



Igniting Solutions

ANNUAL REPORT 2013-14

D & H INDIA LIMITED
Formerly 'D & H Welding Electrodes (India)Ltd'

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BOARD OF DIRECTORS

Mr. Surjit Singh	- Independent Director
Mr. Jagdish C. Kapur	- Independent Director
Mr. Basant Singh Johari	- Independent Director
Mr. Sushil Rawka	- Director
Mr. Vimal Lunia	- Director (upto 12.08.2014)
Mr. Nirmal Lunia	- Director (upto 12.08.2014)
Mr. Vasudeo S. Bhate	- Whole Time Director (Upto 14.02.2014)
Mr. Madhusudan Jain	- Whole Time Director
Mr. Harsh Vora	- Managing Director

COMPANY SECRETARY **Mr. Rajesh Sen**

CHIEF FINANCIAL OFFICER **Mr. Sanat Kumar Jain**

REGISTERED OFFICE A - 204, Kailash Esplanade,
Opposite Shreyas Cinema, L.B.S. Marg,
Ghatkopar (West), Mumbai – 400086
Website: www.dnhindia.com
Email:ho@dnhindia.com
Phone: 022-25006447

**ADMINISTRATIVE OFFICE
CUM WORKS** Plot 'A', Sector 'A', Industrial Area,
Sanwer Road, Indore – 452015 (M.P.)
Website: www.dnhindia.com
Email:ho@dnhindia.com
Phone: 0731-4273501

BANKERS State Bank of India
HDFC Bank Ltd.

AUDITORS M/s. ABN & Co.
Chartered Accountants, Indore

**REGISTRAR & SHARE
TRANSFER AGENT** M/s Ankit Consultancy Private Ltd
Plot No. 60, Electronic Complex
Pardeshipura,
Indore (M.P.) – 452 010
Email:ankit_4321@yahoo.com.
Phone: 0731-4065798

NOTICE OF TWENTY NINTH ANNUAL GENERAL MEETING

Notice is hereby given that the **Twenty Ninth Annual General Meeting** of the members of **D & H India Limited** will be held on Tuesday the 30th day of September, 2014 at 10:00 A.M. at A-505, Kailash Esplanade, Opposite Shreyas Cinema, L.B.S. Marg, Ghatkopar (West), Mumbai - 400086 to transact the following business: -

AS ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2014 and the statement of Profit & Loss and Cash Flow Statement of the Company for the year ended 31st March, 2014 and the Reports of the Board of Directors and Auditors thereon.
2. To declare dividend.
3. To appoint a Director in place of Mr. Sushil Rawka (DIN: 00156990), who retires by rotation and being eligible, offers himself for re-appointment.
4. To consider and if thought fit, to pass with or without modification(s) the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** M/s ABN & Co. Chartered Accountants (Firm Registration No 004447C) be and is hereby re-appointed as the Statutory Auditor of the Company to hold office from the conclusion of this Annual General Meeting (AGM) to till the conclusion of 32th Annual General Meeting (AGM) of the Company, to be held in the year 2017 subject to ratification at every Annual General Meeting of the Company at such remuneration as shall be fixed by the Board of Directors of the Company.”

AS SPECIAL BUSINESS

5. To consider & if thought fit, to pass with or without modification(s) the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** Mrs. Atithi Vora (DIN: 06899964), in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member Proposing appointment of Mrs. Atithi Vora as a candidature for the office of Director be and is hereby appointed as a director liable to retire by rotation w.e.f. 1st Oct., 2014.

6. To consider & if thought fit, to pass with or without modification(s) the following resolution as an **Special Resolution**:

“**RESOLVED THAT** in terms of the provisions of Sections 149, 151, 196, 197 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 including any statutory amendment(s) or modification(s) or re-enactments thereof for the time

being or from time to time in force, the members hereby accord their approval for the appointment of Mrs. Atithi Vora (DIN: 06899964), as the Whole-time Director and be designated as the Executive Director of the Company for a period of 3 years w.e.f. 01/10/2014 on such terms and conditions as set out in the explanatory statement annexed to the notice convening this meeting.

FURTHER RESOLVED THAT the approval of the members of the Company be and is hereby accorded to the Board of Directors to alter/ revise the terms and conditions of the appointment of Mrs. Atithi Vora, including remuneration payable to her in accordance with the provisions of the Companies Act, 2013 as the Board of Directors may deem fit and as may be agreed by the Director Mrs. Atithi Vora.

RESOLVED FURTHER THAT the relations with Mrs. Atithi Vora and the Company shall be contractual as the Employee – Employers during her tenure as the Whole-time Director of the Company.

FURTHER RESOLVED THAT the Board of Director of the Company be and is here by authorized to do all such acts, deeds and things as may be required in this regard to give effect to this resolution”.

7. To consider & if thought fit, to pass with or without modification(s) the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** Mr. Saurabh Vora (DIN: 02750484), in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from Mr. Saurabh Vora proposing candidature of himself for the office of Director be and is hereby appointed as a director liable to retire by rotation w.e.f. 1st Oct., 2014.

8. To consider & if thought fit, to pass with or without modification(s) the following resolution as an **Special Resolution**:

“**RESOLVED THAT** Mr. Saurabh Vora (DIN: 02750484) in accordance with the provisions of Sections 151, 196, 197 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 including any statutory amendment(s) or modification(s) or re-enactments thereof for the time being or from time to time in force, the members hereby accord their approval for the appointment of Mr. Saurabh Vora as the Whole-time Director and designated as the Executive Director of the Company for a period of 3 years w.e.f. 01/10/2014 on such terms and conditions as set out in the explanatory statement annexed to the notice convening this meeting.

FURTHER RESOLVED THAT the approval of the members of the Company be and is hereby accorded to the Board of Directors to alter/ revise the terms and conditions of the appointment of Mr. Saurabh Vora, including remuneration payable to him in accordance with the provisions of the Companies Act, 2013 as the Board of Directors may deem fit

and as may be agreed by the Director Mr. Saurabh Vora.

RESOLVED FURTHER THAT the relations with Mr. Saurabh Vora and the Company shall be contractual as the Employee – Employers during his tenure as the Whole-time Director of the Company.

FURTHER RESOLVED THAT the Board of Director of the Company be and is here by authorized to do all such acts, deeds and things as may be required in this regard to give effect to this resolution”.

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

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Shri Basant Singh Johari (DIN: 00155715), who was appointed as an Independent Director, liable to retire by rotation and whose term expires at this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, and also furnished declaration for fulfill the criteria of independency as laid down under the Companies Act, and the Clause 49 of the listing agreement be and is hereby appointed as an Independent Director of the Company to hold office for 5 (five) consecutive years for a term up to March 31, 2019 and he shall not be liable to retire by rotation.”

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

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Shri Surjit Singh (DIN: 00654215), who was appointed as an Independent Director liable to retire by rotation and whose term expires at this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, and also furnished declaration for fulfill the criteria of independency as laid down under the Companies Act, and the Clause 49 of the listing agreement be and is hereby appointed as an Independent Director of the Company to hold office for 5 (five) consecutive years for a term up to March 31, 2019 and he shall not be liable to retire by rotation.”

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

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Shri Jagdish Chand Kapur (DIN: 00155290), who was appointed as an Independent Director liable to retire by rotation and whose term expires at this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, and also furnished declaration for fulfill the criteria of independency as laid down under the Companies Act, and the Clause 49 of the listing agreement be and is hereby appointed as an Independent Director of the Company to hold office for 5 (five) consecutive years for a term up to March 31, 2019 and he shall not be liable to retire by rotation.”

12. To consider & if thought fit, to pass with or without modification(s) the following resolution as a **Special Resolution:**

“RESOLVED THAT in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 including any statutory amendment(s) or modification(s) or re-enactments thereof for the time being or from time to time in force and subject to the approval of Central Government, if any, as may be required, and subject to such terms, conditions, modifications, and changes as Central Government may direct while according its approval and which the Directors be and are hereby authorized to accept at its sole and absolute discretion, the members hereby accord their approval for the re-appointment of Shri Harsh Vora as the Managing Director of the Company for a further period of Three Years (3 Years) w.e.f 29th October, 2014, on such terms and conditions as set out in the explanatory statement annexed to the notice convening this meeting.

FURTHER RESOLVED THAT in the event of no profit or inadequacy of profits in any Financial Year, during the tenure of Shri Harsh Vora as Managing Director of the Company the ofersaid Remuneration as may be approved by the Member/ Central Government as the case may be shall be consider as the minimum remuneration payable by the company to the managing directors.

FURTHER RESOLVED THAT the approval of the members of the Company be and is hereby accorded to the Board of Directors to alter/ revise the terms and conditions of the re-appointment of Shri Harsh Vora, including

remuneration payable to him in accordance with the provisions of the Companies Act, 2013 as the Board of Directors may deem fit and as may be agreed by the Managing Director Shri Harsh Vora.

RESOLVED FURTHER THAT Mr. Harsh Vora shall not be subject to retirement by rotation during his tenure as Managing Director.

RESOLVED FURTHER THAT the relations with Mr. Harsh Vora and the Company shall be contractual as the Employee – Employers during his tenure as the Managing Director of the Company.

FURTHER RESOLVED THAT the Board of Director of the Company be and is here by authorized to do all such acts, deeds and things as may be required in this regard to give effect to this resolution”.

13. “To consider, and, if thought fit, to pass, with or without modification(s), the following Resolution as a Special resolution:

“**RESOLVED THAT** pursuant to section 94 and other applicable provisions, if any, of the Companies Act, 2013, (“the Act”) approval of the members be and is hereby accorded to keep the Company's register of members, the index of members, the Register and copies of all its annual returns prepared under sections 92 and other applicable provisions, if any, of the act together with the copies of certificates and documents required to be annexed thereto under Section 92 of the Act, on and from 30th September, 2014, at Head Office of the Company situated at, Plot A, Sector A, Industrial Area, Sanwer Road, Indore-452015 and maintain by M/s Ankit Consultancy Private Ltd, Registrar and Share Transfer Agent of the Company,

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE AT THE MEETING. A PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXY IN ORDER TO BE VALID AND EFFECTIVE, MUST BE RECEIVED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
2. The Company has already notified closure of Register of Members and Share Transfer Books from 26th Sept., 2014 to 30th Sept., 2014 (both days inclusive) for the determining the names of members eligible for dividend on equity shares, if declared at the meeting. The Dividend on equity shares if declared at the meeting, will be credited/dispatched to those members whose names shall appear on the Company’s Register of Members on 30th Sept., 2014 in respect of the shares held in dematerialized form, the dividend will be paid to members, those names are furnished by NSDL/ CDSL as beneficial owners as on that date.
3. Members holding shares in electronic form may note that bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend, the Company or its Registrar and Transfer Agent cannot act on any request received directly from the members holding shares in electronic form for any change of bank particulars or bank mandates, such changes are to be advised only to the depository participant of the members.
4. Relevant documents referred into the accompanying notice are open for inspection by the members at the registered office of the Company on all working days, except Saturdays between 11.00 A.M. to 1.00 P.M. up to the date of meeting.
5. Pursuant to the provisions of section 205A(5) and 205C of the Companies Act, 1956, the Company shall transfer the unpaid dividend amount for the year 2006-07 after expiry of 7 years period from transfer of the same to the Unpaid Dividend account. The Members are requested to please submit their request for revalidation of the dividend warrants

situated at Plot No. 60, Electronic Complex Pardeshipura, Indore(M.P.)–452 010."

By orders of the Board

PLACE: INDORE

DATE: 12th August, 2014

RAJESH SEN
(COMPANY SECRETARY)
FCS 7689

D & H India Limited

CIN L28900MH1985PLC035822

A - 204, Kailash Esplanade,
Opposite Shreyas Cinema, L.B.S. Marg,
Ghatkopar (West), Mumbai – 400086

for the unpaid dividend if any for the year 2006-07 and onward.

6. Members are requested to send their queries, if any, at least seven days in advance of the meeting to enable the Company to keep the information ready at the meeting.
7. Members are requested to bring their copies of Annual Report with them since separate copies will not be distributed at the venue of the Meeting.
8. Members holding shares in dematerialized form are requested to intimate all changes pertaining to their bank details, mandates, nominations, power of attorney, change of address, change of name and e-mail address etc., to their Depository Participants. Changes intimated to the Depository Participants will be automatically reflected in the Company's record which will help the Company and M/s. Ankit Consultancy Pvt. Ltd. To provide efficient and better services. Members holding shares in physical form are also requested to intimate such changes to M/s. Ankit Consultancy Pvt. Ltd. under the signatures of first/joint holder(s).
9. The Ministry of Corporate Affairs has introduced 'Green Initiative' whereby the documents are Permitted to be served on the members through electronic mode i.e., e-mail. This initiative is a step towards protection of environment and enabling faster communication with the members. Accordingly, the Company proposed to serve all the documents to e-mail addresses of the members. Members are requested to provide/update their e-mail addresses with their respective Depository Participants (DP) or send an e-mail at **companysecretary@dnhindia.com** to get the Annual Report and other documents on such e-mail address. Members holding shares in physical form are also requested to register their email address on Website of M/s. Ankit Consultancy Pvt. Ltd. Through login on http://www.wix.com/harsh_ng/ankitonline
10. Pursuant to the Clause No.49 of the Listing Agreement, profile of the Directors proposed for appointment/re-appointment being given in a statement containing details of the concerned Directors is attached hereto

Name and Designation of Appointee	Age / Qualification	Expertise/Experience	Date of appointment	Other Directorship	No of shares held & %age
Mr. Harsh Vora Promoter (Managing Director)	52 Year Commerce graduate	More than 29 Year of Experience in Management, Planning & New Developments	06/12/1990	3	361745 i.e. 4.28%
Mr. Sushil Rawka (Non Executive Director)	62 Year Commerce graduate	He has rich experience in the field of Taxation .	01/04/1995	Nil	63,300, i.e. 0.85%
Mrs. Atithi Vora (Executive Director)	26 Year CA	She has experience in the field of Taxation & Finance	Proposed from 01/10/2014	Nil	Nil
Mr. Saurabh Vora (Executive Director)	27 Year B Tech	He has experience in the field of production.	Proposed from 01/10/2014	Nil	2,13,600 i.e. 2.88%
Mr. Basant Singh Johari (NED/Independent)	83 Year Science graduate	He has rich experience in the Industry	30/07/2005	Nil	Nil
Mr. Surjit Singh (NED/Independent)	78 Year retired IPS	He has rich experience in the various field	22/06/2005	Nil	Nil
Mr. Jagdish Chand Kapur (NED/Independent)	88 Year Science graduate	He has rich experience in the Industry	11/08/2003	Nil	Nil

11. Voting through electronic means:

The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on September 24, 2014 from 9.00 a.m. and ends on September 26, 2014 at 6.00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 29/08/2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com during the voting period.
- (iii) Click on "Shareholders" tab.
- (iv) Now, select the "COMPANY NAME" from the drop down menu and click on "SUBMIT"
- (v) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none">• Members who have not updated their PAN with the Company/ Depository Participant are requested to use the first two letters of their name and the 8 digits of the folio number in the PAN field.• In case the folio number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with folio number 1 then enter RA00000001 in the PAN field.
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. <ul style="list-style-type: none">• Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the number of shares in the Dividend Bank details field as mentioned in instruction (v).

- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- ((xii) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xviii) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) Note for Non – Individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporate.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details they have to create a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com.

EXPLANATORY STATEMENT UNDER SECTION 102(1) OF THE COMPANIES ACT, 2013

Item No.4:

This explanatory statement is provided though strictly not required as per section 102 of the Act. M/s ABN Co., Chartered Accountants (ICAI Firm Registration No.004447C), Indore have been the Auditors of the Company since more than 10 years.

As per the provisions of section 139 of the Act, no listed Company can appoint or re-appoint an audit firm as auditor for more than two terms of five consecutive years. Section 139 of the Act has also provided a period of three years from the date of commencement of the Companies Act, 2013 to comply with this requirement. In view of the above, M/s ABN & Co., Chartered Accountants, being eligible for re-appointment and based on the recommendation of the Audit Committee, the Board of directors has, at its meeting held on 12th August, 2014 proposed the re-appointment of M/s ABN & Co., Chartered Accountants as the statutory auditors for a period of three years up to the conclusion of the 32nd annual general meeting to be held in the calendar year 2017 and to hold office from the conclusion of this AGM (subject to ratification of their appointment at every AGM).

The Board recommends the Resolution as set out in Item No. 4 for approval by the members as an Ordinary Resolution.

None of the Directors, Key Managerial Personnel (KMP) or their relatives are concerned or interested in any manner in the Resolution.

ITEM NO. 5 & 6:

As per the provisions of Section 149(1) of the Act and amended Clause 49 of the Listing Agreement, the Company should have at least one woman director. The Company has received a notice in writing from a member along with the deposit of requisite amount under Section 160 of the Act proposing the candidature of Mrs. Atithi Vora (DIN 06899964) for the office of Director of the Company.

Mrs. Atithi Vora is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given her consent to act as a Director.

Keeping in view the above legal requirements and the expertise of Mrs. Atithi Vora in the finance and related field, the Board of Directors have proposed that Mrs. Atithi Vora be appointed as a director and further as the Whole-time Director and be designated as the Executive Director of the Company..

The Board has also consider that appointment of Mrs. Atithi Vora, would of immense benefit to the Company and accepted the recommendation/approval of the Nomination and Remuneration Committee at their meeting held on 12th August 2014 and has approved appointment of Mrs. Atithi Vora as the Whole-time Director and be designated as the Executive Director on the remuneration as below:-

1. Gross Salary: Maximum upto Rs. 12,00,000/- p.a.

2. Perquisites

The Whole-time director shall be entitled for the following perquisites and other benefits within the above said limit as may be decided by the Board and the same may be by way of perquisites and allowances payable or reimbursement, such as;

- (a) house rent allowance/rent free accommodation, house maintenance allowance,
- (b) allowances for utilities such as gas, electricity, water, furnishing, repairs,
- (c) servants' salaries,
- (d) medical reimbursement,
- (e) group medi claim/accidental insurance / life insurance / keyman insurance,
- (f) leave travel concession for himself and his family,
- (g) club fees,

3. Other exempted benefits:

In addition to above she shall be entitled for the following benefits, which shall not be considered as remuneration within the provisions of the Schedule V of the Companies Act, 2013:

- a. Payment of gratuity as per the rules of the Company.
- b. Contribution to PF, FBF and \Supper annuation funds as per rules of the Company.
- c. Leave encashment upto 15 days for every completed in the employment, payable in each year as per rules of the Company.

4. Facilities:

- (a) The Company shall provide a Company's Car with driver for the Company's work and if the Car is not provided, the Company shall reimburse of Car/taxi expenses on actual basis.
- (b) The Company shall provide telephone at the residence of the Whole-time Director and a cell phone with internet facility.

5. Minimum Remuneration

In the event of no profit or inadequacy of profits in any Financial Year, during the tenure of Mrs. Atithi Vora (DIN: 06899964) as Whole-time Director of the Company the aforesaid Remuneration as may be approved by the Members and as confirmed by the Board within the limit approved by the members, shall be consider as the minimum remuneration payable by the company to the director.

6. Other Terms and Conditions:

The other terms and conditions are below:

- 1. Mrs. Atithi Vora as Executive Director shall be entrusted with the management of the Company under the direction, superintendence and control of the Board of Directors of the Company.
- 2. Further her tenure as Director will not be affected by the alterations in the terms and conditions of her appointment.
- 3. The agreement may be terminated by Mrs. Atithi Vora (DIN: 06899964) by giving three months' advance notice and in case of short notices she will deposit an amount of her salary for the period short of three months. However, if the Company wishes to remove her, it will be liable to pay compensation as per the provisions of the Companies Act, 2013.
- 4. The appointment of Mrs. Atithi Vora as the Director of the Company, liable to retire by rotation.

Board/ Nomination and Remuneration Committee of the Company is authorized to alter, modify or null all or any of the components of the remuneration of Mrs. Atithi Vora, subject to the applicable provisions of the Companies Act, 2013 or as may be agreeable to Mrs. Atithi Vora.

No sitting fees shall be payable to Mrs. Atithi Vora for attending the meetings of the Board or any Committee thereof.

Mrs. Atithi Vora may be deemed to be concerned or interested, financially, to the extent of the remuneration as may be drawn by her during her tenure as the Whole-time Director. Shri Harsh Vora Managing Director of the company and Shri Saurabh Vora proposed Director of the Company and their other relatives, may also be deemed to be concerned otherwise to the extent of their shareholding interest in the Company

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No.5 and 6 of the Notice.

The Board recommends the Ordinary and Special Resolutions as set out at Item No.5 and 6 respectively of the Notice for approval by the shareholders.

ITEM NO. 7 & 8:

The Company has received a notice in writing from Mr. Saurabh Vora (DIN 02750484) proposing appointment of himself

along with the deposit of requisite amount under Section 160 of the Act for the office of Director of the Company. Mr. Saurabh Vora is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director.

The Board of Directors has proposed that Mr. Saurabh Vora be appointed as a Whole-time Director and be designated as an Executive Director of the Company.

The Board has also consider that appointment of Mr. Saurabh Vora, would of immense benefit to the Company and accepted the recommendation/approval of the Nomination and Remuneration Committee at their meeting held on 12th August 2014 and has approved appointment of Mr. Saurabh Vora as Executive Director on the remuneration as below:-

1. Gross Salary: Maximum upto Rs.12,00,000/- p.a.

2. Perquisites

The Whole-time director shall be entitled for the following perquisites and other benefits within the above said limit as may be decided by the Board and the same may be by way of perquisites and allowances payable or reimbursement, such as;

- (a) House rent allowance/rent free accommodation, house maintenance allowance,
- (b) allowances for utilities such as gas, electricity, water, furnishing, repairs,
- (c) servants' salaries,
- (d) medical reimbursement,
- (e) group medi claim/accidental insurance / life insurance / keyman insurance,
- (f) leave travel concession for himself and his family,
- (g) club fees,

3. Other exempted benefits:

In addition to above he shall be entitled for the following benefits, which shall not be considered as remuneration within the provisions of the Schedule V of the Companies Act, 2013:

- (a) Payment of gratuity as per the rules of the Company.
- (b) Contribution to PF, FBF and \Supper annuation funds as per rules of the Company.
- (c) Leave encashment upto 15 days for every completed in the employment, payable in each year as per rules of the Company.

4. Facilities:

- (a) The Company shall provide a Company's Car with driver for the Company's work and if the Car is not provided, the Company shall reimburse of Car/taxi expenses on actual basis.
- (b) The Company shall provide telephone at the residence of the Whole-time Director and a cell phone with internet facility.

5. . Minimum Remuneration

In the event of no profit or inadequacy of profits in any Financial Year, during the tenure of Mr. Saurabh Vora (DIN: 02750484) as Whole-time Director of the Company the aforesaid Remuneration as may be approved by the Members and as confirmed by the Board within the limit approved by the members, shall be consider as the minimum remuneration payable by the company to the director.

6. Other Terms and Conditions:

The other terms and conditions are below:

1. Mr. Saurabh Vora as Executive Director shall be entrusted with the management of the Company under the direction, superintendence and control of the Board of Directors of the Company.
2. Further his tenure as Director will not be affected by the alterations in the terms and conditions of his appointment.
3. The agreement may be terminated by Mr. Saurabh Vora (DIN: 02750484) by giving three months' advance notice and in case of short notice; he will deposit an amount of his salary for the period short of three months. However, if the Company wishes to remove him, it will be liable to pay compensation as per the provisions of the Companies Act, 2013.
4. The appointment of Mr. Saurabh Vora as the Director of the Company, liable to retire by rotation."

Board/ Nomination and Remuneration Committee of the Company is authorized to alter, modify or null all or any of the components of the remuneration of Mr. Saurabh Vora, subject to the applicable provisions of the Companies Act, 2013 or as may be agreeable to Mr. Saurabh Vora.

No sitting fees shall be payable to Mr. Saurabh Vora for attending the meetings of the Board or any Committee thereof.

Mr. Saurabh Vora may be deemed to be concerned or interested, financially to the extent of the remuneration as may be drawn by him during his tenure in respect of his appointment as a Whole-time Director. Shri Harsh Vora Managing Director of the company and Mrs. Atithi Vora proposed Director who is his relatives and their other relatives, to the extent of their shareholding interest in the Company, may be deemed to be concerned or interested in the appointment of Mr. Saurabh Vora.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No.7 & 8 of the Notice.

The Board recommends the Ordinary/Special Resolution as set out at Item No.7 & 8 respectively of the Notice for approval by the shareholders.

ITEM NO. 9, 10 and 11:

Shri Basant Singh Johari, (DIN 00155715) Shri Surjit Singh (DIN00654215.) and Shri Jagdish Chand Kapur (DIN00155290) are the existing Independent Directors of the Company and have held the positions as such for more than 5 (five) years.

The Securities and Exchange Board of India (SEBI) has amended Clause 49 of the Listing Agreement *inter alia* stipulating the conditions for the appointment of independent directors by a listed company.

It is proposed to appoint the aforesaid Independent Directors under Section 149 of the Act and Clause 49 of the Listing Agreement to hold office for 5 (five) consecutive years for a term up to March 31, 2019 and they shall not be liable to retire by rotation

The above said directors are not disqualified from being appointed as Directors in terms of Section 164 of the Act and have given their consent to act as Directors.

The Company has received notices in writing from member's alongwith the deposit of requisite amount under Section 160 of the Act proposing the candidatures of each of Shri Basant Singh Johari, Shri Surjit Singh and Shri Jagdish Chand Kapur for the office of Directors of the Company.

The Company has also received declarations from Shri Basant Singh Johari, Shri Surjit Singh and Shri Jagdish Chand Kapur that they meet with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under Clause 49 of the Listing Agreement.

In the opinion of the Board, Shri Basant Singh Johari, Shri Surjit Singh and Shri Jagdish Chand Kapur fulfill the conditions for appointment as Independent Directors as specified in the Act and the Listing Agreement. Shri Basant Singh Johari, Shri Surjit Singh and Shri Jagdish Chand Kapur are independent of the management.

Brief resume of Shri Basant Singh Johari, Shri Surjit Singh and Shri Jagdish Chand Kapur, nature of their expertise in specific functional areas and names of companies in which they hold directorships and memberships / chairmanships of Board Committees, shareholding and relationships between directors *inter-se* as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges, are provided in the Corporate Governance Report forming part of the Annual Report. Shri Basant Singh Johari, Shri Surjit Singh and Shri Jagdish Chand Kapur are deemed to be interested in the resolutions set out respectively at Item Nos. 9, 10 and 11 of the Notice with regard to their respective appointments to the extent of the sitting fee as may be received by them during their tenure.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in these resolutions.

The Board recommends the Ordinary Resolutions set out at Item Nos. 9, 10 and 11 of the Notice for approval by the shareholders.

ITEM NO. 12:

Shri Harsh Vora was re-appointed as Managing Director for a period of Three years by the Board of Directors at their meeting held on 11th August 2011 which was approved by the Shareholders of the Company at their Annual General Meeting held on 20th September, 2011, therefore his tenure as Managing Director shall be over on 28th October, 2014.

Mr. Vora is a commerce graduate and having more than 29 years of experience in the industry. He is one of the core promoter of the Company and is a key person instrumental in the growth of the Company and the Company has grown under his dynamic leadership and strong management. Therefore the Nomination and Remuneration committee of the Board at its meeting held on 12th August, 2014 has considered and approved his re-appointment for a further period of 3 years on the remuneration, terms and conditions as mentioned herein under.

The Board has also consider that re-appointment of Shri Harsh Vora, would of immense benefit to the Company and accepted the recommendation/approval of the Nomination and Remuneration Committee at their meeting held on 12th August 2014 and has approved re-appointment of Mr. Harsh Vora as Managing Director on the remuneration as below:-

1. Gross Salary: Rs. 10,00,000/- p.m.

2. Perquisites: Rs. 2,50,000 p.m.

The Managing director shall be entitled for the following perquisites and other benefits within the above said limit as may be decided by the Board and the same may be by way of perquisites and allowances payable or reimbursement, such as;

- (a) house rent allowance/rent free accommodation, house maintenance allowance,
- (b) allowances for utilities such as gas, electricity, water, furnishing, repairs,
- (c) servants' salaries,
- (d) medical reimbursement,
- (e) group medi claim/accidental insurance / life insurance / keyman insurance,
- (f) leave travel concession for himself and his family,
- (g) club fees,

3. Other exempted benefits:

In addition to above he shall be entitled for the following benefits, which shall not be considered as remuneration within the provisions of the Schedule V of the Companies Act, 2013:

- (a) Payment of gratuity as per the rules of the Company.
- (b) Contribution to PF, FBF and Supper annuation funds as per rules of the Company.
- (c) Leave encashment upto 15 days for every one year completed in the employment, payable in each year as per rules of the Company,

4. Facilities:

- (a) The Company shall provide a Company's Car with driver for the Company's work and if the Car is not provided, the company shall reimburse of car/taxi expenses on actual basis.
- (b) The Company shall provide telephone at the residence of the Managing Director and a Cell phone with internet facility.

As per the provisions of the Schedule V to the Companies Act, 2013, the Company proposes to pay the remuneration in excess of the limit as prescribed under Part II, Section II of the said Schedule and the proposed aforesaid remuneration/salary may in excess of the ceiling prescribed under section 197, i.e. more than 5% / 10% or 11% of the net profits of the Company, which can be paid by way of approval of the members as special resolution and subject to the approval of the Central Government. Your directors submit the following **Information pursuant to Section II of Part II of Schedule V to the Companies Act, 2013 for consideration of the members:**

I. General Information:

The Company is engaged in the manufacturing and dealing in welding electrodes which is being the backbone of infrastructure industry. The Company is in the manufacturing activities since Incorporation and is pioneer in its field.

The Company is growing under the dynamic leadership and control of Shri Harsh Vora, the Managing Director and the past financial performance as well future projections are as under:

(Rs. in Lacs)

Particulars	2012-13 Actual	2013-14 Actual	2014-15 Projected	2015-16 Projected	2016-17 Projected
Gross Turnover (Domestic)	7664.61	7726.16	9271.39	11125.67	13350.80
Gross Turnover (Export)	96.73	10.50	24.00	50.00	100.00
Other Income	17.74	16.02	20.00	26.00	35.00
Total Turnover and Receipts	7779.08	7752.68	9315.39	11201.67	13485.80
Profits before Interest, Dep. & Tax	543.71	472.67	691.83	775.11	934.85
Interest	60.08	69.59	73.07	76.73	80.56
Depreciation	90.83	103.66	108.84	114.29	120.00
Tax	128.17	104.23	139.07	166.88	200.26
Net Profit after Tax	259.00	190.79	370.85	417.21	534.03
Cash Profits generated	349.83	294.45	479.69	531.50	654.03
Paid up Share Capital	740.00	740.00	740.00	1000.00	1000.00
Dividend (%)	5%	5%	10%	10%	10%
EPS (Face Value Rs.10/-)	3.50	2.58	5.00	4.17	5.34

II. Information about the appointee:

- (1) Mr. Harsh Vora, aged about 52 year, is a commerce graduate having more than 29 years of experience in the Company and he is the Managing Director of the Company since 1990 with his vision, your Company has come out with so many challenges in the domestic and international market and grown to this level. Shri Vora is also one of the core promoter of the Company and is associated since the incorporation of the Company. His vision is to make your company within top 10 welding electrodes manufacturer and achieve turnover of Rs.100 Crores in the year 2014-15.
- (2) Mr. Harsh Vora was paid Rs.84,00,000/- during the year 2013-2014.
- (3) N.A.
- (4) Mr. Vora being the Managing Director is managing whole of the affairs of the Company under the supervision of the Board of Directors. He is assisted by one whole-time directors and the team of the qualified manager and engineers, technocrats. Mr. Vora is the most suitable and dedicated towards the growth of the Company. He is having capacity to accept the challenges of any nature and capable to achieve the visionary target to become one of the top 10 manufactures in the world for electrodes and achieve turnover of Rs.100 Crores.
- (5) It is proposed to pay him, Gross remuneration upto of Rs. 12,50,000 p.m. during his tenure in the manner of Salary of Rs.10,00,000 p.m. and allowances and other perks upto Rs.2,50,000/- p.m.
- (6) The Company is manufacturing Welding Electrodes and pioneer in the industry and listed with the BSE and continuing paying dividend to its members since last seven year with the sound financial track records. There is no comparable data for matching the remuneration of the Managing Director remuneration in the industry in the Country
There has been phenomenal increase in the package of CEO/WTD all around the —manufacturing industries in India and World; your industry is no more exception to it. In order to retain good talent, it is inevitable to increase the remuneration of Mr. Harsh Vora needs to be considered.
- (7) Mr. Vora is the core promoter and holding 3,61,745 Equity Shares consisting 5.21 % of the paid up share capital in the Company and is not drawing any other benefits except the remuneration as the managing director and getting dividend together with the other members of the Company. Shri Madhusudan Jain, the Whole-time Director and promoter of the Company is a relative of Mr. Harsh Vora.

III. Other information:

- (1) The Company is a profit making, dividend paying company; however, with the tremendous increase in cost of raw material, stiff competition from the domestic and China the Company's profitability is lower. Further that during the past three years due to worldwide financial recession including India, the new manufacturing units could not be set up in the country as per projections, resulting, the demand, margin and profitability has been affected.
- (2) To increase the profitability, the Company is trying hard to pass on the increased cost of raw material to its customer, develop export market, improve in the quality and develop some more ranges in the manufacturing line, which will give positive results in the years to come.
- (3) Your company is expecting to achieve the above said projected target in the next three years.

The explanatory statement together with the accompanying Notice should be treated as an abstract of the terms of contract of reappointment of the Managing Director in accordance with the provisions of section 190 of the Companies Act, 2013.

The Board of Directors recommends the proposed resolution for your approval as Special Resolution. The draft of the agreement to be entered into with the Managing Director is available for inspection.

Mr. Harsh Vora, being the appointee may be considered as the financially interested in the resolution to the extent of his remuneration during the tenure of appointment and Mr. Madhusudan Jain Whole Time Director of the Company, Mrs. Atithi Vora and Mr. Saurabh Vora proposed directors may be deemed to be interested otherwise being his relative in this resolution.

ITEM NO.13

Under the provisions of Section 94 of the Companies Act, 2013 ("the Act"), the Register of members, the index of members, the register and copies of all annual returns prepared under sections 92 of the act together with the copies of certificates and documents required to be annexed thereto under Section 92, shall be kept at the Registered Office of the Company or with the approval of the shareholder/members at any other place other than the Registered Office of the Company. The Special resolution at item no. 13 is proposed for the purpose of enabling the Company to keep the records at at Head Office of the Company situated at , Plot A, Sector A, Industrial Area, Sanwer Road, indore-452015 and maintain by M/s Ankit Consultancy Private Ltd, Registrar and Share Transfer Agent of the Company, situated at Plot No. 60, Electronic Complex Pardeshipura, Indore (M.P.) – 452 010.", as stated in the resolution.

An advance copy of the proposed special resolution set out in item no.13 will be delivered to the registrar of Companies, Maharashtra, Mumbai.

The Board of directors recommends the resolution set out in item no. 13 for approval of the shareholders.
None of the directors are interested in the resolution.

BY ORDER OF THE BOARD

PLACE: INDORE
DATE: 12th August, 2014

RAJESH SEN
(COMPANY SECRETARY)
FCS : 7689

D & H India Limited
CIN L28900MH1985PLC035822
A - 204, Kailash Esplanade,
Opposite Shreyas Cinema, L.B.S. Marg,
Ghatkopar (West), Mumbai – 400086

DIRECTORS' REPORT

To
The Members

Your directors have pleasure in presenting **Twenty Ninth Annual Report** on the business and operations of the Company together with the Audited Statement of Accounts for the year ended 31st March, 2014.

OPERATIONAL PERFORMANCE

The operational performance of the Company for the period under review is as below: -

	Year ended 31.03.2014 (Rs. in lacs)	Year ended 31.03.2013 (Rs. in lacs)
Gross Sales and other Income	7726.16	7664.61
Profit before Interest & Depreciation	472.67	543.71
Interest and Financial Charges	69.56	60.08
Depreciation	103.66	90.83
Net Profit for the year	295.02	387.18
Provision for Income tax (Current)	104.23	128.17
Balance carried from previous year	939.91	823.91
Profit available for appropriation	1130.70	1082.89
Provision for dividend & Dividend distribution tax	43.29	43.00
Transfer to General Reserve	50.00	100.00
Balance carried to Balance sheet	1037.42	939.89

The sales performance of the Company has shown improvement over the last year. The cost effective measures have also contributed to the improved performance in terms of profitability, inspite of significant increase in the cost of raw materials.

DIVIDEND

Your directors are pleased to recommend a dividend of 5 % (Re. 0.50 per share) absorbing a sum of Rs 43.29 Lacs. (Previous year 5 % (Re. 0.50 per share) The dividend will be paid to all shareholders whose names appear in the Register of Members as on the book closure date.

EXPORT

Your company has chalked out a plan to grow in the export market. This segment of the business is expected to grow at a faster rate, in the coming years.

EXPANSION

Company is in the process of expanding its capacity and is also entering into allied business. The Company had already taken steps for the purpose of expansion and diversification and for this funds have been arranged through internal sources.

DIRECTORS

Shri Sushil Rawka, Shri Surjit Singh, Shri Basant Singh Johari, and Shri J.C. Kapur, Independent Directors although not liable to retire by rotation at the ensuing Annual General Meeting, however in view of the requirement of section 149 of the Companies Act, 2013 the Company has received notice from the members under section 160 of the Companies Act, 2013 for their appointment as the independent directors of the Company for a term of five years upto 31st March, 2019. and being eligible offer themselves for the re-appointment.

The Company has also received declarations from Shri Basant Singh Johari, Shri Surjit Singh and Shri Jagdish Chand Kapur that they meet with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under Clause 49 of the Listing Agreement.

In the opinion of the Board, Shri Basant Singh Johari, Surjit Singh and Jagdish Chand Kapur fulfill the conditions for appointment as Independent Directors as specified in the Act and the Listing Agreement. Shri Basant Singh Johari, Shri Surjit Singh and Shri Jagdish Chand Kapur are independent of the management.

The Company has also received notice from the members under section 160 of the Companies Act, 2013 for their appointment of Mrs. Atithi Vora as the Women Director and Shri Saurabh Vora as a director of the Company w.e.f. 1st Oct., 2014.

Upon the recommendation of the Nomination and Remuneration Committee, the Board further proposes to appoint Mrs. Atithi Vora and Shri Saurabh Vora as the Whole-time Directors of the Company w.e.f. 1st Oct., 2014 for a period of 3 years. And on the expiration of the existing tenure also proposes the re-appointment of Shri Harsh Vora as the managing director of the company for a period of three years w.e.f.29.10.2014.

The Board of Directors recommends their appointments and to pass necessary respective resolutions as set out in the notice of the annual general meeting.

Mr. Vimal Lunia and Mr. Nirmal Lunia have resigned from the Directorship of the Company on 12th August, 2014. Mr. Vimal Lunia and Mr. Nirmal Lunia were Directors of the Company since September 20, 2003. Your Directors place on record the valuable guidance, support and advice extended by Mr. Vimal Lunia and Mr. Nirmal Lunia during his tenure as Directors.

CORPORATE GOVERNANCE

Report on Corporate Governance is enclosed and is

forming part of the Directors' Report. A certificate from the Statutory Auditors of the Company regarding Compliance of the conditions of the Corporate Governance is attached to this report.

FIXED DEPOSITS

Company has not accepted any deposits within the meaning of Section 58A and 58AA of the Companies Act, 1956 and the rules made there under and there were no outstanding deposits as at 31st March, 2014..

DIRECTOR'S RESPONSIBILITY STATEMENT

In terms of provisions of Section 217(2AA) of the Companies Act, 1956 your directors confirm that: -

(In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

(ii) the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that they are reasonable and prudent so as to give a true and fair view of the state of affairs of your Company at the end of financial year and of the profit of your Company for that period;

(iii) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of your Company and for preventing and detecting fraud and other irregularities;

(iv) the Directors had prepared the annual accounts on a going concern basis.

CONSERVATION OF ENERGY, TECHNOLOGY AND FOREIGN EXCHANGE

Details of Conservation of Energy and Technology Absorption under provisions 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 are given as Annexure to this report.

Foreign Exchange earning was 10.50 Lacs and the outgo was Rs. 422.29 Lacs during the Year.

AUDITORS

M/s ABN & Co. Chartered Accountants, Indore being Statutory Auditors of the Company are liable to retire by rotation at the ensuing Annual General Meeting and who being eligible offer themselves for re-appointment. The Company has received letters from M/s ABN & Co. to the effect that their re-appointment, if made, would be within the prescribed limits under section 141(3)(g) of the Companies Act, 2013 and that he is not disqualified for re-appointment. The Board recommends their re-appointment.

Pursuant to the provisions of section 139 and other applicable provisions, if any, of Companies Act, 2013 read with Rule 3 of Companies (Audit and Auditors) Rules, 2014, it is proposed to appoint M/s ABN & Co., Chartered

Accountants (ICAI Firm Registration No. 004447C), the retiring Auditors of the Company as Statutory Auditors of the Company from the conclusion of this Annual General Meeting (AGM) till the conclusion of the Thirty Two AGM of the Company to be held in the year 2017 (subject to ratification of their appointment at every AGM) on such remuneration as may be decided & fixed by the Board on the recommendations of the Audit Committee.

AUDITOR'S REPORT

Report of the Auditors and their observations on the Accounts of the Company for the year under review is attached herewith. The Notes on Financial Statements referred to in the Auditors' Report are self-explanatory and do not call for any further comments.

SECRETARIAL AUDITORS

Pursuant to the provisions of section 204 of the Companies 2013 read with the Companies (Appointment and Qualification of Managerial Personal) Rules, 2014, the company has appointed M/s D. K. Jain & Co., Company Secretaries as the Secretarial Auditors for the year 2014-15.

COST AUDITORS

The Company has appointed to Vijay P. Joshi & Associates Cost Accountants; as a cost auditors for conducting the audit of cost records of the Company for the financial year 2013-14. The Company is in process for filing of the Cost Audit Report within the stipulated time. Pursuant to the Cost Audit Rules, 2014, now the Company is out of purview of the Cost Audit requirement for the year 2014-15.

PARTICULARS OF EMPLOYEES

In terms of the provisions of Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975, as amended, the names and other particulars of the employees are set out in the annexure to the Directors' Report.

ACKNOWLEDGMENT

Your Directors would like to express their appreciation for the assistance and co-operation received from the financial institutions, banks, Government authorities, customers, vendors and members during the year under review. Your Directors also wish to place on record their deep sense of appreciation for the committed services by the Company's executives, staff and workers.

FOR AND ON BEHALF OF THE BOARD

HARSH VORA

**MANAGING DIRECTOR
DIN 00149287**

SUSHIL RAWKA

**DIRECTOR
DIN : 00156990**

PLACE: INDORE

DATE :

12th August, 2014

ANNEXURE TO DIRECTORS' REPORT

FORM 'A'

FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY

The company is not covered under the list of specified industries. However, required energy conservation measures were already taken to ensure optimum power consumption to the extent necessary.

FORM 'B'

FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO TECHNOLOGY ABSORPTION

1. Specific areas in which R & D carried out by the company.
2. Benefit derived as a result of above R & D
3. Future plan of action
4. Expenditure on R & D
 - (a) Capital
 - (b) Recurring
 - (c) Total
 - (d) Total R & D expenditure as percentage of total turnover.

No R&D carried out.
Therefore no Expenses were incurred on R&D

Technology absorption, adaptation and innovation.

1. Efforts in brief made towards technology absorption adaptation and innovation.
2. Benefits derived as a result of the above efforts e.g. product improvement, product development, imports substitution etc.
3. In case of imported technology (imported during the last 5 years reckoned from the beginning of the financial year)
 - (a) Technology
 - (b) Year of Import
 - (c) If not fully absorbed areas where this has not taken place, reasons therefore and future plans of action.

NIL

ANNEXURE – C

STATEMENT PURSUANT TO SECTION 217(2A) OF THE COMPANIES, ACT, 1956 READ WITH COMPANIES (PARTICULARS OF EMPLOYEES) RULES, 1975 AND FORMING PART OF THE DIRECTOR'S REPORT FOR THE YEAR ENDED 31ST MARCH, 2014

S. No.	Name	Age (years)	Designation	Remuneration (Amount in Rs.)	Qualification	Experience (in years)	Date of joining	Previous employment
1	Harsh Vora	52	Managing Director	84,00,000	B.Com	29	06.12.1990	Nil
2.	Madhusudan Jain	48	Whole Time Director	83,43,693	B.E. (Mechanical)	25	24.01.2004	Nil

Notes:

1. Remuneration has been calculated on the basis of Section 198 of the Companies Act, 1956
2. The employment is contractual in accordance with the terms and conditions as per the agreement.
3. Mr. Madhusudan Jain, Whole Time Director is the relative of Mr. Harsh Vora, Managing Director of the Company.
4. Mr. Harsh Vora, Managing Director of the Company is the relative of Mr. Madhusudan Jain, Whole Time Director. Mr. Vimal Lunia and Mr. Nirmal Lunia, Director of company.

FOR AND ON BEHALF OF THE BOARD

PLACE: INDORE
DATE: 12th August, 2014

HARSH VORA
MANAGING DIRECTOR
DIN : 00149287

SUSHIL RAWKA
DIRECTOR
DIN : 00156990

MANAGEMENT DISCUSSION & ANALYSIS REPORT

Performance

The overall production of the Company was decreased by about 5.96 % and sales & other income increased by 1 % to Rs.77.42 Crores, as against 76.65 Crores in the last year. The Profit before Tax was Rs. 2.95 Crores.

Opportunities & Threats

Although the Company is facing a stiff competition from SSI Units, it is posed to enter into new ventures in the welding line to add more products into its product range. The profit-oriented business is given a thrust and hopefully Company is all positive to make in roads in market leading of first rung companies. The bigger problem is the unsteady pricing factor of ferrous items of which prices are decided by London Metal Market.

Risks & Concerns

Dependability on raw material supplies continues to be a big risk for the Company to face. It is pertinent to ensure easy availability of raw materials such as Rutile, Steel and Metals at fair prices.

Internal Control System

The company has adequate internal control systems commensurate with the nature and size of the business. All the transaction are properly authorized and recorded. The Company has an Audit Committee, which regularly meets to review the Financial Reports and Statements of the Company. It also invites the Statutory Auditors of the Company to get their opinions and suggestions on the Company's system of preparing and maintaining financial statements and on the adequacy of its internal control system.

Human Resources and Industrial Relations

The Company assigns a great deal of importance to its human resources. Industrial relations with the employees remained cordial during the year. Human Resource Development activities had received considerable focus during the year. The Directors wish to acknowledge the contribution of all the employees in raising the performance of the Company.

Quality Management System ISO – 9001: 2008

Your company's administrative office and works situated at Indore has been certified as ISO 9001: 2008 by International Certification Services for Quality Management System.

CORPORATE GOVERNANCE

I. Company's Philosophy on Code of Corporate Governance

The Company believes in the practice of good Corporate Governance acting as a good corporate citizen. The spirit of Corporate Governance has been prevailing in the Company. The company believes in the values of transparency, professionalism and accountability. The Company recognizes the acceptability of the Board and importance of the decisions relating to its customers, dealers, employers, shareholders etc.

The Company always strives to achieve performance at all levels by adhering to corporate governance practices.

II. Board of Directors

The strength of Board of Directors as on 31st March, 2014 was 8 out of which 2 were Executive Directors, 3 were Non Executive Directors and 3 were Non Executive Independent Directors.

Shareholding of Non-Executive Directors in the Company as on 31.03.2014:

Mr. Sushil Rawka	:	63,300
Mr. Jagdish C. Kapur	:	NIL
Mr. Nirmal Lunia	:	NIL
Mr. Vimal Lunia	:	NIL
Mr. Basant Singh Johari	:	3,300
Mr. Surjit Singh	:	NIL

The Board of Directors duly met Four times during the Financial Year 2013–2014 and the gap between two meetings did not exceed four months. Dates on which the Board meetings were held on 27.05.2013, 05.08.2013, 01.11.2013 and 14.02.2014. Attendance of directors during Board Meetings is shown in Table A. The Categories of directors are also mentioned in the same table.

III. Audit Committee

The Audit Committee of the Company comprised of Mr. Surjit Singh, Director of the Company as Chairman, Mr. Sushil Rawka and Mr. Jagdish C. Kapur, Directors of the Company as its members. The members have financial and accounting knowledge. The Committee members duly met Four times during the Financial Year 2013-2014 on 27.05.2013, 02.08.2013, 28.10.2013 and 07.02.2014.

The attendance of members at the meeting of Audit Committee held during the Financial Year under review is shown in Table A.

The Audit Committee has adequate powers and detailed terms of reference, to play effective role as required under the provisions of the Companies Act, 1956 and clause 49 of the Listing Agreement entered with Bombay Stock Exchange.

IV. Share Transfer and Investor Grievance Committee

Share Transfer and Investor Grievance Committee consist of Mr. Sushil Rawka, Director of the Company as Chairman, Mr. Jagdish C. Kapur & Mr. Madhusudan Jain, Directors of the Company, as its members. Thirty Eight Shareholders' Complaints were received during the Financial Year. All of them were resolved within 30 days of receipt and no complaints were pending at the end of the year.

The members duly met Four times during the Financial Year 2013-2014 on 17.05.2013, 15.07.2013, 24.10.2013 and 31.01.2014.

The Company has renamed the committee as the Stakeholders Relationship Committee as per requirement of the Companies Act, 2013.

The attendance of members at the meetings held during the Financial Year under review is shown in TABLE A.

V. Remuneration Committee

The Remuneration Committee of the Company comprised of Mr. Jagdish C. Kapur, Director of the Company as Chairman, Mr. Surjit Singh and Mr. B.S. Johari, Directors of the Company as its members. The Committee members duly met one times during the Financial Year 2013-2014 on 02.05.2013.

The attendance of members at the meeting of Remuneration Committee held during the Financial Year under review is shown in TABLE A.

The Remuneration Committee has adequate powers and detailed terms of reference, to play effective role as required under the provisions of the clause 49 of the Listing Agreement entered with Bombay Stock Exchange.

The Company has renamed the committee as the Nomination and Remuneration Committee as per requirement of the Companies Act, 2013.

TABLE A

Sr. No	Name of Director	Status	Attendance of Board & Committee Meetings				Annual General Meeting	Outside Directorship & Committee Positions	
			No of Board Meetings	No of Audit Meetings Attended	No of STCIGC Meetings Attended	No. of RC Meetings Attendance		Attended during the Year	Director Ship
1	Mr. Harsh Vora	Executive	4	N.A.	N.A.	N.A.	No	3	Nil
2	Mr. Vasudeo S. Bhate	Executive	1	N.A.	N.A.	N.A.	No	Nil	Nil
3	Mr. Sushil Rawka	Non – Executive	4	4	4	N.A.	Yes	Nil	Nil
4	Mr. Nirmal Lunia	Non – Executive	Nil	N.A.	N.A.	N.A.	No	1	Nil
5	Mr. Jagdish C. Kapur	Non Executive & Independent	1	4	4	1	No	Nil	Nil
6	Mr. Vimal Lunia	Non – Executive	Nil	N.A.	N.A.	N.A.	No	2	Nil
7	Mr. Madhusudan Jain	Executive	4	N.A.	4	N.A.	Yes	4	Nil
8	Mr. Surjit Singh	Non – Executive & Independent	4	4	N.A.	1	No	Nil	Nil
9	Mr. Basant Singh Johari	Non – Executive & Independent	4	N.A.	N.A.	1	No	Nil	Nil

Abbreviation: STCIGC = Share Transfer – cum – Investor Grievance Committee
RC = Remuneration Committee

VII. Remuneration of Directors

Break-up of Directors' remuneration

S. No.	Name of Directors	Salary Including Employers' Contribution to Provident fund	Perquisites	Sitting Fees
1	Mr. Harsh Vora (Managing Director)	82,80,000	1,20,000	NIL
2	Mr. Vasudeo S. Bhate (Technical Director upto 14-02-2014)	6,48,000	92883	NIL
3	Mr. Madhusudan Jain (Whole Time Director)	81,58,984	1,84,709	NIL
4	Mr. Sushil Rawka	NIL	NIL	20000
5	Mr. Jagdish C. Kapur	NIL	NIL	5000
6	Mr. Nirmal Lunia	NIL	NIL	NIL
7	Mr. B. S. Johari	NIL	NIL	20,000
8	Mr. Surjit Singh	NIL	NIL	20,000
9	Mr. Vimal Lunia	NIL	NIL	NIL
	Total	1,70,86,984	3,97,592	65,000

VIII. General Body Meeting:

Financial Year	Date	Location of Meeting	Time	No. of special resolution passed
2013-2014	30.09.2013	At Registered Office at Mumbai	10:00 A.M.	2
2012-2013	29.09.2012	At Registered Office at Mumbai	10:00 A.M.	1
2011-2012	26.03.2012	At Registered Office at Mumbai	10:00 A.M.	1
2010-2011	20.09.2011	At Registered Office at Mumbai	10:00 A.M.	2

No resolutions were passed at the extra ordinary general meeting or through the postal ballot process during the year 2013-14.

IX. Disclosures:

a. Disclosures on materially significant related party transactions i.e. transaction of the Company of material nature, with its promoters, directors or the management, their subsidiary or relatives etc. that may have potential conflict with the interests of the Company at large: NIL

b. Details of non-compliance by the company, penalties, and strictures imposed on the company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years.

The Company has complied with the requirements of regulatory authorities on capital markets and no penalties/stricture has been imposed against it during the last three years.

X. Declaration of Code of Conduct

The Company has adopted a Code of Conduct for all Board Members and Senior Management of the Company. The Code of Conduct has already been posted on the website of the Company. All Board Members and Senior Members have affirmed compliance with the Code of Conduct. A declaration signed by the Chief Executive Officer is annexed herewith

XI. Corporate Governance Compliance Certificate:

The Certificate regarding compliance of condition of clause 49 of the Listing Agreement received from the Auditors of the Company is annexed hereto.

XII. DISCLOSURES:

XII.1 Related Party Transactions

Details of all material transactions with related parties has been disclosed in the notes to the Accounts in the financial statements of the Company.

XII.2 Disclosure of Accounting Treatment

The company is following the Accounting Standards as applicable to the Company.

XII.3 Remuneration of Directors

1. All pecuniary relationship or transactions of the non-executive directors vis-à-vis the company has been given in the Corporate Governance Report as well as under the related party transaction in the financial statements.
2. Disclosures on the remuneration of directors has been given on the corporate governance of the Annual Report.
3. Shri Basant Singh Johari, Independent Director is holding only 3300 Equity Shares in the company, except that none of the non-executive directors is having any share or convertible instruments in the Company.

XII.4 Disclosure of resignation of directors

The company discloses the resignation alongwith the detailed reasons of resignation provided by the director of the company to the stock exchange as and when it is required.

XII.5 Disclosure of formal letter of appointment

The letter of appointment of the independent director along with the detailed profile shall be disclosed on the websites of the company and the Stock Exchanges.

XII.6 Proceeds from public issues, rights issue, preferential issues, etc.

The Company has not raised money through an issue (public issues, rights issues, preferential issues etc.) during the year under review.

XII.7 Shareholder Rights

The quarterly, half yearly and annual declarations of the financial performance are posted on the website of the Company and are also sent to the Bombay Stock Exchange, where the shares of the Company are listed. The complete Annual Report is sent to every shareholder of the company.

XII.8 Audit Qualifications

It is always the company's endeavor to present unqualified financial statements. There are no audit qualifications in the company's financial statements for the year ended 31st March 2014.

XII.9 Whistle Blower/vigil Mechanism Policy

The Company has laid down a Whistle Blower Policy/vigil mechanism. The company encourages an open door policy where employees have access to the Head of the business/function. The company takes cognizance of the complaints made and suggestions given by the employees and others. Complaints are looked into and whenever necessary, suitable corrective steps are taken. No employee of the company has been denied access to the Audit Committee in this regard.

XII.10 Compliance by the Company

There has not been any non-compliance by the company and no penalties or strictures imposed on the company by the Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years.

XII.11 MEANS OF COMMUNICATION:

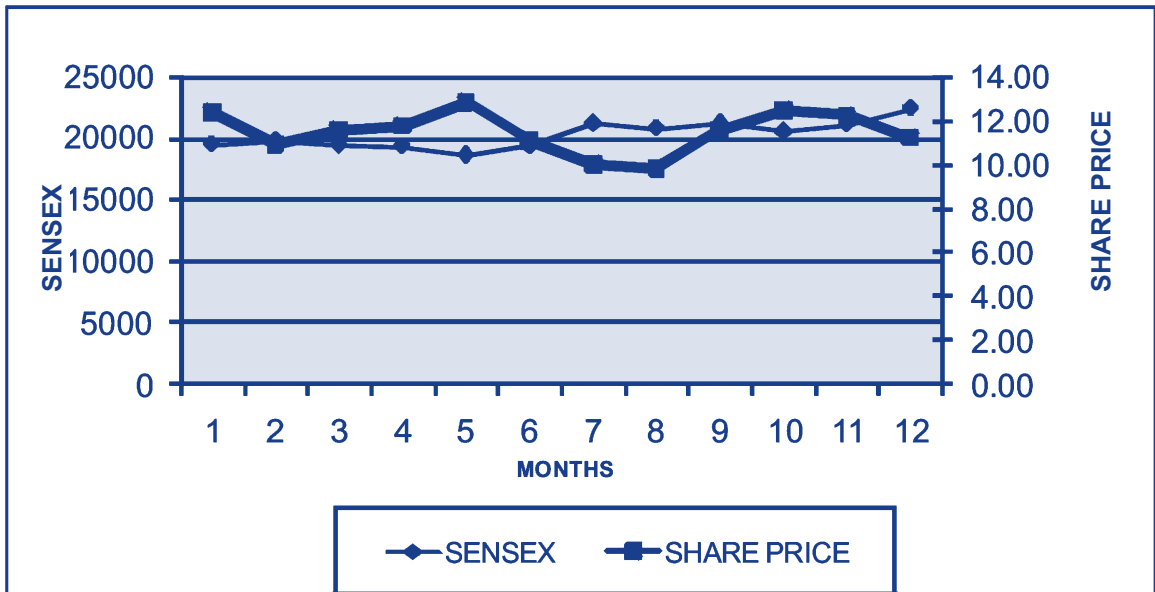
The company regularly intimates its Un-Audited as well as Audited Financial Results to the Stock Exchange immediately after these are taken on record/approved by the Board. These financial results are published in the Free Press Journal (English) and in Navshakti (Marathi), the vernacular newspaper. The results of the company are also available on the website of the company, at www.dnhindia.com

XIII. Shareholders' information

- a. **Regd. Office:** A-204, Kailash Esplanade, Opp. Shreyas Cinema, Ghatkopar (W), Mumbai-400086
Annual General Meeting: Date and Time: 30th September, 2014 at 10.00 A.M.
Venue: At A-505, Kailash Esplanade, Opp. Shreyas Cinema, L.B.S. Marg, Ghatkopar (W), Mumbai-400086
- b. **Financial Calendar:** (Tentative) Financial reporting for:
Quarter ending June 30, 2014 : On or before August 15, 2014
Half year ending September 30, 2014 : On or before November 15, 2014
Quarter ending December 31, 2014 : On or before February 15, 2015
Year ending March 31, 2015 : On or before May 15, 2015
Annual General Meeting for year 2015 : End of September, 2015
Date of Book Closure : In the month of September, 2015
- c. Board Meeting for consideration of Annual Accounts : 30th May, 2014
- d. Book Closure : 26nd Sept., 2014 to 30th September, 2014
(Both days inclusive)
- e. Cutoff date for E-voting : 29th August, 2014
- f. Posting/ mailing of Annual Report : Before 5th Sept., 2014
- g. Last date for receipt of Proxy : 28th Sept., 2014
- h. Dividend : The Board of directors of the Company recommended dividend of Rs. 0.50 (5%) per equity share of Rs. 10/- each for the financial year ended March 31, 2014, which would be paid subject to approval by the members in the ensuing Annual General Meeting (AGM).
- i. Listing : The equity shares of the company are listed at BSE Ltd. and the listing fees has been paid for 2014-2015
- j. Compliance Officer and Company Secretary : CS Rajesh Sen
- k. Scrutiniser for E-voting : CSD. K. Jain
- l. ISIN NO : INE58D01018
- m. **List of Stock Exchanges:** Presently the shares of the Company are listed at Bombay Stock Exchange, Mumbai
Scrip Code: 517514
- n. **Market Price Data:** The Stock Market data for the period from April, 2013 to March, 2014 are as below: - [As taken from the website of Bombay Stock Exchange Ltd., Mumbai (BSE)]

Period	High (Rs)	Low (Rs)	Period	High (Rs)	Low (Rs)
April, 2013	12.95	11.00	October, 2013	11.70	10.00
May, 2013	12.00	10.90	November, 2013	11.13	9.80
June, 2013	11.54	10.50	December, 2013	11.76	10.25
July, 2013	12.00	11.00	January, 2014	13.00	10.45
August, 2013	13.00	10.74	February, 2014	13.77	10.46
September, 2013	12.75	10.86	March, 2014	12.65	10.58

o. Performance of D & H India Limited in comparison to BSE Sensex



p. Distribution of Shareholding as on March 31, 2014

Nominal value of Equity share held (Rs.)	No. of Share Holders	Share Amount in (Rs.)	% of share holding
Up to 1000	3,458	31,96,810	4.32
1001 to 2000	1,056	20,60,570	2.78
2001 to 3000	351	10,19,510	1.38
3001 to 4000	125	4,84,020	0.65
4001 to 5000	314	15,58,250	2.11
5001 to 10000	347	29,36,420	3.97
10001 to 20000	207	32,15,720	4.35
20001 to 30000	63	16,13,860	2.18
30001 to 40000	35	12,12,480	1.64
40001 to 50000	27	12,80,490	1.73
50001 to 100000	33	23,55,850	3.18
100000 above	48	5,06,6,020	71.71
TOTAL	6064	7,40,00,000	100.00

q. **Categories of shareholding as on 31st March, 2014:**

Category	No. of Share held	% of share holding
Promoters & Person acting in concert	34,91,430	47.18
Financial Institution, Mutual Fund and Banks	2415	0.03
Private Corporate Bodies	17,65,932	23.86
Non Resident / OCBs	59,206	0.80
Indian Public	20,81,017	28.13
TOTAL	74,00,000	100.00

r. **Dematerialization of shares:**

Trading in shares of D & H India Limited is permitted, only in dematerialized form, with effect from April, 2001 as per notification issued by the Securities and Exchange Board of India (SEBI)

At present the Company's share are available for dematerialization with both NSDL and CDSL. As on 31st March, 2014, an aggregate of 67,93,575 Equity Shares, which amounts to 91.80 % of total Equity Share Capital of the Company exist under the Electronic, form.

The International Securities Identification Number (ISIN) allotted to the Company is **INE589DO1018**.

s.. **Registrar and Share Transfer Agents (Physical & Electronic Connectivity):**

M/s. Ankit Consultancy Pvt. Ltd. is the Company's Registrar and Share Transfer Agent having its office at the following address:

Plot No. 60, Electronic Complex
Pardeshipura,
Indore (M.P.) – 452 010
Tel.: 0731-3198601, 3198602
Fax no. : 0731-4065798
Email : ankit_4321@yahoo.com

Share Transfer Forms can be lodged with M/s Ankit Consultancy Pvt. Ltd. at its address mentioned above.

t. **Address for Correspondence:**

Head Office:
Plot A, Sector A, Industrial Area,
Sanwer Road, Indore 452 015 (M.P.)

u. Pursuant to the provision of Section 205A of the Companies Act, 1956, dividend which remain unpaid or unclaimed for a period of seven years from the date of transfer to the Unpaid Dividend Account, are required to be transferred to the Investor Education and Protection Fund of the Central Government.

Section 205C of the Act declares that no claims shall lie against the fund of the Company in respect of individual amounts, which were unclaimed and unpaid for seven years as aforesaid and transferred to the fund.

Shareholders are therefore, advised that those who have not encashed their dividend warrant(s) so far for the year 2006-07, 2007-08, 2008-09, 2009-10, 2010-11, 2011-12 and 2012-13 may send their dividend warrants to the Company at its Work and administrative office situated at Sanwer Road (M.P.), for the issue of Demand draft(s) in lieu thereof before the respective amounts become due for transfer to the fund.

CEO/CFO CERTIFICATION AS PER CLAUSE 49 OF THE LISTING AGREEMENT

To,
**The Board of Directors,
D & H India Limited,
Mumbai**

12th August, 2014

CERTIFICATE

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

**Harsh Vora
Managing Director /CEO
DIN 00149287**

**Sanat Jain
G.M. Finance/CFO**

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members
D & H INDIA LIMITED

We have reviewed the compliance of conditions of Corporate Governance by D & H India Ltd. for the Financial Year ended 31st March, 2014 as stipulated in Clause 49 of the Listing Agreement of the said Company with Bombay Stock Exchange. We have conducted our review on the basis of the relevant records and documents maintained by the Company for the year ended 31st March, 2014 and furnished to us for the purpose of the review and the information and explanation given to us by the Company during the course of such review.

The Compliance of conditions of Corporate Governance is the responsibility of the management. Our review was limited to procedure and implementation thereof, adopted by the Company for ensuring the compliance of the condition of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company. In our opinion and the best of our information and according to the explanation given to us, and the representation made by the Directors and management.

We hereby certify that the Company has complied with the condition of Corporate Governance as stipulated in the above-mentioned Listing Agreement.

As required by the Guidance note on certification of Corporate Governance issued by the Institute of Chartered Accountants of India, we state that no investor grievance is pending for the period exceeding one month as on 31st March, 2014 against the Company as per the records maintained by the Share Transfer and Investor Grievance Committee of the Company.

We further state that such Certification 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.

PLACE: INDORE
DATE: 12th August, 2014

For and on behalf of ABN & Co.
Chartered Accountants
Firm Regn. No.004447C

B.M. Bhandari
Partner
Membership No. 071232

INDEPENDENT AUDITOR'S REPORT

To,
The Members,
D & H INDIA LIMITED,

Report on the Financial Statements

We have audited the accompanying financial statements of **D & H India Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2014, 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 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") read with the General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013. 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 March 31, 2014;
- (b) In the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- (c) 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 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, the Statement of Profit and Loss, and the Cash Flow Statement comply with Accounting Standards notified under the Act read with the General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013;
 - e. On the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

Place : Indore
Date : 30 May, 2014

For **ABN & Co.**
Chartered Accountants
FRN : 004447C

B.M. Bhandari
Partner
M. No. : 071232

ANNEXURE TO THE AUDITORS' REPORT

(Referred to in paragraph 1 of our report of even date on the accounts for the year ended 31st March 2014 of *D & H India Limited*)

- I a. The proper records showing full particulars including quantitative details and situation of the fixed assets are being maintained by the company.
- b. All the fixed assets have been physically verified by the management during the year, which in our opinion is reasonable having regard to the size of the company and the nature of its assets. As per information and explanations given to us, no material discrepancies were noticed.
- c. In our opinion and according to the information and explanations given to us, any substantial part of fixed assets has not been disposed off by the company during the year and the going concern status of the company is not affected.
- II a. The inventory of the company has been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable.
- b. In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventory followed by the management are reasonable & adequate, in relation to the size of the company & nature of its business.
- c. On the basis of our examination of records of inventory, in our opinion, the company has maintained proper records of inventory and as explained to us, the discrepancies noticed on physical verification of inventory, as compared to book records were not material and have been properly dealt with in the books of account.
- III a. The company has not granted any loan secured or unsecured to companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Hence clause (a) to (d) is not applicable to the company.
- e. The company has taken unsecured loan from two party covered in the register maintained under section 301 and, the maximum amount involved during the year was Rs. 16,50,000/- and year-end balance of loan was Rs. 49,23,707/-.
- f. The rate of interest and other terms and conditions of unsecured loans taken by the company, are prima-facie not prejudicial to the interest of the company.
- g. The unsecured loan taken from parties has not been squared up during the year.
- IV In our opinion and according to information & explanations given to us, there is adequate internal control system commensurate with the size of the company & nature of its business with regard to the purchase of inventory & fixed assets & for the sale of goods. Further on the basis of our examination of the books and records of the company, carried out in accordance with the generally accepted auditing practices in India, we have neither come across nor have been informed of any instances of major weaknesses in the internal control system.
- V a. Based on audit procedures applied by us, to the best of our knowledge & belief and according to the information & explanations given to us. We are of the opinion that the particulars of contracts or arrangements referred to in section 301 of the Act have been entered in the register required to be maintained under that section.
- b. In our opinion and according to information & explanations given to us, transactions made in pursuance of contracts or arrangement entered in the register maintained under section 301 of the Companies Act, 1956 have been made at prices which are reasonable having regard to prevailing market prices at the relevant time where such market prices are available.
- VI In our opinion and according to the information & explanations given to us, the company has not accepted deposit from public, within the meaning of provisions of section 58A & 58AA of Companies Act, 1956 & Rules framed there under.
- VII In our opinion, the company has an internal audit system commensurate with the size and nature of its business.
- VIII We have broadly reviewed the books of accounts 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 Companies (Cost accounting records Rule), 2011, and are of the opinion that prima-facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of records with a view to determine whether they are accurate or complete.
- IX a. According to the records of the company examined by us and the information & explanations given to us, in our opinion the company is, generally regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Investors Education & Protection Fund, Employees State Insurance, Income Tax, Sales Tax, service tax Excise Duty, Wealth Tax, Custom Duty, cess and other statutory dues applicable to it. No undisputed amount payable as at 31.03.2014 for a period of more than 6 month from the date they became payable.
- b. According to records of the company examined by us and the information & explanations given to us, there are following statutory dues which have not been deposited on account of dispute.

Nature of Statute	Nature of the dues	Period to which the amount relates	Amount in Rs.	Forum where the dispute is pending
CST	Regular assessment	2006-07	577794	D. Comm. of App. Appeal Board Appeal Board Add. Comm. App.
		2008-09	124977	
		2009-10	384322	
		2010-11	817333	
Entry Tax	Regular assessment	2005-06	111968	D. Comm. of App. D. Comm. of App. Appeal Board
		2006-07	258747	
		2008-09	30272	

- X The Company does not have accumulated losses at the end of the financial year and it has not incurred any cash losses in the current year and immediately preceding financial year.
- XI Based on our audit procedure & on the basis of information & explanations given by the management, we are of the opinion that the company has not defaulted in payment of dues to the financial institution or bank during the year. The company does not have any borrowing by way of debentures.
- XII The Company has not granted any loans & advances on the basis of security by way of pledge of shares, debentures and other securities.
- XIII In our opinion and according to the information & explanations given to us, the company is not a chit fund and nidhi / mutual benefit fund / society. Therefore, provisions of this clause is not applicable to the company.
- XIV Based on our examination of records and the information & explanations given to us, the company has maintained proper records of the transactions & contracts in respect of dealing & trading in shares, securities, debentures and other investments and timely entries have been made. All the investments have been held by the company in its own name.
- XV According to the information & explanations given to us, the company has not given any guarantee for loans taken by others from the banks and financial institutions during the year.
- XVI According to the records of the company, examined by us and the information & explanations given to us, the company has raised new term loan during the year. The term loan taken have been applied for the purposes for which they were raised.
- XVII According to the information & explanations given to us and on the basis of an overall examination of balance sheet of the company, in our opinion no funds raised by company on short term basis, have been used for long term investments.
- XVIII During the year company has not made any preferential allotment to parties and companies covered under register maintained under section 301 of the Companies Act, 1956.
- XIX As explained to us, during the period covered by our audit, the company has not issued any debentures.
- XX The company has not raised any money through public issue during the year.
- XXI According to the information & explanation given to us, no fraud on or by the company has been noticed or reported during the course of our audit.

For **ABN & Co.**
Chartered Accountants
FRN : 004447C

B.M. Bhandari
Partner
M. No. : 071232

Place : Indore
Date : 30 May, 2014

Balance Sheet as at 31st March, 2014

Particulars	Note No.	AS AT 31.03.2014 RUPEES	AS AT 31.03.2013 RUPEES
I. EQUITY AND LIABILITIES			
(1) Shareholders' Funds			
(a) Share Capital	3	7,40,00,000	7,40,00,000
(b) Reserves and Surplus	4	20,60,26,365	19,12,76,153
(2) Non-Current Liabilities			
(a) Long-term borrowings	5	1,16,74,360	1,92,00,121
(b) Deferred tax liabilities (Net)	6	1,64,04,280	1,40,81,395
(3) Current Liabilities			
(a) Short-term borrowings	7	1,37,86,332	-
(b) Trade payables	8	12,29,79,805	6,10,47,387
(c) Other current liabilities	9	6,02,54,842	5,57,93,280
(d) Short-term provisions	10	2,50,63,169	1,94,75,605
Total		53,01,89,153	43,48,73,941
II. Assets			
(1) Non-current assets			
(a) Fixed assets			
(i) Tangible assets	11.1	18,79,85,167	15,33,96,256
(ii) Capital Work In Progress	11.2	1,32,09,160	-
(iii) In Tangible assets Under Development	11.3	7,68,539	5,99,550
(b) Non-current investments	12	1,96,99,699	1,96,99,699
(c) Other non-current assets	13	38,59,210	34,63,171
(2) Current assets			
(a) Inventories	14	14,58,74,765	7,56,29,333
(b) Trade receivables	15	12,70,57,157	12,93,98,638
(c) Cash and cash equivalents	16	61,82,920	2,85,02,174
(d) Short-term loans and advances	17	2,55,52,537	2,41,85,120
Total		53,01,89,153	43,48,73,941
The Notes 1-36 are an integral part of these financial statements.			
As per our report of even date attached for and on behalf of M/s ABN & CO. Chartered Accountant FRN-004447C		For and on behalf of the Board	
(B.M. Bhandari) Partner M.No. 071232	Harsh Vora Managing Director DIN : 00149287	Sushil Rawka Director DIN : 00156990	
Place: Indore Date: 30.05.2014	Rajesh Sen Company Secretary FCS : 7689		

Statement of Profit and Loss for the year ended 31st March, 2014

Particulars		Note No	AS AT 31.03.2014 RUPEES	AS AT 31.03.2013 RUPEES
I.	Revenue from operations(Gross)	18	77,26,16,198	76,46,86,649
	Less : Excise Duty		<u>8,16,60,741</u>	<u>8,36,81,897</u>
	Revenue from operations(Net)		69,09,55,457	68,10,04,752
II.	Other Income	19	<u>16,02,096</u>	<u>17,74,544</u>
III.	Total Revenue (I +II)		<u>69,25,57,554</u>	<u>68,27,79,296</u>
IV.	Expenses:			
	Cost of materials consumed	20	42,50,14,115	43,97,49,522
	Purchase of Stock-in-Trade		<u>6,32,16,700</u>	<u>1,28,07,302</u>
	Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	21	(4,02,33,266)	(25,14,367)
	Employee benefit expense	22	8,48,94,066	6,82,89,265
	Financial costs	23	69,56,351	60,07,626
	Depreciation and amortization expense		<u>1,03,66,341</u>	<u>90,82,512</u>
	Other expenses	24	<u>11,23,99,411</u>	<u>11,00,76,781</u>
	Total Expenses		<u>66,26,13,717</u>	<u>64,34,98,640</u>
V.	Profit before exceptional and extraordinary items and tax (III - IV)		2,99,43,837	3,92,80,656
VI.	Prior Period Adjustments		<u>4,41,926</u>	<u>5,62,642</u>
VII.	Profit before extraordinary items and tax (V - VI)		2,95,01,911	3,87,18,014
VIII.	Profit before tax		<u>2,95,01,911</u>	<u>3,87,18,014</u>
IX.	Tax expense:			
	(1) Current tax		81,00,000	1,12,00,000
	(2) Deferred tax		<u>23,22,885</u>	<u>16,17,166</u>
X.	Profit/(Loss) from the period from continuing operations (VIII-IX)		1,90,79,026	2,59,00,848
XI.	Profit/(Loss) for the period		<u>1,90,79,026</u>	<u>2,59,00,848</u>
XII.	Earning per equity share:	25		
	(1) Basic		2.58	3.50
	(2) Diluted		2.58	3.50

The Notes 1-36 are an integral part of these financial statements.

**As per our report of even date
for and on behalf of M/s ABN & CO.**

**Chartered Accountant
FRN-004447C
(B.M. Bhandari)
Partner
M.No. 071232**

For and on behalf of the Board

**Harsh Vora
Managing Director
DIN : 00149287**

**Sushil Rawka
Director
DIN : 00156990**

**Place: Indore
Date: 30.05.2014**

**Rajesh Sen
Company Secretary
FCS : 7689**

CASH FLOW STATEMENT FOR THE YEAR 2013-14

	31.03.2014	31.03.2013
A. Cash flow from Operating Activities		
Net profit before tax & Extraordinary items	2,99,43,837	3,92,80,656
Adjustment for : Depreciation	1,03,66,341	90,82,512
Deferred Revenue Expenditure	-	-
Preliminary Expenditure	-	-
Loss/(Profit) on sale of fixed assets	-	44,822
Other Income	(12,55,923)	(11,63,500)
Interest Paid / Bank Charges	69,56,351	60,07,626
Operating Profit before working Capital		
Changes Adjustment for:	4,60,10,605	5,32,52,116
Trade & other receivable	23,41,481	(1,60,64,846)
Inventories	(7,02,45,432)	1,56,70,897
Trade Payables & Other Provisions	7,19,52,962	1,65,82,231
Cash generated from Operations	5,00,59,616	6,94,40,398
Direct Tax paid	(1,12,00,000)	(94,00,000)
Cash flow before extraordinary items	3,88,59,616	6,00,40,398
Extraordinary items	(4,41,926)	(5,62,642)
Net Cash from Operating Activities	3,84,17,691	5,94,77,756
B. Cash Flow from Investing Activities		
Purchase of fixed assets	(5,83,33,401)	(1,50,66,932)
Loans & Advances	13,36,544	(1,35,62,315)
Sale of fixed Assets	-	12,95,386
Interest received / Misc Receipts	12,17,642	10,97,791
Purchase/ Sale of Non Current Investments	-	(51,37,500)
Dividend Income	38,281	23,071
Net cash used in Investing Activities	(5,57,40,933)	(3,13,50,499)
C. Cash Flow from Financing Activities		
Proceeds from issue of Share Capital	-	-
Proceeds from long term & Short term borrowings	62,60,571	28,05,474
Interest Paid	(69,56,351)	(60,07,626)
Dividend Paid (Including Dividend Distribution Tax)	(43,00,233)	(43,00,233)
Net cash used in Financing Activities	(49,96,012)	(75,02,385)
Net increase in Cash and Cash equivalent (A+B+C)	(2,23,19,254)	2,06,24,872
Cash & Cash Equivalents As at 01.04.2013	2,85,02,174	78,77,302
Cash & Cash Equivalents As at 31.03.2014	61,82,920	2,85,02,174

For and on behalf of M/s ABN & CO.

For and on behalf of the Board

Chartered Accountant

**FRN-004447C
(B.M. Bhandari)
Partner
M.No. 071232**

**Harsh Vora
Managing Director
DIN : 00149287**

**Sushil Rawka
Director
DIN : 00156990**

**Place: Indore
Date: 30.05.2014**

**Rajesh Sen
Company Secretary
FCS : 7689**

NOTES TO THE FINANCIAL STATEMENTS :-

1) General information

D & H India Limited is engaged in Manufacturing business primarily dealing in Welding Electrodes & Consumables, CO2 Wire, M Core Wire, Flux Powder, Flux cored Wire & other similar activities. The company has manufacturing plants in India and sells primarily in India. The Company is a public limited company domiciled in India and incorporated under the provisions of the Companies Act, 1956. Its shares are listed on the Bombay Stock Exchange (BSE).

2) Summary Of Significant Accounting Policies :-

2.1) Basis of Preparation

These financial statements have been prepared in accordance with the generally accepted Accounting principles in India under the historical cost convention on accrual basis. These financial statements have been prepared to comply in all material aspects with the accounting standards notified under Section 211(3C) [Companies (Accounting Standards) Rules, 2006, as amended] and the other relevant provisions of the Companies Act, 1956.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Revised Schedule VI to the Companies Act, 1956. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current – non current classification of assets and liabilities.

2.2) Tangible Assets

All fixed assets are stated at historical cost, net of CENVAT if availed, less accumulated depreciation. Historical cost comprise the purchase price and all direct costs attributable to bring the assets to its working condition for intended use.

2.3) Depreciation

Depreciation on all fixed assets is provided on the straight line method at the rate specified in schedule XIV of the Companies Act, 1956. Depreciation is not been charged on fixed assets sold during the year.

2.4) Borrowing Cost :

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are recognized in Statement of Profit and Loss in the period in which they are incurred.

2.5) Inventories

Inventories of Raw Material, Stores & Spares, Work-in-Progress, Finished Goods and Trading stocks are valued at lower of cost and net realizable value. The cost of work in progress & finished goods is determined on absorption cost basis. Raw material, Stores & Spares and trading stocks is valued on FIFO method.

2.6) Investment

Investments that are readily realisable and are intended to be held for not more than one year from the date, on which such investments are made, are classified as current investments. All other investments are classified as long term investments. Current investments are carried at cost or fair value, whichever is lower. Long-term investments are carried at cost. However, provision for diminution is made to recognize a decline, other than temporary, in the value of the investments, such reduction being determined and made for each investment individually

2.7) Impairment of Tangible Assets

An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value. An impairment loss is charged to the Profit & Loss account in the year in which an assets is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

2.8) Revenue Recognition

Revenue on sale of goods is recognized on passes of title to the customers, Sales (gross) are inclusive of vat/Central sales tax, excise duty, and adjustment for rate difference.

2.9) Provision, 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 & it is probable that there will be an outflow of resources. Contingent liabilities

are not recognized but are disclosed in the notes to the accounts. Contingent assets are neither recognized nor disclosed in the financial statements.

2.10) Cash Flow Statement

Cash flow are reported using indirect method. The cash flow from regular revenue generating, financing and investing activities of the company are segregated.

2.11) Employees Benefits

Short term employee benefits have been charged to Profit & Loss Account on accrual basis. Post employment benefits such as Gratuity liability is funded as per group gratuity scheme of Life Insurance of Corporation of India.

2.12) Taxation

Taxation comprise current Income tax, deferred tax, wealth tax. Current Income Tax provision has been determined on the basis of relief, deductions available under the Income Tax Act. Deferred Tax is recognized for all timing differences subject to the consideration of prudence, applying the tax rates that have been substantially enacted by the Balance Sheet date. Wealth Tax is calculated on the basis of carrying value of wealth liable to tax after deducting basic exemption available.

2.13) Foreign Currency Transactions

- (i) Transactions denominated in foreign currencies are normally recorded at the exchange rate prevailing at the time of the transaction.
- (ii) Monetary items denominated in foreign currencies, if any, at the end of the year are restated at year end rates.
- (iii) Non monetary foreign currency items are carried at cost.
- (iv) Any income or expense on account of exchange difference either on settlement or on translation is recognized in the Profit and Loss Account, except in cases where they relate to acquisition of fixed assets, in which case, they are adjusted to the carrying cost of such assets.

2.14) Other Income

Interest : Interest income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

Dividend : Dividend income is recognized when the right to receive dividend is established.

2.15) Earnings Per Share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Earnings considered in ascertaining the Company's earnings per share is the net profit for the period after deducting preference dividends and any attributable tax thereto for the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares, that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

2.16) Government Grants and subsidies

Grants & Subsidies from the government are recognized when there is reasonable assurance that (i) the company will comply with the conditions attached to them, and (ii) the grant/subsidy will be received. When the grant or subsidy relates to revenue, it is recognized as income on a systematic basis in the statement of profit and loss over the periods necessary to match them with the related cost.

NOTES TO THE FINANCIAL STATEMENT

Note No	ASAT 31.03.2014 RUPEES	ASAT 31.03.2013 RUPEES
3 Share Capital		
Equity Share Capital :		
Authorised Share capital 10000000 Equity Shares of Rs.10/- Each	10,00,00,000	10,00,00,000
Issued, subscribed & fully paid share capital 7400000 Equity Shares of Rs.10/- each (Fully Paid up)	7,40,00,000	7,40,00,000
Total	<u>7,40,00,000</u>	<u>7,40,00,000</u>
3.1 Reconciliation of Number of Shares Equity Shares :	No. of Shares	No. of Shares
Balance as at the beginning of the year	74,00,000	74,00,000
Add : Shares Issued During the period	-	-
Balance As at the end of the year	<u>74,00,000</u>	<u>74,00,000</u>
3.2 Terms/Rights attached to equity Shares		
Equity Shares: The company has one class of equity shares having par value of Rs.10 per share. Each share holder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.		
3.3 Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company Equity Shares :	No. of Shares	No. of Shares
1. Corna Infra Limited (Earlier known as "Good Creation Investment & Finance Limited)	8,06,000 (10.89%)	8,06,000 (10.89%)
2. Harsh Vora (HUF)	6,73,600 (9.10%)	6,73,600 (9.10%)
3. Suchita Kakrecha	5,37,085 (7.26%)	5,37,085 (7.26%)
3.4 Nil Equity Shares were issued in the last 5 years under the Employee Stock Options Plan as consideration for services rendered by employees.		
4 Reserves and Surplus		
Capital Reserves	<u>1,58,00,000</u>	<u>1,58,00,000</u>
Balance as at the beginning of the year	1,58,00,000	1,58,00,000
Add : capital Subsidy	-	-
Add : Convertible warrants forfeited	-	-
Balance as at the end of the year	<u>1,58,00,000</u>	<u>1,58,00,000</u>
Securities Premium Reserve	<u>2,14,84,800</u>	<u>2,14,84,800</u>
Balance as at the beginning of the year	2,14,84,800	2,14,84,800
Add : Premium on Warrant converted in shares	-	-
Balance as at the end of the year	<u>2,14,84,800</u>	<u>2,14,84,800</u>
General Reserve	<u>6,50,00,000</u>	<u>6,00,00,000</u>
Balance as at the beginning of the year	6,00,00,000	5,00,00,000

Note No	AS AT 31.03.2014 RUPEES	AS AT 31.03.2013 RUPEES
Add : Amount Transferred from Surplus Balance in Statement of profit & Loss Balance as at the end of the year	50,00,000 6,50,00,000	1,00,00,000 6,00,00,000
Surplus in the statement of Profit and loss	10,37,41,564	9,39,91,353
Balance as per last financial statements	9,39,91,353	8,23,90,738
Profit for the Year	1,90,79,026	2,59,00,848
Less : Appropriations		
Proposed dividend on Equity shares for the year	37,00,000	37,00,000
Dividend distribution Tax on proposed dividend on Equity shares	6,28,815	6,00,233
Transfer to General Reserve	50,00,000	1,00,00,000
Balance as at the end of the year	10,37,41,564	9,39,91,353
Total	20,60,26,365	19,12,76,153
4.1 Capital Reserves Includes Capital subsidy received from DIC as per terms & agreement for the period from 17.03.2011 to 16.03.2016.		
5 Long-term borrowings		
Secured		
Term Loans from Banks :		
a) HDFC Bank Ltd. (Term Loan)	43,00,611	-
b) HDFC Bank Ltd. (Car Loan)	-	1,99,444
c) S.B. of India (Car Loan)	-	1,11,786
d) HDFC Bank Ltd.(WCTL)	73,73,749	1,88,88,891
Total	1,16,74,360	1,92,00,121
5.1 Nature of Security and terms of repayment for secured borrowings		
Nature of Security		Terms of Repayment
a) Term Loan From HDFC Bank amounting Rs. 50/-Lakhs (Previous Year 200/- Lakhs)is secured by way of Hypothecation by First and exclusive charges of Plant & Machinery. & Copllateral security by way of first mortgage of industrial property situated at village: Sejwaya, Gram Ghatabillod, District Dhar & Personal Guarantee of Mr. Harsh Vora & Mr. Madhusudan Jain.		Repayble in 60 Month installment of Rs. 112617/-@ BR+2.55% starting from 07/05/2014
b) Vehicle Loans from HDFC Bank amounting to Rs. 9/- Lakhs (Previous Year Two vehicle loan amounting Rs. 16.25/- Lakhs) is secured against respective Vehicles. & Personal Guarantee of Mr. Harsh Vora.		Repayble in 36 Month installment of Rs. 29570/- 11.25% starting from 08.11.11 respectively
c) Vehicle Loan from State Bank Of India amountingRs. 10/-Lakhs is secured against respective Vehicles.& Personal Guarantee of Mr. Harsh Vora & Mr. Madhusudan Jain.		Repayble in 36 Month installment of Rs. 33000/-@11.25% starting from 04/11/2011
d) Working Capital Term Loan From HDFC Bank amounting Rs. 500/- Lakhs (Previous Year 400/- Lakhs) is secured by way of Hypothecation by First and exclusive charges of Plant & Machinery. & Copllateral security by way of first mortgage of industrial property situated at village: Sejwaya, Gram Ghatabillod, District Dhar & Personal Guarantee of Mr. Harsh Vora & Mr. Madhusudan Jain.		Repayble in 36 Month installment of Rs. 15,65,656/- @ BR+2.55% starting from 03/08/2012
6 Deferred Tax Liability (Net)		
Deferred Tax Liability on timing difference on account of difference between written down value of fixed assets		

Note No		AS AT 31.03.2014 RUPEES	AS AT 31.03.2013 RUPEES
	under the companies Act, 1956 and the Income Tax Act, 1961.	1,77,62,168	1,55,45,896
	Deferred Tax Assets on Other timing Differences U/s 43B of I.T. Act, 1961	13,57,888	14,64,501
	Total	1,64,04,280	1,40,81,395
6.1	Deferred Tax Assets and Deferred Tax Liabilities have been offset as they relate to the same governing taxation laws.		
7	Short-terms borrowing from Banks		
	Secured		
	Loans repayable on demand from HDFC Banks(CCA/c)	1,37,86,332	-
	Total	1,37,86,332	-
7.1	Working capital limit are secured by hypothecation of present and future stock of raw materials, stock-in-process, finished goods, stores and spares (not relating to plant and machinery), book debts. & Personal Guarantee of Mr. Harsh Vora & Mr. Madhusudan Jain.		
8	Trade Payables		
	Trade Payables	12,29,79,805	6,10,47,387
	Total	12,29,79,805	6,10,47,387
8.1	In the absence of information from suppliers of their status being small scale/ ancillary undertakings amount overdue and interest payable there on cannot be quantified.		
9	Other current liabilities		
	Current maturities of long term debt	1,97,84,780	1,97,44,356
	Deposit from Dealers	41,84,837	36,49,837
	Sundry Staff Payble	1,42,74,086	44,99,534
	Interest Accrued but not due on borrowings	2,81,929	3,30,203
	Cheque In Transit	1,14,38,747	1,93,22,982
	Other payables*	1,02,90,462	82,46,368
	Total	6,02,54,842	5,57,93,280
9.1	Other Payables Includes Statutory Liabilities ,Advance received from customers.		
10	Short-term provisions		
	Provision for employee benefits	44,58,580	19,91,376
	Provision for Income Tax (Net of Advance Tax)	-	22,00,000
	Proposed Dividend	37,00,000	37,00,000
	Tax on Dividend	6,28,815	6,00,233
	Provision for Wealth Tax	17,391	17,861
	Others*	1,62,58,383	1,09,66,135
	Total	2,50,63,169	1,94,75,605
10.1	Other Short term provisions includes the diff. of excise duty on opening & closing stock of finished goods.(also refer note no.30)		

Note -11.1- TANGIBLE ASSETS											
Particulars	Gross Block				Depreciation				Net Block		
	As On 01.04.13 Rupees	Total Addition Rupees	Adjustment Rupees	As On 31.03.14 Rupees	Up To 31.03.13 Rupees	Adjustment Rupees	Rate %	For The Year Rupees	Up To 31.03.14 Rupees	As On 31.03.14 Rupees	As On 31.03.13 Rupees
Lease Hold Land	4994321	0	0	4994321	0	0	0.00	0	0	4994321	4994321
Free Hold Land	4853296	0	0	4853296	0	0	0.00	0	0	4853296	4853296
Office Building	2504370	0	0	2504370	307475	0	1.63	40821	348296	2156074	2196895
Factory Building	61703546	3200737	0	64904283	12821256	0	3.34	2088707	14909963	49994320	48882290
Plant & Machinery	109142529	35162363	0	144304892	36580861	0	4.75	5491295	42072156	102232736	72561668
Electric Installation	10319828	2444597	0	12764425	2349527	0	4.75	510031	2859558	9904867	7970301
Laboratory Equip.	876396	92180	0	968576	452692	0	4.75	43377	496069	472507	423704
Vehicles	10863563	0	0	10863563	3716789	0	9.50	1032038	4748827	6114736	7146774
Furniture & Fixtures	3956467	2636470	200	6592737	2191749	0	6.33	310080	2501829	4090908	1764718
Office Equipment	3044204	589450	0	3633654	1090574	0	4.75	154238	1244812	2388842	1953630
Computers	3877184	829657	0	4706841	3228525	0	16.21	695756	3924281	782560	648659
Total	216135704	44955454	200	261090958	62739448	0		10366341	73105791	187985167	153396256
Previous Year	203707997	14467382	2039676	216135703	54399042	742106		9082512	62739448	153396256	149308956

Note -11.2- Capital Work in progress Include Plant Under construction at Durg. (Chhattisgarh)

Note -11.3 - Intangible Assets under development include SAP under development.

Note No	AS AT 31.03.2014 RUPEES	AS AT 31.03.2013 RUPEES	Note No	AS AT 31.03.2014 RUPEES	AS AT 31.03.2013 RUPEES
12 Non-current investments			(Subsidiary Company)	25,35,356	22,95,356
Trade Investments			Other Loans and advances *	1,66,91,224	1,59,83,112
Investment in Unquoted Equity instrument	1,73,27,500	1,73,27,500	Balance with Custom, Excise, VAT & Income Tax Authorities	53,43,722	49,77,855
Other Investment			Prepaid Expenses	9,82,235	9,28,797
Investments in Quoted Equity instruments	16,22,199	16,22,199	Total	2,55,52,537	2,41,85,120
Investments in Mutual funds	7,50,000	7,50,000	17.1 *Other Loans and advances includes Advance to Vendors / Service Providers.		
Total	1,96,99,699	1,96,99,699	18 Revenue from Operations		
a Quoted Shares			Revenue from - Sale of products	77,24,35,973	76,43,99,025
Tata Consultancy Services			Other operating revenues	1,80,225	2,87,624
Face Value Rs. 1.00(316 Shares)	1,30,900	1,30,900	Less: Excise Duty	8,16,60,741	8,36,81,897
Hindalco Industries (200 Shares)	8,810	8,810	Total	69,09,55,457	68,10,04,752
National Aluminium (400 Shares)	14,689	14,689	18.1 Particulars Of Sale Of Products		
J.K.Agri Genetics Ltd. (2008 Shares)	8,80,680	8,80,680	Electrodes , Flux, Wire etc.	70,07,73,422	75,31,71,693
Florence Investech Ltd. (1338 Shares)	5,87,120	5,87,120	Wires & Electrodes (Trading)	7,16,24,551	1,11,89,332
Aggregate amount of quoted investments	16,22,199	16,22,199	Welding Equipments (Trading)	38,000	38,000
Market Value of quoted investments	16,85,116	23,83,404	Total	77,24,35,973	76,43,99,025
b Units of Mutual Fund			19 Other Income		
SBI Magnum Equity Fund (C.Y. 2427.275)	1,00,000	1,00,000	Interest income (Other)	12,17,642	10,97,791
IDFC Premier			Dividend income		
Equity Fund (4269.363 Units)	1,00,000	1,00,000	(Non Current Investment)	38,281	23,071
HSBC Brazil fund dividend (55000 Units)	5,50,000	5,50,000	Profit on sale of Assets	-	42,638
Aggregate amount of quoted investments	7,50,000	7,50,000	Exchange Diff. in Foreign		
Market Value of quoted investments	7,14,362	7,24,685	Currency Transaction	-	6,03,659
c Unquoted Shares			Other non-operating income	3,46,173	7,385
Commonwealth Mining Pvt.Ltd			Total	16,02,096	17,74,544
(9000 Shares)	90,000	90,000	20 Cost of Material Consumed		
V&H Fabricators Pvt. Ltd.			Imported	78,92,544	2,60,18,450
(512500 Shares)			% of Consumption	1.86%	5.92%
Wholly Owned Subsidiary	1,72,37,500	1,72,37,500	Indigenous	41,71,21,571	41,37,31,072
Aggregate amount of unquoted investments	1,73,27,500	1,73,27,500	% of Consumption	98.14%	94.08%
13 Other non-current assets			20.1 Particulars of Material consumed		
Security Deposits	38,59,210	34,63,171	Wire, Chemicals, Packing Material	42,50,14,115	43,97,49,522
Total	38,59,210	34,63,171	21 Changes In Inventories Of Finished Goods, Stock-In-Process And Stock-In-Trade		
14 Inventories			Inventories at Close		
Raw materials	5,47,27,939	2,72,36,564	Finished Goods	6,72,15,945	2,97,82,179
Work in progress	1,17,71,646	1,01,97,256	Semi Finished Goods	1,17,71,646	1,01,97,256
Finished goods	6,72,15,945	2,97,82,179	Stock In Trade	87,52,918	75,27,808
Stock in trade	87,52,918	75,27,808	Total	8,77,40,509	4,75,07,243
Stores and spares	34,06,317	8,85,526	Inventories at Commencement		
Total	14,58,74,765	7,56,29,333	Finished Goods	2,97,82,179	3,14,67,658
15 Trade receivables			Semi Finished Goods	1,01,97,256	99,58,944
Unsecured & considered good :			Stock In Trade	75,27,808	35,66,274
Exceeding Six month	2,13,01,249	2,21,93,889	Total	4,75,07,243	4,49,92,876
Others	10,57,55,908	10,72,04,749	Increase In Inventories	(4,02,33,266)	(25,14,367)
Total	12,70,57,157	12,93,98,638	22 Employee Benefits Expense		
16 Cash and cash equivalents			Salaries and wages	4,91,53,201	4,08,16,211
Balances with banks in india	31,195	87,09,272	Contribution to provident and other funds	40,61,684	37,36,733
Cash on hand	7,55,731	2,20,876	Allowances	2,99,03,544	2,25,35,910
FDR with Banks	53,95,994	1,95,72,026	Staff welfare expenses	17,75,637	12,00,411
Total	61,82,920	2,85,02,174	Total	8,48,94,066	6,82,89,265
16.1 Fixed Deposit with bank include deposits of Rs. Nil (Previous year Rs.18206000/-) with maturity of more than 12 months					
17 Short term loans and advances					
Unsecured Considered good					
Loans & Advances to related parties					

Note No	AS AT 31.03.2014 RUPEES	AS AT 31.03.2013 RUPEES	Note No	AS AT 31.03.2014 RUPEES	AS AT 31.03.2013 RUPEES
22.1 As per Accounting Standard 15 "Employee benefits", the disclosures as defined in the Accounting Standard are given below :			Commission & Discount	1,30,44,034	2,09,66,727
a) Short Term Employee Benefits			Bad Debts Written off	6,71,438	19,71,728
All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages, and short term compensated absences, etc. are recognized in the period in which the employee renders the related services.			Total	11,23,99,411	11,00,76,781
b) Long Term Benefits			24.1 The Excise duty related to the difference between the closing stock and opening stock Rs.(69,09,789)/-(Previous Year Rs. (3,37,272/-) has been shown in other manufacturing expenses and excise duty related to sales amounting to Rs.8,16,60,741/- .(Pr.Yr. Rs.8,36,81,897/-) has been reduced from gross sales.		
Defined Contribution Plans :			24.2 Payment to Auditors		
The Employee State Insurance Scheme and Contributory Provident Fund administered by Provident Fund Commissioner are defined contribution plans. The Company's contribution paid/payable under the schemes is recognized as expense in the profit and loss account during the period in which the employee renders the related service.			i Audit Fees	33,090	33,090
Employers Contribution to Provident fund & ESI	40,61,684	37,36,733	ii Tax Audit Fees	11,030	11,030
			iii Other Services	11,030	11,030
			iv Certificate fees	5,000	5,000
				60,150	60,150
Defined Benefit plans :			25 Earning Per Share		
a. The employees' gratuity fund scheme managed by Life Insurance Corporation of India for the Company is a defined benefit plan. During the year company paid amount Rs. 394458/- for future gratuity benefits of the employees of company.			i Net Profit after tax as per Statement of Profit and Loss attributable to Equity Shareholders	1,90,79,026	2,59,00,848
b. Benefit related to the Leave Encashment company made provision amounting Rs.643443/- as per the policy of the company.			ii Weighted Average number of equity shares used as denominator for calculating EPS	74,00,000	74,00,000
			iii Basic earning per share	2.58	3.50
			iv Diluted earning per share	2.58	3.50
			v Face Value per equity share	10	10
23 Finance Costs			26 Related Party Disclosures		
Interest expenses	60,99,657	57,28,190	In accordance with accounting standard 18 "Related Party Disclosure" issued by the Institute of Chartered Accountant of India, the Company has compiled the required information is as under :-		
Other borrowing costs	8,56,694	2,79,436	Associates		
Total	69,56,351	60,07,626	Vora Wires Industries (India) Limited		
			International Steel		
22.1 Interest expenses is net of Interest Subsidy received from DIC Dhar for Ghatbillod Unit amounting to Rs. C.Y.250297 /- P.Y. 460527/-			Corna Infra Limited (Earlier Known as "Good Creation Investment & Finance Limited)		
			Commonwealth Mining Pvt. Ltd.		
24 Other Expenses			V & H Infra Pvt. Ltd.		
Manufacturing Expenses :			Subsidiary Company		
Consumption of stores and spare parts & Others (Indigenous)	7,32,104	13,56,993	V & H Fabricators Pvt. Ltd.		
Power and fuel	1,97,38,797	1,81,38,807	Key Managerial Persons		
Repairs to buildings	14,55,782	10,26,172	Shri Harsh Kumar Vora (Managing Director)		
Repairs to machinery	40,25,723	60,23,971	Shri Madhusudan Jain (Whole Time Director)		
Repairs to others	5,25,739	7,64,507	Shri V.S Bhate (Director- For the part of the year)		
Laboratory Expenses	3,07,193	5,57,951	Transactions with related Parties		
Packing & Other Expenses	51,227	9,004	Nature of Transactions Associates/Key Management Persons		
Difference In Excise Duty on Opening / Closing Stock	69,09,789	(3,37,272)	Associates/Key Management Persons		
Administrative Expenses :			Sale of Goods	30273	36018
Rates and Taxes, excluding taxes on income	2,16,369	1,28,845	Purchase of Capital Goods	0	1017000
Rent	9,52,888	10,44,766	Purchase of Raw Material	0	113189
Printing & Stationery	9,76,467	8,96,294	Receiving of Services	120000	60000
Postage & Telegram	4,68,258	3,64,570	Unsecured Loan Taken	1650000	11900000
Telephone Charges	15,37,176	13,04,332	Repayment of Unsecured Loan	0	10002219
Travelling Exp. (Directors)	14,21,360	13,73,592	Interest Paid	542901	916652
Travelling Exp. Staff & others	52,61,837	40,76,161	Managerial Remuneration	17484576	13124003
Vehicle Expenses	47,22,602	34,49,274	Outstanding Balances		
Payment To Auditors	61,180	61,180	Trade & Other Receivables	2535356	2435242
Legal & Professional Charges	27,45,386	23,42,491	Trade & Other Paybles	12761696	5404693
Membership & Testing Fees	24,01,485	21,22,098			
Exc.Diff.In.Foreign.Currency	2,25,969		27 Pursuant to accounting standard 28 " Impairment of Assets" issued by the Institute of Chartered Accountants of India, the company has reviewed its carrying cost of assets with value in use (determined based on future earnings) and Net realizable value on an approximate basis. Based on such review, the management is of the view that in the current financial year, Provision for impairment of assets is not considered necessary.		
Insurance Expenses	6,07,760	6,85,920			
Office General & Misc. Exp.	23,42,875	19,71,123	28 Various items included under the head Current Assets, Loan & Advances, as well as Current Liabilities are subject to confirmation / reconciliation.		
Loss on sale of assets	-	44,822			
Director's Sitting Fees	65,000	45,000			
Donation	250	2,31,950			
Loss on Sale of Forward Contract	-	3,56,024			
Selling & Distribution Expense :					
Duties & Taxes	2,56,48,562	2,27,25,412			
Freight & Cartage Outward	1,15,02,064	1,10,38,846			
Advertisement & Publicity	77,690	3,32,329			
Sales Promotion etc.	37,02,409	50,03,164			

Note No	AS AT 31.03.2014 RUPEES	AS AT 31.03.2013 RUPEES
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29 In the opinion of the Management, the value on realization of loans and advances, and other current assets will be at least equal to the amounts stated in the books of accounts, if realized in the ordinary course of the business.

30 Amortization of lease hold land is not being done as the same is on perpetual lease.

31 Segment Reporting

a) Business Segment :

The Company is mainly engaged in the business of welding consumables. All other activities of the Company revolve around the main business and as such there is no separate reportable business segment.

b) Geographical Segment:

Since all the operations of the Company are conducted within India as such there is no separate reportable geographical segment.

32 Contingent Liabilities & Commitments

i	Guarantees given on behalf of the company	3,15,400	6,34,760
ii	CST Demand (in appeal)	19,04,426	37,04,484
iii	Entry Tax Demand (in appeal)	4,00,987	52,84,665

Total	<u>26,20,813</u>	<u>96,23,909</u>
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33 Value of Imports on(CIF Basis)

Raw Material	99,32,962	1,46,25,704
Capital Goods	27,92,940	-
Trading Goods	2,95,03,086	84,78,435

Total	<u>4,22,28,988</u>	<u>2,31,04,139</u>
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34 Expenditure in foreign exchange 4,22,28,988 2,31,04,139

35 Earning in foreign exchange

Value of Export (Receipt In Foreign Currency)	10,50,426	12,48,584
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36 These financial statements have been prepared in the format prescribed by the revised Schedule VI to the companies Act 1956. Previous period figures have been recasted/ restated to confirm to the current period. Figures have been rounded off to the nearest Rupee.

**As per our report of
even date attached**

for and on behalf of

**M/s ABN & CO.
Chartered Accountant
FRN-004447C**

**(B.M. Bhandari)
Partner
M.No. 071232**

**Place: Indore
Date: 30.05.2014**

For and on behalf of the board

Harsh Vora	Sushil Rawka
Managing Director	Director
DIN : 00149287	DIN : 00156990

**Rajesh Sen
Company Secretary
FCS : 7689**

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of

D & H INDIA LIMITED

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of D & H India Limited ("the Company") and its subsidiary, which comprise the Consolidated Balance Sheet as at March 31, 2014, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the group in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act") read with the General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013. 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

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.

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 group 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

In our opinion and to the best of our information and according to the explanations given to us, the consolidated 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 Consolidated Balance Sheet, of the state of affairs of the Group as at March 31, 2014;
- (b) In the case of the Consolidated Statement of Profit and Loss, of the profit of the Group for the year ended on that date; and
- (c) In the case of the Consolidated Cash Flow Statement, of the cash flows of the Group for the year ended on that date.

Place : Indore

Date : 30/05/2014

For ABN & Co.
Chartered Accountants
FRN : 004447C

B.M. Bhandari
Partner

M. No. : 071232

CONSOLIDATED BALANCE SHEET AS AT 31st MARCH, 2014

Particulars	Note No.	AS AT 31.03.2014 RUPEES	AS AT 31.03.2013 RUPEES
I. EQUITY AND LIABILITIES			
(1) Shareholders' Funds			
(a) Share Capital	3	74,000,000	74,000,000
(b) Reserves and Surplus	4	214,533,412	199,261,669
(2) Non-Current Liabilities			
(a) Long-term borrowings	5	13,910,968	22,258,026
(b) Deferred tax liabilities (Net)	6	16,678,506	14,401,564
(3) Current Liabilities			
(a) Short-term borrowings	7	13,927,017	-
(b) Trade payables	8	124,039,473	62,031,559
(c) Other current liabilities	9	61,201,943	56,196,147
(d) Short-term provisions	10	25,512,556	19,603,636
Total		543,803,876	447,752,601
II. Assets			
(1) Non-current assets			
(a) Fixed assets			
(i) Tangible assets	11.1	191,938,565	157,977,515
(ii) Capital Work In Progress	11.2	13,209,160	-
(iii) In Tangible assets Under Development	11.3	848,539	599,550
(vi) Goodwill On Consolidation		6,824,506	6,824,506
(b) Non-current investments	12	2,462,199	2,462,199
(c) Long term Loans & advances	13	2,031,189	2,046,467
(d) Other non-current assets	14	5,222,210	3,463,171
(2) Current Assets			
(a) Inventories	15	156,425,996	85,384,743
(b) Trade receivables	16	130,709,182	133,673,044
(c) Cash and cash equivalents	17	9,840,136	31,100,141
(d) Short-term loans and advances	18	24,292,195	24,221,265
Total		54,38,03,876	44,77,52,601

The Notes 1-37 are an integral part of these financial statements.

As per our report of even date attached

for and on behalf of

M/s ABN & CO.

Chartered Accountant

FRN-004447C

(B.M. Bhandari)

Partner

M.No. 071232

Place: Indore

Date: 30.05.2014

For and on behalf of the Board

Harsh Vora
Managing Director
DIN : 00149287

Rajesh Sen
Company Secretary
FCS : 7689

Sushil Rawka
Director
DIN : 00156990

**CONSOLIDATED STATEMENT OF PROFIT & LOSS
FOR THE YEAR ENDED 31st MARCH, 2014**

Particulars	Note No	AS AT 31.03.2014 RUPEES	AS AT 31.03.2013 RUPEES
I. Revenue from operations(Gross)	19	787,048,551	772,765,957
Less : Excise Duty		<u>81,660,741</u>	<u>83,681,897</u>
Revenue from operations(Net)		705,387,810	689,084,060
II. Other Income	20	<u>2,074,247</u>	<u>2,302,912</u>
III. Total Revenue (I +II)		<u>707,462,057</u>	<u>691,386,972</u>
IV. Cost of materials consumed	21	435,426,338	446,788,826
Purchase of Stock-in-Trade		63,216,700	12,807,302
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	22	(39,702,624)	(3,999,667)
Employee benefit expense	23	86,277,068	69,711,936
Financial costs	24	7,042,277	6,123,481
Depreciation and amortization expense	11	11,025,801	9,913,555
Other expenses	25	<u>113,457,071</u>	<u>110,709,161</u>
Total Expenses		<u>676,742,631</u>	<u>652,054,594</u>
V. Profit before exceptional and extraordinary items and tax (III - IV)		30,719,426	39,332,378
VI. Prior Period Adjustments		441,926	562,642
VII. Profit before extraordinary items and tax (V - VI)		<u>30,277,500</u>	<u>38,769,736</u>
VIII. Profit before tax		<u>30,277,500</u>	<u>38,769,736</u>
IX. Tax expense:			
(1) Current tax		8,400,000	11,265,000
(2) Deferred tax		2,276,942	1,568,373
X. Profit/(Loss) from the period from continuing operations (VIII-IX)		<u>19,600,558</u>	<u>25,936,363</u>
XI. Profit/(Loss) for the period		<u>19,600,558</u>	<u>25,936,363</u>
XII. Earning per equity share:	26		
(1) Basic		2.65	3.50
(2) Diluted		2.65	3.50

The Notes 1-37 are an integral part of these financial statements.

As per our report of even date

for and on behalf of

M/s ABN & CO.

Chartered Accountant

FRN-004447C

For and on behalf of the Board

(B.M. Bhandari)

Partner

M.No. 071232

Place: Indore

Date: 30.05.2014

Harsh Vora
Managing Director
DIN : 00149287

Sushil Rawka
Director
DIN : 00156990

Rajesh Sen
Company Secretary
FCS : 7689

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR 2013-14

	31.03.2014	31.03.2013
A. Cash flow from Operating Activities		
Net profit before tax & Extraordinary items	30,719,426	38,769,737
Adjustment for : Depreciation	11,025,801	9,913,555
Deferred Revenue Expenditure	-	-
Preliminary Expenditure	-	-
Loss/(Profit) on sale of fixed assets	-	15,954
Other Income	(1,453,148)	(1,263,353)
Interest Paid / Bank Charges	7,042,277	6,123,481
Operating Profit before working Capital Changes		
Adjustment for:	47,334,355	53,559,374
Trade & other receivable	2,963,862	(20,339,252)
Inventories	(71,041,253)	5,915,487
Trade Payables & Other Provisions	72,894,048	6,899,393
Cash generated from Operations	52,151,012	46,035,002
Direct Tax paid	(11,265,000)	(9,400,000)
Cash flow before extraordinary items	40,886,012	36,635,002
Extraordinary items	(441,926)	-
Net Cash from Operating Activities	40,444,087	36,635,002
B. Cash Flow from Investing Activities		
Purchase of fixed assets	(58,445,001)	(7,103,326)
Loans & Advances	1,050,309	(13,844,927)
Sale of fixed Assets	-	3,315,980
Interest received / Misc Receipts	1,414,867	1,240,282
Purchase/ Sale of Non Current Investments	-	12,100,000
Dividend Income	38,281	23,071
Net cash used in Investing Activities	(55,941,543)	(4,268,920)
C. Cash Flow from Financing Activities		
Proceeds from issue of Share Capital	-	7,950,000
Proceeds from long term & Short term borrowings	5,579,959	(6,669,529)
Interest Paid	(7,042,277)	(6,123,481)
Dividend Paid (Including Dividend Distribution Tax)	(4,300,233)	(4,300,233)
Net cash used in Financing Activities	(5,762,550)	(9,143,243)
Net increase in Cash and Cash equivalent (A+B+C)	(21,260,005)	23,222,839
Cash & Cash Equivalents As at 01.04.2013	31,100,141	7,877,302
Cash & Cash Equivalents As at 31.03.2014	9,840,136	31,100,141

for and on behalf of
M/s ABN & CO.
Chartered Accountant
FRN-004447C

(B.M. Bhandari)
Partner
M.No. 071232

Place: Indore
Date: 30.05.2014

For and on behalf of the Board

Harsh Vora
Managing Director
DIN : 00149287

Sushil Rawka
Director
DIN : 00156990

Rajesh Sen
Company Secretary
FCS : 7689

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS :-

1) General information

During the year D & H India Limited (Holding Company) Acquire Shares in V & H Fabricators Pvt. Ltd. (Subsidiary Company) which is engaged in Civil Contracts (Fabrication, Erection, Construction & other infrastructure activities).

2) Summary Of Significant Accounting Policies:-

Presentation of financial statements

The Balance Sheet and the Statement of Profit and Loss are prepared and presented in the format prescribed in the Schedule VI to the Companies Act, 1956 ("the Act"). The Cash Flow Statement has been prepared and presented as per the requirements of Accounting Standard (AS) 3 "Cash Flow Statements". The disclosure requirements with respect to items in the Balance Sheet and Statement of Profit and Loss, as prescribed in the Schedule VI to the Act, are presented by way of notes forming part of accounts along with the other notes required to be disclosed under the notified Accounting Standards and the Listing Agreement.

Principles of consolidation

a) The financial statements of the Parent Company and its Subsidiaries have been consolidated as per (AS) 21, "Consolidated Financial Statements" on a line-by-line basis by adding together the book values of the like items of assets, liabilities, income and expenses, after eliminating intra-group balances and the unrealized profits/losses on intra-group transactions, and are presented to the extent possible, in the same manner as the Parent Company's independent financial statements.

b) Investments in associate companies have been accounted for, by using equity method whereby investment is initially recorded at cost. The carrying amount of investment in associate companies is reduced to recognize any decline which is other than temporary in nature and such determination of decline in value, if any, is made for each investment individually.

c) The cost of investment over & above the share capital & Capital profit is recognized directly in Goodwill on consolidation under Non Current Assets head in the Balance Sheet.

2.1) Basis of Preparation

These financial statements have been prepared in accordance with the generally accepted Accounting principles in India under the historical cost convention on accrual basis. These financial statements have been prepared to comply in all material aspects with the accounting standards notified under Section 211(3C) [Companies (Accounting Standards) Rules, 2006, as amended] and the other relevant provisions of the Companies Act, 1956. All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Revised Schedule VI to the Companies Act, 1956. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current - noncurrent classification of assets and liabilities.

2.2) Tangible Assets

All fixed assets are stated at historical cost, net of CENVAT if availed, less accumulated depreciation. Historical cost comprise the purchase price and all direct costs attributable to bring the assets to its working condition for intended use.

2.3) Depreciation

Depreciation on all fixed assets is provided on the straight line method at the rate specified in schedule XIV of the Companies Act, 1956. Depreciation is not been charged on fixed assets sold during the year.

2.4) Borrowing Cost:

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are recognized in Statement of Profit and Loss in the period in which they are incurred.

2.5) Inventories

Inventories of Raw Material, Stores & Spares, Work-in-Progress, Finished Goods and Trading stocks are valued at lower of cost and net realizable value. The cost of work in progress & finished goods is determined on absorption cost basis. Raw material, Stores & Spares and trading stocks is valued on FIFO method.

2.6) Investment

Investments that are readily realisable and are intended to be held for not more than one year from the date, on which such investments are made, are classified as current investments. All other investments are classified as long term investments. Current investments are carried at cost or fair value, whichever is lower. Long-term investments are

carried at cost. However, provision for diminution is made to recognize a decline, other than temporary, in the value of the investments, such reduction being determined and made for each investment individually

2.7) Impairment of Tangible Assets

An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value. An impairment loss is charged to the Profit & Loss account in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

2.8) Revenue Recognition

a) Revenue on sale of goods is recognized on passes of title to the customers, Sales (gross) are inclusive of vat/Central sales tax, excise duty, and adjustment for rate difference.

b) Revenue on contract business is recognized on completion of work or part of work for which bills is raised to the party and for which realization is certain.

2.9) Provision, 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 & it is probable that there will be an outflow of resources. Contingent liabilities are not recognized but are disclosed in the notes to the accounts. Contingent assets are neither recognized nor disclosed in the financial statements

2.10) Cash Flow Statement

Cash flow are reported using indirect method. The cash flow from regular revenue generating, financing and investing activities of the company are segregated.

2.11) Employees Benefits

Short term employee benefits have been charged to Profit & Loss Account on accrual basis. Post employment benefits such as Gratuity liability is funded as per group gratuity scheme of Life Insurance of Corporation of India.

2.12) Taxation

Taxation comprise current Income tax, deferred tax, wealth tax. Current Income Tax provision has been determined on the basis of relief, deductions available under the Income Tax Act. Deferred Tax is recognized for all timing differences subject to the consideration of prudence, applying the tax rates that have been substantially enacted by the Balance Sheet date. Wealth Tax is calculated on the basis of carrying value of wealth liable to tax after deducting basic exemption available.

2.13) Foreign Currency Transactions

(i) Transactions denominated in foreign currencies are normally recorded at the exchange rate prevailing at the time of the transaction.

(ii) Monetary items denominated in foreign currencies, if any, at the end of the year are restated at year end rates.

(iii) Non monetary foreign currency items are carried at cost.

(iv) Any income or expense on account of exchange difference either on settlement or on translation is recognized in the Profit and Loss Account, except in cases where they relate to acquisition of fixed assets, in which case, they are adjusted to the carrying cost of such assets.

2.14) Other Income

Interest : Interest income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable. Dividend : Dividend income is recognized when the right to receive dividend is established.

2.15) Earnings Per Share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Earnings considered in ascertaining the Company's earnings per share is the net profit for the period after deducting preference dividends and any attributable tax thereto for the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares, that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

2.16) Government Grants and subsidies

Grants & Subsidies from the government are recognized when there is reasonable assurance that (i) the company will comply with the conditions attached to them, and (ii) the grant/subsidy will be received. When the grant or subsidy relates to revenue, it is recognized as income on a systematic basis in the statement of profit and loss over the periods necessary to match them with the related cost.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT

Note No.	As at 31.03.2014 Rupees	As at 31.03.2013 Rupees
3 Share Capital		
Equity Share Capital:		
Authorised Share capital 10000000 Equity Shares of Rs.10/- Each	10,00,00,000	10,00,00,000
Issued, subscribed & fully paid share capital 7400000 Equity Shares of Rs.10/- each (Fully Paid up)	7,40,00,000	7,40,00,000
Total	<u>7,40,00,000</u>	<u>7,40,00,000</u>
3.1 Reconciliation of Number of Shares		
Equity Shares :		
	No. of Shares	No. of Shares
Balance as at the beginning of the year	74,00,000	74,00,000
Add : Shares Issued During the period	-	-
Balance As at the end of the year	<u>74,00,000</u>	<u>74,00,000</u>
3.2 Terms/Rights attached to equity Shares		
Equity Shares: The company has one class of equity shares having par value of Rs.10 per share. Each share holder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.		
3.3 Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company		
equity Shares :	No. of Shares	No. of Shares
1. Corna Infra Limited (Earlier known as "Good Creation Investment & Finance Limited)	8,06,000 (10.89%)	8,06,000 (10.89%)
2. Harsh Vora (HUF)	6,73,600 (9.10%)	6,73,600 (9.10%)
3. Suchita Kakrecha	5,37,085 (7.26%)	5,37,085 (7.26%)
3.4 Nil Equity Shares were issued in the last 5 years under the Employee Stock Options Plan as consideration for services rendered by employees.		
4 Reserves and Surplus		
Capital Reserves	<u>1,58,00,000</u>	<u>1,58,00,000</u>
Balance as at the beginning of the year	1,58,00,000	1,58,00,000
Add : capital Subsidy	-	-
Add : Convertible warrants forfeited	-	-
Balance as at the end of the year	<u>1,58,00,000</u>	<u>1,58,00,000</u>
Securities Premium Reserve	<u>2,94,34,800</u>	<u>2,94,34,800</u>
Balance as at the beginning of the year	2,94,34,800	2,94,34,800
Add : Premium on Warrant converted in shares	-	-
Balance as at the end of the year	<u>2,94,34,800</u>	<u>2,94,34,800</u>

Note No.

	As at 31.03.2014 Rupees	As at 31.03.2013 Rupees
General Reserve	<u>6,50,00,000</u>	<u>6,00,00,000</u>
Balance as at the beginning of the year	<u>6,00,00,000</u>	<u>5,00,00,000</u>
Add : Amount Transferred from Surplus Balance in Statement of profit & Loss	<u>50,00,000</u>	<u>1,00,00,000</u>
Balance as at the end of the year	<u>6,50,00,000</u>	<u>6,00,00,000</u>
Surplus in the statement of Profit and loss	<u>10,42,98,612</u>	<u>9,40,26,869</u>
Balance as per last financial statements	<u>9,40,26,869</u>	<u>8,23,90,738</u>
Profit for the Year	<u>1,96,00,558</u>	<u>2,59,36,364</u>
Less : Appropriations		
Proposed dividend on Equity shares for the year	<u>37,00,000</u>	<u>37,00,000</u>
Dividend distribution Tax on proposed dividend on Equity shares	<u>6,28,815</u>	<u>6,00,233</u>
Transfer to General Reserve	<u>50,00,000</u>	<u>1,00,00,000</u>
Balance as at the end of the year	<u>10,42,98,612</u>	<u>9,40,26,869</u>
Total	<u>21,45,33,412</u>	<u>19,92,61,669</u>

4.1 Capital Reserves Includes Capital subsidy received from DIC as per terms & agreement for the period from 17.03.2011 to 16.03.2016.

5 Long-term borrowings**Secured**

Term Loans from Banks :

a) HDFC Bank Ltd. (Term Loan)	<u>43,00,611</u>	-
b) HDFC Bank Ltd. (Car Loan)	-	1,99,444
c) S.B. of India (Car Loan)	-	1,11,786
d) HDFC Bank Ltd (Truck Loan)	<u>1,06,608</u>	<u>5,12,905</u>
e) HDFC Bank Ltd.(WCTL)	<u>73,73,749</u>	<u>1,88,88,891</u>

Un Secured

Other Loans & Advances

<u>21,30,000</u>	<u>25,45,000</u>
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Total

<u>1,39,10,968</u>	<u>2,22,58,026</u>
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5.1 Nature of Security and terms of repayment for secured borrowings**Nature of Security****Terms of Repayment**

a) Term Loan From HDFC Bank amounting Rs. 50/-Lakhs (Previous Year 200/- Lakhs)is secured by way of Hypothecation by First and exclusive charges of Plant & Machinery. & Copllateral security by way of first mortgage of industrial property situated at village: Sejwaya, Gram Ghatabillod, District Dhar & Personal Guarantee of Mr. Harsh Vora & Mr. Madhusudan Jain.	Repayble in 60 Month installment of Rs. 112617/-@ BR+2.55% starting from 07/05/2014
b) Vehicle Loans from HDFC Bank amounting to Rs. 9/- Lakhs (Previous Year Two vehicle loan amounting Rs. 16.25/- Lakhs) is secured against respective Vehicles. & Personal Guarantee of Mr. Harsh Vora.	Repayble in 36 Month installment of Rs. 29570/- 11.25% starting from 08.11.11 respectively
c) Vehicle Loan from State Bank Of India amounting Rs. 10/- Lakhs is secured against respective Vehicles. & Personal Guarantee of Mr. Harsh Vora & Mr. Madhusudan Jain.	Repayble in 36 Month installment of Rs. 33000/-@11.25% starting from 04/11/2011
d) Commercial vehicle Loans from HDFC bank amounting to Rs. 14.00 Lakhs is secured against respective Vehicles & personal guarantee of Mr. Harsh Vora.	Repayable in 48 month installment of Rs. 36190/- @11% starting from 01/07/2011
e) Working Capital Term Loan From HDFC Bank amounting Rs. 500/- Lakhs (Previous Year 400/- Lakhs) is secured by way of Hypothecation by First and exclusive charges of Plant & Machinery. & Copllateral security by way of first mortgage of industrial property situated at village: Sejwaya, Gram Ghatabillod, District Dhar & Personal Guarantee of Mr. Harsh Vora & Mr. Madhusudan Jain.	Repayble in 36 Month installment of Rs. 15,65,656/- @ BR+2.55% starting from 03/08/2012

Note No.	As at 31.03.2014 Rupees	As at 31.03.2013 Rupees
6 Deferred Tax Liability (Net)		
Deferred Tax Liability on timing difference on account of difference between written down value of fixed assets under the companies Act, 1956 and the Income Tax Act, 1961.	1,80,36,394	1,58,66,065
Deferred Tax Assets on Other timing Differences U/s 43B of I.T. Act, 1961	<u>13,57,888</u>	<u>14,64,501</u>
Total	1,66,78,506	1,44,01,564
6.1 Deferred Tax Assets and Deferred Tax Liabilities have been offset as they relate to the same governing taxation laws.		
7 Short-terms borrowing from Banks		
Secured		
a) Loans repayable on demand from HDFC Banks(CCA/c)	1,37,86,332	-
b) State bank of india (Overdraft Limit)	<u>1,40,685</u>	<u>-</u>
Total	1,39,27,017	-
7.1 a) Working capital limit are secured by hypothecation of present and future stock of raw materials, stock-in-process, finished goods, stores and spares (not relating to plant and machinery), book debts. & Personal Guarantee of Mr. Harsh Vora & Mr. Madhusudan Jain.		
b) SBI Overdrawn Limit is secured against Fixed deposit		
8 Trade Payables		
Trade Payables	12,40,39,473	6,20,31,559
Total	12,40,39,473	6,20,31,559
8.1 In the absence of information from suppliers of their status being small scale/ ancillary undertakings amount overdue and interest payable there on cannot be quantified.		
9 Other current liabilities		
Current maturities of long term debt	2,01,51,611	2,01,01,392
Deposit from Dealers	41,84,837	36,49,837
Sundry Staff Payable	1,42,74,086	44,99,534
Interest Accrued but not due on borrowings	2,81,929	3,30,203
Cheque In Transit	1,14,38,747	1,93,22,982
Other payables*	<u>1,08,70,732</u>	<u>82,92,199</u>
Total	6,12,01,943	5,61,96,147
9.1 Other Paybles Includes Statutory Liabilities ,Advance received from customers.		
10 Short-term provisions		
Provision for employee benefits	45,78,327	19,97,906
Provision for Income Tax (Net of Advance Tax)	3,00,000	22,65,000
Proposed Dividend	37,00,000	37,00,000
Tax on Dividend	6,28,815	6,00,233
Provision for Wealth Tax	17,391	17,861
Others*	<u>1,62,88,023</u>	<u>1,10,22,636</u>
Total	2,55,12,556	1,96,03,636
10.1 Other Short term provisions includes the diff. of excise duty on opening & closing stock of finished goods.(also refer note no.30)		

Note -11.1- TANGIBLE ASSETS											
Particulars	Gross Block				Depreciation				Net Block		
	As On 01.04.13 Rupees	Total Addition Rupees	Adjustment Rupees	As On 31.03.14 Rupees	Up To 31.03.13 Rupees	Adjustment Rupees	Rate Year %	For The 31.03.14 Rupees	Up To 31.03.14 Rupees	As On 31.03.13 Rupees	As On Rupees
Lease Hold Land	4994321	0	0	4994321	0	0	0.00	0	0	4994321	4994321
Free Hold Land	4853296	0	0	4853296	0	0	0.00	0	0	4853296	4853296
Office Building	2504370	0	0	2504370	307475	0	1.63	40821	348296	2156074	2196895
Factory Building	61703546	3200737	0	64904283	12821256	0	3.34	2088707	14909963	49994320	48882290
Plant & Machinery	111884524	35171963	0	147056487	37207513	0	4.75	5621700	42829213	104227274	74677010
Electric Installation	10319828	2444597	0	12764425	2349527	0	4.75	510031	2859558	9904867	7970301
Laboratory Equip.	876396	92180	0	968576	452692	0	4.75	43377	496069	472507	423704
Vehicles	11374063	22000	0	11396063	3994890	0	9.50	1081520	5076410	6319653	7379172
Commercial Vehicles	4113839	0	0	4113839	1972417	0	11.31	465275	2437692	1676147	2141423
Furniture & Fixtures	4027217	2636470	200	6663487	2199071	0	6.33	314558	2513629	4149858	1828146
Office Equipment	3044204	589450	0	3633654	1090574	0	4.75	154238	1244812	2388842	1953630
Computers	3969199	829657	0	4798856	3291874	0	16.21	705574	3997448	801408	677327
Total	223664803	44987054	200	268651657	65687289	0		11025801	76713092	191938565	157977515
Previous Year	213543850	14527382	4406430	223664803	57158099	1384366		9913555	65687288	157977515	149308956

Note -11.2- Capital Work in progress Include Plant Under construction at Durg. (Chhattisgarh)

Note -11.3 - Intangible Assets under development include SAP under development.

Note No.	As at 31.03.2014 Rupees	As at 31.03.2013 Rupees	Note No.	As at 31.03.2014 Rupees	As at 31.03.2013 Rupees
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12 Non-current investments

Trade Investments		
Investment in Unquoted Equity instrument	90,000	90,000
Other Investment		
Investments in Quoted Equity instruments	16,22,199	16,22,199
Investments in Mutual funds	7,50,000	7,50,000
Total	24,62,199	24,62,199

a Quoted Shares

Tata Consultancy Services		
Face Value Rs. 1.00(316 Shares)	1,30,900	1,30,900
Hindalco Industries (200 Shares)	8,810	8,810
National Aluminium (400 Shares)	14,689	14,689
J.K. Agri Genetics Ltd. (2008 Shares)	8,80,680	8,80,680
Florence Investech Ltd. (1338 Shares)	5,87,120	5,87,120
Aggregate amount of quoted investments	16,22,199	16,22,199
Market Value of quoted investments	16,85,116	23,83,404

b Units of Mutual Fund

SBI Magnum Equity Fund		
(C.Y. 2427.275)	1,00,000	1,00,000
IDFC Premier Equity Fund		
(4269.363 Units)	1,00,000	1,00,000
HSBC Brazil fund dividend		
(55000 Units)	5,50,000	5,50,000
Aggregate amount of quoted investments	7,50,000	7,50,000
Market Value of quoted investments	7,14,362	7,24,685

c Unquoted Shares

Commonwealth Mining Pvt.Ltd		
(9000 Shares)	90,000	90,000
Aggregate amount of unquoted investments	90,000	90,000

13 Long term Loans & Advances

Security Deposit	20,31,189	20,46,467
Total	20,31,189	20,46,467

14 Other non-current assets

Security Deposits	38,59,210	34,63,171
Deposits & Advances	13,63,000	-
Total	52,22,210	34,63,171

15 Inventories

Raw materials	5,79,74,512	2,91,56,674
Work in progress	1,90,76,304	1,80,32,556
Finished goods	6,72,15,945	2,97,82,179
Stock in trade	87,52,918	75,27,808
Stores and spares	34,06,317	8,85,526
Total	15,64,25,996	8,53,84,743

16 Trade receivables

Unsecured & considered good :		
Exceeding Six month	2,35,84,879	2,33,59,419
Others	10,71,24,303	11,03,13,625
Total	13,07,09,182	13,36,73,044

17 Cash and cash equivalents

Balances with banks in india	61,992	92,70,384
Cash on hand	11,35,428	6,16,008
FDR with Banks	86,42,716	2,12,13,749
Total	98,40,136	3,11,00,141

17.1 Fixed Deposit with bank include deposits of Rs.32,46,722 (Previous year Rs.1,98,47,723/-) with maturity of more than 12 months

18 Short term loans and advances

Unsecured Considered good		
Loans & Advances to related parties		2,35,350
Other Loans and advances *	1,70,12,382	1,74,66,823
Balance with Custom, Excise, VAT & Income Tax Authorities	62,74,861	55,72,732
Prepaid Expenses	10,04,952	9,46,360
Total	2,42,92,195	2,42,21,265

18.1 *Other Loans and advances includes Advance to Vendors / Service Providers.

19 Revenue from Operations

Revenue from - Sale of products/Contract		
Other operating revenues	1,80,225	2,87,624
Less: Excise Duty	8,16,60,741	8,36,81,897
Total	70,53,87,810	68,90,84,060

Note No.	As at 31.03.2014 Rupees	As at 31.03.2013 Rupees	Note No.	As at 31.03.2014 Rupees	As at 31.03.2013 Rupees
19.1 Particulars Of Sale Of Products			Employers Contribution to Provident fund & ESI	41,76,485	37,82,061
Electrodes , Flux, Wire etc.	70,07,73,422	75,31,71,693	Defined Benefit plans :		
Wires & Electrodes (Trading)	7,16,24,551	1,11,89,332	a. The employees' gratuity fund scheme managed by Life Insurance Corporation of India for the Company is a defined benefit plan. During the year company paid amount Rs. 394458/- for future gratuity benefits of the employees of company.		
Welding Equipments (Trading)	38,000	38,000	b. Benefit related to the Leave Encashment company made provision amounting Rs.643443/- as per the policy of the company.		
Contract receipt	1,44,32,353	80,79,308			
Total	78,68,68,326	76,43,99,025			
20 Other Income			24 Finance Costs		
Interest income (Other)	14,14,867	12,40,282	Interest expenses	61,80,227	58,39,782
Dividend income			Other borrowing costs	8,62,050	2,83,699
(Non Current Investment)	38,281	23,071	Total	70,42,277	61,23,481
Profit on sale of Assets	-	42,638	24.1 Interest expenses is net of Interest Subsidy received from DIC Dhar for Ghatabillod Unit amounting to Rs. C.Y.250297/- P.Y. 460527/-		
Exchange Diff. in					
Foreign Currency Transaction	-	6,03,659	25 Other Expenses		
Other non-operating income	6,21,099	3,93,262	Manufacturing Expenses :		
Total	20,74,247	23,02,912	Consumption of stores and spare parts & Others (Indigenous)	7,32,104	13,56,993
21 Cost of Material Consumed			Power and fuel	1,97,54,070	1,81,38,807
Imported	78,92,544	2,60,18,450	Repairs to buildings	14,55,782	10,26,172
% of Consumption	1.81%	5.92%	Repairs to machinery	40,32,583	60,23,971
Indigenous	42,75,33,794	42,07,70,376	Repairs to others	5,25,739	8,06,595
% of Consumption	98.19%	94.08%	Laboratory Expenses	3,07,193	5,57,951
21.1 Particulars of Material consumed			Packing & Other Expenses	51,227	9,004
Wire, Chemicals, Packing Material	43,54,26,338	44,67,88,826	Difference In Excise Duty on Opening / Closing Stock	69,09,789	(3,37,272)
22 Changes In Inventories Of Finished Goods, Stock-In-Process And Stock-In-Trade			Administrative Expenses :		
Inventories at Close			Rates and Taxes, excluding taxes on income	2,16,369	1,28,845
Finished Goods	6,72,15,945	2,97,82,179	Rent	10,06,888	11,73,916
Semi Finished Goods	1,90,76,304	1,80,32,556	Printing & Stationery	9,77,336	8,96,904
Stock In Trade	87,52,918	75,27,808	Postage & Telegram	4,68,393	3,64,570
Total	9,50,45,167	5,53,42,543	Telephone Charges	15,50,635	13,28,472
Inventories at Commencement			Travelling Exp. (Directors)	14,21,360	13,73,592
Finished Goods	2,97,82,179	3,14,67,658	Travelling Exp. Staff & others	52,88,498	41,44,390
Semi Finished Goods	1,80,32,556	1,63,08,944	Vehicle Expenses	48,50,431	34,77,009
Stock In Trade	75,27,808	35,66,274	Payment To Auditors	74,180	74,180
Total	5,53,42,543	5,13,42,876	Legal & Professional Charges	27,96,898	23,87,631
Increase In Inventories	(3,97,02,624)	(39,99,667)	Membership & Testing Fees	24,01,485	21,22,098
23 Employee Benefits Expense			Exc. Diff. In Foreign Currency	2,25,969	
Salaries and wages	5,03,45,581	4,21,23,171	Insurance Expenses	7,29,973	7,69,263
Contribution to provident and other funds	41,76,485	37,82,061	Office General & Misc. Exp.	23,53,674	19,82,682
Allowances	2,99,03,544	2,25,35,910	Loss on sale of assets	-	58,592
Staff welfare expenses	18,51,458	12,70,794	Director's Sitting Fees	65,000	45,000
Total	8,62,77,068	6,97,11,936	Donation	250	2,31,950
23.1 As per Accounting Standard 15 "Employee benefits", the disclosures as defined in the Accounting Standard are given below :			Loss on Sale of Forward Contract	-	3,56,024
a) Short Term Employee Benefits			Tender Expenses	23,100	-
All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages, and short term compensated absences, etc. are recognized in the period in which the employee renders the related services.			Liquidated damages	4,30,928	-
b) Long Term Benefits			Selling & Distribution Expense :		
Defined Contribution Plans :			Duties & Taxes	2,58,09,584	2,28,31,028
The Employee State Insurance Scheme and Contributory Provident Fund administered by Provident Fund Commissioner are defined contribution plans. The Company's contribution paid/payable under the schemes is recognized as expense in the profit and loss account during the period in which the employee renders the related service.			Freight & Cartage Outward	1,15,02,064	1,11,06,846
			Advertisement & Publicity	77,690	3,32,329
			Sales Promotion etc.	37,02,409	50,03,164
			Commission & Discount	1,30,44,034	2,09,66,727
			Bad Debts Written off	6,71,438	19,71,728
			Total	11,34,57,071	11,07,09,161
			25.1 The Excise duty related to the difference between the closing stock and opening stock Rs.(69,09,789)/-(Previous Year Rs. (3,37,272/-)) has been shown in other manufacturing expenses and excise duty related to sales amounting to Rs.8,16,60,741/- .(Pr.Yr. Rs.8,36,81,897/-) has been reduced from gross sales.		

Note No.	As at 31.03.2014 Rupees	As at 31.03.2013 Rupees	Note No.	As at 31.03.2014 Rupees	As at 31.03.2013 Rupees
25.2 Payment to Auditors			Trade & Other Receivables	69664	408734
i Audit Fees	43,090	43,090	Trade & Other Payables	12825190	5539542
ii Tax Audit Fees	14,030	14,030	28 Pursuant to accounting standard 28 " Impairment of Assets" issued by the Institute of Chartered Accountants of India, the company has reviewed its carrying cost of assets with value in use (determined based on future earnings) and Net realizable value on an approximate basis. Based on such review, the management is of the view that in the current financial year, Provision for impairment of assets is not considered necessary.		
iii Other Services	11,030	11,030	29 Various items included under the head Current Assets, Loan & Advances, as well as Current Liabilities are subject to confirmation /reconciliation.		
iv Certificate fees	5,000	5,000	30 In the opinion of the Management, the value on realization of loans and advances, and other current assets will be at least equal to the amounts stated in the books of accounts, if realized in the ordinary course of the business.		
	73,150	73,150	31 Amortization of lease hold land is not being done as the same is on perpetual lease.		
26 Earning Per Share			32 Segment Reporting		
i Net Profit after tax as per Statement of Profit and Loss attributable to Equity Shareholders	1,96,00,558	2,59,36,363	a) Business Segment : The Company is mainly engaged in the business of welding consumables. All other activities of the Company revolve around the main business and as such there is no separate reportable business segment.		
ii Weighted Average number of equity shares used as denominator for calculating EPS	74,00,000	74,00,000	b) Geographical Segment: Since all the operations of the Company are conducted within India as such there is no separate reportable geographical segment.		
iii Basic earning per share	2.65	3.50	33 Contingent Liabilities & Commitments		
iv Diluted earning per share	2.65	3.50	i Guarantees given on behalf of the company	8,65,400	6,34,760
v Face Value per equity share	10	10	ii CST Demand (in appeal)	19,04,426	37,04,484
27 Related Party Disclosures			iii Entry Tax Demand (in appeal)	4,00,987	52,84,665
In accordance with accounting standard 18 " Related Party Disclosure" issued by the Institute of Chartered Accountant of India, the Company has compiled the required information is as under :-			Total	31,70,813	96,23,909
Associates			34 Value of Imports on(CIF Basis)		
Vora Wires Industries (India) Limited			Raw Material	99,32,962	1,46,25,704
International Steel			Capital Goods	27,92,940	-
Corna Infra Limited (Earlier Known as "Good Creation Investment & Finance Limited)			Trading Goods	2,95,03,086	84,78,435
Commonwealth Mining Pvt. Ltd.			Total	4,22,28,988	2,31,04,139
V & H Infra Pvt. Ltd.			35 Expenditure in foreign exchange	4,22,28,988	2,31,04,139
Saurabh Vora			36 Earning in foreign exchange		
Subsidiary Company			Value of Export (Receipt In Foreign Currency)	10,50,426	12,48,584
V & H Fabricators Pvt. Ltd.			37 These financial statements have been prepared in the format prescribed by the revised Schedule VI to the companies Act 1956. Previous period figures have been recasted/ restated to conform to the current period. Figures have been rounded off to the nearest Rupee.		
Key Managerial Persons					
Shri Harsh Kumar Vora (Managing Director)					
Shri Madhusudan Jain (Whole Time Director)					
Shri V.S.Bhate (Director- For the part of the year)					
V. Manoharan (Director)					
Transactions with related Parties					
Nature of Transactions	Associates/Key Management Persons	Associates/Key Management Persons			
Sale of Goods	31.03.2014 30273	31.03.2013 36018			
Purchase of Capital Goods	0	1017000			
Purchase of Raw Material	0	113189			
Receiving of Services	120000	60000			
Unsecured Loan Taken	1985000	12999350			
Repayment of Unsecured Loan	334650	11951219			
Interest Paid	542901	916652			
Managerial Remuneration	18384576	14004003			
Outstanding Balances					

**As per our report of even date
for and on behalf of
M/s ABN & CO.**
Chartered Accountant
FRN-004447C

(B.M. Bhandari)
Partner
M.No. 071232

**Place: Indore
Date: 30.05.2014**

For and on behalf of the Board

Harsh Vora
Managing Director
DIN : 00149287

Sushil Rawka
Director
DIN : 00156990

Rajesh Sen
Company Secretary
FCS : 7689

D & H INDIA LIMITED

CIN: L28900MH1985PLC035822

Regd. Office: A-204, Kailash Esplanade, Opp. Shreyas Cinema,
L. B. S. Marg, Ghatkopar (W), Mumbai- 400 086.

ADMISSION SLIP

Equity Folio No. :
DP ID* :
Client ID* :
No. of Shares held. :
No. of Shares held :

I hereby record my presence at the 29th Annual General Meeting of the Company being held at A-505, Kailash Esplanade, Opp. Shreyas Cinema, L.B.S. Marg, Ghatkopar (W), Mumbai- 400086 on Tuesday the 30th day of September, 2014 at 10.00 A.M.

Name of the Member _____
(In block letters)

Name of the Proxy holder _____
(In block letters)

Signature of the Member / Proxy

Note: A member/ proxy wishing to attend the meeting must complete this Admission slip before coming to the meeting and hand it over at the entrance.

* Applicable for investors holding shares in electronic form.

D & H INDIA LIMITED

CIN: L28900MH1985PLC035822

Regd. Office: A-204, Kailash Esplanade, Opp. Shreyas Cinema,
L. B. S. Marg, Ghatkopar (W), Mumbai- 400 086.

PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Equity Folio No. :
DPID* :
Client ID* :
N. of Shares held :

I/We, _____ being the member(s) of _____ Shares of **D & H INDIA LIMITED** hereby appoint:

1) Mr. / Smt/ Ku. _____ of _____ or failing him/her

2) Mr. / Smt/ Ku. _____ of _____

as my / our proxy in my / our absence to attend and vote for me / us and on my/ our behalf at the 29th Annual General Meeting of the Company to be held on 30th September, 2014 at 10.00 a.m. at A-505, Kailash Esplanade, Opp. Shreyas Cinema, L.B.S. Marg, Ghatkopar (W), Mumbai- 400086 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolutions	For	Against
Ordinary Business:		
1. Adoption of Financial statements for the year ended 31st March 2014 and the Directors' and Auditors' Reports thereon		
2. To declare dividend on equity shares.		
3. Re-appointment of Mr. Sushil Rawka, as Director who retires by rotation.		
4. Appointment of M/s ABN & Co., Chartered Accountant, as Statutory Auditors of the Company and fixing their Remuneration. Special Business:		
Special Business:		
5. Appointment of CA Atithi Vora as a Director of the Company.		
6. Appointment of CA Atithi Vora as a Whole Time Director of the Company.		
7. Appointment of Mr. Saurabh Vora as a Director of the Company.		
8. Appointment of Mr. Saurabh Vora as a Whole Time Director of the Company.		
9. Appointment of Shri Basant Singh Johari as an Independent Director.		
10. Appointment of Shri Surjit Singh as an Independent Director.		
11. Appointment of Shri Jagdish Chand Kapur as an Independent Director.		
12. Re-appointment of Shri Harsh Vora as Managing Director.		
13. To change the place of keeping registers and copies of Annual returns.		

Signed this _____ Day of _____ 2014.

Signature of Proxy holder(s)



* Applicable for investors holding shares in electronic form.

Signature of Shareholder

Notes:

(1) This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.

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

(3) A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

** (4) This is only optional. Please put a 'X' in the appropriate column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.

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

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



D & H INDIA LIMITED

Formerly 'D & H Welding Electrodes (India)Ltd'

Plot 'A', Sector 'A', Industrial Area,

Sanwer Road, Indore - 4520 15 (M.P.)

Book Post

To,

August 2, 2014

FORM A

1.	Name of the Company	D & H INDIA LIMITED
2.	Annual Financial Statement for the year ended	31 st March, 2014
3.	Type of Audit Observation	Un-qualified
4.	Frequency of Audit Observation	N.A.
5.	Signature Harsh Vora Managing Director Sanat Jain Chief Financial Officer Sushil Rawka Acting Chairman of the Audit Committee as on 2 nd August, 2014 B.M. Bhandari Auditor the Company	