

NOTE -22 - SIGNIFIANT ACCOUNTING POLICIES AND NOTES ON FINANCIAL STATEMENTS

1 ACCOUNTING POLICIES:

(a) Basis of Accounting:

The accounts of the Company are prepared under the historical cost convention, in accordance with applicable Accounting Standards, for recognition of income and expenditure mercantile systems of accounting is followed except in the case of interest on deposit with Post Office Saving Bank Account which are accounted for on cash basis.

(b) Use of Estimates

The preparation of financial statements in under generally accepted accounting principles (GAAP) requires management to make estimates and assumptions that effect the reported statements of assets and liabilities and the disclosure of contingent liabilities on the date of financial statements and the reported amounts of revenue and expenses during the year. The actual results could differ from these estimates. Any revision to accounting estimates is recognized prospectively in current and future periods.

(c) Fixed Assets:

Fixed Assets are stated at cost and / or revalued cost less depreciation. Since certain machineries were purchased in Court auction at a consolidated price, any sale out of the said machineries is adjusted in the plant & machinery account at sale value.

(d) Depreciation:

Depreciation has been provided on straight line method on assets installed up to 30th June, 1987 at the rates corresponding to rates applicable under the Income Tax Rules in force at the time of acquisition /Installation of respective assets pursuant to circular No. 1/86 dated 21st May, 1986 issued by the Department of Company affairs in accordance with provisions of Section 205(2)(b) of the Companies Act, 1956 and on addition thereafter at the rates, basis and manner as specified in Schedule XIV to the Companies Act, 1956.

(d) Investments:

Investments are classified as Long Term & Short Term Investments . All long-term investments have been valued at cost. The market value of quoted investments in certain shares have eroded, being temporary in nature, therefore, no provision has been made in respect of unquoted investments for decrease in estimated realisable value on the basis of available information. Short-term investments have been valued at cost or net realisable value whichever is lower.

(e) Valuation of Inventories:

RAW MATERIALS, STORES & SPARES, WORK IN PROCESS, FINISHED GOODS	LOWER OF COST OR NET REALISABLE VALUE
LOOSE TOOLS	AT ESTIMATED VALUE
SCRAP	AT ESTIMATED REALISABLE VALUE

Notes:

(i) Cost is arrived on weighted average basis.

(ii) Cost of inventories comprises all costs of purchase, conversion and other costs incurred in bringing the inventories to their present location and condition.

(f) Foreign Currency Transactions:

(i) Transactions in foreign currency has been translated into Indian Rupees at the exchange rates prevailing at the date of transaction, any variation in receipt or payment has been adjusted in exchange gain/loss account, Assets and Liabilities outstanding as at year end have been converted into the Indian Rupees at year end exchange rates.

(ii) Non-monetary assets and liabilities are translated at the rate prevailing on the date of transaction. Net variation arising out of the said transactions are adjusted to the costs of the respective non-monetary assets or liabilities, in the case of fixed assets up to the date of installation.

(iii) The operations of foreign branches of company are integral in nature and financial statements of these branches are translated using the same principles and procedures as of its head office.

(iv) In case of forward exchange contract or other financial instruments, the gain or loss is computed by multiplying the foreign currency amount of the forward exchange contract by the difference between the forward rate available at the end of the year and the contracted forward rate.

(g) Excise Duty:

Liability for Excise Duty in respect of finished goods and scrap not cleared from factory premises for sale is accounted for at the time of clearance from the factory premises. The policy has however, no impact on operating results and net current assets of the Company.

(h) Expenditure During Construction Period

All expenses including interest incurred up to the date of installation are capitalised together with the other direct costs.

(i) Employees Benefits**1) Short Term Benefit**

The Undiscounted amount of short term employees benefits expected to be paid in exchange for the services rendered by employees is recognizing the period when the employee rendered the service. This benefit includes salary, wages, short term compensatory absence and bonus.

2) Long Term Benefits

- i. Defined Contribution Scheme (DCS) - such as Provident Fund and other Funds, Employees State Insurance Scheme are charged to the Profit and Loss Account as incurred as per the applicable Law/Rules.
- ii. Defined benefit Scheme (DFS) - The present obligation, Company's liability towards Gratuity and Leave Encashment, under such scheme is determined based on an actuarial valuation, using the Projected Unit Credit (PUC) method, carried out by an independent actuary. As per the requirement of "Accounting Standard 15 (Revised 2005) on Employees benefit. Actuarial gain and losses arising on such valuation are recognized immediately in the Profit and Loss account.
- iii. In case of Funded Defined Benefit Scheme the fair value of the plan assets is reduced from the gross obligation under defined benefit scheme to recognize the obligation on net basis.
- iv. Contributions are made to recognised Provident Fund, Employees State Insurance Scheme and are charged to revenue accounts. Gratuity, Benefit for encashment of leave salary is fully provided for on accrual basis.

(j) Revenue Recognition:

- a. Sales are inclusive of excise duty and net of discounts/returns. Exports sales include Goods Invoiced against confirmed orders and cleared from Excise and Custom Authorities, also goods exported as third party exporter and exchange fluctuations.
- b. Export incentives in cash are recognized as income on Export being made. Benefits receivable under various schemes like Advance Licenses, Target Plus, Duty Free Import Authorisation etc. are recognized on certainty of their utilization and realization.
- c. Other items of Revenue are recognized in accordance with the accounting standard (AS 9) accordingly, wherever there are uncertainties in the ascertainment/realization of income are recognised at the time of receipt of payment thereof.

(k) Tax on Income:

Tax expenses for the year comprises of current tax, deferred tax and fringe benefit tax:

- a) Current tax is determined on the amount of tax payable in respect of taxable income for the period, using the applicable tax rates and tax laws in accordance with the provisions of Indian Income Tax Act, 1961.
- b) Deferred tax is recognized, subject to consideration of prudence, on timing differences, being difference between taxable and accounting income/expenditure that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is accounted for using the tax rates and laws that have been enacted or substantively enacted as on the Balance Sheet date.
- c) Fringe Benefit tax is provided in accordance with the provisions of Income Tax Act, 1961.

(l) Impairment of assets

At each Balance Sheet date an assessment is made whether there is any indication of impairment of the carrying amount of the Company's assets. The recoverable amount of such assets are estimated, if any indication exists, impairment loss is recognized wherever the carrying amount of the assets exceeds its recoverable amount.

(m) Contingent Liabilities and Provisions

Contingent Liabilities are disclosed by way of notes and are not recognized as an item of expense in the Profit and Loss Account. Contingent gains are not recognized. Provisions are recognized as liability only when they can be measured by using a substantial degree of estimation and where present obligations of the enterprise arise from past events the settlement of which is expected to result in an outflow of resources embodying economic benefits. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.

B. OTHER NOTES ON FINANCIAL STATEMENTS**2 CONTINGENT LIABILITIES NOT PROVIDED FOR IN RESPECT OF:**

	Current year Rs.	Previous year Rs.
a) Letters of Credit/Guarantees/Bond issued by Banks	304,054,621	1,163,978,472
b) Letters of Credit/Guarantees/Bond issued by Foreign Banks	Euro 36668	Euro 26668
c) Proportionate value of duty saved in terms of Letter of Undertaking given to H. Director General of Foreign Trade under Advance Authorisation Scheme and Export Promotion Capital Goods Scheme, where export obligation can be completed in future years	4,394,432	4,394,432
d) Contingent Liabilities which the Company not acknowledged as debts	Amount Unascertained	Amount Unascertained
e) Contingent Liabilities incurred in favour of Haryana Sales Tax Department Towards settlement of central Sales Tax liability of a third party M/s Balaji Engineering	200,000	200,000

2 Provision has not been made in accounts in respect the following disputed dues :

Sl. No	Name of the Statute	Amount Rs.	Nature of dues	From Where Dispute is Pending
1	Competition Act, 2002	363,786,806 (363,786,806)	Penalty	Competition Appellate Tribunal
2	Central Excise Act,1944 (and Cenvat Credit Rule)	NIL (361,009)	Penalty Service Tax GTA for the Year 2006-07	Central Excise and Service Tax Appellate Tribunal New Delhi
		697,712 (697,712)	Service Tax(GTA)	Commissioner (Appeals) Central Excise, Faridabad
		697,712 (697,712)	Penalty Service Tax(GTA)	Commissioner (Appeals) Central Excise, Faridabad
		577,959 (577,959)	Service Tax Credit Availed on Outward Transport	pending for Adjudication before Deputy Commissioner Central Excise, Faridabad
3	Income Tax Act,1961	1,273,754	Asst. Year 2003-04	Rectification pending before Dy. Comm. of Income Tax ,Cir(7) Kolkata
		See Note Below	Order U/s 263 and 143(3)	
		See Note Below	Asst. Year 2004-05	Rectification pending before Dy. Comm. of Income Tax ,Cir(7) Kolkata
		613,148 (613,148)	Asst. Year 2007-08	Rectification pending before Dy. Comm. of Income Tax ,Cir(7) Kolkata
			Order U/s 143(3)	

Note :

The liability for the Asst. year 2003-04 & 2004-05 in respect of the demand raised by the Income tax department, has been provided, though the Appeal before the Commissioner Appeals are yet to be Disposed off.

- 3 As per consistent accounting practice followed by the Company, Excise Duty aggregated approximately to Rs. 53,81,796 (Rs.37,32,679) on finished goods not cleared from factory is neither provided for nor the same as considered for valuation of Closing Stock. This policy has no impact on the profit for the year.
- 4 Estimated amount of contracts remaining to be executed on Capital accounts Rs. 2,97,04,829 (Rs. 4,12,79,084) against which advances made amounting to Rs. 3,84,60,751 (Rs. 3,11,48,754).
- 5 The Company purchased and, building and plant & machinery in Court Auction for Rs.85,21,000 in earlier years out of which Rs.43.00 Lacs was allocated to Land & Building vide Court Order for registration of properties, the Board of Directors allocated Rs.10.00 Lacs to Land and Rs.33.00 Lacs to Building respectively and depreciation charged accordingly. Out of plant & machinery so purchased certain machineries have been sold in earlier years in respect of which sale value has been adjusted in the cost of plant & machinery in the respective years.
- 6 The Company has filed a suit against the Hong-Kong and Shanghai Banking Corporation for realisation of Rs.19,34,730 for expenses incurred in connection with clearing the title of Property which was purchased in Court Auction and other damages/losses suffered by the Company for which no adjustment has been made in the books of accounts.
- 7 (i) In pursuance of liberal policy of Government to allow parallel marketing of Liquefied Petroleum Gas. Company started LPG division for marketing of Liquefied Petroleum Gas during the year 1993-1994, but due to unfeasibility, the said division as per an agreement made on 12th August, 1994 had already been transferred to another Company M/s BYGGING INDIA LIMITED and all the expenditures, income and liabilities had been transferred to the said Company from the date of inception to the date of agreement.
- (ii) Recovery suit for Rs.32,40,707 filed against Bygging India Ltd.by the dealers of the above referred LPG Division is also pending with the Honourable Delhi High Court wherein the Company has also been made a party.
- 8 (i) The Competition Commission of India vide order dated 24/02/2012 in re. Suo Motu case no. 3/2011 against LPG Cylinders manufacturers has imposed a penalty of Rs. 36,37,86,806 . The Company has preferred an appeal against the said order before the Honourable Competition Appellate Tribunal. The Tribunal in its interim order dated 10/10/2012, has granted a stay order subject to deposit of Rs. 3,64,06,655 being 10% of total demand and and to furnish a Guarantee for r balance Rs.32,74,08,126 being 90% of total demand .
- (ii) Rs. 1,00,00,000 which were loot from the company's employees On 15/3/2013, in Ghaziabad. A case has been registered by the Police Department under section 392 of the Indian Penal Code against unnamed persons. During the process of investigations an amount of Rs.76,35,000 have been recovered till the signing of the Balance sheet. The management is hopeful of recovery the balance amount as well, under the circumstances the amount is shown as recoverable and considered good.
- (iii) Rs. 7,02,05,400 in respect of insurance claim lodged on United India Insurance co . limited (New Delhi), for damage caused due to fire broke out on 19/10/2012 in the Terry Towel Unit of the company in Faridabad. The Breakup of the Claim Lodges is as under and the same has been included in the turnover :

Particulars of Loss	Amount
a) Stocks	73,645,623
b) Plant and Machinery	192,452
c) Building	62,347
	<u>73,900,422</u>
Less: Insurance Policy	<u>3,695,022</u>
	<u>70,205,400</u>

- 9 The Company is in the process of identifying Micro, Small and Medium Enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006. Therefore, it is not possible for the Company to ascertain whether payment to such enterprises has been done within 45 days from the date of acceptance of supply of goods or services rendered by such enterprises and to make requisite disclosure. The disclosure as required under the said act is as under:

a) Principal amount due to supplier under MSMED Act	Not ascertained	Not ascertained
b) Interest due to suppliers on above.	N.A.	N.A.
c) Any payment made to suppliers beyond appointed date (Section 16 of the	Not ascertained	Not ascertained
d) Interest due and payable to suppliers under MSMED Act.	N.A.	N.A.
e) Interest accrued & remaining unpaid as at 31.03.2010	N.A.	N.A.
f) Interest remaining due & payable as per Section 23 of the Act.	N.A.	N.A.

- 10 In the opinion of the management, Current Assets, Loans and Advances have a value on realization in the ordinary course of business at least equal to the amount at which they are stated. The balances of Sundry Debtors, Sundry Creditors and Loans and Advances and commission on sales & purchases are however, subject to confirmations and adjustments, if any.

11 Sales is net of:

- (i) Loss on Exchange fluctuation (net) Rs. 46,49,934.22(previous year Gain Rs. 4,02,27,776),though in consonance with the accounting policy consistently followed by the company but is in contravention of Accounting Standard AS 11, where the same should have been reported separately.

- (ii) Expense on repairs of exported goods outside India Rs. NIL (previous year Rs. 5,09,28,277)

12 Disclosure pursuant to Accounting Standard-15 on "Employees Benefits"

Description	Current Year	Previous Year
A Defined Contribution Scheme		
Contribution to Defined contribution plan recognised as expenses for the year:		
Employers' Contribution to Provident Fund	826,999.00	569,613
Employers' Contribution to Family Pension Fund	608,473.00	339,643
Employers' Contribution to Employees State Insurance	240,884.00	158,754
B Details of Defined Benefit Scheme:		
Contribution to Defined contribution plan recognised as expenses for the year :		
Provision for Leave Encashment	680,758.00	552,687
Contribution to Employees Group Gratuity Scheme	1,410,673.00	1,391,054
The details in respect of Gratuity, a defined Benefit scheme (based on Actuarial valuation) are as under:		
a) Change in obligations over the year ended 31 March, 2013		
Present value of Obligation at the beginning of the year	4,321,363	2,954,715
Current Service cost	434,377	364,390
Past Service Cost	952,004	833,868
Interest Cost	-	(730)
Actuarial (gains)/losses	399,706	169,120
Benefit paid	(35,192)	-
Present Value of Defined Benefit Obligation at the end of the Year	6,072,258	4,321,363
b) Change in Plan Assets (Reconciliation of opening and closing balances)		
Fair value of Plan Assets at the beginning of the year	4,490,483	2,954,715
Expected return on Plan Assets	399,706	169,120
Actuarial (gains)/losses	-	-
Contributions	1,386,381	1,366,648
Benefit Paid	(35,192)	-
Fair value of Plan Assets at the end of the year	6,241,378	4,490,483
c) Reconciliation of Fair value of assets and obligation		
Fair value of Plan Assets at the end of the year	6,241,378	4,490,483
Present value of Obligation at the end of the year	6,072,258	4,321,363
Amount recognised in Balance Sheet	169,120	169,120
d) Expenses recognised during the year		
Current Service cost	434,377	364,390
Past Service Cost	952,004	833,868
Interest Cost	-	-
Other charges	24,292	23,676
Actuarial (gains)/losses	399,706	169,120
Expected return on plan assets	(399,706)	-
Total	1,410,673	1,391,054

e) Principal actuarial assumptions at the balance sheet (expressed as weighted averages):

Discount rate - 8%

Expected growth rate - For gratuity scheme - 6%

Mortality rate - For gratuity scheme the attrition rate varies from 1 to 3% for various age groups.

The estimates of future salary increases, considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

13 Derivative Instruments and Unhedged Foreign Currency Exposure

(i) Forwarded Contract Outstanding at the Balance sheet date.

Particulars of Contract	2012-13	2011-12	Purpose
Sale Euro to INR (US \$ to INR)	Nil	5,500,000.00	Hedged as expected receivables against future

(ii) The year end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are given below:

Amount receivable and payable as at March 31, 2013 in foreign currency on account of the following:

Particulars	2012-2013			2011-2012		
	Rs.	Value in foreign currency		Rs.	Value in foreign	
Receivable						
Sale of Goods	5,923	GBP	488,903	230,978	GBP	18,681,517
	7,462,753	USD	405,151,117	8,762,545	USD	445,311,871
	1,684,531	EURO	117,260,203	721,170	EURO	48,916,982
Advance for import of Goods/and		USD		501,027	USD	24,854,920
	12,700	EURO	884,047	172,192	EURO	11,686,666
Balances with Banks in India	-	EURO	-	-	EURO	-
	-		-	65,134	USD	3,310,110
Balances with Banks of Overseas	3,941	USD	58,244	3,990	USD	55,340
	37,284	EURO	551,062	112,576	EURO	1,561,321
	107,788	AED	1,593,113	11,242	AED	155,918
Payable						
Services	16,775	GBP	1,384,578	14,166	GBP	1,146,598
	1,263,214	USD	58,640,096	116,318	USD	5,915,934
	402,987	EURO	21,035,984	-	EURO	-
Import of Goods	3,033,050	USD	164,675,552	2,652,533	USD	134,907,816
	780,260	EURO	54,313,899	-		-
		GBP		71	EURO	4,976
Advance against Exports	98,873	USD	5,367,706	250,802	USD	10,490,204
				64,530	EURO	4,377,044
				5,003	BHD	667,860
Forward Lease Arrangements (Iam GOLF JSC)		AED		2,225,027	AED	30,858,898

15 RELATED PARTY DISCLOSURE (AS IDENTIFIED BY THE MANAGEMENT), AS REQUIRED BY ACCOUNTING STANDARD 'AS-18' ARE GIVEN BELOW :

i) LIST OF RELATED PARTIES

(a) Where Control Exists:-

(i) Akshi Exports (P) Ltd.	(xviii)	Puranmal Foods India Pvt. Ltd.
(ii) Bhama Properties (P) Ltd.	(ix)	Quality Synthetic Industries Ltd.
(iii) Bihariji Fancy Fibers & Fabrics Ltd.	(xx)	Ram Forgings Pvt. Ltd.
(iv) Bihariji Ispat Udyog Ltd.	(xxi)	S.K.D. Estates Private Ltd.
(v) Bihariji Solar Power Pvt. Ltd.	(xxii)	Saroj Metal Works Pvt. Ltd.
(vi) Bihariji Vidyut Pvt. Ltd.	(xxiii)	Sri Narayan Steel Industries Pvt. Ltd.
(vii) Chakra Exports (P) Ltd.	(xxiv)	Srinarayan Raj Kumar
(viii) Deepak Hotels Private Ltd.	(xxv)	Srinarayan Raj Kumar Merchants Ltd.
(ix) G L Estates Pvt. Ltd.	(xxvi)	Sureka Tubes Industries Pvt. Ltd.
(x) J.S.T. Engineering Services Ltd.	(xxvii)	Udayanchal Leasing Exports (P) Ltd.
(xi) Jotindra Steel & Tubes Ltd.	(xxviii)	VL Estates (P) Ltd.
(xii) JST Solar Energy Pvt. Ltd.	(xxix)	VL Land & Housing Pvt. Ltd.
(xiii) JST Solar Vidyut Pvt. Ltd.	(xxx)	V.K. Flats Pvt. Ltd.
(xiv) Magnum Products Pvt. Ltd.	(xxxi)	Vaishnoudevi Properties Pvt. Ltd.
(xv) Mauria Power Generation Pvt. Ltd.	(xxxii)	Vee Em Infocentre Pvt. Ltd.
(xvi) Mauria Power Projects Pvt. Ltd.	(xxxiii)	Vee Kay Surgical Pvt. Ltd.
(xvii) Mauria Solar Pvt. Ltd.	(xxxiv)	Bihariji Infotech Pvt.Ltd.
	(xxxiv)	Eurospa Terry Towels Pvt. Ltd.

(b) Key Management Personnel

1	Mr. V.K.. Sureka	(Cairman)
2	Mr. N.K.. Sureka	(Managing Director)
3	Mr. A.K.. Sureka	(Director)
4	Mr. K. M Pai	(Whole Time Director)

(c) Relative of key Management personnel
(with whom transaction have taken place during the year).

1	Smt. P.L.Sureka	(Wife of Chairman)
2	Smt. Deepa Sureka	(Wife of Managing Director)

(d) Other related parties

NIL

ii) TRANSACTION WITH RELATED PARTIES

Type of Related Party	Description of the Transaction	Volume of the Transactions		Amount Outstanding			
		Current Year	Previous Year	Receivable		Payable	
				Current Year	Previous Year	Current Year	Previous Year
Where control exists	Sale of Goods and other items	47,518,916	73,467,395	797,524	302,275,682	-	-
	Purchase of Goods and other items	80,513,564	220,332,599	-	-	263,523,886	30,307,768
	Interest Paid	2,630,542	979,817	-	-	-	-
	Interest Received	5,598,781	39,034,665	-	-	-	-
	Corporate Guarantee taken	1,889,308,126	2,799,900,000	-	-	-	-
	Loan & Advances Refunded	71,521,899	28,832,771	-	-	-	-
	Loan & Advances Received	64,855,219	38,436,563	-	-	-	11,651,893
	Loan, Advances given & Deposits	273,873,579	661,355,111	-	-	-	-
	Loan & Advances Given	136,329,941	368,819,503	-	30,235,042	4,294,622	-
	Rent Received	1,725,000	1,725,000	-	-	-	-
	Rent Paid	180,000	180,000	-	-	-	-
	Job work Charges Paid	13,503,689	1,322,787	-	-	-	-
	Job work Charges Received	5,202	720	-	-	-	-
	Purchase of Shares held as Investment	-	-	-	-	-	-
Brokerage & Commission Paid	-	-	-	-	-	-	
Others	-	-	-	-	-	-	
Key Management Personnel	Loan & Advances Refunded	19,732,580	68,316,480	-	-	-	-
	Loan & Advances Received	8,300,000	56,182,580	-	-	-	-
	Loan & Advances Given/ Received	-	-	-	-	-	-
	Interest Paid	2,102,976	2,674,886	-	-	-	-
Relative of Key Management	Remuneration to Directors (Other than Gratuity)	5,903,738	2,571,250	-	-	-	-
	Employees Remuneration	1,399,224	1,073,816	-	-	-	-
Other Related Parties	Rent Paid	780,000	780,000	-	-	-	-
Other Related Parties	NIL	-	-	-	-	-	-

NOTE : 1 In respect of above parties, there is no provision for doubtful debts as on 31st March, 2013 and no amount has been written off or written back during the year in respect of debts due from them.

2 Out of above certain transaction requires approval from members and Central Government, which is yet to be taken.

16 SEGMENT REPORTING

(Rs. in Lacs)

	Current year	Previous year
1 Segment Revenue (Net Sales / Income from each segment should be disclosed under this head)		
a) Segment A - Manufacturing	37,163.72	25,306.75
b) Segment B - Merchandising	52,917.12	64,290.82
c) Segment C - Investments & Finance	-	0.42
d) Others	4.08	24.63
	90,084.93	89,622.62
Less: Inter Segment Revenue	NIL	NIL
Net Sales / Income from operations	90,084.93	89,622.62
2 Segment Results Profit (+) / Loss (-) before		
a) Segment A - Manufacturing	2,275.10	1,156.90
b) Segment B - Merchandising	1,765.01	842.51
c) Segment C - Investments & Finance	-	0.42
d) Others	4.08	24.63
Total	4,044.19	2,024.46
Less: i) Interest**	2,323.03	678.60
ii) Other Un-allocable expenditure net of un-allocable Income.		
Add:-Un-allocable income	4.08	64.63
Total Income before Tax	1,725.24	1,410.49
* Profit / Loss before Tax and after interest in case of segments having operations which are primarily of financial nature.		
** Other than the interest pertaining to the segments having operations, which are primarily of financial nature.		
3 Capital Employed # (Segment Assets – Segment Liabilities)		
a) Segment A - Manufacturing	5,731.54	5,005.95
b) Segment B - Merchandising	1,100.88	692.25
c) Segment C - Investments & Finance	304.67	281.95
d) Others	-	-
	7,137.09	5,980.15

17 The provision for deferred tax Liability / (Assets) has been made for adjustment for timing difference as detailed here under:-

Particulars	Balance as on 01.04.2012	Adjustment for the year	Balance as on 31.03.2013
Depreciation	24,253,186	4,904,344	29,157,530
Gratuity & Earned Leave	(179,319)	(32,744)	(212,063)
	24,073,867	4,871,600	28,945,467

18 Earning per share :-

	Current year	Previous year
Profit as per Profit & Loss Account (Rs.)	116,552,472	93,917,219
Average No. of Equity Shares during the year	13,320,000	4,554,701
Earning per share in Rupees	8.75	20.62

19 Additional Information :-

(i) Licensed & Installed Capacities:

ITEM MANUFACTURED	UNITS	LICENSED CAPACITY	INSTALLED CAPACITY @	
LPG CYLINDER	Nos.	Not Applicable	18,00,000	(18,00,000)
LPG VALVES	Nos.	Not Applicable	18,00,000	(18,00,000)
LPG REGULATOR	Nos.	Not Applicable	12,00,000	(12,00,000)

@ as Certified by the Management.

Quantitative Details

NAME OF THE PRODUCT (WHERE LISTED - TRADED)	UNITS	OPENING STOCKS		PRODUCTION	PURCHASES		SALES LESS DISCOUNTS/ADJ		CLOSING STOCKS	
		QUANTITY	AMOUNT Rs.	QUANTITY	QUANTITY	AMOUNT Rs.	QUANTITY	AMOUNT Rs.	QUANTITY	AMOUNT Rs.
MANUFACTURED										
VALVE ASSY	Nos	34,506 (22,931)	53,611,232 (25,191,650)	2,011,613 (1,726,120)	-	-	2,015,181 (1,714,551)	2,964,963,458 (1,948,976,486)	30,932 (34,500)	45,068,532 (53,611,232)
VALVE	NOS	44,253 (53,880)	3,162,539 (3,164,653) @	1,202,098 (1,639,016)	-	-	1,194,662 @ (1,648,643)	36,317,193 (55,078,913)	51,689 (44,253)	3,357,207 (3,162,539)
VALVE REGULATOR	Nos	29,361 (29,971)	2,283,446 (2,002,400)	1,059,893 (1,334,943)	-	-	1,088,134 (1,335,553)	105,397,537 (124,159,560)	1,120.00 (29,361)	89,496 (2,283,446)
VALVE ADAPTER	Nos	-	-	2,600 (200)	-	-	-	421,310 (200)	-	-
VALVE END OF SOURCES & PARTS	Nos	See Note below	1,348,507 (-)	See Note below	-	-	See Note below	11,642,892 (31,730,397)	-	-
VALVE TAPP	NOS	93,457 (67,504)	27,320,124 (25,228,187)	497,037 (341,625)	-	-	516,622 \$ (315,672)	140,718,041 (110,853,887)	73,873 (93,457)	22,523,035 (27,320,124)
VALVE TAPIC	Kgs	-	-	180,316 (52,985.96)	-	-	180,316 (52,985.960)	46,366,813 (13,514,851)	-	-
VALVE TAPP	-	-	-	-	-	-	-	597,439 (360,277)	-	850,000 (-)
VALVE	-	-	7,004,523 (7,429,760)	-	-	-	-	257,976,254 (141,680,366)	-	2,978,496 (7,004,523)
TRADED										
VALVE VALVES	Nos	48 (43)	5,472 (5,472)	-	-	-	-	-	48 (48)	5,472.00 (5,472)
VALVE VALVES WITH PIPE	Nos	105 (105)	22,743 (22,743)	-	-	-	-	-	105 (105)	22,743 (22,743)
VALVE	NOS	-	-	-	3,060.00 (-)	1,820,700.00 (-)	3,060.00 (-)	1,969,887 (-)	-	-
VALVE BAR	M.T.	-	-	-	(9326.641)	(383,754,713)	(9326.641)	(394,217,725)	-	-
VALVE	M.T.	-	-	-	4,626	179,508,108	3,375.43	132,925,742	1,151	45,268,854
VALVE LOWER MEAL	M.T.	-	-	-	683,280	8,208,862	683,280	8,677,656	-	-
VALVE TANKER	NOS	-	-	-	5	859,900	5	1,103,000	-	-
VALVE WRENCH	NOS	-	-	-	2	15,279	2	6,600	-	-
VALVE FEED	M.T.	-	-	-	(2,898)	(28,517,734)	(2998.480)	(28,787,232)	-	-
VALVE	M.T.	-	-	-	(8,844)	(261,119,000)	(8,844)	(259,817,000)	-	-
VALVE BEAN MEAL/OIL/DAKE	M.T.	-	-	-	258,080 (342,802)	4,841,246,355 (5,370,617,477)	258,080 (342,802)	5,029,871,638 (5,413,491,506)	-	-
VALVE PACKAGING	Nos	-	-	-	(15,000)	(7,450)	(15,000)	(58,373)	-	-
VALVE OTHER TRADING SALES	See Note below	-	-	-	See Note below	424,200	See Note below	665,439.90	-	-
VALVE R COILS/SHEETS STEEL	M.T.	-	-	-	(85,050)	(3,483,102)	(85,050)	(3,827,250)	-	-
VALVE BURNER TOP/LPG FORGED SPINDLE/LPG BURNER	Nos	27,923 (27,923)	1,444,860 (1,444,860)	-	-	-	-	-	27,928 (27,928)	1,444,860 (1,444,860)
VALVE REALYMADE GARMENTS	Nos	36,888 (36,755)	15,091,104 (14,996,040)	-	146,427 (251,939)	43,307,931 (95,325,959)	112,412 (251,706)	56,492,535 (128,863,383)	71,003 (36,988)	28,969,224 (15,091,104)
VALVE TERFY TCVEL	-	1,334 # (1,334.0)	71,621 (71,621)	-	-	-	1,334 (-)	-	(1334)	(71,621)
VALVE SHAFES & SECURITIES	Nos	-	-	-	599,000 (16,210)	59,900,000 (2,242,000)	599,000 (16,210)	60,000,000 (20,262,500)	-	-
VALVE LPG POL VALVE	Nos	-	-	-	(450)	(109,660)	(450)	(153,128)	-	-
VALVE CASPET FOR KOSNOVA VALVE	Nos	-	-	-	(250,000)	(147,165)	(250,000)	(1,155,387)	-	-
VALVE SAFETY CAP	Nos	-	-	-	(10,000)	(15,000)	(10,000)	(9,893)	-	-
VALVE CYLINDER THREAD PROTECTOR	Nos	742 (742)	33,390 (33,390)	-	-	-	-	-	742 (742)	33,390 (33,390)
VALVE LAND & REAL ESTATES	@+	-	(64,408,518) 111,439,560 (143,969,294)	-	-	(247,530) 5,140,292,335 (6,143,753,739)	-	(178,218,750) 8,856,112,434 (8,856,160,044)	-	(-) 150,611,309 (111,439,560)

(*) Quantitative particulars of cylinder accessories & parts and others have not been given as it consists of various numerous assorted items.

(*) Includes 8,10/55 Nos. (10,12,007 Nos.) Valves for Captive Consumption.

(*) Includes Nil (2500nos) Cylinder accessories and parts in transit.

(*) Includes 3217 Nos. (Excludes 26021 Nos.) LPG Cylinders in transit.

(*) 120kg stock of 1weel desion yain has been burnt during the year by fire has been shown under the head sale/adjustment and (g) weight 1.08kg burnt in fire has been included in sales adjustment

iii) RAW MATERIALS AND COMPONENTS CONSUMED:

NAME OF THE ITEMS	UNITS	Current Year		Previous Year	
		QUANTITY	AMOUNT (Rs.)	QUANTITY	AMOUNT (Rs.)
C.R.C./IRON/STAINLESS STEEL	M.T.	38,039	1,441,969,694	26,594	1,038,621,900
MINI/JUMBO LPG VALVES	Nos.	1,035,441	279,535,948	690,876	140,345,618
ALUMINUM ALLOY INGOTS	Kgs.	22,265	2,771,627	49,778	5,781,848
BRASS RODS AND SCRAP	Kgs.	295,058	93,631,566	226,402	70,773,844
ZINC ALLOY INGOTS	Kgs.	333,495	43,959,933	519,968	63,735,743
FABRIC FOR READYMADE GARMENTS	Kgs.	-	-	-	-
FABRIC FOR READYMADE GARMENTS	Mtrs.	-	-	-	-
COTTON YARN / FABRIC	Kgs.	874,610,660	161,546,620	607,899,280	95,189,809
OTHERS			97,213,777	See Note below	101,377,656
TOTAL			2,120,629,164		1,515,826,418

Note:

It is not practicable on the part of the management to give quantitative information in respect of other component consumed since it consists of numerous items and each such item is less than 10% of total value.

iv) Value of imported/indigenous raw materials and components/stores spares parts, tools and packing materials consumed and percentage thereof:

	RAW MATERIALS AND COMPONENTS		SPARES, SPARE PARTS, TOOLS AND PACKING MATERIALS	
IMPORTED	314,525,271	14.83	35,851,355	8.60
	(140,828,157)	(9.29)	(5,619)	-
INDIGENOUS	1,806,103,893	85.17	381,126,065	91.40
	(1,374,998,261)	(90.71)	(338,510,144)	(100.00)
TOTAL	2,120,629,164	100.00	416,977,421	100.00
	(1,515,826,418)	(100)	(338,516,406)	(100)

v) C. I. F. Value of Imports:	Raw Materials /Traded Goods Spare Parts Capital Goods/Repairs	Current Year	Previous Year
		358,809,314	170,344,363
vi) Earning in Foreign Currency: F.O.B. Value of Exports		33,952,105	4,976
		34,320,591	2,238,748
vii) Expenditure in Foreign Currency:-(Other than overseas branch)			
For Travelling		922,893	623,225
For Commission		245,657,931	157,070,478
Others		83,493,963	55,320,886
viii) Remittance on account of Dividend in Foreign Currency		Nil	Nil

20 Comparative figures for the previous year have been re-grouped re-cast and re-arranged wherever necessary and figures in brackets represent previous year figures.