,486.06	1,650.74
4. H.D.F.C PCFC A/c	1,728.62	1,491.28
5. IDBI PCFC A/c	356.76	505.69
6. IDBI Bank Ltd. - Overdraft A/c	88.19	151.41
7. BOI PCFC \$ A/c	2,356.25	3,499.42
8. Industrial And Commercial Bank Of China	865.86	639.70
9. CITI Bank Working Capital Loan	966.30	968.07
10. Bank of India Manchester - Overdraft A/c	909.20	-
	9074.59	9341.91
Unsecured Loans		
1 Commonwealth Bank PCFC \$ A/c	789.13	-
2 ING Vyasa Bank PCFC \$ A/c	1,368.86	-
	2,157.99	-
Total	11,232.58	9,341.91

Notes :

- Cash credit from **Bank of India** is secured against the hypothecation of stock and book debts both present & future and fixed assets & equitable mortgage of companies specific immovable properties.
- Overdraft Account with **Bank of India** are secured against the FDR of the company.
- Export packing credit against L/Cs. confirmed orders from **CITI Bank** are secured against the hypothecation of stock & book debts both present & future and fixed assets & equitable mortgage of the companies specific immovable properties.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2013

(₹ In Lacs)

	As At 31.03.2013	As At 31.03.2012
4. Export packing credit against L/Cs. confirmed orders from HDFC Bank are secured against the hypothecation of stock & book debts both present & future and fixed assets & equitable mortgage of the companies specific immovable properties.		
5. Export packing credit against L/Cs. confirmed orders from IDBI Bank are secured against the hypothecation of stock & book debts both present & future and fixed assets & equitable mortgage of the companies specific immovable properties.		
6. Overdraft Account with IDBI Bank are secured against the FDR of the company.		
7. Export packing credit against L/Cs. confirmed orders from Bank of India are secured against the hypothecation of stock & book debts both present & future and fixed assets & equitable mortgage of the companies specific immovable properties.		
8. Working Capital Loan from Industrial & Commercial Bank of China are secured against mortgage of Land & Factory Building of Anhu Reliable Steel Technology Co. Limited of China.		
9. Working capital loan from CITI Bank are secured against the hypothecation of stock & book debts both present and future and fixed assets & equitable mortgage of the companies specific immovable properties.		
10. Bank of India Manchester Overdraft A/c is secured by mortgage and general charge (debenture) on the company's fixed & floating assets and a corporate guarantee from the parent company		

Note-6

Trade Payable

Trade Payables	5,187.55	3,884.21
(Other than Micro, Small & Medium Enterprises)		
Total	5,187.55	3,884.21

Note-7

Other Current Liabilities

1. Current Maturity on Long Term Loans	223.04	212.00
2. Liabilities For Expenses	3,939.99	2,905.73
3. Advances From Customers	1,096.66	1,019.61
4. TDS Payable	63.04	64.64
5. Other Liabilities Including Sundry Deposits	142.13	309.94
6. SBI Murbad (Temporary Overdrawn)	140.85	156.77
7. Bank of India (Temporary Overdrawn)	-	864.78
8. Unclaimed Dividend	12.91	5.62
9. Deposits	-	110.90
10. Advance Rental Income	1.40	-
11. IDBI (Temporary Overdrawn)	3.09	1.67
Total	5,623.11	5,651.66

Note - 8

Short Term Provision

Provisions For Employee Benefits

Provision For Leave Salary Encashment	54.36	226.32
Provision For Gratuity	230.33	136.73

Others

Proposed Dividend	630.54	315.27
Prov. For Dividend Distri. Tax	107.16	51.14
Provision For Taxation	13,204.40	-
Less : Advance Tax	13,026.84	-
	177.56	-
Total	1,199.95	729.46

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2013
(₹. In Lakhs)



Note 9 - CONSOLIDATED FIXED ASSETS

Description	G R O S S				B L O C K			D E P R E C I A T I O N			N E T B L O C K			
	As on 01.04.2012	Revaluation of assets as 25/07/94	Adj. due to Foreign exchange Fluctuation	Other Adjus- tments	Addition during the period	Sale/ Transfer	As on 31.03.2013	Urto 31.03.2012	On revaluation	On cost	Adjust- ment	Urto 31.03.2013	As on 31.03.2013	As on 31.03.2012
1. TANGIBLE ASSETS														
A. LAND AND BUILDING														
1. Leasehold Land	501.81	207.00	16.92	-	-	-	725.73	74.04	2.84	0.67	-	77.55	648.18	634.76
2. Factory Building	8,434.04	397.60	46.42	-	244.06	3.09	9,119.02	3,342.86	6.25	476.28	-	3,829.43	5,289.59	5,488.78
3. Office Premises	915.68	227.83	-	-	95.18	-	1,238.70	209.92	4.62	42.22	-	256.76	981.94	933.60
4. Worker's Quarters	71.13	-	-	-	-	-	71.13	33.88	-	1.89	-	35.77	35.36	37.24
5. Staff Quarters	365.85	20.06	-	-	0.24	-	386.16	142.16	0.41	11.77	-	154.34	231.82	243.76
6. Car Parking Space	0.01	4.99	-	-	-	-	5.00	2.99	0.10	0.00	-	3.09	1.91	2.01
7. Tube-Well	11.47	-	-	-	-	-	11.47	4.42	-	0.35	-	4.77	6.70	7.05
8. Shop at Bandra	337.81	-	-	-	-	-	337.81	95.23	-	12.13	-	107.36	230.45	242.58
B. PLANT & MACHINERY														
1. Machinery/Pollution equip.	25,056.93	217.64	9.54	-	730.75	88.39	25,926.47	17,616.61	-	2,128.33	(79.21)	19,667.26	6,259.21	7,657.97
2. Electrical Installation	976.79	-	-	-	50.06	7.25	1,019.60	493.58	-	73.12	(6.65)	560.05	459.54	483.21
3. Computers	675.32	-	-	-	27.84	-	523.67	466.07	-	33.03	## (40.25)	458.85	64.82	70.00
4. Air Conditioner & office Equip.	181.06	-	0.67	-	18.33	-	200.06	95.03	-	15.18	-	110.76	89.30	86.03
5. Motor Car & Vehicles	212.91	-	2.67	-	63.51	26.71	261.73	128.70	-	32.37	(19.81)	142.55	119.18	84.22
6. Weighing Scale	7.86	-	-	-	1.02	-	8.87	5.00	-	0.57	-	5.58	3.30	2.85
7. Forklift	67.97	-	-	-	14.24	-	82.21	67.16	-	2.71	-	69.87	12.34	0.80
8. Generator	971.90	-	-	-	-	-	971.90	899.72	-	17.94	-	917.66	54.24	72.18
9. Weighing Bridge	24.86	-	-	-	-	-	24.86	8.98	-	2.21	-	11.19	13.67	15.88
10. Water Cooler	0.16	-	-	-	-	-	0.53	0.20	-	0.04	-	0.24	0.29	0.33
11. Electronic Telephone Exchange	0.16	-	-	-	-	-	0.16	0.12	-	0.00	-	0.12	0.04	0.03
12. Tractor (Power Plant)	9.34	-	-	-	-	-	-	-	-	-	-	-	-	9.34
13. JCB (Crane)	21.00	-	-	-	-	-	21.00	6.51	-	2.62	-	9.13	11.87	14.49
14. Trally	1.10	-	-	-	-	-	1.10	0.03	-	0.15	-	0.18	0.92	1.07
15. Water Filtration Plant	-	-	-	-	4.43	-	4.43	-	-	0.33	-	0.33	4.10	-
16. Laboratory Equipments	-	-	-	-	16.60	-	16.60	-	-	0.88	-	0.88	15.72	-
C. FURNITURE & FIXTURES	329.46	-	1.49	-	11.49	-	342.43	217.46	-	22.07	-	241.02	101.42	112.00
Total (I)	39,174.99	1,075.12	77.71	(179.49)	1,277.75	125.44	41,300.64	23,910.68	14.22	2,876.86	(145.92)	26,664.74	14,635.90	16,200.18
2. INTANGIBLE ASSETS														
1. Navision Software	19.85	-	-	-	-	-	19.85	19.85	-	-	-	19.85	0.00	0.00
2. Computer Software	62.41	-	-	-	20.06	-	261.96	26.61	-	81.00	## 40.25	147.86	114.10	175.05
3. Trade Mark	0.49	-	-	-	-	-	0.49	0.49	-	-	-	0.49	0.00	0.00
4. Goodwill	609.62	-	-	-	-	-	609.62	477.92	-	121.92	-	599.84	9.78	131.70
5. Distribution Rights	22.88	-	-	-	-	-	22.88	9.16	-	4.58	-	13.74	9.14	13.72
6. Land Use Rights	207.06	-	3.19	-	-	-	210.25	6.83	-	0.13	-	11.20	199.05	200.23
Total (II)	922.31	-	3.19	179.49	20.06	-	1,125.05	540.86	-	211.74	40.25	792.98	332.07	520.70
Grand Total (I+II)	40,097.30	1,075.12	80.90	-	1,297.81	125.44	42,425.69	24,451.54	# 14.22	3,088.60	(105.67)	27,457.72	14,967.97	16,720.88
Previous Year	37,466.99	1,075.12	345.07	-	2,588.80	303.56	41,172.42	21,219.34	15.19	28.34	83.00	24,451.54	16,720.88	17,322.77
Capital Work in Progress	170.56	-	-	-	330.62	462.42	38.76	-	-	-	-	-	38.76	170.56

Note

Deducted from the Revaluation Reserve & not Charged to the statement of Profit & Loss.

Inter Group Transfer made at the Beginning of the Financial year & accordingly previous year figures of Net Block have been regrouped / rearranged to make them comparable with the current year figures.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2013

(₹ In Lacs)

	As At 31.03.2013	As At 31.03.2012
Note - 10		
Non Current Investments : - (at cost)		
1. Trade		
A. Investment in Equity Shares of subsidiaries (Unquoted)		
(a) CAE Systems GmbH (No.of Shares 49200 Euros) (P.Y.49200 Euros) (Out of total investment of 60000 Euro, 10800 Euros shares are in the name of Germany resident as per the guidelines).	32.17	32.17
(b) Shares Of Impact Engg. Solutions Inc (No.of Shares 1909.20 \$) (P.Y.1909.20 \$)	789.84	789.84
	822.01	822.01
Less: Provision For Diminution in Value Of Investment	32.17	32.17
	789.84	789.84
2. Other Than Trade		
A. Investment in Shares of Co-Operative Society (Un quoted)		
(A) 30 Shares (P.Y.30) of ₹ 50/- Each of Mittal Court Premises Co-Op. Society Ltd. Fully Paid Up	0.02	0.02
(B) 15 Shares (P.Y.15) of ₹ 50/- Each of Udit Mittal Court Industrial Premises Co-Op.Society Ltd.	0.01	0.01
(C) 10 Shares (P.Y.10) of ₹ 50/- Each of Godrej Flat	0.01	0.01
	0.04	0.04
B. Investment In Debenture (Un quoted)		
(a) Citi Fin.Cons.Fin.I.Ltd.NCD-443 (NIL) (P.Y.600 Debentures of ₹ 100000/-Each)	-	600.00
(b) Benchmark Amc Pms A/C Bop Series 91 (NIL) (P.Y.200 Debenture of ₹ 100000/-Each)	-	203.00
(c) Benchmark Debt Portfolio - Structured (NIL) (P.Y.200 Debenture of ₹ 100000/-Each)	-	202.48
(d) Benchmark Amc Pms A/C BDP Series 115 (NIL) (P.Y.35 Non Conv. Debenture of ₹ 1000000/-Each)	-	354.20
	-	1,359.68
C. Investment In Mutual Fund (Quoted)		
H.D.F.C Equity Fund Growth (NIL) (P.Y. 1,42,187.142 Units of ₹ 246.1545/- Each)	-	350.00
H.D.F.C MF Monthly Income Plan (20,92,317.9680 Units of ₹ 21.50/- Each) (P.Y.2092317.96)	450.00	450.00
H.D.F.C. Top 200 Growth (NIL) (P.Y. 1,85,093.63 Units of ₹ 202.609/- Each)	-	375.00
H.D.F.C Gold Exchange Traded Fund (19,000 Units of Rs 1936.096/- Each) (P.Y. 3772 Units)	367.86	367.86
Templeton India Income Opp Fund Growth (NIL) (P.Y. 38,85,296.02 Units of ₹ 10.55/- Each)	-	410.00
ICICI Prudential Long Term Plan Premium Cumulative (NIL) (P.Y. 14,97,334.74 Units of ₹ 10/- Each)	-	150.00
ICICI Prudential Discovery Fund Growth (NIL) (P.Y. 2,70,080.6380 Units of ₹ 48.32/- Each)	-	130.50



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2013

	(₹. In Lacs)	
	As At 31.03.2013	As At 31.03.2012
Sundaram Financial Services Oppurtunities Regular (NIL) (P.Y. 16,97,759.927 Units of ₹ 20.61/- Each)	-	350.00
IDFC Small & Midcap Equity Fund Growth (NIL) (P.Y 1,38,431.29 Units of ₹ 18.06/- Each)	-	25.00
Birla Sun Life Dynamic Bond Fund- Growth (26,16,307.971 Units of ₹ 19.11/- Each) (P.Y.NIL)	500.00	-
Birla Sun Life Fixed Term Plan - Gs (30,00,000 Units of ₹ 10,000/- Each) (P.Y. NIL)	300.00	-
Hdfc Short Term Oportunities Fund (1,04,25,963.591 Units of ₹ 14.46/- Each) (P.Y.NIL)	1,300.00	-
HDFC Liquid Fund Growth (30,30,303.030 Units of ₹ 23.10/- Each) (P.Y.NIL)	700.00	-
ICICI Prudential Inc. Opp. Fund (64,43,605.263 Units of ₹ 15.51/- Each) (P.Y.NIL)	1,000.00	-
Reliance Dynamic Bond Fund - Growth (65,12,281.299 Units of ₹ 15.35/- Each) (P.Y.NIL)	1,000.00	-
	<u>5,617.86</u>	<u>2,608.36</u>
	<u>6,407.74</u>	<u>4,757.92</u>
Book Value Of Unquoted Investment	789.88	2,149.56
Book Value Of Quoted Investment	5,617.86	2,608.36
Market Value Of Quoted Investment	6,000.32	2,882.11

Note-11

Long Term Loans & Advances

Capital Advances	461.08	172.57
Total	<u>461.08</u>	<u>172.57</u>

Note-12

Other Non Current Assets

Balance With Scheduled Banks	128.00	1,030.00
In Fixed Deposit Accounts Due after 12 Months (Fixed Deposits are Pledged against Bank Overdraft accounts)		
Mat Credit Receivable	7.75	3.33
Deposit with Government Departments	225.70	191.70
Total	<u>361.45</u>	<u>1,225.03</u>



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2013

(₹. In Lacs)

	As At 31.03.2013	As At 31.03.2012
Note - 13		
Current Investments (Non- Trade)		
Quoted		
HDFC FMP 369D December 2012 (1)- Growth (1,00,00,000 Units of ₹ 10/- Each) (P.Y. NIL)	1,000.00	-
HDFC FMP 370D December 2012 (2)- Growth (22,50,000 Units of ₹ 10/- Each) (P.Y. NIL)	225.00	-
HDFC FMP 371D July 2012 (2) (26,000,000 Units of ₹ 10/- Each) (P.Y. NIL)	2,600.00	-
HDFC FMP 371D Growth 2012 (1) - Growth (10,000,000 Units of ₹ 10/- Each) (P.Y. NIL)	1,000.00	-
HDFC FMP 372D June 2012 (2)- Growth (50,00,000 Units of ₹ 10/- Each) (P.Y. NIL)	500.00	-
HDFC FMP 372D July 2012(1) - Growth (50,00,000 Units of ₹ 10/- Each) (P.Y. NIL)	500.00	-
Unquoted		
Commodity Investment	2,959.17	-
	8,784.17	-
Book Value Of Quoted Investment	5,825.00	-
Book Value Of UnQuoted Investment	2,959.17	-
Market Value of Quoted Investment	6,086.19	-
Note - 14		
Inventories		
(As Taken, Valued And Certified By Management)		
Finished Goods	3,251.69	2,613.89
Raw Material	7,662.97	5,798.84
Scrap	121.22	600.79
Stores & Spares	667.47	154.22
Packing Materials & Accessories	196.47	77.11
Fuel & Oil	93.76	467.04
Trading Stocks	1,998.91	1,900.59
Semi - Finished Goods	182.54	245.61
Total	14,175.03	11,858.09
Note - 15		
Trade Receivable		
(Un-Secured Considered Good By The Management)		
Debts Outstanding For More Than Six Months	14.25	21.24
Other Debts	21,746.73	15,099.35
Total	21,760.98	15,120.59



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2013

(₹. In Lacs)

	As At 31.03.2013	As At 31.03.2012
Note - 16		
Cash And Cash Equivalents		
Bank Balances In Scheduled Bank		
In Current Accounts	740.73	2,010.83
Cash In Hand	14.44	15.73
Others		
Balance In Unclaimed Dividend Accounts	12.91	5.62
In Fixed Deposit Accounts Between 3 & 12 Months Initial Maturity	1,171.12	194.12
(Fixed deposits are pledged against Bank Overdraft Account)		
Total	<u>1,939.20</u>	<u>2,226.30</u>
Note - 17		
Short Term Loans And Advances		
(Un-Secured Considered Good by the Management)		
Loans & Advance to Subsidiaries & Joint Venture (Repayment on Demand)		
(Rate Of Interest : 9% P.A)		
Technocraft Tabla Formwork Sys.P.L.	113.97	79.82
CAE Systems GMBH	2.68	2.68
Loans & Advance To Associates (Repayment on Demand)		
(Rate of Interest : 9% P.A)		
Ashrit Holdings Ltd.	166.74	7,289.60
Loans & Advance To Other Companies		
Others		
Staff Advance	32.52	19.10
Total	<u>315.91</u>	<u>7,758.07</u>
Note - 18		
Other Current Assets		
Advance Tax	-	11,141.89
Less : Provision For Taxation	-	<u>10,762.32</u>
	-	379.57
Balance With Sales Tax Dept.	2,172.37	1,849.07
Balance With Central Excise Dept.	1,399.89	787.98
Other Deposits	38.34	40.94
Prepaid Expenses	119.23	77.79
Others Receivables	457.00	667.48
Vat Credit Refundable	56.34	72.19
Interest Receivable	0.67	0.63
Total	<u>4,243.84</u>	<u>3,875.65</u>
Note - 19		
Revenue From Operation		
Sale Of Product	74,220.63	58,370.33
Sale Of Services	2,120.94	2,274.49
Other Operating Revenue	5,534.05	5,572.15
Total	<u>81,875.62</u>	<u>66,216.97</u>



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2013

(₹. In Lacs)

	As At 31.03.2013	As At 31.03.2012
Note - 20		
Other Income		
Interest Income (Gross, Inclusive Of Tax Deducted At Source Of ₹ 35.12 Lacs) (P.Y. ₹ 64.45 Lacs)	293.79	576.91
Other Non-Operating Income	1,295.50	372.62
Profit on Sale of Investment	428.94	315.50
Rent Received (Gross, Inclusive Of Tax Deducted At Source Of ₹ 36.95 Lacs) (P.Y. ₹ 34.49 Lacs)	338.92	249.55
Dividend Received	0.02	0.09
Diff In Foreign Currency (Net)	-	595.66
Total	<u>2,357.17</u>	<u>2,110.33</u>
Note - 21		
Cost Of Raw Material Consumed and Engineering, Designing & Software Charges		
A. Raw Material Consumed		
Opening Stock Of Raw Material	6,084.51	9,295.09
Add : Purchases	<u>35,184.46</u>	<u>28,241.53</u>
	41,268.97	37,536.62
Less : Closing Stock	<u>7,662.97</u>	<u>6,084.51</u>
	<u>33,606.00</u>	<u>31,452.11</u>
B. Packing Material Consumed		
	888.75	837.65
C. Engineering, Design and Software Expenses		
Engineering & Design Charges Paid	31.45	17.68
Software Charges	<u>1.61</u>	<u>4.11</u>
	<u>33.06</u>	<u>21.79</u>
Total	<u>34,527.81</u>	<u>32,311.55</u>
Note No. 22		
Changes In Inventories Of Stock		
Closing Stock		
Finished Goods	3,251.69	2,613.89
Scrap / Waste	121.22	245.61
Semi Finished Goods	182.54	181.37
Trading Items	<u>1,998.91</u>	<u>1,900.59</u>
	<u>5,554.36</u>	<u>4,941.46</u>
Less :		
Opening Stock		
Finished Goods	2,613.89	3,969.17
Scrap / Waste	245.61	144.68
Semi-Finished Goods	181.37	396.38
Trading Items	<u>1,900.59</u>	<u>2,502.41</u>
	<u>4,941.46</u>	<u>7,012.64</u>
Total	<u>(612.91)</u>	<u>2,071.18</u>



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2013

(₹. In Lacs)

	As At 31.03.2013	As At 31.03.2012
Note - 23		
Employee Benefit Expenses		
Salaries, Wages, Bonus Etc.	4,605.74	3,960.31
Contribution To P.F., ESIC Etc.	211.34	153.72
Gratuity	38.35	257.30
Gratuity Fund Expenses	0.51	0.51
Directors Remuneration	298.69	296.79
Staff Welfare Expenses	141.60	113.10
Total	<u>5,296.23</u>	<u>4,781.73</u>
Note No. 24		
Finance Cost		
A. Interest Paid		
Interest To Bank (Net)	617.15	710.85
Interest To Others	0.01	246.74
	<u>617.16</u>	<u>957.59</u>
B. Financial Charges		
Bank Charges	145.35	117.88
Bank Guarantee Charges	5.33	4.54
Bank Processing Charges	14.62	29.64
Status Report Charges	-	2.45
L/C Charges	31.63	29.62
	<u>196.93</u>	<u>184.13</u>
Total	<u>814.09</u>	<u>1,141.72</u>
Note No. 25		
Other Expenses		
Stores & Spares & Other Components Consumed	2,834.77	2,471.68
Fuel & Oil Consumed	737.38	708.27
Power & Electricity	1,346.32	2,169.09
Other Manufacturing Expenses	1,153.73	1,192.06
Job Work	3,083.94	1,731.37
Labour Charges	1,247.06	632.36
Water Charges	44.62	38.68
Freight & Other Export Charges	2,921.51	2,264.19
Selling, Distribution Expenses on Sales	305.12	283.36
Warehouse & Handling Charges	51.84	47.52
Commission/Brokerage	132.58	153.54
Royalty	-	99.40
Quality Claim	105.46	175.08
Sales Promotion	55.07	58.81
Travelling & Conveyance Expenses	293.75	243.67
Vehicle Expenses	146.31	136.09
Legal & Professional Expenses	239.17	231.10
License & Membership fees	47.76	56.63
Rent, Rates & Taxes	167.90	128.39
Advertisement	10.94	5.81
Insurance (General)	61.88	54.63
Director Fees	3.00	3.67



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2013

(₹. In Lacs)

	As At 31.03.2013	As At 31.03.2012
Note - 25		
Other Expenses (Contd.)		
Securities Transaction Tax	3.26	3.03
Engineering & Design Charges Paid	6.32	24.20
Technical Training Expenses	17.38	11.91
Software Charges Paid	1.24	1.46
Printing & Stationery	40.29	37.72
Postage, Telegram & Telephone Exp.	103.11	111.20
Miscellaneous Expenses	197.52	37.57
Corporate Social Responsibility	156.00	300.00
Payment to Auditors		
For Audit Fees	11.88	10.74
For Tax Audit Fees	1.26	1.26
For Tax Matters	0.40	0.40
Certification Charges/ Out of Pocket expenses	0.27	0.31
Building Repair	237.03	145.13
Machine Repair	327.14	175.31
Other Repairs & Maintenance	628.40	555.85
Laboratory Expenses	0.28	-
Loss On Sale Of Investment	12.84	65.36
Loss On Sale Of Vehicle	5.14	0.30
Sundry Balance Written Off	1.98	4.51
Amalgamation Expenses	-	0.20
Bad Debts (Net)	38.41	12.41
Administration Expenses	6.63	9.49
Sales Tax Paid	410.77	222.69
Finance & Credit Insurance	15.17	12.31
Foreign Services	141.03	167.15
Donation	5.05	0.12
Security Expenses	0.27	0.31
Diff In Foreign Currency (Net)	160.22	-
Total	<u>17,519.40</u>	<u>14,796.33</u>
Note - 26		
Tax Expenses		
Current Tax		
Current Income Tax	3,394.90	1,365.32
Less : Mat Credit	7.75	3.34
	<u>3,387.15</u>	<u>1,361.98</u>
Deferred Tax (Net)	<u>(115.53)</u>	<u>(166.92)</u>
Total	<u>3,271.62</u>	<u>1,195.06</u>
Note No. 27		
Earning Per Share		
Net Profit attributable to Equity Shareholder	7,425.42	1,526.79
Weighted Average Number of Equity Shares		
Outstanding during the Year	315.27	315.27
Adjusted Basic & Diluted EPS	23.55	4.84
(On Nominal Value of ₹ 10/- per Share)		



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2013

NOTE 28

I. SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS ON CONSOLIDATED FINANCIAL STATEMENTS

1. PRINCIPLES OF CONSOLIDATION

- i. The financial statements have been prepared to comply in all material aspects with applicable accounting principles in India, and the Accounting Standards issued by The Institute of Chartered Accountants of India (ICAI).
- ii. **CONSOLIDATED FINANCIAL STATEMENTS** relates to Technocraft Industries (India) Limited, the Company and its Subsidiaries. The Consolidated Financial Statements are in conformity with the AS -21 issued by ICAI and are prepared on the following:
 - a) The financial statements of the Company and its Subsidiaries have been combined on a line by line basis by adding together the book values of like items of assets, liabilities, income and expense, after fully eliminating inter-company balances and transactions including profits in year end inventories.
 - b) The consolidated financial statements are prepared by adopting uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the company's separate financial statement except otherwise stated elsewhere in this schedule.
 - c) The excess of cost to the Company of its investments in the subsidiaries over its portion of equity of subsidiaries at the dates they become subsidiaries is recognized in the financial statement as goodwill.
 - d) The excess of Company's portion of equity of the subsidiaries over cost to the Company of its investments at the dates they become subsidiaries is recognized in the financial statement as capital reserve.
 - e) Minority Interests in the consolidated financial statements is identified and recognized after taking in to consideration:
 - The amount of equity attributable to minorities at the date on which investments in a subsidiary is made.
 - The Profit or losses attributable to the minorities are adjusted against the minority interest in the equity of the subsidiary.

2. ACCOUNTING POLICIES

Most of the accounting policies of the reporting Company and that of its Subsidiaries are similar and are in line with generally accepted accounting principles in India. However since certain subsidiaries are in the business lines which are distinct from that of the Reporting Company and function in a different regulatory environment, certain policies in respect of investment, gratuity, depreciation / amortization etc. differ. Accounting Policies and Notes on Accounts of the financial statements of the company and all the subsidiaries are set out in their respective financial statement.

3. FOREIGN SUBSIDIARIES

- I) In accordance with the requirement of Accounting Standard – 11(Revised) – "The effects of changes in foreign exchange rates" operations of foreign subsidiaries have been considered as Integral operations and accordingly their financial statements have been converted in Indian Rupees at following exchange rates:

Revenue and Expenses: At the average exchange rate during the period.

(Average rates are taken on the basis of opening and closing exchange rates at the beginning of the period and at the end of the period respectively instead of average rates at the end and close of every month and its effect is insignificant on the profit.)

Current Assets and Liabilities: Exchange rates prevailing at the end of the period.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2013

Fixed Assets: Exchange rate prevailing at the end of the period instead of exchange rates at the date of transaction.

The resultant translation exchange difference has been transferred to statement of profit & loss.

- II) Accounting policy for Depreciation on Fixed Assets of foreign subsidiaries companies are not consistent with accounting policy for depreciation on fixed assets of parent company and it is impracticable for the company to restate such accounting policies as per parent company policy since the historical cost of the fixed assets of foreign subsidiaries companies are not ascertainable.
- III) In Consolidated financial statements, the closing stock includes goods sold by holding company to its subsidiary companies (as certified by the management) which have been valued at cost by eliminating stock reserve considering gross profit margin of the holding company in respective years.
- IV) Financials of CAE System GmbH and Impact Engineering solutions which are the subsidiaries of Technosoft Engineering Projects Ltd which is subsidiary of Technocraft Industries (India) Limited, are not consolidated since no financials were made available to us for consolidation.
- V) Transactions between foreign subsidiaries have not been eliminated as the details were not made available to us.
- VI) Any differences arising between unaudited accounts considered for consolidation & audited accounts of that year are adjusted through Profit & Loss Statement.

The consolidated financial statements comprise the financial statements of Technocraft Industries (India) Limited and its subsidiaries.

Name of the Company	Year Ended	Status	Extent of Company's Interest		Country of Incorporation
			2012-13	2011-12	
Technosoft Engineering Projects Limited (Formerly known as Technosoft Information Technologies (I) Limited)	31st Mar	Subsidiary	90.34%	90.34%	India
Technocraft Trading Poland	31st Dec	Subsidiary	100.00%	100.00%	Poland
Technocraft International Ltd., UK	31st Dec	Subsidiary	100.00%	100.00%	United Kingdom
Technocraft Australia Pty Limited	31st Mar	Subsidiary	100.00%	100.00%	Australia
Anhui Reliable Steel Tec. China	31st Dec	Subsidiary	100.00%	100.00%	China
CAE Systems GmbH	(Note I)	Fellow Subsidiary	81.99%	81.99%	Germany
Impact Engineering Solutions Inc.		Fellow Subsidiary	100.00%	98.00%	U.S.A.

NOTES:

- i) Out of 100% share of CAE Systems GmbH, 81.99% shares is owned by Technosoft Engineering Projects Ltd (Formerly Known as Technosoft Information Technologies (I) Limited) which is the subsidiary of Technocraft Industries (India) Limited.

4. INDIAN SUBSIDIARY

- a) The management has considered loan given to CAE System GMBH amounting to ₹ 2,68,019/- as Doubtful. However no Provision against such loan has been made and the interest on the same has also not been provided for.
- b) During the year, One of the Company Subsidiary has changed its Accounting Policy for



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2013

recognising Gratuity Liability from Cash basis to Accrual basis and accordingly Gratuity Liability of ₹ 8.65 Lacs for Current Year & ₹ 29.70 Lacs for earlier years has been charged to the Statement of Profit & Loss and to that extent Current Year Profit has been understated .

5. JOINT VENTURE: CONTRACTUAL ARRANGEMENT

Interests in Joint Venture have been consolidated by using the proportionate consolidation method as per the provision of Accounting Standard (AS-27) – Financial Reporting of Interest in Joint Venture.

a) Details of the Jointly Controlled Entity

- Name of the entity : Technocraft Tabla Formwork System Pvt Ltd.
- Address of the entity : A-25, M.I.D.C, Street No 3, Marol Industrial Area, Opp. ESIC Hospital, Andheri (E), Mumbai-400093
- Country of Incorporation : India
- Proportion Of Ownerships : 65%

b) The Company is also having Joint Venture with Gilcheck Management Inc, Canadian company operating as Tabla Construction system as a Joint control operation in respect of production of Tabla Products.

6. CONTINGENT LIABILITY

a) Parent Company :

(₹. In Lacs)

Sr. No.	Contingent Liabilities and Commitments not provided For	For the Year Ended 31.03.2013	For the Year Ended 31.03.2012
I.	Stand by Letter of Credit (SBLC) aggregating to Euro 17,50,000 and USD 11,00,000 given to Banks on behalf of subsidiary Company in Poland.	1823.13	1552.84
II.	Corporate Guarantee aggregating to Pounds 25,00,000 given to Bank on behalf of Subsidiary Company in UK .	2069.75	492.04
III.	Stand by Letter of Credit (SBLC) aggregating to USD 4,00,000 given to Banks on behalf of Fellow Subsidiary Company, Impact Engineering Solutions Inc.	218.20	224.47
IV.	Bank Guarantee issued in favour of various Suppliers/Customers.	124.07	-
V.	Bank Guarantee issued in favour of Commissioner of Customs.	97.27	-
VI.	Bank Guarantee issued in favour of Commissioner of Central Excise, Kalyan.	57.10	-
VII.	Income Tax, Penalty and Interest Demands For the A.Y.2002-03 A.Y.2007-08 (Penalty) A.Y.2007-08 A.Y.2008-09 A.Y.2005-06 A.Y.2009-10	585.24 40.82 40.13 15.5 14.72 65.06	75.44 - 63.8 15.5 - -
VIII.	Show-Cause Notice for duty issued by Central Excise Department-Rebate of Excise duty paid on Exports goods by utilizing EOU's duty. Duty Rebate Denied (Order No. SB116&117) (Stay granted by Commissioner (Appeals) from the Pre-Deposit of the dues adjudged during the Pendency of these appeals)	3.04	3.04



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2013

6. CONTINGENT LIABILITY (contd.)

(₹. In Lacs)

Sr. No.	Contingent Liabilities and Commitments not provided For	For the Year Ended 31.03.2013	For the Year Ended 31.03.2012
IX.	Show-Cause Notice for duty & Penalty issued by Central Excise Department-Clearance of Cotton waste under Exemption Notification No. 6/97 & 23/03 denied & apportioned Duty (30%) demanded. Duty & Penalty Involved in fuel & raw cotton from 1999-2002 to Sep 2008 (Stay Granted by CESTAT from Pre – Deposit of the dues adjudged during the pendency of these appeals)	1115.66	1115.66
X.	Show-Cause Notice for duty & Penalty issued by Central Excise Department – Rebate of Excise duty paid on Exports goods by utilizing EOU's Duty. Duty Rebate Denied in Unit I of Yarn Division. (Stay Granted by CESTAT from Pre – Deposit of the dues adjudged during the pendency of these appeals)	195.60	195.60
XI.	Show-Cause Notice for duty & Penalty issued by Central Excise Department – Rebate of Excise duty paid on Exports goods by utilizing EOU's Duty. Duty Rebate Denied in Unit II of Yarn Division. (Stay Granted by CESTAT from Pre – Deposit of the dues adjudged during the pendency of these appeals)	266.77	266.77
XII.	Demand of Service Tax (including Penalty) on Commission paid to foreign agents for Financial Year 2006-07 & 2007-08.	3.03	3.03
XIII.	Demand Notice for Payment of Royalty on Extraction & Transportation of Mud, stones & sand issued by Tahasildhar, Tal. Murbad, Dist.Thane	82.48	-
XIV.	Seven years Warranty beginning with the Financial year 2011-12 given to Spanco Limited against the Erection of the Towers	Amount unascertainable	Amount unascertainable

B) Subsidiary Companies:

(₹ In Lacs)

Contingent Liabilities and Commitments not provided For	For the Year Ended 31.03.2013	For the Year Ended 31.03.2013
Bombay Sales Tax Act, 1959		
B.S.T. for A.Y. 2000-2001	0.55/-	0.55/-
B.S.T. for A.Y. 2001-2002	0.97/-	0.97/-
B.S.T. for A.Y. 2002-2003	0.28/-	0.28/-

C) Joint Venture :

(₹ In Lacs)

Sr. No.	Contingent Liabilities and Commitments not provided For	For the Year Ended 31.03.2013	For the Year Ended 31.03.2013
1	Manufacturing Royalty Payable to Gillespie Practical Technologies Inc in respect of Purchase of Tabla Products from Technocraft Industries India Limited	* 10.56/-	-

*To the extent of the Co. shares in Joint Ventures.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2013

7. DEFERRED TAX ASSETS/ LIABILITIES

(₹. In Lacs)

PARTICULARS	For the Year Ended 31.03.2013	For the Year Ended 31.03.2012
DEFERRED TAX LIABILITY \ (ASSETS)		
On Account of Depreciation	(133.43)	(116.91)
On Account of Provision for Diminution in value of Investment	-	(10.44)
On Account of Gratuity	(77.75)	-
On Account of Unabsorbed Business Losses	54.40	(13.54)
On Account of Preliminary Expenses	0.40	0.40
On Account of Amalgamation Expenses	0.43	0.39
On Account of Demerger Expenses	0.48	0.50
On Account of Long term Capital loss	5.87	(27.32)
On Account of Forex Difference Conversion (As per Polish Law)	34.07	-
NET IMPACT	(115.53)	(166.92)
POSITION OF DEFERRED TAX ASSETS & LIABILITIES AS ON BALANCE SHEET DATE ARE AS UNDER		
Deferred Tax Assets		
On Account of Timing Difference in depreciation	523.66	391.32
On Account of Timing Difference in Amalgamation Expenses	0.33	0.76
On Account of Timing Difference in Demerger Expenses	0.52	1.00
On Account of Long term Capital loss		
On Account of Gratuity	42.48	48.34
On Account of Provision for Diminution in Value of Investments	77.75	-
On Account of Unabsorbed Business Loss	10.44	10.44
On Account of Preliminary Expenses	66.38	115.90
On Account of Forex Difference Conversion (As per Polish Law)	0.81	1.21
Total Deferred Tax Assets	25.05	52.88
Deferred Tax Liability	747.42	621.85
On Account of Timing Difference in depreciation	39.89	40.99
Net Deferred Tax Assets	39.89	40.99



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2013

8. DISCLOSURE OF RELATED PARTIES/RELATED PARTY TRANSACTIONS

In compliance with the AS-18 "RELATED PARTY DISCLOSURE", which has become mandatory, the required information are as under:-

(I) List of Related Parties over which control exists

Sr. No	Name of the Related Party	Sr. No	Name of the Related Party
I.	Subsidiary Company/Fellow Subsidiary Technocraft International Ltd, U.K. Technocraft Trading Spolka Z.o.o., Poland Technocraft Australia Pty Limited Technosoft Engineering Projects Ltd Impact Engineering Solutions Inc. CAE Systems GMBH Anhui Reliable Steel Tec. China	II.	Associates Ashrit Holdings Ltd B.M.S.Industries Ltd M.D .Saraf Securities Pvt .Ltd.

Sr. No	Name of the Related Party	Sr. No	Name of the Related Party
III	Key Management Personnel (KMP) Sharad Kumar Saraf Sudarshan Kumar Saraf Madhoprasad Saraf Navneet Kumar Saraf Ashish Kumar Saraf Atanu Choudhary	V	Joint Venture Technocraft Tabla Formwork System Pvt Ltd (to the extent of 35%)
IV	Relatives & Enterprises of KMP Shantidevi Saraf Shakuntala Saraf Suman Saraf Nidhi Saraf Ritu Saraf Priyanka Saraf M.T. Information Technologies	V	Co- Venturer Tabla Construction Systems

(II) Names of the Related Parties with whom transactions were carried out during year and description of relationship

Sr.No	Related Parties
I	Associates B.M.S.Industries Ltd Ashrit Holdings Ltd
II	Key Management Personnel (KMP) Sharad Kumar Saraf Sudarshan Kumar Saraf Navneet Kumar Saraf Ashish Kumar Saraf Atanu Choudhary
III	Joint Venture Technocraft Tabla Formwork System Pvt Ltd (to the extent of 35%)



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2013

(III) Disclosure of Related Party transactions

(₹.In Lacs)

Sr No	Nature of Relationship/ Transactions	Associates	Co-Venturer	Joint Venture (to the extent of 35%)	KMP & Relatives	Total
1	Purchase of Goods & Services	2270.06 (1465.97)	NIL (34.26)	NIL (12.92)	NIL (NIL)	2270.06 (1513.15)
2	Sale of Goods & services	411.63 (198.50)	NIL (NIL)	105.52 (74.76)	NIL (NIL)	517.15 (273.26)
3	Interest Received	148.90 (193.45)	NIL (NIL)	6.91 (0.41)	NIL (NIL)	155.81 (193.86)
4	Directors' Remuneration & Commission	NIL (NIL)	NIL (NIL)	NIL (NIL)	297.83 (292.80)	297.83 (292.80)
5	Salary & Wages	NIL (NIL)	NIL (NIL)	NIL (NIL)	146.40 (146.40)	146.40 (146.40)
6	Loan Given	14172.52 (12689.89)	NIL (NIL)	120.42 (92.57)	NIL (NIL)	14292.94 (12782.46)
7	Loan Repaid	21295.38 (5515.88)	NIL (NIL)	86.26 (12.75)	NIL (NIL)	21381.64 (5528.63)
8	Warehouse Charges Paid	NIL (NIL)	NIL (NIL)	12.6 (NIL)	NIL (NIL)	12.6 (NIL)

(IV) Amount due to/from Related Parties as on 31.03.2013

Sr No	Nature of Relationship/ Transactions	Associates	Co-Venturer	Joint Venture (to the extent of 35%)	KMP & Relatives	Total
1	Trade Receivable/ Advance	43.08 (NIL)	NIL (NIL)	19.67 (NIL)	NIL (NIL)	62.75 (NIL)
2	Trade Payables/ Advance	147.38 (211.36)	NIL (NIL)	NIL (12.82)	NIL (NIL)	147.38 (224.18)
3	Loans & Advances	166.74 (7289.60)	NIL (NIL)	113.97 (79.82)	NIL (NIL)	280.71 (7369.42)

() indicates previous year figures

Signature to Notes 1 to 28 Attached
As per our Report of Even Date

For M.L.SHARMA & CO.
Firm Reg.No.109963W
CHARTERED ACCOUNTANTS

(C.H. BANDI)
PARTNER
(M.No.5385)

Place: MUMBAI
Date : 22nd May, 2013

For & on Behalf of Board of Directors

M.D. SARAF **S.M. SARAF**
(CHAIRMAN) (MANAGING DIRECTOR)

MANOJ JAIN
(COMPANY SECRETARY)



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2013

9. In compliance with AS-17 "SEGMENT REPORTING", which has become mandatory, the required information are as under:

A. PRIMARY SEGMENT

The Business Segment has been considered as the primary segment for disclosure. The categories included in each of the reported business segment are as follow

- i) Drum Closures
- ii) Scaffoldings
- iii) Cotton Yarn
- iv) Power
- v) Garment
- vi) Other Segments (Consisting of Indian & Foreign Subsidiaries & Joint Venture Operations)

The above business segments have been identified considering:

- i) The nature of the product
- ii) The deferring risk and returns
- iii) The internal financial reporting systems

Revenue and expenses have been accounted for based on the basis of their relationship to the operating activities of the segment. Revenue and expenses which relate to the enterprise as a whole and are not allocable to segment on reasonable basis have been included under "Unallocable". Inter segment transfer if any, are accounted for at competitive market prices, charged to unaffiliated customer for similar goods.

"SEGMENT REPORTING"

(₹ In Lacs)

Particulars	Drum Closures	Scaffoldings	Cotton Yarn	Garment Division	Power	Other Segment	Unallocable	Inter Segment Elimination	Total
SEGMENT REVENUE									
Domestic (net of Excise Duty)	404.26	3,034.37	1,939.53	1,276.06	673.95	10,141.64	-	-	17,469.82
Export	20,287.44	14,872.36	15,532.61	1,036.26	-	6,143.99	-	-	57,872.66
(a) External Sale	20,691.70	17,906.73	17,472.14	2,312.32	673.95	16,285.63	-	-	75,342.48
(b) Inter-segment Revenue	197.29	1,267.59	774.31	0.37	2,888.92	1,580.92	-	(6,709.39)	-
Total Revenue	20,888.99	19,174.32	18,246.45	2,312.69	3,562.87	17,866.55	-	6,709.39	75,342.48
SEGMENT REVENUE	20,888.99	19,174.32	18,246.45	2,312.69	3,562.87	17,866.55	-	6,709.39	75,342.48
	(17,108.80)	(13,589.14)	(17,357.60)	(3,174.67)	(1,247.27)	(13,611.20)	-	(6,469.04)	(59,619.64)
SEGMENT RESULTS	6,522.46	1,420.11	1,518.19	(64.53)	(318.67)	616.10	-	615.88	10,309.54
	(5,096.23)	(1,014.08)	(-1486.66)	(89.95)	(-999.65)	(765.81)	-	(666.87)	(3,812.89)
Less:									
Finance Cost							909.98	95.89	814.09
							(1,216.14)	(74.42)	(1,141.72)
Depreciation	-	-	-	-	-	-	47.28	-	47.28
							(42.00)	-	(42.00)
Amortisation of goodwill	-	-	-	-	-	-	121.92	-	121.92
							(121.92)	-	(121.92)
Director Remuneration	-	-	-	-	-	-	298.69	-	298.69
							(296.79)	-	(296.79)
Unallocable Expenses	-	-	-	-	-	-	328.51	-	328.51
							(679.11)	-	(679.11)
Add:									
Interest Income	-	-	-	-	-	-	389.67	95.88	293.79
							(651.33)	(74.42)	(576.91)
Profit/ (Loss) on sale of Investment (net)							416.10	-	416.10
							(248.06)	-	(248.06)
Profit / (Loss) on sale of Fixed Asset (net)							14.06	-	14.06
							(21.90)	-	(21.90)
Other Unallocable Income	-	-	-	-	-	-	1,274.04	-	1,274.04
							(343.62)	-	(343.62)
							-	Profit Before Tax	10,697.04
									(2,721.84)
Provision for Taxes (including Deferred Tax)	-	-	-	-	-	-	-	-	3,271.62
									(1,195.05)
								Profit After Tax	7,425.42
									(1,526.79)
OTHER INFORMATION									
Assets									
Segment Assets	10,448.16	13,801.65	11,332.73	1,300.92	3,791.55	13,604.74	-	186.42	54,093.32
	(9,586.60)	(10,229.45)	(11,191.39)	(1,352.48)	(4,632.16)	(13,023.22)	-	(2,855.68)	(47,159.62)
Unallocable Assets	-	-	-	-	-	-	23,054.28	2,944.05	20,110.23
							(20,250.83)	(2,902.94)	(17,347.89)
								Total Assets	74,203.55
									(64,507.31)



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2013

“SEGMENT REPORTING” (contd.)

(₹ In Lacs)

Particulars	Drum Closures	Scaffoldings	Cotton Yarn	Garment Division	Power	Other Segment	Unallocable	Inter Segment Elimination	Total
Liabilities									
Segment Liabilities	1,864.02 (1,852.33)	2,218.80 (1,826.99)	837.42 (921.61)	154.87 (201.38)	533.59 (766.61)	5,434.76 (6,365.45)	-	135.42 (2,188.81)	10,908.02 (9,745.56)
Unallocable Liabilities (Including Borrowings)	-	-	-	-	-	-	14,029.47 (11,942.51)	946.21 (1,111.31)	13,083.26 (10,831.20)
							Total Liabilities		23,991.28 (20,576.76)
Capital Expenditure (excluding capital WIP)									
Segment Capital Expenditure	345.52 (627.98)	263.60 (237.33)	24.10 (81.88)	14.21 (71.16)	172.75 (172.97)	457.26 (1,356.10)	20.37 (41.38)		1,297.81 (2,588.80)
Depreciation									
Segment Depreciation	547.10 (568.83)	321.47 (363.61)	796.15 (1,051.31)	91.89 (107.68)	839.62 (787.01)	323.17 (229.32)	-	-	2,919.40 (3,107.76)
Unallocable Depreciation	-	-	-	-	-	-	47.28 (42.00)	-	47.28 (42.00)
Amortisation of Goodwill	-	-	-	-	-	-	121.92 (121.92)	-	121.92 (121.92)
Total Depreciation	-	-	-	-	-	-	-	-	3,088.60 (3,271.68)
B. GEOGRAPHICAL SEGMENT									
External Sales Revenue									
From India	404.26 (567.05)	3,034.37 (3,983.40)	1,939.53 (1,805.65)	1,276.06 (1,171.38)	673.95 (212.89)		-	-	7,328.17 (7,740.37)
From Outside India	20,287.44 (16,077.62)	14,872.36 (8,588.01)	15,532.61 (11,824.95)	1,036.26 (2,002.40)	-	16,285.65 (13,386.29)	-	-	68,014.31 (51,879.27)
Total External Sales Revenue	20,691.70 (16,644.67)	17,906.73 (12,571.41)	17,472.14 (13,630.60)	2,312.32 (3,173.78)	673.95 (212.89)	16,285.65 (13,386.29)	-	-	75,342.48 (59,619.64)
Assets									
Within India	5,909.81 (5,712.15)	7,524.22 (7,675.99)	6,064.19 (6,353.64)	1,113.55 (927.51)	3,791.55 (4,632.16)	2,561.80 (2,262.50)	22,794.30 (20,001.54)	3,051.44 (2,926.75)	46,707.98 (44,638.73)
Outside India	4,538.35 (3,874.45)	6,277.43 (2,553.46)	5,268.54 (4,837.75)	187.37 (424.97)	-	11,302.91 (11,010.01)	-	79.03 (2,831.87)	27,495.57 (19,868.78)
Total Assets	10,448.16 (9,586.60)	13,801.65 (10,229.45)	11,332.73 (11,191.39)	1,300.92 (1,352.48)	3,791.55 (4,632.16)	13,864.71 (13,272.51)	22,794.30 (20,001.54)	3,130.47 (5,758.62)	74,203.55 (64,507.51)

Notes

1. Previous Year Figures have been regrouped /rearranged where ever Considered necessary to make them Comparable with the Current Year Figures.
2. Segment Revenue includes only sales of Products & Services. Sales of Products are net of Excise Duty.
3. Total Liabilities does not include Shareholders Fund & Minority Interest.

Summary of Financial Informations of Subsidiary Companies

(₹ in lakh)

Sr. No	Name of the Subsidiary Company	Financial Year	Reporting Currency	Capital	Reserve	Total Assets	Total Liabilities	Investment included in Total Assets	Turnover	PBT	Provision for Tax	PAT	Proposed Dividend	Country
1	Technosoft Engineering Projects Limited	31st March	₹	55.34	1998.62	2464.90	2464.90	789.84	1836.84	251.68	64.67	187.01	NIL	India
2	"Technocraft Tabla Formwork Systems Private Limited"	31st March	₹	100.00	(34.45)	463.48	463.48	-	344.75	76.95	23.87	53.07	NIL	India
3	Technocraft International Limited	31st December	GBP	381.77	54.56	2422.70	2422.70	-	3701.21	148.74	39.05	109.69	NIL	UK
4	Technocraft Trading Spolka Technocraft Australia Pty Ltd*	31st December 31st March	PLN AUD	265.07 93.47	197.99 291.59	2417.05 1057.17	2417.05 1057.17	-	4004.52 2339.58	107.91 39.41	37.94 6.39	69.97 33.02	NIL NIL	Poland Australia
5	"Anhui Reliable Steel Company Limited"	31st December	RMB	1080.16	61.26	5202.94	5202.94	-	6156.50	(97.33)	0.00	(97.33)	NIL	China

1 As on 31.12.2013: 1 GBP= ₹.88.34, 1 PLN= ₹.17.70, 1 AU\$= ₹.56.51.00 and 1 RMB= ₹.8.65

2 During the year Company remittit US\$ 380000 as a Capital Investment in Anhui Reliable Steel Company Limited

3 *Financial Informations is based on unaudited informations

S/d
M. D. Saraf
(Chairman)

S/d
S.M. Saraf
(Managing Director)

S/d
Manoj Jain
(Company Secretary)





TECHNOCRAFT INDUSTRIES (INDIA) LIMITED

(Regd. Office. A-25, MIDC, Street No.3, Andheri (E) Mumbai-400 093)

21st Annual General Meeting- Monday, 30th September 2013 at 11.00 a.m.

ATTENDANCE SLIP

(To be filed in and handed over at the entrance of the meeting hall)

DP ID	
-------	--

*Folio No.	
------------	--

Client ID	
-----------	--

No. of Shares	
---------------	--

I certify that I am a registered shareholder/ Proxy for the registered shareholder of the Company. I hereby record my presence at the 21st Annual General Meeting of the Company held on at "Technocraft House" A-25, MIDC, Street No.3, Andheri (E) Mumbai-400 093

Full Name of Member/ Proxy _____
(in Block Letter)

Members/ Proxy Signature _____

Notes:

1. Shareholders attending the meeting in person or proxy are requested to complete the Attendance Slip and hand it over at the entrance of the Meeting Hall.
2. If you intend to appoint a proxy, please complete the proxy form below and deposit it at the Company's registered office at least 48 hours before the meeting.

TECHNOCRAFT INDUSTRIES (INDIA) LIMITED

(Regd. Office. A-25, MIDC, Street No.3, Andheri (E) Mumbai-400 093)

21st Annual General Meeting- Monday, 30th September 2013 at 11.00 a.m.

PROXY FORM

DP ID	
-------	--

*Folio No.	
------------	--

Client ID	
-----------	--

No. of Shares	
---------------	--

I/We-----of-----being member(s) of Technocraft Industries (India) Limited hereby appoint -----of-----or failing him/her-----of-----of failing him/her -----of-----as proxy to attend and vote for me/us on my/our behalf at the 21st Annual General Meeting of the Company being held on "Technocraft House" A-25, MIDC, Street No.3, Andheri (E) Mumbai-400 093 and at any adjournment thereof.

Signed this _____ day of _____ 2013

Signature _____

Affix
Revenue
Stamp of
₹. 1/-

Note: This proxy form duly completed must be received at the Company's Registered Office at least 48 hours before the meeting.



Dear Shareholders,

Sub: MCA's Green Initiatives for Paperless Communications

Ministry of Corporate Affairs ("MCA") has recently taken a "Green Initiative in Corporate Governance" by allowing paperless compliances by the Companies. Towards this, MCA has issued Circulars dated 21st April, 2011 & 29th April, 2011 stating that service of notice/ documents by a Company to the shareholders can now be made through electronic, subject to a few conditions.

Our Company appreciates the initiative taken by MCA, as it believes strongly in a Greener Environment. This initiative also helps in prompt receipt of communication, apart from helping avoid losses/delay in postal transit

We therefore propose to send document, such as the Notice of the Annual General Meeting and Annual Report etc. henceforth to shareholders in electronics form at the e-mail address provided by them and made available to us by the depositories from time to time. In case you wish to receive all the above communication in electronics form, kindly register your e-mail address with your Depository Participant at the earliest.

We wish to inform you that in addition to getting the documents through your registered e-mail, you can also have access to the documents through our company website, www.technocraftgroup.com. The document will also be available to you for inspection at the registered office of the Company during office hours.

We are sure you would appreciate the "Green Initiative" taken by MCA, just as it is welcomed by us. As a member of the Company, you entitled to be furnished with a copy of the above mentioned documents as required under the provisions of the Companies Act, 1956, free of cost, upon receipt of a requisition from you any time during the year.

We solicit your whole-hearted co-operation in helping the Company implement the e-governance initiative of the Government in the interest of environment, which is the need of the hour today.

This communication may be ignored, if your e-mail address is already registered with your Depository Participant.

Thanking You,

Yours Faithfully,

For Technocraft Industries (India) Limited

Manoj Jain
Company Secretary

BOOK-POST

TECHNOCRAFT HOUSE

Corporate Office :

A-25, M.I.D.C, Marol Industrail Area,
Road No.3, Opp. ESIC Hospital,
Andheri (East), Mumbai - 400 093, India.
Tel.No.: (91) -22-4098 2222 / 4098 2202
Fax No.: (91)-22-2835 6559 / 2836 7037
E-mail : technocraft@technocraftgroup.com
Website : [http : // www.techonocraftgroup.com](http://www.techonocraftgroup.com)