



<b>Board of Directors</b>	:	<b>Mr. K. V. Vishnu Raju, Chairman Mr. P. V. R. L. Narasimha Raju Mr. S.V.S. Shetty (Whole time Director, w.e.f 01.05.2013)</b>
<b>Financial Advisor</b>	:	<b>Mr. P.R. Raju</b>
<b>Auditors</b>	:	<b>M.Anandam &amp; Co. Chartered Accountants 7A, Surya towers S D Road Secunderabad - 500 003, AP.</b>
<b>Bankers</b>	:	<b>Indian Bank Hyderabad Main Branch Bank Street, Koti Hyderabad - 500 001, AP.  Axis Bank Near Benz Circle Vijayawada - 520 008, AP.</b>
<b>Registered Office</b>	:	<b>153, Sitha Nilayam Dwarakapuri colony Punjagutta, Hyderabad - 500 082, AP.</b>
<b>Corporate Office</b>	:	<b>Anjani Cement Centre Plot No.7 &amp; 8, Nagarjuna Hills, Punjagutta Hyderabad - 500 082, AP.</b>
<b>Factory</b>	:	<b>Peda Avutapalli - 521 286 Krishna District Andhra Pradesh</b>



## NOTICE

Notice is hereby given that the Twenty Seventh Annual General Meeting of the Members of Hitech Print Systems Limited will be held on Wednesday, the 21<sup>st</sup> day of August, 2013, at 3.00 P.M. at the Registered Office of the Company at Sitha Nilayam, 153, Dwarakapuri Colony, Punjagutta, Hyderabad – 500 082 to transact the following business:

### **ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited balance sheet as at 31st March 2013 and the Audited Statement of Profit and Loss for the year ended on that date together with the Report of the Board of Directors' and the Auditors' thereon.
2. To appoint a Director in place of Sri.K.V. Vishnu Raju, who retires by rotation and is eligible for re-appointment.
3. To appoint Auditors and fix their remuneration.

### **4. SPECIAL BUSINESS:**

**Text of the Resolution passed at the meeting of the Board of Directors of Hitech Print Systems Limited held on 26<sup>th</sup> April, 2013 at Corporate Office, Anjani Cement Centre, Nagarjuna Hills, Punjagutta, Hyderabad.**

"RESOLVED THAT Mr. S.V.S. Shetty be and is hereby appointed as Whole Time Director of the Company with effect from 01.05.2013 for a period of One year.

RESOLVED FURTHER THAT, pursuant to the provisions of Sections 198, 269, 309, read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 and subject to such approvals and permission of any authority as may be necessary and consent of the members of the company in the ensuing Annual General Meeting of the Company be and is hereby approved for the appointment of Mr. S.V.S. Shetty, as Whole Time Director of the Company for a period of one year with effect from 01<sup>st</sup> May, 2013 on the following terms and conditions:

**I. SALARY:**

Rs.1,25,000/- p.m. (Rupees One Lakh Twenty Five Thousand Only) per month.

**II. PERQUISITES:**

1. House Rent Allowance : Rs. 50,000/- per month.
2. Attire Allowance : Rs. 5,000/- per month.
3. Other Fixed Allowances : Rs. 20,000/- per month.

**III. OTHER BENEFITS:**

1. Company car and Telephones: Use of the Company's Car, Telephone at Residence and cell phone for official purpose.

The aggregate remuneration inclusive of salary and perquisites shall be subject to the overall ceiling limits laid down in Part II of Schedule XIII of the Companies Act, 1956.

RESOLVED FURTHER that the Board of Directors of the Company be and are hereby authorized to vary, alter or modify the different components of the above remuneration as may be agreed to by the Board of Directors and the Whole Time Director.

RESOLVED FURTHER THAT the terms and conditions of the said appointment may be altered and varied from time to time by the Board as it may, in its discretion, deem fit, within the maximum amount payable to the Whole Time Director in accordance with schedule XIII of the Act, or any amendments for the time being in force in this regard.

RESOLVED FURTHER that Mr. K.V. Vishnu Raju, Mr. P.V.R.L. Narasimha Raju, Directors be and are hereby severally authorized to file Form No.25C with Registrar of Companies, Andhra Pradesh.”

**By order of the Board**

*Place : Hyderabad*

K. V. Vishnu Raju  
Chairman

**Date : 28.05.2013**

**NOTES:**

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote, instead of himself and such proxy need not be a member of the Company. The proxy form duly completed and signed should be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.

## **Explanatory Statement (perusal to Section 173(2) of the Company's Act 1956**

### Item No. 4

The company's day-to-day affairs hitherto were managed by middle executive level employees with a view to focus more attention consequent to higher level of operations projected; it is decided by the Board to appoint Whole Time Director to look after the complete operations at senior level.

Accordingly, Mr. SVS Shetty who was working as Chief Executive Officer of holding company till recently and Director on the Board has been appointed as Whole Time Director for a period of 1 year w.e.f. 01.05.2013.

Mr. SVS Shetty, aged 64 and a graduate in Mechanical Engineering from Suratkal University who possess good techno-commercial knowledge with rich experience of 40 years at senior executive level.

Except Sri. SVS Shetty himself none of the other Directors are interested or concerned, whether directly or indirectly in the said resolution.

Your Directors recommend the resolution for approval.



## DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in presenting the 27<sup>th</sup> Annual Report together with the Audited Accounts and Cash-flow Statement for the financial year ended 31<sup>st</sup> March, 2013.

### FINANCIAL RESULTS:

(₹ in Lakhs)

Particulars	2012 – 2013	2011 – 2012
Revenue from Operations ( Gross)	3861.05	3275.89
<b>Profit before Interest &amp; Depreciation</b>	<b>583.25</b>	<b>526.20</b>
Less : Finance Cost	250.28	259.61
Less : Depreciation	233.40	227.69
<b>Profit before tax</b>	<b>99.57</b>	<b>38.90</b>
Less : Provision for taxation	27.16	13.72
<b>Profit after tax</b>	<b>72.41</b>	<b>25.18</b>
<b>Balance brought forward</b>	<b>873.57</b>	<b>848.39</b>
<b>Balance Carried to Balance Sheet</b>	<b>945.98</b>	<b>873.57</b>

### REVIEW OF OPERATIONS:

The gross sales in terms of value during the year under review are at Rs.3861.05 Lakhs as against 3277.89 lakhs during the previous financial year registering a growth of 18%. Similarly the profit before tax for the current financial year is Rs.99.57 lakhs against Rs.38.90 lakhs for the previous financial year. The profit after tax for the year under review stands at Rs.72.41 lakhs compared to Rs.25.18 lakhs during the previous financial year.

Your company is endeavoring to improve the performance further both in terms of Turnover and profitability by improving the capacity utilization and concentrate on the segment wise business with high contribution sale.

### FUTURE OUTLOOK / EXPANSION :

Indian and Global printing industries will continue to show growth scenario in future in spite of the fact that the share of paperless communication is increasing. The growth in printing industry will be expected to be more than 10% with accelerated growth in commercial printing, packaging, labels, rechargeable telecom coupons and in education sector. Because of rapid growth in education sector where new colleges and universities are coming up, the requirement of stationery items and exam related confidential printing will continue to grow. There is a good growth potential expected in publishing sector due to requirement of textbooks, other study / tutorial material for the competitive examinations. New businesses like RFID, Aadhar Cards and the print material requirement during the coming general elections will continue to boost the business for print related industries.



The company has added during this year a multi-colour offset printing press, 'Rotatek', manufactured in Spain which will help to cater the sectors like banking and finance, advertisement and telecom which have not been tapped so far.

Looking into the overall growth plan in publishing sector, company proposes to strengthen the manufacturing facilities in this direction in a phased manner.

Being in the Security Printing Sector, Hitech is focusing on additional security features required by customers. New software will be added to facilitate printing of cheque books and certificates as required by some universities.

Identifying confidential printing as one of the areas of focus, a separate infrastructure is being created to do such printing with high security controls. Jobs requiring manual operations is relocated by optimizing the usage of additional infrastructure recently added.

Paper industry is also on expansion mode but availability of raw material, mainly wood has become very expensive due to various controls by state forest department. Paper price will be continue to increase in the coming years as in last 6 months which will be a serious challenge for printing industry. In view of this factor, company is trying to focus on quality jobs where the contribution is reasonably high and tap the industrial sector to enable to get the sale proceeds with lower credit period for better cash flow management.

#### **DIVIDEND:**

The Directors have not recommended any dividend since the resources are required for investment in future upgradation plans

#### **DIRECTORS:**

In accordance with the requirements of the Companies Act, 1956 and the Articles of Association of the Company, Sri K.V.Vishnu Raju is liable to retire by rotation and being eligible to offer himself for re-appointment.

#### **AUDITORS:**

M/s. M. Anandam & Co., Chartered Accountants, Secunderabad, the Statutory Auditors of the Company, retire at the ensuing Annual General Meeting and are eligible for re-appointment.

#### **FIXED DEPOSITS:**

The Company has not accepted any Fixed Deposits during the year 2012-13.

#### **ENERGY, TECHNOLOGY AND FOREIGN EXCHANGE:**

Additional information on conservation of energy, Technology absorption, Foreign Exchange earnings and outgo as required to be disclosed in terms of Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure particulars in the Report of Board of Directors) Rules, 1988 is annexed hereto in Forms A, B & C which are part of this report.



**PARTICULARS OF EMPLOYEES:**

The Company does not have any employees drawing remuneration exceeding the limits prescribed under Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975.

**DIRECTORS' RESPONSIBILITY STATEMENT:**

Pursuant to provision of Section 217 (2AA) of the Companies (Amendment) Act, 2000 your Directors hereby confirm:

- a) In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures are made from the same.
- b) We have selected such accounting policies and applied them consistently and made judgements and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for the period;
- c) We have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- d) We have prepared the annual accounts on a going concern basis.

**INDUSTRIAL RELATIONS:**

During the period, the Industrial relations continued to be cordial. Your Directors take this opportunity to thank all the employees for their dedicated and sincere services towards a harmonious relationship and the progress of the company.

**ACKNOWLEDGMENTS:**

Your Directors place on record their appreciation to the various statutory bodies and departments of the State and Central Governments and Bankers, Customers and Suppliers of the Company for their valuable support to the Company.

On behalf of the Board

Place : Hyderabad  
Date : 28.05.2013

K.V. Vishnu Raju  
Chairman

S.V.S. Shetty  
Wholetime Director



## ANNEXURE

Information under section 217 (1) (e) under the Companies Act, 1956 read with the Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988 and forming part of the Directors Report for the year ending 31<sup>st</sup> March, 2013

### DISCLOSURE OF INFORMATION IN RESPECT OF:

(A) Conservation of Energy:	NIL
(B) Technology absorption	NIL
(C) Foreign Exchange Earnings and Outgo	
(i) Foreign Exchange earned :	NIL
(ii) Foreign Exchange used :	₹ 326.28 Lakhs

On behalf of the Board

Place : Hyderabad  
Date : 28.05.2013

K.V.Vishnu Raju  
Chairman

S.V.S. Shetty  
Wholetime Director



## Independent Auditors' Report

To  
The Members  
  
Hitech Print Systems Ltd.  
  
Hyderabad

### **Report on the Financial Statements**

We have audited in accompanying financial statements of Hitech Print Systems Limited ("The Company"). Which comprise the Balance Sheet as at March 31, 2013, 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 given a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that given 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 basis for our audit opinion.

## Opinion

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

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

## Report on Other Legal and Regulatory Requirements

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

for **M.Anandam & CO**  
Chartered Accountants  
Firm Regn No : 000125S

S. Venkateswarlu  
Partner  
M.No.22790

Place : Secunderabad  
Date : 28.05.2013

## Annexure referred to in Paragraph 1 under the heading of "Report on other Legal and Regulatory Requirements" of our report of even date

- \i
- a. The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
  - b. The Fixed Assets were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanations given to us. No material discrepancies were noticed on such verification.
  - c. In our opinion, the company has not disposed of a substantial part of the fixed assets during the year and the going concern status of the company is not affected.



- 
- ii
- a. The management has conducted physical verification of finished goods, stores and spares and raw materials at reasonable intervals.
  - b. The procedures of physical verification of inventories followed by the management are reasonable, adequate and commensurate with the size of the company and nature of its business.
  - c. As per the explanations given to us, the material variations wherever noticed on physical verification of stock have been properly dealt with in the books of accounts.
- iii
- a. The company has not granted loans to parties listed the Register maintained under section 301 of the Company Act, 1956. Consequently, the requirements of Clauses (iii) (b), (iii) (c) and (iii) (d) of paragraph 4 of the order are not applicable.
  - b. The Company has not taken loans from the parties covered in the register maintained under section 301 of the companies Act, 1956. Consequently, the requirements of Clauses (iii) (f) and (iii) (g) of paragraph 4 of the order are not applicable.
- iv
- In our opinion and according to information and explanations given to us, there are adequate internal control systems commensurate with the size of the company and nature of its business, for the purchase of inventory, fixed assets and for sale of goods. During the course of our audit, we have not observed any major weakness in the internal control system in respect of these areas.
- v
- a. According to information and explanations given to us, we are of the opinion that the transactions that need to be entered into the register maintained under Sec.301 of the Companies Act,1956, have been so entered.
  - b. In our opinion and according to the information and explanation given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the companies Act. 1956 and exceeding the value of rupees five lakhs in respect of any party during the kyear have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
- vi
- In our opinion and according to information and explanations given to us, the company has not accepted deposits fgrom public within the meaning of sections 58A and 58AA or any other relevant provisions of the Companies Act, 1956 and the rules framed there under.
- vii
- The company has an adequate internal audit system which is commensurate with its size and nature of its business.
- viii
- We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Accounting Records) Rules, 2011 prescribed by the Central Government under Section 209(1)(d) of the Companies Act, 1956 and are of the opinion that prima facie the prescribed cost records have been maintained. We have, however, not made a detai9led examination of the cost records with a view to determine whether they are accurate or complete.
- ix
- a. According to the records of the company, the undisputed Statutory dues including Provident Fund, Employees State Insurance, Service Tax, Excise Duty, Sales Tax and Cess have been regularly deposited with the appropriate authorities. According to the information and explanations given to us, no undisputed amount payable inrespect of the aforesaid dues were outstanding as at 31<sup>st</sup> March 2013, for a period of more than six months from the date they become payable



- b. According to the records of the company and the information and explanations given to us the following are the particulars of dues on account of Sales tax & Service tax matters that have not been deposited on account of dispute.

Name of the Statute	Nature of dues	Amount to extent not paid (₹ in lakhs)	Period to which the amount relates	Forum Where dispute is pending
APGST Act	Sales Tax	3.85	1999-2000	A.P.High Court
APGST Act	Sales Tax	6.11	2003-2004	A.P.High Court
TNGST Act	Sales Tax	1.78	2002-2003	AAC,Coimbatore
APGST Act	Central Sales Tax	0.36	1999-2000	A.P.High Court
APGST Act	Central Sales Tax	8.01	2002-2003	A.P.High Court
APGST Act	Central Sales Tax	2.96	1996-1997	A.P.High Court
APGST Act	Central Sales Tax	0.32	1997-1998	A.P.High Court
APVAT Act	Central Sales Tax	2.49	2005-2006	Appellate Tribunal Visakhapatnam
APVAT Act	VAT	0.36	2005-2006	
APVAT Act	Central Sales Tax	1.41	2006-2007	
APVAT Act	VAT	0.92	2006-2007	
APVAT Act	VAT	1.36	2007-2008	
APGST Act	Central Sales Tax	14.81	2003-2004	
Service Tax	Service Tax	15.40	2006-2011	Commissioner(Appeals) Guntur

- x 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:
- xi In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to any financial institution, bank or debenture holders.
- xii According to information and explanations given to us and based on the documents and records produced to us, the Company has not granted any loans and advances on the basis of security by way of pledged of shares, debentures and other securities.
- xiii In our opinion, the Company is not a chit fund or a nidhi / mutual benefit fund/society. Therefore, Clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 is not applicable to the company.
- xiv In our opinion and according to the information and explanations given to us, the Company is not dealing in shares, securities, debentures and other investments. Accordingly the provisions of Clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- xv In our opinion and according the information and explanations given to us, the company has not given any guarantees for loans taken by others from financial institutions. Accordingly, the provisions clause 4(xv) of the companies (Auditors' Report) order, 2003 are not aplicable to the company.
- xvi In our opinion and according the information and explanation given to us, term loans have been applied for the purpose of for which they were raised.
- xvii In our opinion and according to the information and explanation to us, and on an overall examination of the Balance sheet of the Company, we report that no funds raised on short-term basis have been used for long term investments.
- xviii The Company has not made any preferential allotment of shares during the year to parties or companies covered in the register maintained under Section 301 of the of the Companies Act,1956.
- xix The company has not raised any debentures during the year.
- xx The company has not raised any funds on public issue and hence disclosure on the end use of money raised by the public issue is not applicable to the company.
- xxi To the best of our knowledgte and kbelief and according to the information and explanations given to us, no fraud on or by the Company was noticed or reported during the year.

**For M.ANANDAM & CO**  
Chartered Accountants  
Firm Regn No : 000125S

Place : Secunderabad  
Date : 28.05.2013

S. Venkateswarlu  
Partner  
M.No.22790

**BALANCE SHEET AS AT 31<sup>st</sup> MARCH, 2013**

(₹. in Lakhs)

Particulars	Note No.	31 <sup>st</sup> March, 2013	31 <sup>st</sup> March, 2012
<b>I. EQUITY AND LIABILITIES</b>			
<b>Shareholder's Funds</b>			
(a) Share Capital	2	150.00	150.00
(b) Reserves and Surplus	3	1103.58	1031.17
<b>Non-Current Liabilities</b>			
(a) Long Term borrowings	4	447.64	486.63
(b) Deferred Tax Liability	5	96.89	124.22
(c) Other Long Term Liabilities	6	0.96	0.96
(d) Long Term Provisions	7	1.63	2.50
<b>Current Liabilities</b>			
(a) Short Term Borrowings	8	822.15	633.62
(b) Trade Paybles	9	567.19	287.16
(c) Other Current Liabilities	10	678.89	662.55
(d) Short Term Provisions	11	0.34	0.14
<b>Total</b>		<b>3869.27</b>	<b>3378.95</b>
<b>II. ASSETS</b>			
<b>Non-Current Assets</b>			
(a) Fixed Assets	12		
i) Tangible Assets		1456.41	1207.78
ii) Intangible Assets		3.81	5.07
iii) Capital work in Progress		6.89	-
(c) Long Term Loans and Advances	13	147.99	137.89
<b>Current Assets</b>			
(a) Inventories	14	753.32	626.60
(b) Trade Receivables	15	962.36	1041.35
(c) Cash and Cash Equivalents	16	61.68	42.22
(d) Short Terms Loans and Advances	17	470.72	313.94
(e) Other Current Assets	18	6.09	4.10
<b>Total</b>		<b>3869.27</b>	<b>3378.95</b>

Significant Accounting Policies 1

The accompanying notes 1 to 35 are an integral part the Financial Statements

As per our report of even date

**For M.ANANDAM & CO**  
Chartered Accountants

**For and on behalf of the Board**

**S. Venkateswarlu**  
Partner  
M.No.22790

**K.V.Vishnu Raju**  
Chairman

**S.V.S. Shetty**  
Wholetime Director

Place : HYDERABAD

Date : 28.05.2013

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2013**

(₹ in Lakhs)

Particulars	Note No.	31 <sup>st</sup> March, 2013	31 <sup>st</sup> March, 2012
<b>I. Revenue from Operations</b>	19	3,822.33	3,242.52
<b>II. Other Income</b>	20	4.00	2.53
<b>III. Total Revenue (I + II)</b>		<b>3,826.33</b>	<b>3,245.05</b>
<b>IV. Expenses :</b>			
Cost of Raw Materials consumed	21	2178.10	1695.61
Purchase of Traded Goods		-	91.04
Changes in Inventories	22	(19.84)	18.45
Employee Benifit expense	23	256.61	214.16
Finance Cost	24	250.28	259.61
Depreciation and amortisation expense	12	233.40	227.69
Other expenses	25	828.21	699.59
<b>Total Expenses</b>		<b>3726.76</b>	<b>3,206.15</b>
<b>V. Profit/(Loss) before tax (III - IV)</b>		99.57	38.90
<b>VI. Tax Expense :</b>			
(i) Current tax		59.95	35.66
(ii) Deferred tax		(27.33)	(21.94)
(iii) Excess/short provision of Income Tax of earlier years		(5.46)	-
<b>VII. Profit/(Loss) after tax for the year(V-VI)</b>		<b>72.41</b>	<b>25.18</b>
<b>VIII. Earning per equity share : (Face value - Rs.10/- each)</b>			
(1) Basic		4.83	1.68
(2) Diluted		4.83	1.68

Significant Accounting Policies 1

The accompanying notes 1 to 35 are an integral part the Financial Statements

As per our report of even date

**For M.ANANDAM & CO**  
Chartered Accountants

**For and on behalf of the Board**

**S. Venkateswarlu**  
Partner  
M.No.22790

**K. V. Vishnu Raju**  
Chairman

**S.V.S. Shetty**  
Wholetime Director

Place : HYDERABAD

Date : 28.05.2013



**CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2013**

**(₹ in Lakhs)**

PARTICULARS	31 <sup>st</sup> March, 2013		31 <sup>st</sup> March, 2012	
<b>A. CASH FLOW FROM OPERATING ACTIVITIES:</b>				
Net Profit before Tax	99.57		38.90	
Adjustment for :				
Depreciation	232.13		226.42	
Amoritzation of intangible Assets	1.27		1.27	
Loss on sale of Assets	2.46		0.04	
Badebts written off	0.63		-	
Interest on Term Loans	250.28		235.23	
Operating Profit Before Working Capital Changes	586.33		501.87	
Changes in Working Capital :				
(Increase)/Decrease in Inventories	(126.72)		2.54	
(Increase)/Decrease in Sundry Debtors	78.36		(187.42)	
(Increase)/Decrease in Loans and Advances	(168.87)		208.61	
Increase/(Decrease) in Current Liabilities	187.02		47.51	
Cash Generated from Operations	556.12		573.10	
Direct taxes paid	-		-	
Net Cash Flow from Operating Activities		556.12		573.10
<b>B. CASH FLOW FROM INVESTING ACTIVITIES:</b>				
Inflow/(Outflow)				
Purchase of Fixed Assets	(478.98)		(20.27)	
Proceeds from sale of Fixed assets	4.77		27.10	
(Increase) / Decrease in Capital work In Progress	(6.89)		--	
Net Cash Flow from Investing Activities		(481.10)		6.83
<b>C. CASH FLOW FROM FINANCING ACTIVITIES:</b>				
Inflow / (Outflow)				
Repayment of Hire Purchase Loans	(1.19)		(2.34)	
Repayment of Term Loan	(226.75)		(287.33)	
Interest and Financial charges paid	(253.78)		(228.16)	
Proceeds from Long Term Borrowings	237.62		-	
Net Increase in Cash credit Account	188.54		(69.40)	
Net Cash Flow from Financing Activities		(55.56)		(587.23)
<b>D. NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS:</b>		<b>19.46</b>		<b>(7.31)</b>
Cash and Cash Equivalents at the Commencement of the year		42.22		49.53
<b>Cash and Cash Equivalents at the Close of the year</b>		<b>61.68</b>		<b>42.22</b>

Note: Previous year's figures have been regrouped and recast wherever necessary to confirm with current year's classification

**For M.ANANDAM & CO**  
Chartered Accountants

**For and on behalf of the Board**

**S. Venkateswarlu**  
Partner  
M.No.22790

**K.V.Vishnu Raju**  
Chairman

**S.V.S. Shetty**  
Wholetime Director

Place : HYDERABAD  
Date : 28.05.2013



## **NOTE 1 : SIGNIFICANT ACCOUNTING POLICIES**

### **1) Basis of Preparation:**

The Financial Statements of the company have been prepared in accordance with generally accepted accounting principles in India ( Indian GAAP ). The Company has prepared these financial statements to comply in all material respects with the accounting standards notified under companies (Accounting standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared on an accrual basis and under the historical cost convention.

### **2) Revenue Recognition:**

To recognize revenue at the time of the despatch of goods and rendering of services net of trade discounts to customers and sales tax / value added tax recovered from the customers but including excise duty on goods payable by the company. Net revenue is stated after deducting such excise duty.

#### **Investment Income:**

To account for Income from investments on an accrual basis, include of related tax deducted at source.

### **3) Fixed Assets:**

Fixed assets are stated at cost of acquisition or construction. Cost comprises of the purchase price and other expenses attributable in bringing them to the present location and condition, including cost of borrowings till the date of capitalization of the asset acquired / installed / commissioned. All the expenditure incurred on establishing / setting up of new projects / substantial expansion of existing facilities and creation of new assets are capitalized. Expenditure capitalized includes borrowing / finance costs on eligible assets incurred upto the date of commencement of commercial production.

Intangible assets are stated at cost less accumulated amortization. Cost includes any directly attributable expenditure on making the asset ready for its intended use.

### **4) Depreciation:**

Depreciation on fixed assets has been provided on the straight line method and at the rates and in the manner specified in Schedule XIV to the Companies Act, 1956.

### **5) Investments:**

Long term investments are stated at cost. The diminution in the market value of such investments is not recognized unless it is considered permanent in nature. Current investments are valued at the cost or market value whichever is lower.

### **6) Borrowing Costs:**

Borrowing costs relating to acquisition of fixed assets which takes substantial period of time to get ready for its intended use are included to the extent they relate to the period till such assets are ready to be put to use. All other borrowing costs are charged to revenue. Borrowing costs consist of interest and financial costs the company incurs on its borrowed capital.

### **7) Accounting for Leases:**

Rentals in respect of leased premises are charged to profit and loss account, being rents paid in pursuance of cancellable lease agreements.



**8) Inventories:**

Items of inventories are measured at lower of cost or net realizable value after providing for obsolescence, if any. Cost comprises of cost of purchase, cost of conversion, and other costs incurred in bringing the inventories to the present location and condition.

**9) Employee Benefits:**

**a) Defined Contribution Plan:**

Retirement benefits in the form of Provident Fund are defined contribution scheme and contributions in respect of such scheme are recognized in the books of account.

**b) Defined Benefit Plan:**

Gratuity and leave encashment liabilities are defined benefit obligations and provided on the basis of independent actuarial valuation on projected unit credit method made at the end of the year.

The company has taken a group gratuity cum insurance policy with Life Insurance Corporation of India (LIC), for future payment of gratuity to the employees.

Leave encashment liability is provided in the books account.

**10) Taxes on Income:**

**a) Current Tax:**

Provision for current tax is made for the amount of tax payable in respect of taxable income for the year computed under the provisions of the Income Tax Act, 1961.

**b) Deferred Tax:**

Deferred tax is recognized on timing difference being the difference between taxable income and accounting income that originate in one period and are capable of being reversed in the subsequent period/s, subject to the consideration of prudence.

**11) Foreign Currency Transactions:**

Transactions denominated in foreign currencies are recorded at the exchange rate prevailing at the time of the transaction. Monetary items denominated in foreign currencies at the year end are translated at the year-end rates, the resultant gain or loss will be recognized in the profit and loss account. Any gain or loss arising on account of exchange difference on settlement of transaction is recognized in the profit and loss account

**12) Provisions, Contingent Liabilities and Contingent Assets:**

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are disclosed when the Company has possible obligation or a present obligation and it is probable that a cash outflow will not be required to settle the obligation. Contingent Assets are neither recognized nor disclosed in the financial statements.

**13) Use of Estimates:**

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets, liabilities, revenues and expenses. The estimates used in preparation and presentation of financial statements are prudent and reasonable. Actual results could differ from estimates. Any revision of accounting estimates is recognized prospectively in the current and future periods.

**14) Impairment:**

The carrying amounts of assets are reviewed at each Balance Sheet date if there is any indication of impairment based on internal/external factors. An impairment loss will be recognized if the carrying amount of an asset exceeds its estimated recoverable amount. The recoverable amount is greater of asset's net selling price and value in use. In assessing the value in use, the estimated future economic benefits are discounted to the present value at the weighted average cost of capital.



**NOTE 2 : SHARE CAPITAL**

Particulars	As at 31.03.2013 (No of shares)	As at 31.03.2013 (Rs. in Lakhs)	As at 31.03.2012 (No of shares)	As at 31.03.2012 (Rs. in Lakhs)
<b>Authorised Capital</b>				
Equity Shares of ` 10/- each.	50,00,000	500.00	50,00,000	500.00
	<b>50,00,000</b>	<b>500.00</b>	<b>50,00,000</b>	<b>500.00</b>
<b>Issued, Subscribed and Paid up</b>				
Equity Shares of ` 10/- each fully paid up.	15,00,000	150.00	15,00,000	150.00
	<b>15,00,000</b>	<b>150.00</b>	<b>15,00,000</b>	<b>150.00</b>

**2.1 The details of Share holders holding more than 5% shares in the company**

Share Capital	As at 31.03.2013		As at 31.03.2012	
	(% of Share Holding)	(No of Shares)	(% of Share Holding)	(No of Shares)
Anjani Port Land Cement Limited (Holding Company)	100.00	15,00,000	100.00	15,00,000
<b>Total</b>	<b>100.00</b>	<b>15,00,000</b>	<b>100.00</b>	<b>15,00,000</b>

**2.2 The reconciliation of number of shares outstanding is set as below:**

Particulars	As at 31.03.2013 (No of shares)	As at 31.03.2013 (Rs. in Lakhs)	As at 31.03.2012 (No of shares)	As at 31.03.2012 (Rs. in Lakhs)
Number of shares at the beginning of the Year	15,00,000	150.00	15,00,000	150.00
Add : Shares issued during the year	--	--	--	--
Number of Shares as at end of the Year	15,00,000	150.00	15,00,000	150.00

**NOTE 3: RESERVES AND SURPLUS**

(₹ in Lakhs)

Particulars	As at 31.03.2013	As at 31.03.2012
<b>General Reserve</b>		
Opening Balance	157.60	157.60
Add: Additions during the current year	0.00	0.00
<b>Total</b>	<b>157.60</b>	<b>157.60</b>
<b>Surplus</b>		
Opening Balance	873.57	848.39
Add: Net profit for the current year	72.41	25.18
<b>Total</b>	<b>945.98</b>	<b>873.57</b>

**NOTE 4: LONG TERM BORROWINGS**

(₹ in Lakhs)

Particulars	As at 31.03.2013	As at 31.03.2012
<b>Secured</b>		
a) Term loans from Banks	447.64	486.00
b) from others	0.00	0.63
<b>Total</b>	<b>447.64</b>	<b>486.63</b>

4.1 Term Loans represents loans from Indian Bank & Axis Bank are secured by a pari passu charge on the entire factory land and Buildings of the Company including hypothecation of all plant and machinery situated at factory. Term loans are further secured by pari passu charge on entire current assets of the company and the personal guarantee of one of the Director. Further these loans are secured by corporate guarantee of M/s. Anjani Portland Cement Ltd (Holding company).

4.2 Other loans include loan towards purchase of vehicles from Axis Bank. These loans are secured against hypothecation of vehicles.

**4.3 Maturity profile and Rate of Interest of Term loans from Banks as on 31-03-2013**

Particulars	Rate of Interest(%)	In the 2nd Year	In the 3rd Year
Indian Bank - Term Loan -II	14.25	100.00	66.76
Indian Bank - Term Loan -III	14.25	78.24	67.64
Axis Bank	14.25	108.00	27.00
<b>Total</b>		<b>286.24</b>	<b>161.40</b>

**4.4 Maturity profile and Rate of Interest of Term loans from Banks as on 31-03-2012**

Particulars	Rate of Interest(%)	In the 2nd Year	In the 3rd Year
Indian Bank - Term Loan - I	14.75	20.00	0.00
Indian Bank - Term Loan -II	14.75	100.00	150.00
Axis Bank	14.25	108.00	108.00
Vehicle Loans		0.63	0.00
<b>Total</b>		<b>228.63</b>	<b>258.00</b>

**NOTE 5: DEFERRED TAX LIABILITIES (Net)**

(₹ in Lakhs)

Particulars	As at 31.03.2013	As at 31.03.2012
<b>Deferred Tax Asset</b> on account of Employee benefits	0.64	0.00
<b>Deferred Tax Liability</b> on account of Depreciation	97.53	124.22
<b>Total</b>	<b>96.89</b>	<b>124.22</b>

**NOTE 6: OTHER LONG TERM LIABILITIES**

(₹ in Lakhs)

Particulars	As at 31.03.2013	As at 31.03.2012
Dealership Deposits	0.96	0.96
<b>Total</b>	<b>0.96</b>	<b>0.96</b>

**NOTE 7: LONG TERM PROVISIONS**

(₹ in Lakhs)

Particulars	As at 31.03.2013	As at 31.03.2012
<b>Employee benifits</b>		
Leave encashment	1.63	0.76
Gratuity	0.00	1.74
<b>Total</b>	<b>1.63</b>	<b>2.50</b>

**NOTE 8: SHORT TERM BORROWINGS**

(₹ in Lakhs)

Particulars	As at 31.03.2013	As at 31.03.2012
<b>Secured Loans from Banks</b>		
Working Capital	822.15	633.62
<b>Total</b>	<b>822.15</b>	<b>633.62</b>

8.1 Cash credit facility with Indian Bank & Axis Bank are secured by way of hypothication of current Asset of the company ( both present and future) comprising stock of raw materials, work in process, receivables and other current assets on pari passu basis with existing banker and second charge on fixed assets of the company including the equitable mortagage of land and building constructed there on pari passu basis with existing banker. The cash credit facility is further secured by the personal guarantee of one of the Director of the Company. Further these facilities are secured by corporate guarantee of M/s.Anjani Portland Cement Limited (Holding Company)

**NOTE 9: TRADE PAYABLES**

(₹ in Lakhs)

Particulars	As at 31.03.2013	As at 31.03.2012
Dues to micro and small enterprises	0.00	0.00
Others	567.19	287.16
<b>Total</b>	<b>567.19</b>	<b>287.16</b>

**NOTE 10: OTHER CURRENT LIABILITIES**

(₹ in Lakhs)

Particulars	As at 31.03.2013	As at 31.03.2012
Current maturities on long term debts	310.39	211.72
Capital Creditors	13.08	0.79
Other Liabilities	301.47	306.29
Statutory Liabilities	13.00	1.71
Salaries and Wages	14.37	11.36
Advance from Customers	11.47	71.08
Interest accrued and due on borrowings	15.11	9.60
<b>Total</b>	<b>678.89</b>	<b>662.55</b>

**NOTE 11: SHORT TERM PROVISIONS**

(₹ in Lakhs)

Particulars	As at 31.03.2013	As at 31.03.2012
<b>PROVISION FOR EMPLOYEES BENIFITS</b>		
Leave encashment	0.34	0.14
<b>Total</b>	<b>0.34</b>	<b>0.14</b>



**NOTE 12: FIXED ASSETS**

(₹ in Lakhs)

Sl. No.	Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	
		As at 01.04.2012	Additions	Deletions/ Adjustments	As at 31.03.2013	As at 01.04.2012	For the Year	Deletions	As at 31.03.2013	As at 31.03.2013	As at 31.03.2012
<b>I. TANGIBLE ASSETS</b>											
1.	LAND	178.95	-	-	178.95	-	-	-	178.95	-	178.95
2.	BUILDINGS	200.29	14.78	-	215.07	52.31	6.84	-	155.92	59.15	147.98
3.	PLANT AND MACHINERY	2,487.67	455.50	-	2,943.17	1753.46	135.61	-	1054.10	1889.07	734.21
4.	DATA PROCESSING EQUIPMENT	499.13	12.39	-	511.52	392.73	82.30	-	36.49	475.03	106.40
5.	FURNITURE AND FIXTURES	19.22	-	-	19.22	12.29	1.22	-	5.71	13.51	6.92
6.	VEHICLES	44.54	3.87	17.49	30.92	26.75	3.71	10.26	10.73	20.20	17.79
7.	OFFICE EQUIPMENT	50.53	1.45	-	51.98	35.01	2.45	-	14.51	37.46	15.52
<b>SUB TOTAL</b>		<b>3,480.33</b>	<b>487.99</b>	<b>17.49</b>	<b>3,950.83</b>	<b>2272.55</b>	<b>232.13</b>	<b>10.26</b>	<b>1,456.41</b>	<b>2,494.42</b>	<b>1207.78</b>
<b>II. CWIP</b>		-	<b>6.89</b>	-	<b>6.89</b>	-	-	-	<b>6.89</b>	-	-
<b>TOTAL</b>		<b>3480.33</b>	<b>494.88</b>	<b>17.49</b>	<b>3957.72</b>	<b>2272.55</b>	<b>232.13</b>	<b>10.26</b>	<b>1463.30</b>	<b>2494.42</b>	<b>1207.78</b>
<b>III INTANGIBLE ASSETS</b>		<b>6.34</b>	<b>0.00</b>	<b>0.00</b>	<b>6.34</b>	<b>1.27</b>	<b>1.27</b>	<b>0.00</b>	<b>3.81</b>	<b>2.53</b>	<b>5.07</b>
<b>(Previous Year Total)</b>		<b>3494.37</b>	<b>13.93</b>	<b>27.98</b>	<b>3480.33</b>	<b>2046.95</b>	<b>226.42</b>	<b>0.84</b>	<b>1207.78</b>	<b>2272.55</b>	<b>1447.42</b>



**NOTE 13: LONG TERM LOANS AND ADVANCES** (₹ in Lakhs)

Particulars	As at 31.03.2013	As at 31.03.2012
Deposits with Govt./Institutions	146.73	136.63
Deposits with others	1.26	1.26
<b>Total</b>	<b>147.99</b>	<b>137.89</b>

**NOTE 14: INVENTORIES** (₹ in Lakhs)

Particulars	As at 31.03.2013	As at 31.03.2012
Raw Material	648.21	536.69
Stores & Spares	26.78	30.88
Finished Goods/CWIP	78.33	59.03
(Raw Materials and Stores & Spares are valued at Cost Finished goods are valued at NRV or Cost whichever is low)		
<b>Total</b>	<b>753.32</b>	<b>626.60</b>

**NOTE 15: TRADE RECEIVABLES** (₹ in Lakhs)

Particulars	As at 31.03.2013	As at 31.03.2012
Trade Receivables (Unsecured, considered good)		
(a) Outstanding for a period less than 6 months from the date they are due for payment	853.30	906.33
(b) Others	109.06	135.02
<b>Total</b>	<b>962.36</b>	<b>1,041.35</b>

**NOTE 16: CASH & CASH EQUIVALENTS** (₹ in Lakhs)

Particulars	As at 31.03.2013	As at 31.03.2012
Balances with Bank		
Current Account	11.25	8.30
Deposit Accounts	29.96	33.79
Cheques on hand	20.47	-
Cash on hand	-	0.13
<b>Total</b>	<b>61.68</b>	<b>42.22</b>

Deposit Account represents deposits given as Margin Money against Letter of Credit and Bank Guarantee.

**NOTE 17: SHORT TERM LOANS & ADVANCES** (₹ in Lakhs)

Particulars	As at 31.03.2013	As at 31.03.2012
Advances to Suppliers	277.31	155.19
Advances to Employees	16.21	11.34
Advance Income Tax (Net of Provision)	52.87	63.17
Deposits with Sales Tax Department	37.95	37.19
Vat & Cenvat Credit available	83.80	47.05
Other Advances	2.58	-
<b>Total</b>	<b>470.72</b>	<b>313.94</b>

**NOTE 18: OTHER CURRENT ASSETS** (₹ in Lakhs)

Particulars	As at 31.03.2013	As at 31.03.2012
Prepaid Expenses	3.15	1.97
Deposits with others	2.94	2.13
<b>Total</b>	<b>6.09</b>	<b>4.10</b>



**NOTE 20: REVENUE FROM OPERATIONS** (₹ In Lakhs)

Particulars	For the year ended	
	31.03.2013	31.03.2012
Sale of Products	3717.27	3152.80
Other Operating Income	143.77	123.09
<b>Total Sales</b>	<b>3861.05</b>	<b>3275.89</b>
Less: Excise Duty	38.72	33.36
<b>Total</b>	<b>3822.33</b>	<b>3242.53</b>

**NOTE 21: OTHER INCOME** (₹ In Lakhs)

Particulars	For the year ended	
	31.03.2013	31.03.2012
Interest Income	4.00	2.53
<b>Total</b>	<b>4.00</b>	<b>2.53</b>

**NOTE 22: COST OF MATERIALS CONSUMED** (₹ In Lakhs)

Particulars	For the year ended	
	31.03.2013	31.03.2012
Opening Stock	536.69	523.03
Add: Purchases	2200.48	1,639.68
	2737.17	2,162.71
Less: Closing Stock	640.16	536.70
<b>Consumption of Raw Material</b>	<b>2097.01</b>	<b>1,626.01</b>
Consumption of Packing Material	81.09	69.60
<b>Total</b>	<b>2178.10</b>	<b>1695.61</b>

**NOTE 23: CHANGES IN INVENTORIES OF FINISHED GOODS/WORK IN PROCESS** (₹ In Lakhs)

Particulars	For the year ended	
	31.03.2013	31.03.2012
Opening stock	58.49	76.94
Less: Closing Stock	78.33	58.49
<b>(Increase)/Decrease of Finished Goods/work in processes</b>	<b>(19.84)</b>	<b>18.45</b>

**NOTE 24: EMPLOYEE BENEFIT EXPENSE** (₹ In Lakhs)

Particulars	For the year ended	
	31.03.2013	31.03.2012
Salaries & Wages	203.42	165.38
Contribution to Provided Fund & Other Funds	27.43	24.19
Employee welfare expenses	25.76	24.59
<b>Total</b>	<b>256.61</b>	<b>214.16</b>

**NOTE 25: FINANCE COST**

(₹ In Lakhs)

Particulars	For the year ended	
	31.03.2013	31.03.2012
Interest Expense	208.51	234.84
Other borrowing costs	41.77	24.77
<b>Total</b>	<b>250.28</b>	<b>259.61</b>

**NOTE 26: OTHER EXPENSES**

(₹ In Lakhs)

Particulars	For the year ended	
	31.03.2013	31.03.2012
<b>Manufacturing Expenses:</b>		
Consumption of Stores & Spares	187.46	162.25
Production Expenses	206.40	224.03
Power & Fuel	104.36	68.85
AMC Charges	16.62	-
Repairs & Maintainance	60.04	38.97
Communication Expenses	12.10	11.14
Travelling & Conveyance	32.53	21.73
Rent	17.27	16.81
Rates & Taxes	2.10	1.99
Auditors remuneration (Note: 26)	5.23	4.49
Consultation & Professional Charges	16.14	25.34
Vehicle Maintainance	1.68	1.83
Insurance	5.18	3.78
Office Maintainance	26.69	22.73
Taxes and Duties	8.61	5.95
Loss on Sale of Fixed Assets	2.46	0.03
Carriage outward	99.03	72.67
Sales Promotion Expenses	24.31	17.00
<b>Total</b>	<b>828.21</b>	<b>699.59</b>

**NOTE 27: AUDITORS REMUNARATION**

(₹ In Lakhs)

Particulars	For the year ended	
	31.03.2013	31.03.2012
Audit Fee	2.50	2.50
Limited Review Fee	1.00	0.50
Tax Audit Fee	1.00	1.00
Service Tax	0.56	0.43
Out of pocket Expenses	0.17	0.06
<b>Total</b>	<b>5.23</b>	<b>4.49</b>



**NOTE 27: EMPLOYEE BENEFITS**

**27.1 Defined Contribution Plan**

(₹ In Lakhs)

Sl.No	Particulars	for the year ended 31-03-2013	for the year ended 31-03-2012
1	Company's Contribution to Provident Fund	10.58	12.69

**27.2 Defined Benefit Plans:**

Defined Benefit Plans/Long Term compensated absences-as per Actuarial Valuations as on March 31st, 2013 and recognised in the financial statements in respect of Employer Benefit Schemes (₹ In Lakhs)

Sl.No	Particulars	for the year ended			
		31-03-2013 (Gratuity)	31-03-2013 (Leave encashment)	31-03-2012 (Gratuity)	31-03-2012 (Leave encashment)
		Funded	Unfunded	Funded	Unfunded
1.	<b>Changes in the present value of obligation</b>				
	Present value of obligations as at beginning of the year	21.09	0.91	22.30	0.00
	Interest Cost	1.69	0.07	1.52	0.00
	Current service cost	1.34	0.32	1.39	0.27
	Benefits paid	(2.31)	-	(4.71)	-
	Actuarial (gain)/loss on obligations	(3.16)	0.67	0.59	0.64
	Present value of obligations as at end of the year	18.64	1.97	21.09	0.91
2.	<b>Changes in Fair value of plan assets</b>				
	Fair value of plan assets at beginning of the year	19.34	-	22.29	-
	Expected return on plan assets	1.70	-	1.76	-
	Contributions	1.10	-	-	-
	Benefits Paid	(2.31)	-	(4.71)	-
	Actuarial (gain)/loss on plan assets	-	-	-	-
	Fair value of plan assets at end of the year	19.83	Nil	19.34	Nil
3.	<b>Net Assets / (liability) recognized in the Balance Sheet</b>				
	Present value of obligations as at end of the year	18.64	1.97	21.09	0.91
	Fair value of plan assets as at end of the year	19.83	-	19.34	-
	Funded status	1.19	(1.97)	(1.75)	(0.91)
	Net Asset/(liability) recognized in Balance Sheet	(Nil)	(1.97)	(1.75)	(0.91)
4.	<b>Expenses recognized in the statement of Profit and Loss</b>				
	Current service Cost	1.34	0.32	1.39	0.27
	Interest cost	1.69	0.07	1.52	-
	Expected return on plan assets	(1.70)	-	(1.75)	-
	Net Actuarial (gain)/ loss recognized in the year	(3.16)	0.67	0.59	0.64
	Expenses recognized in the statement of profit and loss account	(1.84)	1.06	1.75	0.91
5.	<b>Assumptions</b>				
	Discount Rate	8%	8%	8%	8%
	Salary Escalation	4%	4%	4%	4%

The Gratuity expenses have been recognized in "Contribution to provident and other funds" and leave encashment in "Salaries and wages" under note No.23.

**Note 28: Contingent Liabilities and Commitments****(₹ In Lakhs)**

Particular	2012-13	2011-12
Claims against the Company not acknowledged as debt:		
- Disputed liability in respect of sales tax and service Tax demand	60.14	93.39
Commitments:		
- Capital	12.75	Nil

**NOTE 29: RELATED PARTY DISCLOSURES****A) Relationship**

- a) Holding Company
  - i. Anjani Portland Cement Limited.
- b) Key Management Personnel
  - i. Sri. K.V. Vishnu Raju
  - ii. Sri P.V.R.L.Narasimha Raju
  - iii. Sri S.V.S.Shetty
- c) Relatives of Key Management Personnel
  - i. Sri. K.S.N.Raju
- d) Enterprises owned or significantly influenced by Key Management Personnel
  - i. Vennar Ceramics Ltd
  - ii. Sai Aditya Foods & Retails Pvt Ltd
  - iii. Sri Vishnu Educational Society

**B). The following transactions are carried out with related parties in the course of business****(₹ In Lakhs)**

Particulars	Holding Company	Key managerial Persons	Relatives of Key managerial Persons	Enterprises of Key managerial Persons	Total
Sales	16.33 (7.81)	-		86.03 (41.72)	102.36 (49.53)
Purchases	4.21 (Nil)	- -	- -	- -	4.21 (Nil)
Office Rent	- -	6.25 (6.25)	6.25 (6.25)	- -	12.50 (12.50)
Loans Repaid	-	-	-	Nil (350.00)	Nil (350.00)
Balance out standing at the end of the Current Year	- (0.83)	- -	- -	- -	- -

Figures in brackets represents previous year.

**NOTE 30: CONSUMPTION OF RAW MATERIALS & OTHER MATERIALS****a) Material Consumption:****(₹ In Lakhs)**

Particulars	2012-13	2011-12
Paper	2,034.41	1,572.33
Carbon	22.20	13.79
Ink	40.40	39.89
<b>Total</b>	<b>2,097.01</b>	<b>1,626.01</b>

**NOTE 31: Value of Imported and Indigenous Raw Materials, Consumables etc,****(₹ In Lakhs)**

Particulars	Raw Material				Consumable stores			
	Current Year		Previous Year		Current Year		Previous Year	
	%	In Rs.	%	In Rs.	%	In Rs.	%	In Rs.
Imported	0.00	0.00	0.69	11.28	1.33	2.50	0.18	0.29
Indigenous	100.00	2097.01	99.31	1614.73	98.67	184.96	99.82	161.96
<b>Total</b>	<b>100.00</b>	<b>2097.01</b>	<b>100.00</b>	<b>1626.01</b>	<b>100.00</b>	<b>187.46</b>	<b>100.00</b>	<b>162.25</b>

**NOTE 32: CIF Value of Imports****(₹ In Lakhs)**

Particulars	2012-13	2011-12
Capital Goods	323.78	15.30
Stores & Spares	2.50	0.29
Paper	0.00	11.28
<b>Total</b>	<b>326.28</b>	<b>26.87</b>

**NOTE 33: BUSINESS SEGMENTS**

The Company operates only in one business segment i.e printing, hence segment reporting is not applicable.

**NOTE 34:**

Previous year figures have been regrouped and reclassified wherever considered necessary.

As per our report of even date attached

For and on behalf of

**For M.ANANDAM & CO**

Chartered Accountants

**For and on behalf of the Board**

**S. Venkateswarlu**

Partner  
M.No.22790

**K.V.Vishnu Raju**

Chairman

**S.V.S. Shetty**

Wholetime Director

Place : HYDERABAD

Date : 28.05.2013

**Balance sheet Abstract and Company's General Business Profile as at 31.03.2013****I. Registration Details**

Registration No. : 6739 State Code : 01  
Balance Sheet Date : 31.03.2013

**II. Capital raised during the year (₹ In Lakhs)**

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

**III. Position of mobilization and deployment of funds (₹ In Lakhs)**

Total Liabilities : 3869.27 Total Assets : 3869.27

**Sources of Funds**

Paid-up Capital : 150.00 Reserves & Surplus : 1103.58  
Long Term Loans : 447.64 Other Long Term Liabilities : 0.96  
Current Liabilities : 2068.57 Deferred Tax Liability : 96.89  
Long Term Provisions : 1.63

**Application of Funds**

Net Fixed Assets : 1467.11 Investment : NIL  
Current Assets : 2254.17 Misc. Expenditure : NIL  
Long Term Loans & Advances: 147.99  
(Including interest)

**IV. Performance of Company (₹ In Lakhs)**

Total Turnover : 3826.33 Total Expenditure : 3726.76  
Profit before Tax : 99.57 Profit after Tax : 72.41  
Earning per share(₹) : 4.83 Dividend Rate : NIL

**V. Generic Name of Principal Products of the Company**

Product Description	Item Code (ITC Code)
1. Printed material	4820.00
2. Offset - Printing	4901.90