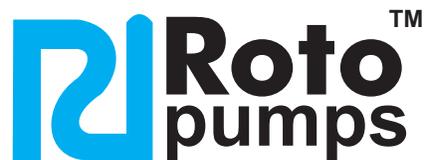


...moving fluids positively



...the world over



ANNUAL REPORT 2012-2013

Corporate Information

BOARD OF DIRECTORS

Mr. Harish Chandra Gupta, *Chairman & Managing Director*
Mr. Anurag Gupta, *Dy Managing Director*
Mr. Arvind Veer Gupta, *Wholetime Director*
Mr. B. S. Ramaswamy, *Director*
Mrs. Asha Gupta, *Director*
Dr. Ramesh Chandra Vaish, *Director*
Mr. Anand Bordia, *Director*
Mr. Vijoy Kumar, *Director*

AUDITORS

M/S A KAY MEHRA & CO.
Chartered Accountants
114 (Basement), Mall Road,
Kingsway Camp, Delhi - 110 009

COST AUDITORS

M/S CHANDRA WADHWA & CO.
Cost Accountants
204, Krishna House
4805/24, Bharat Ram Road
Darya Ganj New Delhi-110 002

COMPANY SECRETARY

Mr. Ashwani K. Verma

BANKERS

Bank of India
Citibank

WORKS

B – 14 & 15, Phase II Extension, Noida - 201305 U.P. India
Roto House, NSEZ, Noida - 201305 U.P. India

REGISTERED OFFICE AND MARKETING HEAD OFFICE

Roto House, Noida Special Economic Zone,
Noida – 201305 U.P. India

OVERSEAS BRANCHES

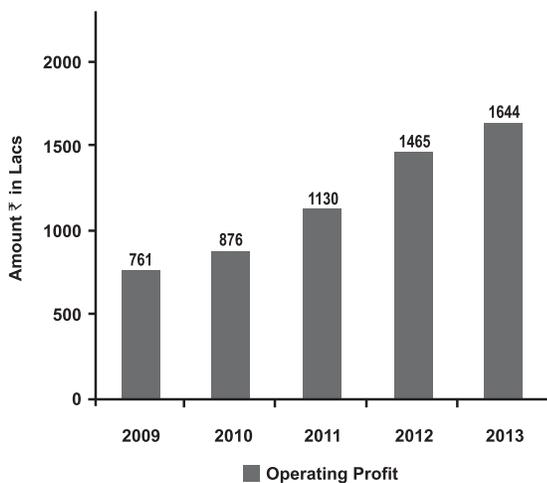
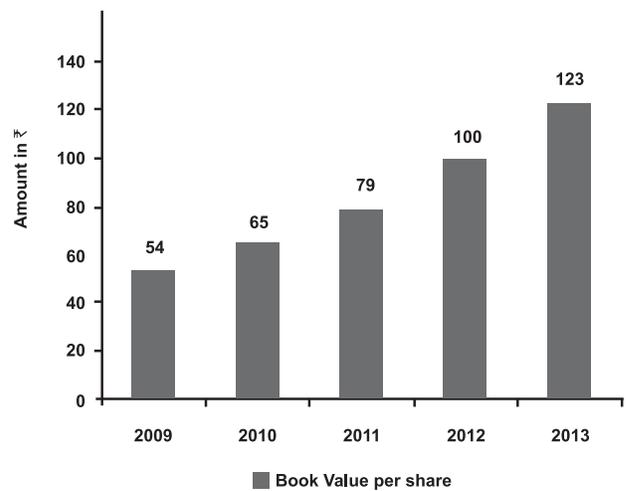
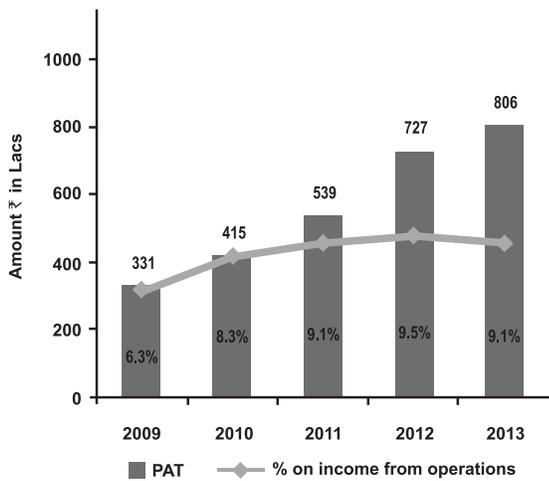
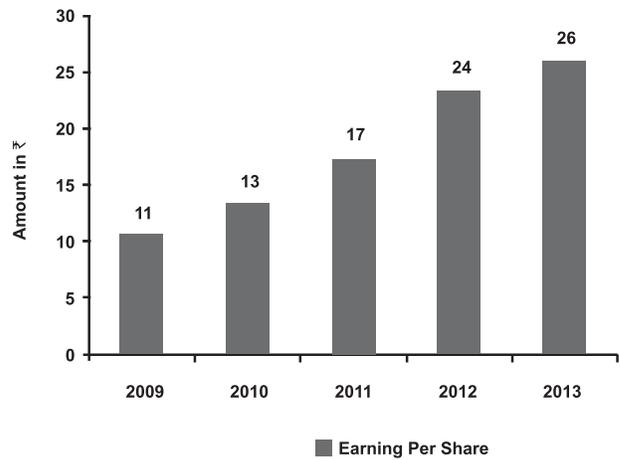
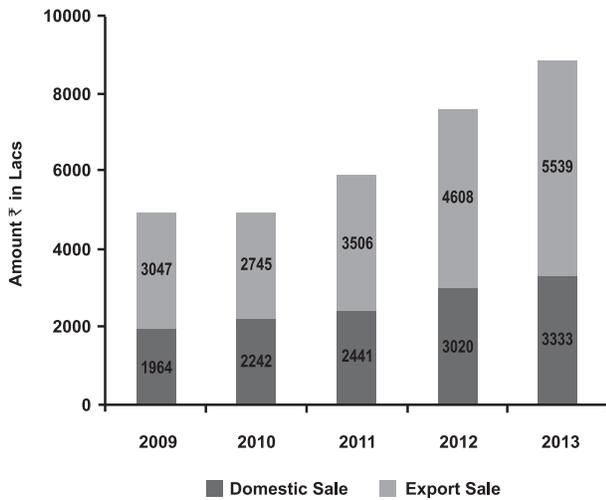
Melbourne – Australia
Manchester – United Kingdom

REGISTRAR AND SHARE TRANSFER AGENT

RCMC Share Registry Pvt. Limited
B – 106, Sector 2
Noida – 201305 U. P.
Tel.: 0120 – 4015880
Fax.: 0120 – 2444346
Email: info@rcmcdelhi.com

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Performance at a Glance...



ROTO PUMPS LTD.

NOTICE

Notice is hereby given that the Thirty Eighth Annual General Meeting of the Members of ROTO PUMPS LIMITED will be held on Saturday the 28th September, 2013 at 11.30 A.M. at the Registered Office of the Company at Roto House, Noida Special Economic Zone, Noida – 201305 U. P. to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Profit & Loss Account for the financial year ended 31st March, 2013 and the Balance Sheet as at that date together with the Reports of Auditors and Directors thereon.
2. To declare a dividend on Equity Shares.
3. To appoint a director in place of Dr. Ramesh Chandra Vaish, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a director in place of Mr. Vijoy Kumar, who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint Auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Members of the Company and to fix their remuneration.

SPECIAL BUSINESS

6. To consider, and if thought fit, to pass, with or without modification(s), the following resolutions as Ordinary Resolutions:
 - A. "RESOLVED THAT pursuant to the provisions of Section 228 and other applicable provisions, if any, of the Companies Act, 1956, M/s G C Perry & Co., Certified Practicing Accountant, Australia, the retiring Branch Auditors of the Warehouse and Marketing Office in Australia, be and are hereby re-appointed as the Branch Auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Members of the Company to examine and audit the books of accounts of the Warehouse and Marketing Office of the Company in Australia for the financial year 2013-14 on such remuneration as may be decided by the Board of Directors of the Company in consultation with them."
 - B. "RESOLVED THAT pursuant to the provisions of Section 228 and other applicable provisions, if any, of the Companies Act, 1956, M/s Layton Lee, Chartered Accountants, U.K., the retiring Branch Auditors of the Warehouse and Marketing Office in U. K., be and are hereby re-appointed as the Branch Auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Members of the Company to examine and audit the books of accounts of the Warehouse and Marketing Office of the Company in U.K. for the financial year 2013-14 on such remuneration as may be decided by the Board of Directors of the Company in consultation with them."

By Order of the Board

Registered Office:

Roto House,
Noida Special Economic Zone,
Noida - 201305
Dated : 08.08.2013

Sd/-
Ashwani K. Verma
Company Secretary

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND ON A POLL TO VOTE INSTEAD OF HIMSELF / HERSELF. THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
Proxy in order to be effective must be deposited at the Registered Office of the Company not less than forty-eight hours before the time fixed for the Annual General Meeting.
2. An Explanatory statement pursuant to the provisions of Section 173 (2) of the Companies Act, 1956 in respect of the business under item no. 6 is annexed hereto.
3. The Register of Members and Share Transfer Books of the Company shall remain closed from Friday the 20th September, 2013 to Saturday the 28th September, 2013 (both days inclusive).

4. The relevant details pursuant to Clause 49 of the Listing Agreement in respect of item no. 3 and 4 are annexed hereto.
5. In terms of the provisions of Section 109A of the Companies Act, 1956, Shareholders holding shares in physical form may file nomination forms in respect of their shareholdings. Any such Shareholder willing to avail of this facility may submit to the Company, the prescribed Form 2B or write to the Company for assistance.
6. Relevant documents referred to in the notice of the Annual General Meeting are open for inspection by the members at the Registered Office of the Company on all working days during business hours upto the date of Annual General Meeting
7. Members / Proxies attending the Meeting are requested to bring the attendance slip duly filled in and their copy of the Annual Report for reference at the Meeting.
8. Members seeking any information relating to Accounts are requested to write to the Company at least 10 days before the date fixed for the Annual General Meeting so as to enable the Management to keep the information ready.

EXPLANATORY STATEMENT

Pursuant to the provisions of Section 173 (2) of the Companies Act, 1956

Item no. 6

- A. The Company had setup a Warehouse and Marketing Office in Australia in February 2001. M/s G C Perry & Co., Certified Practicing Accountants were appointed as the Branch Auditors for the Financial Year 2012-13. It is proposed to re-appoint M/s G C Perry & Co., Certified Practicing Accountant the Branch Auditors for Warehouse and Marketing Office in Australia for the Financial Year 2013-14.
- B. The Company had also setup a Warehouse and Marketing Office in U.K. in October 2004. M/s Layton Lee, Chartered Accountants, U.K. were appointed as the Branch Auditors for the Financial Year 2012-13. It is proposed to re-appoint Layton Lee, Chartered Accountants, the Branch Auditors for Warehouse and Marketing Office in U.K. for the Financial Year 2013-14.

None of the Directors of the Company may be considered concerned or interested in the resolutions. The Board recommends the resolutions for your approval.

By Order of the Board

Registered Office:

Roto House,
Noida Special Economic Zone,
Noida - 201305
Dated : 08.08.2013

Sd/-
Ashwani K. Verma
Company Secretary

ROTO PUMPS LTD.

ANNEXURE

Referred to in the Notes to the Notice regarding information pursuant to Clause 49 of the Listing Agreement for reappointment of Directors.

Name : **Dr. Ramesh Chandra Vaish**

Brief profile : Dr. Vaish aged 72 years holds degree in M.A., M. Com, LLB, Ph.D in Economics from University of Florida USA and is a Fellow Member of the Institute of Chartered Accountants of India. Dr. Vaish is an eminent practicing Chartered Accountant having over 44 years of rich and varied experience with specialization in international taxation and finance, tax planning and off-shore investment. Dr. Vaish has an outstanding academic record and after teaching at University of Florida, USA, has worked with Coopers and Lybrand in New York, Singapore, London and New Delhi. Dr. Vaish has been a Senior Counsel, Tax and Business Advisory Services at Pricewaterhouse Coopers, New Delhi, besides being a member of the Company Law Advisory Committee, Regional Tax Advisory Committee, and various fiscal committees of FICCI and ASSOCHAM.

Directorship in Other Companies :

| SI No. | Name of Company | Nature of interest | Chairmanship/ Membership of Committees |
|--------|---------------------------------------|--------------------|--|
| 1 | Ansal Properties & Infrastructure Ltd | Director | Member - Audit Committee |
| 2 | Express News Papers Ltd | Director | |
| 3 | Jaiprakash Power Ventures Ltd | Director | |
| 4 | Jaypee Infratech Ltd | Director | |
| 5 | Omax Autos Ltd | Director | Chairman – Remuneration Committee, Audit Committee |
| 6 | OCL India Ltd | Director | Member–Audit Committee |
| 7 | G I Power Ltd | Director | |
| 8 | Atos Ananda Pte Ltd | Director | |
| 9 | Bharat Consultants Pvt Ltd | Director | |

Shareholding in the Company : Dr. Ramesh Chandra Vaish did not hold any shares in the Company as on 31.03.2013

Name : **Mr. Vijoy Kumar**

Brief profile : Mr. Vijoy Kumar aged 69 years, retired Chairman of U.P. Electricity Regulatory Commission, holds degree in B. Sc. Engineering (Electrical) from BIT, Sindri, Bihar. Mr. Vijoy Kumar has worked in Central Electricity Authority from 1965 to 2003 and held prestigious positions such as Secretary Central Electricity Authority, Member Secretary, Western Regional Electricity Board, Member Secretary, Northern Regional Electricity Board, Member Secretary, North Eastern Electricity Board, Advisor Power, North Eastern Council, Director, North Eastern Electric Power Company.

Directorship in Other Companies :

| SI No. | Name of Company | Nature of interest | Chairmanship/ Membership of Committees |
|--------|--------------------------------------|--------------------|--|
| 1 | KLG Systel Ltd | Director | Member–Audit Committee |
| 2 | Energy Development Company Ltd | Director | |
| 3 | Lanco Mandakini Hydro Energy Pvt Ltd | Director | |

Shareholding in the Company : Mr. Vijoy Kumar did not hold any shares in the Company as on 31.03.2013

DIRECTORS' REPORT

To the Members of
ROTO PUMPS LIMITED

Your Directors have pleasure in presenting herewith the Thirty Eighth Annual Report and Audited Statement of Accounts of the Company for the Financial Year ended 31st March, 2013.

FINANCIAL RESULTS

The summarized financial performance of the Company for the financial year ended 31st March, 2013 as compared to the previous year is as under:

Amount ₹ in lacs

| Particulars | Financial Year Ended | |
|--|----------------------|------------------|
| | 31st March, 2013 | 31st March, 2012 |
| Revenue from Operations | 8,871.49 | 7,627.92 |
| Other Income | 40.56 | 73.73 |
| Profit/(loss) before interest, depreciation and taxation | 1,644.17 | 1,464.51 |
| Interest | 187.45 | 193.31 |
| Depreciation | 253.87 | 195.95 |
| Profit before Taxation | 1,202.85 | 1,075.25 |
| Taxation | 397.09 | 347.78 |
| Profit after tax | 805.76 | 727.47 |
| Profit brought forward | 1,983.62 | 1,421.05 |
| Profit available for appropriation | 2,789.38 | 2,148.52 |
| Appropriations: | | |
| Proposed Dividend | 77.27 | 77.27 |
| Dividend Distribution Tax | 12.53 | 12.53 |
| Transfer to General Reserve | 82.00 | 75.10 |
| Surplus carried to Balance Sheet | 2,617.58 | 1,983.62 |

Dividend

Your Directors are pleased to recommend a dividend of ₹ 2.50 per share of ₹ 10/- each i.e. 25% for the financial year ended 31st March, 2013, which if approved by the members at the forthcoming Annual General Meeting will be paid out of the profits of the Company for the said year. The payout of Dividend will involve cash outflow of ₹ 89.80 lacs including dividend tax.

Transfer to the Investor Education and Protection Fund

In terms of Section 205C of the Companies Act, 1956 the unclaimed dividend relating to the financial year 2004-05 has been remitted to the Investor Education and Protection Fund established by the Central Government. Further, the unclaimed dividend relating to the financial year 2005-06 is becoming due for remittance on 4th November, 2013 to the said Investor Education and Protection Fund.

Year in retrospect

Your Company has registered the highest ever income from operations of ₹ 8,871.49 Lacs representing an increase of 16.30% over previous year's turnover of ₹ 7,627.92 lacs. The Export turnover during the year was ₹ 5,538.69 lacs as compared to ₹ 4,607.58 lacs in the preceding year, this amounts to an increase of 20.20% over last year. Export Sales constitutes 62.73% of total sales.

ROTO PUMPS LTD.

Outlook

Your Company's operations are showing consistent improvements. However, time ahead looks challenging. Indian Economy is expected to grow by 5.50% in 2013-14. There are concerns of Government's policy decision fronts, which is compounding the severity of the adverse situations. Unless, Government comes out with concrete policy decisions paving the way for infrastructure and industrial development, growth expectation would be minimal.

On the International front, the scenario is also not looking promising in emerging economies; however there is silver lining as the U S economy is showing signs of improvements. Your Company would continue to grow its export sales mainly in U S and middle east markets as well as through its Warehouse and Marketing Offices in U.K. and Australia.

Subject to unforeseen circumstances, the Company is expected to register an improved performance in 2013-14.

Construction work at Greater Noida Project is in full swing. The Project is scheduled to be functional in the fourth quarter of the current financial year. This would enhance the Company's ability to service the Customers' more efficiently and cater to market of the higher capacity pumps as well.

Fixed deposits

Your Company has not accepted any fixed deposits during the year.

Subsidiary Company

Your Company had setup a wholly owned subsidiary in Germany in the name and style 'Roto Pumpen GmbH. The subsidiary company has yet not started its business activities and the same may be started during the later part of the current year. Annual accounts of the subsidiary company in terms of the provisions of section 212 (1) read with section 212 (2) a (ii) of the Companies Act, 1956 are annexed. A statement pursuant to the provisions of Section 212 (3) and Section 212 (5) of the Companies Act, 1956 in respect of the subsidiary company is also annexed. The Consolidated Financial Statements include financial results of the subsidiary company.

Listing of Shares

The Equity Shares of your Company are presently listed at the BSE Ltd, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400001, The Delhi Stock Exchange Association Ltd., DSE House, 3/1, Asaf Ali Road, New Delhi – 110 002 and The U. P. Stock Exchange Association Ltd., Padam Towers, 14/113, Civil Lines, Kanpur – 208 001. The Annual Listing fee for the year has been fully paid.

Directors

Pursuant to the provisions of the Companies Act, 1956 read with the Articles of Association of the Company, Dr. Ramesh Chandra Vaish and Mr. Vijoy Kumar, Directors are due to retire from the Board by rotation, and are eligible for re-appointment.

Auditors

The term of the present Auditors of the Company, M/s A. Kay Mehra & Co., Chartered Accountants, New Delhi, will expire at the conclusion of the ensuing Annual General Meeting. They are eligible for re-appointment.

The observation of the Auditors in their report read with notes to the accounts are self-explanatory and do not call for any further information/clarification.

Branch Auditors

The term of the Branch Auditors of the Warehouse and Marketing Offices of the Company in Australia and U.K., M/s G C Perry & Co., Certified Practising Accountant, Australia and M/s Layton Lee, Chartered Accountants, U.K., respectively, will expire at the conclusion of the ensuing Annual General Meeting and they are eligible for re-appointment.

Cost Auditor

M/s Chandra Wadhwa & Co., Cost Accountants, New Delhi were appointed as the Cost Auditor of the Company pursuant to an order made under section 233 B of the Companies Act, 1956 for conducting audit of the cost accounts maintained by the Company for the financial year ended 31st March, 2013. Cost Audit Report for 2011-12 was filed on 18th January 2013. The due date for filing of the same was 28th February 2013

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Out Go

Particulars with respect to conservation of energy etc. as required under Section 217 (1) (e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in the report of Board of Directors) Rules, 1988 are as under:

Conservation of Energy:

Although the Company's operations involve low energy consumption, due attention was paid to optimise the use of energy by improved operational methods. The efforts to conserve and optimise the use of energy by improved operational methods and other means will continue.

The Efforts to conserve and optimise the use of energy have an impact of reducing energy consumption and thereby reducing cost of production of goods.

Technology Absorption, Adaptation and Innovation:

The Company made further progress in the product development work for complete range of pumps as well as developing other cost effective pumps. The Company is constantly exploring the possibility of diversification/alliance by contacting leading overseas manufacturers of fluid engineering equipment.

Foreign Exchange Earnings and Outgo:

Particulars with respect to Foreign Exchange Earnings and Outgo etc. as required under Section 217 (1) (e) of the Companies Act, 1956 and the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 for the financial year ended 31st March, 2013 are annexed and marked as Annexure-1 which forms part of this report.

Personnel

The Board places on record its appreciation of the hard work and dedicated efforts put in by all the employees of the Company. The relations between the management and the employees continue to be cordial. Information as per Section 217 (2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975 for the financial year ended 31st March, 2013 are annexed and marked as Annexure-2, which forms part of this report.

Corporate Governance

As required by Clause 49 of the Listing Agreement with the Stock Exchanges, Management Discussion & Analysis Report and Corporate Governance Report as well as the Auditor's Certificate regarding compliance of the conditions of Corporate Governance, form part of this Report.

Directors' responsibility statement

Pursuant to the requirement under Section 217 (2AA) of the Companies Act, 1956 your Directors, based on the representations received from the operating management, confirm that:

- a. In the preparation of the annual accounts, the applicable accounting standards have been followed alongwith proper explanation relating to material departures, if any.
- b. They have selected such accounting policies and applied them consistently and made judgments and estimates which are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2013 and of the profit of the Company for the financial year ended on that date.
- c. They have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- d. They have prepared the annual accounts on a going concern basis.

Acknowledgements

Your Directors wish to place on record their deep sense of appreciation of the co-operation, support and assistance extended by Government Departments, Banks, Business Associates and are especially grateful to all the Shareholders for their support and the confidence reposed in the Company, which has been a source of immense strength to the Company.

For and on behalf of the Board

Sd/-

Harish Chandra Gupta
Chairman & Managing Director

Place : Noida
Dated : 08.08.2013

ROTO PUMPS LTD.

Annexure to the Directors' Report

ANNEXURE - 1

Statement pursuant to the provisions of Section 217 (1) (e) of the Companies Act, 1956 and the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 referred to in the Directors' Report for the year ended 31st March, 2013 and forming part thereof:

Activities relating to export

Company's export activities consist of exports of its products e.g. pumps and spare parts of pumps.

Initiative taken to increase exports

The Company has further strengthened its Supply Chain System to service the existing markets more effectively and also penetrate into other existing markets.

The establishment of a wholly owned subsidiary company in Germany is another step in this effort. The subsidiary would commence its business activities in the later part of the current year.

Development of new export markets for products

The Company continued to pursue its objective of developing new markets in North America, Middle East and Africa and has been able to make its presence felt in U S and Middle Eastern markets.

Export plans

The Company plans to increase its market share in the developed markets by improving service levels and market support activities. It would continue to focus its attention on carrying out Market Development activities in other major markets like South America in addition to other identified markets in the North America, Middle East/Gulf and Africa.

The foreign exchange earnings and outgo during the financial year ended 31st March, 2013 as compared to previous year were as under:

Amount ₹ in lacs

| Particulars | Financial Year Ended | |
|-------------------------------|----------------------|------------------|
| | 31st March, 2013 | 31st March, 2012 |
| Total Foreign Exchange earned | 5,471.88 | 4,583.34 |
| Total Foreign Exchange used | 2,023.80 | 2,101.32 |

Note: Current year's foreign exchange used includes expenses of ₹ 1,780.74 Lacs (Previous year ₹ 1,389.50 Lacs) at Company's Overseas Warehouse and Marketing Offices.

For and on behalf of the Board

Sd/-

Harish Chandra Gupta
Chairman & Managing Director

Place : Noida
Dated : 08.08.2013

Annexure to the Directors' Report

ANNEXURE – 2

Statement pursuant to Section 217 (2A) of the Companies Act, 1956 and the Companies (Particulars of Employees) Rules, 1975 referred to in the Directors' Report for the year ended 31st March, 2013 and forming part thereof:

Employed throughout the year and were in receipt of remuneration for the financial year in aggregate of not less than ₹ 60,00,000/- p.a.

| Sl | Name of Employee | Age (Yrs) | Qualification | Designation | Remuneration | Date of Joining | Experience | Last Employment held |
|----|---------------------------|-----------|---|------------------------------|-------------------------------|---------------------|------------|---|
| 1 | Mr. Harish Chandra Gupta | 66 | B.Sc. | Chairman & Managing Director | ₹ 77,46,179/- | Since incorporation | 44 years | Own business |
| 2 | Mr. David Roy Bent | 52 | Diploma Engineer | General Manager | ₹ 61,92,765/- GBP 86,977 | 15.10.2004 | 33 Years | Orbit Pumps Ltd as Director |
| 3 | Mr. David Michael Frendin | 48 | Associate Diploma in Mechanical Engineering Certificate in Mechanical Technology | General Manager | ₹ 68,22,579/- AUD 1,74,601 | 27.02.2012 | 31 Years | Siemens Ltd as Business Development Manager |

Notes:

1. Remuneration comprises of salary, allowances, company's contribution to superannuation fund and monetary value of perquisites.
2. Mr. David Bent Roy is posted at Company's Warehouse and Marketing Office in U.K. and Mr. David Michael Frendin was posted at Company's Warehouse and Marketing Office in Australia. They are not related to the Directors of the Company and are in permanent employment.

For and on behalf of the Board

Sd/-

Harish Chandra Gupta
Chairman & Managing Director

Place : Noida
Dated : 08.08.2013

ROTO PUMPS LTD.

MANAGEMENT DISCUSSION AND ANALYSIS

The Pump Industry holds a prominent position in Capital Engineering Goods segment, which are needed by wide spectrum of industries. Its growth is directly linked to industrialization. The Pump Industry is growing in India at a healthy rate keeping pace with GDP growth. India is also gaining grounds in export markets.

Financial Statements

The Financial Statements of the Company have been prepared in compliance with the requirement of the Companies Act, 1956 and Generally Accepted Accounting Principles in India. There is no material departure from the prescribed accounting standards in the adoption of the accounting standards. The management of Roto accepts responsibility for the integrity and objectivity of these financial statements, as well as for various estimates, provisions and judgments used therein, which have been made on prudent and reasonable basis, in order that the same reflect a true and fair view of the affairs of the Company.

Resources Allocation

Fixed Assets

The Gross Fixed Assets as at 31st March, 2013 were ₹ 3,843.22 lacs as compared to ₹ 3,518.45 lacs on 31st March, 2012 indicating a net increase of 9.23%. The net increase was mainly on account of purchase of plant & machinery, computers & software, furniture & fixtures and office equipment.

Current Assets

Current assets as at 31st March, 2013 were ₹ 5,127.28 lacs, which were greater by ₹ 613.22 lacs than the previous year. The increase was mainly on account of increase in Inventories by ₹ 245.12 lacs and Short-term loans & advances by ₹ 274.73 lacs and increased cash and cash equivalents by ₹ 103.65 lacs. Increase in Inventories was mainly due to increase in sales. Trade receivables outstanding for more than six months amounted to ₹ 168.89 lacs as compared to ₹ 105.58 lacs in the previous year. The management has recognised Trade receivables of ₹ 21.04 lacs, Previous year ₹ 3.54 lacs as bad debts and as not recoverable.

Non-current Liabilities

Non-current liabilities as at 31st March, 2013 were ₹ 551.29 lacs as compared to ₹ 244.72 as at 31st March, 2012. The increase in non-current assets was due to availing of buyer's credit from Bank for imported machines.

Current Liabilities

Current liabilities as at 31st March, 2013 were ₹ 3,411.39 lacs, which were lower by ₹ 88.82 lacs than the previous year.

The management believes that the Company's liquidity and capital resources would be adequate to meet its expected working capital needs and other anticipated cash requirements.

Financial performance

Revenue of Roto Pumps is generated principally from the sale of pumps and its spares. The Company has a rich heritage in manufacturing technology. The company offers comprehensive range of progressive cavity (single screw and multiple screws) pumps for various applications.

The Company's revenue during the year 2012-13 has grown to ₹ 8918.92 lacs from ₹ 7,701.65 lacs during 2011-12. Domestic sales during the year have been ₹ 3,332.80 lacs against ₹ 3,020.34 lacs during 2011-12 representing an increase of 10.35% over last year. Export sales during the year were ₹ 5,534.62 lacs as compared to ₹ 4,595.90 lacs during 2011-12. Growth in Export Sales from Warehouse and Marketing Offices in Australia and U.K. was 33.43%.

The Company earned a profit after tax of ₹ 805.76 lacs against ₹ 727.47 lacs in 2011-12 and recommended a dividend of 25% for 2012-13 at the same rate as was in the previous year. The payment of dividend would involve total cash outflow of ₹ 89.80 lacs including tax on dividend.

Greater Noida Project

The construction of the state of art Manufacturing Facility at the Greater Noida is in full swing. The Facility is scheduled to be functional in the fourth quarter of the Current year. The Project is named ROTO 500. This would enable your Company to service its customers more efficiently and to cater to the market of bigger sizes pumps as well.

Opportunities and Threats

Opportunities

The company has made significant inroads in few key markets globally. Roto brand is getting good acceptance. This would provide lot of opportunities in export markets.

Modernization & Expansion project, which is slated to commission by the end of the current Financial Year, would enhance company's manufacturing capabilities and infrastructure. This will enable the Company to meet increased demands of its products and would also provide significant opportunities to enter Mining Industry in Australia and other major industries such as oil & gas Offshore & Marine, etc.

New product launches as planned backed by strong R&D would significantly compliment the current product lines and enable the Company to enter new markets and establish itself as a complete Positive Displacement pump package provider. This would strengthen the Company's position in all its major markets.

Threats

There is significant presence of local players in the domestic market, who are trying to take away the market for simple & easy application base in its main product line. They offer lower prices and flexible commercial terms to win over the customers. Further, the Indian market is becoming more and more attractive to global players. Two such major players have started operations and have plans to strengthen their base. This would make the market more competitive posing higher pressure on margins.

Risk and Concerns

There is going to be pressure on margins due to steep increase in input costs & Interest rates and increased competition. The Government approach to rein in the Inflation is having a dampening effect on the growth of the economy and sluggishness towards reforms is hampering the inflow of Foreign Investments. Cheap Imports backed by favorable commercial terms from China pose a definite risk to the Domestic industry.

Internal control systems and their adequacy:

The Company has an adequate system of internal controls implemented by the management towards achieving higher efficiency in all areas of operations. These controls have been designed to provide a reasonable assurance with regard to maintenance of proper accounting controls, monitoring of operations, protecting assets from unauthorized use or losses, compliances with regulations and for ensuring reliability of financial reporting.

The Audit Committee of the Board of Directors regularly reviews the adequacy of internal controls and takes the necessary corrective actions, wherever required.

Human Resources/Industrial relations

We believe that in order to sustain growth in the domestic as well as in global markets under competitive conditions, the Human Capital of the company should have high level of motivation and knowledge.

The Company continues to focus and invest in human resources development to provide an open work culture and rewarding career opportunities to all its employees.

For your company the key challenge for the year 2012-13 was recruitment of professional engineers, managers & staff at various levels. HR successfully recruited 89 people in response to various business needs during the year. Manpower strength as at 31.03.2013 was 433 people as compare to 345 people in the previous year.

The overall employee relations were peaceful and harmonious throughout the year. The Company continued to create conducive work environment with opportunities for growth and learning by implementing robust and comprehensive HR policies.

Future Outlook

The Company's strength is its in-house technology and committed manpower. The Company has undertaken an expansion and modernization of Project "ROTO 500" to augment the expected increased demand, which would result in improved performance of the Company.

Cautionary Statement

Statements in the Management Discussion Analysis describing the Company's objectives, expectations or predictions may be forward looking within the meaning of applicable securities law and regulations. Actual results may differ from those expressed in the statement. Important factors that could influence the Company's operations include changes in Government regulations, tax laws, economic development within and outside the Country and such other factors.

ROTO PUMPS LTD.

CORPORATE GOVERNANCE

Corporate Governance aims at safeguarding and value addition to the interest of the various stakeholders of an enterprise. Corporate Governance acts in a transparent manner.

BOARD OF DIRECTORS

Composition of Board

The Board is an apex body, responsible for playing a significant role in the proper and efficient functioning of the Company. The Company's Board has an appropriate mix of Executive, Non-executive and Independent Directors. During the year 2012-13, composition of the Company's Board and details of Directorship and Membership of Board Committees in other Companies has been as under:

| S.No. | Name | Category | Number of Directorship in other Companies | Position in Committees | |
|-------|--------------------------|--------------------------------------|---|------------------------|----------|
| | | | | Member | Chairman |
| 1 | Mr. Harish Chandra Gupta | Promoter / Executive Chairman | - | - | - |
| 2 | Mr. Anurag Gupta | Promoter / Executive Director | 1 | - | - |
| 3 | Mr. Arvind Veer Gupta | Promoter / Executive Director | - | - | - |
| 4 | Mrs. Asha Gupta | Promoter / Non-executive Director | - | - | - |
| 5 | Mr. B. S. Ramaswamy | Independent / Non-executive Director | - | - | - |
| 6 | Dr. Ramesh Chandra Vaish | Independent / Non-executive Director | 9 | 2 | 2 |
| 7 | Mr. Anand Bordia | Independent / Non-executive Director | 4 | 2 | 1 |
| 8 | Mr. Vijoy Kumar | Independent / Non-executive Director | 3 | 1 | - |

Non-Executive Directors' compensation and disclosure

All fees/compensation paid to the non-executive directors are fixed by the Board and has the approval of the shareholders of the Company.

Other provisions of the Board

During the year 2012-13, four meetings of the Board of Directors of the Company were held on 28.05.2012, 13.08.2012, 10.11.2012, and 11.02.2013. All relevant information were placed before the Board. The attendance record of the Directors at the Meetings of the Board and Members held during the financial year 2012-13 was as under,

| S.No. | Name | No. of Meetings attended | Attended last AGM |
|-------|--------------------------|--------------------------|-------------------|
| 1 | Mr. Harish Chandra Gupta | 4 | Yes |
| 2 | Mr. Anurag Gupta | 4 | Yes |
| 3 | Mr. Arvind Veer Gupta | 4 | Yes |
| 4 | Mrs. Asha Gupta | 3 | Yes |
| 5 | Mr. B. S. Ramaswamy | 4 | No |
| 6 | Dr. Ramesh Chandra Vaish | 4 | No |
| 7 | Mr. Anand Bordia | 3 | No |
| 8 | Mr. Vijoy Kumar | 4 | Yes |

Details of remuneration to Directors

The aggregate value of salary and perquisites paid to the Chairman & Managing Director, Dy Managing Director and Wholetime Director during the year is as follows: Mr. Harish Chandra Gupta, Chairman & Managing Director ₹ 77,46,179/-, Mr. Anurag Gupta, Dy Managing Director ₹ 47,91,932/- and Mr. Arvind Veer Gupta, Wholetime Director ₹ 46,87,282/-. In addition, the Chairman & Managing Director, Dy Managing Director and Wholetime Director are also entitled to Gratuity and leave encashment at the end of the tenure as per rules of the Company. They are also entitled to the use of a Chauffer driven Car for Company's business and Telephones at the residence.

The Company paid sitting fee to all Non-executive Directors at the rate of ₹ 5000/- for attending each meeting of the Board and/or Committee thereof. The sitting fees paid during the year to the Directors are as follows: Mr. B.S. Ramaswamy ₹ 45,000/-, Mrs. Asha Gupta ₹ 30,000/-, Dr. Ramesh Chandra Vaish ₹ 60,000/-, Mr. Anand Bordia ₹ 35,000/- and Mr. Vijoy Kumar ₹ 45,000/-.

The Company has not granted any stock options to its Directors.

Code of Conduct

The Board has laid down a code of conduct applicable to all Board members and senior executives of the Company. All the Board members and senior executives have confirmed compliance of the code of conduct. The code of conduct is also placed on the website of the Company.

The CEO of the Company has given the certificate as below as per the requirement of clause 49 of the listing agreement:

I hereby confirm that the Company has obtained from all the members of the Board and Senior Management affirmation that they have complied with the code of conduct for Directors and Senior Management in respect of the financial year 2012-13.

Harish Chandra Gupta
Chairman & Managing Director

Audit Committee

Composition

The Audit Committee of the Board comprises of four members all of whom are Non-executive Independent Directors, except Smt. Asha Gupta who is a Non-executive promoter Director. The Committee functions under the Chairmanship of Mr. B.S. Ramaswamy, who is an Independent Director. Mr. B.S. Ramaswamy is a B.Sc., B.Com. Graduate Engineer, FCMA, and a retired Officer of the Indian Audit & Accounts Service. Mr. Ashwani K. Verma, Company Secretary acts as Secretary of the Committee. During the year, four meetings of the Audit Committee were held on 28.05.2012, 13.08.2012, 10.11.2012, and 11.02.2013.

The composition of the Audit Committee and the number of the meetings attended by the Members are given below.

| S.No. | Name | Position | No. of meetings attended |
|-------|--------------------------|----------|--------------------------|
| 1 | Mr. B. S Ramaswamy | Chairman | 4 |
| 2 | Mr. Anand Bordia | Member | 3 |
| 3 | Smt. Asha Gupta | Member | 3 |
| 4 | Dr. Ramesh Chandra Vaish | Member | 4 |

TERMS OF REFERENCE

The role and terms of reference of the Audit Committee covers the matters specified for Audit committee under Clause 49 of the Listing Agreement and Section 292A of the Companies Act, 1956 which interalia include overseeing the company's financial reporting process, reviewing periodical financial results, financial statements, internal control and internal audit systems, accounting policies and practices related party transactions and performance of internal and external auditors.

SUBSIDIARY COMPANIES

Your Company had setup a wholly owned subsidiary company in Germany to carry on the sales and marketing activities in the German region to cater to the customers more effectively in that region. The subsidiary Company is yet to start its business activities and the same may be started in the later part of the current year.

DISCLOSURES

Related party transactions

The Notes to Accounts has a detailed summary of all related party transactions of the Company under Accounting Standard 18 – none of which is materially significant. Details of related party transactions are placed before the Audit Committee once in a year.

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Disclosure of accounting treatment

Your Company has followed all relevant Accounting standards while preparing the financial statements.

Risk Management.

The Company has a procedure to inform the Board about the risk assessment and minimization procedure. The Company has also formed a Risk Management Committee comprising of a Dy Managing Director and Executives of the Company to assess the risk and minimization procedures and report the same to the Chairman & Managing Director, who in turn shall report to the Board at the meetings.

Proceeds from public issues, right issues, preferential issues etc

Your Company has not raised any money through public issue, rights issue or preferential issue after 1994-95.

Management

The Management Discussion and Analysis Report forms part of the Annual Report and is in compliance with the requirement. During the year under review, there were no materially significant related party transactions with its promoters, directors and management that had a potential conflict with the interest of the Company.

Shareholders

The Company has provided all the details of the Directors seeking re-appointment in the Notice of the Annual General Meeting attached with this Annual Report.

The Company has not made any presentation to equity analysts. Quarterly results are submitted to the Stock Exchanges in the prescribed format.

Shareholders' Grievance Redressal Committee

Composition

| S.No. | Name | Position | No. of meetings attended |
|-------|--------------------------|----------|--------------------------|
| 1 | Dr. Ramesh Chandra Vaish | Chairman | 4 |
| 2 | Mr. Vijoy Kumar | Member | 4 |
| 3 | Mr. Anurag Gupta | Member | 4 |

Total 9 complaints were received from the Shareholders during the year and the same were resolved.

SHARE TRANSFER & TRANSMISSION COMMITTEE

Composition

| S.No. | Name | Position |
|-------|--------------------------|----------|
| 1 | Mr. Harish Chandra Gupta | Chairman |
| 2 | Mr. Anurag Gupta | Member |
| 3 | Mr. Arvind Veer Gupta | Member |

TERMS OF REFERENCE

The terms of reference of the Share Transfer Committee inter alia include approval of the transfer of shares, issue of duplicate share certificates, dematerialization and dematerialization of shares.

During the year, the Share Transfer Committee approved transfer, transmission and dematerialization of shares on a fortnightly basis. No shares were pending for transfer as on 31.03.2013.

CEO/CFO CERTIFICATION

The CEO and CFO certification of the financial statements and the cash flow statement for 2012-13 is enclosed at the end of this report.

REPORT ON CORPORATE GOVERNANCE

A separate section on Corporate Governance forms part of the Annual Report. Certificate from the Statutory Auditors confirming compliance with all the conditions of the corporate governance as stipulated in clause 49 of the listing agreement of the Stock Exchanges forms part of this report.

REMUNERATION COMMITTEE

Composition

| S.No. | Name | Position |
|-------|--------------------|----------|
| 1 | Mr. B.S. Ramaswamy | Chairman |
| 2 | Mr. Anand Bordia | Member |
| 3 | Mr. Vijoy Kumar | Member |

The Remuneration Committee is constituted to review and approve the remuneration package of the Chairman & Managing Director, Dy Managing Director and Wholetime Director based on performance and defined criteria. Company's remuneration policy is in consonance with the existing industry practices.

During the year, one meeting of the Remuneration Committee was held on 13th August, 2012. All the members were present at the meeting.

COMPLIANCE WITH THE MANDATORY REQUIREMENTS

The Company has complied with all the mandatory requirements of clause 49 of the listing agreement with the Stock Exchanges. Among the non-mandatory requirements, the Company has constituted a Remuneration Committee.

General Body meetings

- a. Location and time of the General Meetings held in the last 3 years

| Year | Type | Date | Venue | Time |
|------|------|------------|-------------------|------------|
| 2012 | AGM | 22.09.2012 | Registered Office | 11.30 A.M. |
| 2011 | AGM | 19.09.2011 | Registered Office | 11.30 A.M. |
| 2010 | AGM | 28.09.2010 | Registered Office | 11.00 A.M. |

- b. Whether Special Resolutions passed in the previous three Annual General Meetings - Yes
- c. Whether any special resolution passed last year through postal ballot - No
- d. Person who conducted postal ballot exercise - NA
- e. Whether any special resolution is proposed to be conducted through postal ballot - No
- f. Procedure for postal ballot - NA

MEANS OF COMMUNICATION

| | |
|---|--|
| Half yearly report sent to each household of shareholders | No. The results of the Company are published in the newspapers |
| Quarterly results normally published in which newspaper | The Economic Times and Nav Bharat Times |
| Any website where displayed | Provided to the Stock Exchanges in the prescribed format |
| The presentation made to the Institutional Investor and Analyst | No. |

GENERAL INFORMATION

Annual General Meeting

The ensuing Annual General Meeting is scheduled to be held on Saturday the 28th September, 2013 at 11.30 A.M at the Registered Office of the Company at Roto House, Noida Special Economic Zone, Noida – 201305.

Financial Calendar

The Company follows April – March financial year. The un-audited financial results for first, second (half yearly) and third quarter would be published in July/August, October/November and January/February, respectively. Annual audited financial results would be published in May.

Book Closure

The Share transfer books and Register of Members will be closed from Friday the 20th September, 2013 to Saturday the 28th September, 2013 (both days inclusive) for the purpose of payment of dividend and Thirty Eighth Annual General Meeting.

Dividend payment date

Dividend will be paid within thirty days from the date of the Annual General Meeting.

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The Stock Exchanges on which the Company's Shares are listed

| S.No. | Name of the Stock Exchange | Security Code |
|-------|--|---------------|
| 1 | BSE Ltd., (BSE) Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400001 | 517500 |
| 2 | The U.P. Stock Exchange Association Ltd, Padam Towers, 14/113, Civil Lines, Kanpur – 208001 | ROTO |
| 3 | The Delhi Stock Exchange Association Ltd, DSE House, 3/1, Asaf Ali Road, New Delhi – 110002 | 7707 |

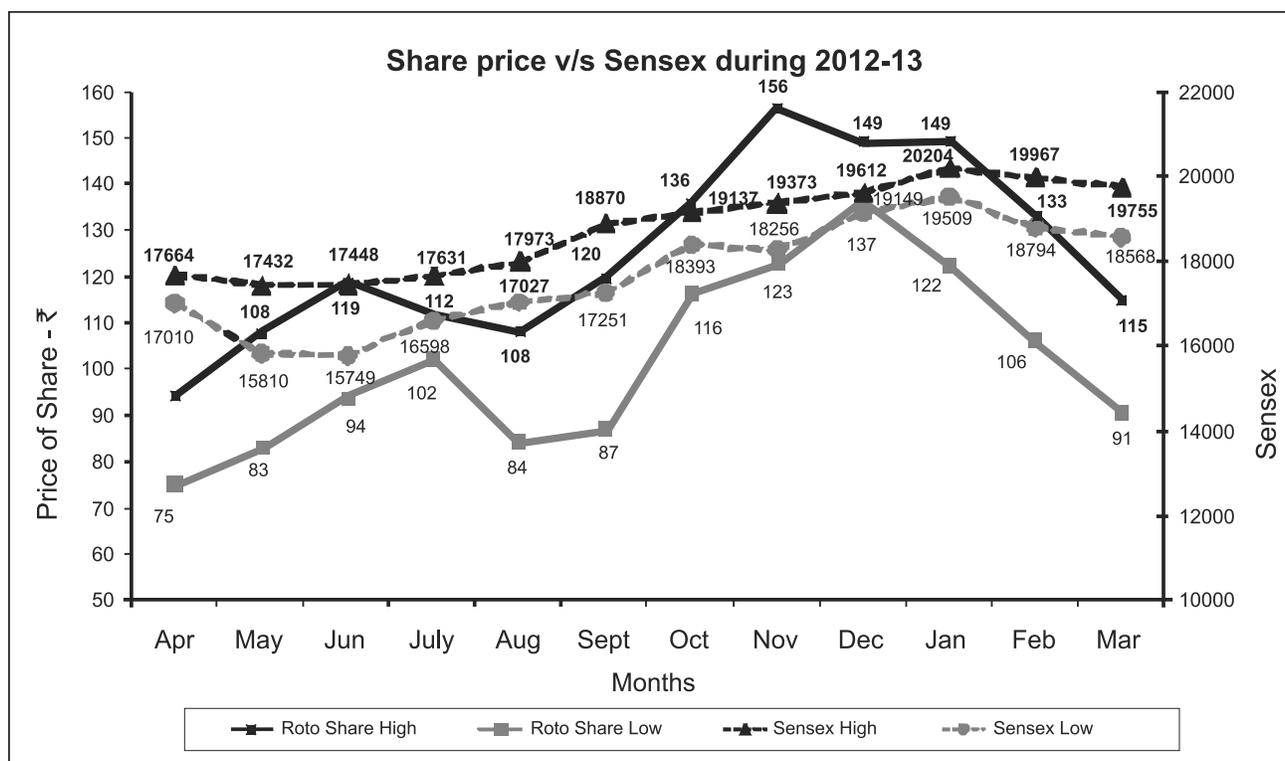
ISIN Number

ISIN number of the Company for NSDL and CDSL is INE535D01011

Market Price Data and Performance in comparison to BSE Sensex

The performance of the Company's share on BSE as compared to the BSE Sensex during the year 2012-13 was as under.

| Month | BSE Sensex | | Roto Share | |
|-----------------|------------|----------|------------|--------|
| | High | Low | High | Low |
| April, 2012 | 17664.10 | 17010.16 | 94.00 | 75.00 |
| May, 2012 | 17432.33 | 15809.71 | 107.50 | 83.15 |
| June, 2012 | 17448.48 | 15748.98 | 118.50 | 93.50 |
| July, 2012 | 17631.19 | 16598.48 | 112.00 | 102.00 |
| August, 2012 | 17972.54 | 17026.97 | 108.00 | 84.00 |
| September, 2012 | 18869.94 | 17250.80 | 119.50 | 87.00 |
| October, 2012 | 19137.29 | 18393.42 | 135.90 | 116.05 |
| November, 2012 | 19372.70 | 18255.69 | 156.30 | 122.75 |
| December, 2012 | 19612.18 | 19149.03 | 149.00 | 136.65 |
| January, 2013 | 20203.66 | 19508.93 | 148.95 | 122.15 |
| February, 2013 | 19966.69 | 18793.97 | 133.00 | 106.10 |
| March, 2013 | 19754.66 | 18568.43 | 115.00 | 90.60 |



Registrar and Share Transfer Agent

The Company has appointed M/s RCMC Share Registry (P) Limited as Registrars & Share Transfer Agent. Shareholders are advised to approach them at the following address for any share and demat related query and problems.

RCMC Share Registry Pvt. Limited

B – 106, Sector 2
Noida – 201305 U. P.
Tel.: 0120 – 4015880
Fax.: 0120 – 2444346
Email: info@rcmcdelhi.com

Share Transfer System

All physical share transfers are processed by Share Transfer Agent, M/s RCMC Share Registry (P) Limited and approved by the Share Transfer Committee of the Company. The transferee is required to furnish the transfer deed duly completed in all respects together with the share certificates to M/s RCMC Share Registry (P) Limited at the above said address in order to enable M/s RCMC Share Registry (P) Limited to process the transfer.

As regards transfer of dematerialised shares, the same can be effected through the demat accounts of the transferor(s) and transferee(s) maintained with Depository Participants.

Shareholding pattern

The broad shareholding pattern of the Company as on 31st March, 2013 as compared to 31st March, 2012 was as follows;

| Category of Shareholders | As on 31st March, 2013 | | As on 31st March, 2012 | |
|---------------------------------|------------------------|---------------|------------------------|---------------|
| | No. of shares | Percentage | No. of shares | Percentage |
| Promoters | 2154724 | 69.71 | 2157424 | 69.80 |
| Mutual Funds and Banks | 1400 | 0.05 | 1600 | 0.05 |
| Private Bodies Corporate | 73205 | 2.37 | 83192 | 2.69 |
| NRIs and OCBs | 82235 | 2.66 | 83110 | 2.69 |
| Resident Individuals and others | 779197 | 25.21 | 765435 | 24.77 |
| Total | 3090761 | 100.00 | 3090761 | 100.00 |

Distribution of Shareholding

The distribution of shareholding of the Company as on 31st March, 2013 was as follows

| Shareholding of value of ₹ | Shareholders | | Shares | |
|----------------------------|--------------|------------|---------|------------|
| | Number | percentage | Number | percentage |
| 1-5000 | 2635 | 92.29 | 323378 | 10.46 |
| 5001 – 10000 | 106 | 3.71 | 75366 | 2.44 |
| 10001 – 20000 | 46 | 1.61 | 69173 | 2.24 |
| 20001 – 30000 | 16 | 0.56 | 37919 | 1.23 |
| 30001 – 40000 | 5 | 0.17 | 17214 | 0.56 |
| 40001 – 50000 | 9 | 0.32 | 42834 | 1.38 |
| 50001 – 100000 | 19 | 0.67 | 143471 | 4.64 |
| 100000 – and .above | 19 | 0.67 | 2381406 | 77.05 |
| Total | 2855 | 100.00 | 3090761 | 100.00 |

Dematerialisation of Shares and liquidity

2891185 Equity shares out of the total 3090761 Equity shares have been dematerialised upto 31.03.2013. The Company has entered into agreements with National Securities Depository Limited (NSDL) and Central Depository Services Limited (CDSL) whereby shareholders have option to dematerialise their shares with either depository. Equity shares are actively traded in BSE.

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Secretarial Audit Report

As stipulated by the Securities and Exchange Board of India a qualified practicing company secretary carries out the secretarial audit to reconcile the total admitted capital with National Securities Limited and Central Depository Services Limited and the total issued and listed capital. The audit is carried out every quarter and the report is submitted to the Stock Exchanges and is also placed before the Board.

Outstanding GDRs/ADRs/Warrants or any convertible instruments, conversion date and likely impact on equity

The Company has not issued any GDRs/ADRs/Warrants or any other convertible instruments.

Plant Locations

1. B -14 & 15, Phase II Extension Noida – 201305, Uttar Pradesh, India
2. 13, Roto House, Noida Special Economic Zone, Noida – 201305, Uttar Pradesh, India

Address for correspondence

Shareholders are requested to direct all share related correspondence to M/s RCMC Share Registry (P) Limited and only the non-share related correspondence and complaints regarding M/s RCMC Share Registry (P) Limited to –

The Company Secretary
Roto Pumps Limited
Roto House,
Noida Special Economic Zone,
Noida – 201305 U. P. India
Ph.: +91 – 120 – 3043901, 2, 3, 4
Fax: +91 – 120 – 3043928
Email: investors@rotopumps.com
Website: www.rotopumps.com

CEO / CFO CERTIFICATION

The Board of Directors
Roto Pumps Limited
Roto House Noida Special Economic Zone
NOIDA – 201305

Sir,

We, Harish Chandra Gupta, Managing Director and D.K. Suri, Dy General Manager (Finance & Accounts), of Roto Pumps Limited, to the best of our knowledge and belief certify that –

1. We have reviewed financial statements and cash flow statement for the year ended 31.03.2013 and that:
 - a. Based on our knowledge and information, these statements do not contain any untrue statement of material fact or omit any material fact or contain statements that might be misleading;
 - b. 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.
2. We also certify that to the best of our knowledge and belief, no transactions were entered into by the company during the year, which are fraudulent, illegal or in violation of the Company's code of conduct.
3. We are responsible for establishing and maintaining internal controls in the company pertaining to financial reporting and have evaluated the effectiveness of these procedures of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to rectify these deficiencies.
4. We have indicated to the auditors and the Audit Committee:
 - a. Significant changes in the internal control over financial reporting during the year.
 - b. Significant changes in accounting policies, if any, during the year and that the same have been disclosed in the notes to the financial statements; and
 - c. Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Place : Noida
Dated : 30.05.2013

D.K. Suri
Dy General Manager (F&A)

Harish Chandra Gupta
Chairman & Managing Director

AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of
Roto Pumps Limited

1. We have examined the compliance of conditions of Corporate Governance by Roto Pumps Limited, for the year ended 31st March, 2013, as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchanges.
2. The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination has been limited to a review of procedures and implementations thereof, adopted by the Company for ensuring compliance with the conditions of Corporate Governance as stipulated in the said Clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.
3. In our opinion and to the best of our information and according to the explanations given to us, and based on the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in clause 49 of the above mentioned Listing Agreement.
4. We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For **A. KAY. MEHRA & CO.**
Chartered Accountants
(Registration No. 050004C)

Place : NOIDA
Dated : 08.08.2013

Sd/-
(A. KAY. MEHRA)
PARTNER
Membership No. 9963

ROTO PUMPS LTD.

AUDITOR'S REPORT

To the Members of
ROTO PUMPS LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of Roto Pumps Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2013, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's 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"). 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 the 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 the 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 the internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

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

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2013;
- (b) in the case of the Statement of Profit and Loss, of the profit of the Company for the year ended on that date; and
- (c) in the case of the Cash Flow Statement, of the cash flows of the Company 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 purposes of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books, except in the case of Company's Foreign Branches where we have relied on the reports of the Branch Auditors;

- (c) The Balance Sheet, Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- (d) In our opinion, the Balance Sheet, Statement of Profit and Loss, and the Cash Flow Statement comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Act;
- (e) On the basis of the written representations received from the directors as on 31st March, 2013 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2013 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Act.

For **A. KAY. MEHRA & CO.**
Chartered Accountants
(Registration No. 050004C)

Place : NOIDA
Dated : 30.05.2013

(A. KAY. MEHRA)
PARTNER
Membership No. 9963

ANNEXURE TO THE AUDITOR'S REPORT

The Annexure referred to in our Report of even date to the members of Roto Pumps Limited ('the company') for the year ended 31st March, 2013.

On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we report that:

- i) In respect of its fixed assets:
 - (a) The Company has maintained proper records to show full particulars including quantitative details and situation of its fixed assets on the basis of available information;
 - (b) As explained to us, all the fixed assets of the Company have been physically verified by the management during the year in phased periodical manner, which in our opinion is reasonable, having regard to the size of the company and nature of its assets. No material discrepancies were noticed on such physical verification;
 - (c) In our opinion, the Company has not disposed of substantial part of fixed assets during the year and the going concern status of the Company is not affected.
- ii) In respect of its inventories:
 - (a) The Inventories of the Company have been physically verified by the management at reasonable intervals during the year;
 - (b) In our opinion, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and nature of its business;
 - (c) The Company has maintained proper records of inventory. The discrepancies between physical stocks and the book stocks, which have been properly dealt with, were not material.
- iii) In respect of Loans
 - (a) The Company has not granted any loan, secured or unsecured to companies, firms or other parties covered in the register u/s 301 of the Companies Act, 1956;
 - (b) The Company has not taken any loan, secured or unsecured from companies, firms or other parties covered in the register u/s 301 of the Companies Act, 1956.
- iv) In our opinion and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the Company and the nature of its business with regard to purchase of inventory, fixed assets and also for the sale of goods and services. During the course of our audit we have not observed any major weaknesses in internal control system.
- v) In respect of transactions covered under section 301 of the Companies Act, 1956:
 - (a) In our opinion, the particulars of contracts or arrangements, referred to in Section 301 of the Companies Act, 1956 have been entered in the register required to be maintained under that section; and.
 - (b) In our opinion, the transactions made in pursuance of such contracts or arrangements have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.

ROTO PUMPS LTD.

- vi) As per information given to us, the Company has not accepted deposits within the meaning of Section 58A, 58AA or any other relevant provisions of the Companies Act, 1956.
- vii) The Company has an adequate Internal Audit System commensurate with the size and nature of its business.
- viii) We are of the opinion that, prima facie, the cost records & accounts prescribed by the Central Government u/s 209 (1)(d) of the Companies Act, 1956 have been maintained. We have not, however, carried out any detailed examination of such accounts and records.
- ix) In respect of statutory dues:
 - (a) According to the records of the Company, the Company is regular in depositing undisputed statutory dues including provident fund, Investor Education and Protection Fund, Employee's State Insurance, Income-tax, Vat, Wealth Tax, Service tax, Custom Duty, Excise Duty, Cess and other Statutory dues with the appropriate authorities;
 - (b) According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding, as at 31st March, 2013 for a period of more than six months from the date of becoming payable;
 - (c) The disputed statutory dues aggregating to Rs.50.55 lacs that have not been deposited on account of matters pending before appropriate authorities are as under;

| Sl. No. | Name of the Statute | Nature of the Dues | Forum where Dispute Pending | Amount ₹ Lacs |
|---------|----------------------|--------------------|-----------------------------------|---------------|
| 1 | Income Tax Act, 1961 | Income Tax | High Court –Allahabad | 46.11 |
| 2 | Income Tax Act, 1961 | Income Tax | Commissioner –Appeals Kanpur (UP) | 4.44 |

- x) The Company has no accumulated losses and has not incurred any cash losses during the financial year covered by our audit or in the immediately preceding financial year.
- xi) Based on our audit procedures and according to the information and explanation given to us, we are of the opinion that the Company has not defaulted in repayment of dues to financial institutions or banks.
- xii) In our opinion and according to the information and explanations given to us, no loans and advances have been granted by the company on the basis of security by way of pledge of shares, debentures and other securities.
- xiii) In our opinion, the company is not a chit fund or a nidhi/mutual benefit fund/ society. Therefore, the clause 4(xiii) of the Companies (Auditors Report) Order, 2003 is not applicable to the Company.
- xiv) As the company is not dealing or trading in shares, securities, debentures and other investments, the provision of paragraph IV (xiv) of the Companies (Auditor's Report) Order, 2003 does not apply.
- xv) In our opinion, the Company has not given any guarantees for loans taken by others from banks or financial institutions.
- xvi) In our opinion and according to the information and explanations given to us, the term loans have been applied for the purpose for which they were raised.
- xvii) According to the information and explanations given to us and on an overall examination of the Balance Sheet of the company, we are of the opinion that no funds raised on short-term basis have been used for long-term investments.
- xviii) During the year, the Company has not made any preferential allotment of shares to parties and companies covered in the register maintained u/s 301 of the Companies Act, 1956.
- xix) According to the information and explanations given to us the Company has not issued any debentures during the period covered by our audit report.
- xx) The Company has not raised any money by way of public issue during the year.
- xxi) In our opinion, no fraud on or by the Company has been noticed or reported during the period covered by our audit report.

For **A. KAY. MEHRA & CO.**
Chartered Accountants
(Registration No. 050004C)

Place : NOIDA
Dated : 30.05.2013

(A. KAY. MEHRA)
PARTNER
Membership No. 9963

ROTO PUMPS LTD.

STATEMENT OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2013

(Amount in ₹)

| PARTICULARS | Note No. | Year Ended 31st March, 2013 | Year Ended 31st March, 2012 |
|--|----------------|-----------------------------|-----------------------------|
| INCOME | | | |
| Revenue from Operations | 15 | 88,71,49,095 | 76,27,92,101 |
| Other Income | 16 | 47,33,595 | 73,73,101 |
| TOTAL REVENUE | | 89,18,82,690 | 77,01,65,202 |
| EXPENSES | | | |
| Cost of Materials consumed | 17 | 35,18,18,091 | 31,26,26,451 |
| Change in Inventories of Finished goods and Work in Progress | 18 | (1,68,13,070) | (11,72,897) |
| Employee Benefits Expense | 19 | 20,22,57,028 | 16,38,60,033 |
| Finance Costs | 20 | 1,87,44,767 | 1,93,31,242 |
| Depreciation & Amortisation Expense | 21 | 2,53,87,357 | 1,95,94,531 |
| Other Expenses | 22 | 19,02,03,642 | 14,84,01,068 |
| TOTAL EXPENSES | | 77,15,97,815 | 66,26,40,428 |
| Profit Before Tax | | 12,02,84,875 | 10,75,24,774 |
| Tax expenses | | | |
| Current tax | | 4,04,80,137 | 3,11,24,984 |
| Deferred Tax | | (7,98,662) | 37,01,922 |
| Short/(Excess) Provisions- earlier years | | 27,406 | (49,343) |
| Profit After Tax | | 8,05,75,994 | 7,27,47,211 |
| Earning Per Share (₹) (Basic & Diluted) | | 26.07 | 23.54 |
| Significant Accounting Policies and Notes on Financial Statements | 1 to 47 | | |

As per our Report of even date.

For A.Kay.Mehra & Co.,
Chartered Accountants
(Registration No. 050004C)

For and on behalf of the Board

(A. KAY. MEHRA)
Partner
Membership No. 009963

(HARISH CHANDRA GUPTA)
Chairman & Managing Director

(ARVIND VEER GUPTA)
Director

(D.K. SURI)
(DGM-Finance & Accounts)

(ASHWANI K VERMA)
Company Secretary

Place : Noida
Date : 30th May, 2013

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

(Amount in ₹)

| PARTICULARS | Year Ended 31st March, 2013 | Year Ended 31st March, 2012 |
|---|--------------------------------|--------------------------------|
| (A) CASH FLOW FROM OPERATING ACTIVITIES: | | |
| Net Profit/(Loss) before tax and extra ordinary items | 12,02,84,875 | 10,75,24,774 |
| Adjusted for: | | |
| 1. Depreciation | 2,53,87,357 | 1,95,94,531 |
| 2. Interest Paid | 1,87,44,767 | 1,93,31,242 |
| 3. Interest received | (7,40,409) | (7,07,483) |
| 4. Loss/(Profit) on sale of fixed assets | (5,10,766) | (7,33,188) |
| Operating Profit / (Loss) before Working Capital Changes | 16,31,65,824 | 14,50,09,876 |
| 1. Adjusted for: | | |
| a. Trade and Other Receivables | (14,68,857) | (8,81,51,176) |
| b. Inventories | (2,45,11,758) | (47,87,250) |
| c. Trade and Other Payables | 31,05,743 | 2,85,09,001 |
| 2. Cash Generated from Operations | 14,02,90,952 | 8,05,80,451 |
| 3. Direct Taxes Paid & Previous year adjustments | (4,17,23,588) | (3,06,33,817) |
| 4. Direct Taxes Refund Received | - | - |
| 5. Cash Flow before Extra Ordinary Items | 9,85,67,364 | 4,99,46,634 |
| 6. Extra Ordinary Items | - | - |
| Net Cash from Operating Activities | 9,85,67,364 | 4,99,46,634 |
| (B) CASH FLOW FROM INVESTING ACTIVITIES: | | |
| 1. Purchase of Fixed Assets | (10,93,93,704) | (3,50,73,397) |
| 2. Proceeds on sale of Fixed Assets | 32,13,887 | 19,12,372 |
| 3. Investment in Subsidiary | - | (8,12,500) |
| 4. Interest Received | 7,40,409 | 7,07,483 |
| Net Cash used in Investing Activities | (10,54,39,408) | (3,32,66,042) |
| (C) CASH FLOW FROM FINANCING ACTIVITIES: | | |
| 1. Proceeds from Long Term borrowings | 4,88,11,342 | 1,21,91,094 |
| 2. Repayment of Long Term borrowings | (1,67,16,315) | (2,15,45,135) |
| 4. Short Term Borrowings(Net) | 1,28,67,449 | 2,08,58,646 |
| 5. Interest Paid | (1,87,44,767) | (1,93,31,242) |
| 6. Dividend & Dividend tax Paid | (89,80,400) | (90,10,245) |
| Net Cash used in Financing Activities | 1,72,37,309 | (1,68,36,882) |
| Net increase in Cash and Cash Equivalents (A+B+C) | 1,03,65,265 | (1,56,290) |
| Cash and Cash Equivalents as at the beginning of the year | 2,51,15,500 | 2,52,71,790 |
| Cash and Cash Equivalents as at the end of the year | 3,54,80,765 | 2,51,15,500 |

As per our Report of even date.

For A.Kay.Mehra & Co.,
Chartered Accountants
(Registration No. 050004C)

For and on behalf of the Board

(A. KAY. MEHRA)
Partner
Membership No. 009963

(HARISH CHANDRA GUPTA)
Chairman & Managing Director

(ARVIND VEER GUPTA)
Director

(D.K. SURI)
(DGM-Finance & Accounts)

(ASHWANI K VERMA)
Company Secretary

Place : Noida
Date : 30th May, 2013

ROTO PUMPS LTD.

SIGNIFICANT ACCOUNTING POLICIES

1. System of Accounting

Unless otherwise stated hereunder the financial accounts of the Company have been drawn up on historical cost convention and on accrual basis.

2. Use of Estimates

The preparation of financial statement requires management to make certain estimates and assumptions that affect the amounts reported in the financial statements and notes thereto. Differences between actual results and estimates are recognised in the period in which they are materialise.

3. Sales

Sales are net of taxes and sales returns but inclusive of excise duty and exchange rates fluctuations.

4. Fixed Assets

Fixed Assets are capitalised at cost of acquisition and subsequent improvements thereto including taxes, duties etc other than Cenvat credit wherever applicable. Freight & other incidental expenses related to acquisition and installation are added to cost. In case of write-up due to revaluation are shown at such higher amount.

5. Depreciation

Depreciation on all assets has been charged by written down value method in accordance with the rates and manner specified in Schedule XIV to the Companies Act, 1956.

In respect of revalued assets, the incremental depreciation attributable to the Revaluation is transferred to Revaluation Reserve.

6. Inventories

Inventories have been valued as follows -

| | |
|---------------------------------|--|
| Raw Materials | : At cost * |
| Finished Goods | : At lower of the cost and net realisable value ** |
| Work in Progress | : At cost * |
| Stores, Tools & Other Materials | : At cost * |

* The cost has been arrived at by using 'FIFO' method.

** The cost of finished goods has been determined by considering standard conversion cost.

7. Impairment of Assets

The Company determines whether there is any indication of impairment of the carrying amount of the company's assets. The recoverable amount of such assets are estimated, if any indication exists, and impairment losses recognised wherever the carrying amount of the assets exceeds its recoverable amount.

8. Employees' Benefits

- Company's contribution to Provident Fund and Family Pension Fund are charged to profit & loss account.
- Provision for Gratuity and Leave Encashment benefits, in respect of employees governed by Indian rules and regulations is made on the basis of actuarial valuation as at the end of the year in conformity with the Accounting standard-15 (Revised) issued by the Institute of Chartered Accountants of India and the provision for leave encashment (including long term leave) in respect of employees at foreign branches is made as per law prevalent in foreign country.
- Contribution to Employee Group Gratuity Trust for the current year are charged to Profit & Loss account and for the past years are adjusted in the Provision for Gratuity a/c.

9. Foreign Currency Transactions

Transactions in foreign currency are accounted for at the exchange rates prevailing at the date of transaction. Gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currency are recognised in the profit and loss account. Exchange differences arising on account of monetary liabilities related to fixed assets are adjusted in the cost of assets. Bank Guarantee in foreign currency are translated at the exchange rate prevailing at the year end.

10. Foreign Branch Operation's Translations

The activities of the Foreign Branches are an integral part of the operations of the company and hence the foreign branch financial statements are translated in accordance with accounting standard applicable to Integral Foreign Operation as given under:

Income & Expenditure items by applying to the foreign currency amount, the exchange rate at the date of transaction. The rate used is an average rate for calendar month and used for all transaction occurring during that calendar month.

Fixed Assets are recorded at the exchange rate prevailing on the date of transaction.

Depreciation on the fixed assets in Indian rupees, which are reported using the exchange rate at the date of transaction.

Inventories related to stocks transfer from reporting enterprise are shown at the cost of reporting enterprises plus expenses incurred to bring the material at the shelf of foreign branch's warehouse and local bought out inventories are translated at the exchange rate prevailing at year end.

Other current assets and liabilities are converted at the exchange rates prevailing at the year end.

The exchange difference on translation of Foreign Branch financial statements are recognised in profit & loss account.

11. Research & Development

Revenue expenditure pertaining to research and development is charged to revenue in the year in which it is incurred. Capital Expenditure is treated as forming part of Fixed Assets.

12. Government Grants

- i) Revenue grants are accounted for in Profit & Loss Account.
- ii) Capital grants other than relating to specific fixed assets are credited to Capital Reserve.

13. Miscellaneous Expenditure

Public Issue Expense, Deferred Revenue Expenses & other expenses on intangible assets are recognised & amortised as per the Accounting Standard no. 26 on Intangible Assets issued by the Institute of Chartered Accountants of India.

14. Borrowing Cost

Interest and other costs in connection with borrowing of funds to the extent related/attribution to the acquisition/construction of qualifying fixed assets are capitalised upto the date when such assets are ready for its intended use and other borrowing cost are charged to Profit and Loss Account.

15. Provision for Deferred and Current tax

Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income Tax Act, 1961. Deferred Tax resulting from "timing difference" between book and taxable profit is accounted for using the tax rates and laws that have been enacted or substantively enacted as on the balance sheet date. The deferred tax asset is recognised and carried forward only to the extent that there is a reasonable certainty that the assets will be realised in future.

ROTO PUMPS LTD.

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

1 SHARE CAPITAL

(Amount in ₹)

| PARTICULARS | As At 31st March, 2013 | As At 31st March, 2012 |
|---|---------------------------|---------------------------|
| AUTHORISED SHARE CAPITAL 1,00,00,000 Equity Shares of par value ₹ 10/- each (Previous year 1,00,00,000 Equity shares of par value of ₹ 10/- each) | 10,00,00,000 | 10,00,00,000 |
| ISSUED & SUBSCRIBED SHARE CAPITAL 31,00,061 Equity Shares of par value ₹ 10/- each (Previous year 31,00,061 Equity Shares of ₹ Par value of 10/- each) | 3,10,00,610 | 3,10,00,610 |
| PAID UP SHARE CAPITAL 30,90,761 Equity Shares of par value of ₹ 10/- each (Previous year 30,90,761 Equity Shares of par value ₹ 10/- each) | 3,09,07,610 | 3,09,07,610 |

1.1 DETAILS OF SHAREHOLDER HOLDING MORE THAN 5% SHARES

| Name of Shareholder | As At 31st March, 2013 | | As At 31st March, 2012 | |
|--------------------------|---|--------|---|--------|
| | Number of Shares held in the Company | % Held | Number of Shares held in the Company | % Held |
| Anurag Gupta | 2,17,067 | 7.02 | 2,17,067 | 7.02 |
| Nand Kishore Gupta HUF | 2,97,732 | 9.63 | 2,97,732 | 9.63 |
| Arvind Gupta | 2,42,067 | 7.83 | 2,42,067 | 7.83 |
| Asha Gupta | 4,99,933 | 16.18 | 4,99,933 | 16.18 |
| Harish Chandra Gupta | 3,94,739 | 12.77 | 3,94,739 | 12.77 |
| Harish Chandra Gupta HUF | 2,14,220 | 6.93 | 2,14,220 | 6.93 |
| Neera Gupta | 1,69,715 | 5.49 | 1,69,715 | 5.49 |

- 1.2 Application Money on 9,300 Equity Shares @ ₹ 10/- per Share alongwith premium @ ₹ 45/- per share aggregating to ₹ 5,11,500/- allotted on 11.11.1994 has not yet been realised as the same was paid by an applicant through a forged stock invest which has been dishonoured by the bankers.

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

2. RESERVES & SURPLUS

(Amount in ₹)

| Particulars | As At 31st March, 2013 | | As At 31st March, 2012 | |
|--|------------------------|----------------------------|------------------------|----------------------------|
| CAPITAL RESERVE: | | | | |
| As per last Balance Sheet | | 14,13,245 | | 14,13,245 |
| REVALUATION RESERVE: | | | | |
| As per last Balance Sheet | 11,65,019 | | 12,99,877 | |
| Less: Written back during the year | | | | |
| Depreciation | 1,06,740 | | 1,22,374 | |
| Sale of Fixed Assets | 15,357 | 10,42,922 | 12,484 | 11,65,019 |
| GENERAL RESERVE: | | | | |
| As per last Balance Sheet | 2,99,89,316 | | 2,24,79,316 | |
| Add: Transferred during the year | 82,00,000 | 3,81,89,316 | 75,10,000 | 2,99,89,316 |
| SHARE PREMIUM ACCOUNT : | | | | |
| As per last Balance Sheet | | 4,72,06,555 | | 4,72,06,555 |
| PROFIT AND LOSS ACCOUNT | | | | |
| As per last Balance Sheet | 19,83,61,692 | | 14,21,04,881 | |
| Add: Profit for the year | 8,05,75,994 | | 7,27,47,211 | |
| | <u>27,89,37,686</u> | | <u>21,48,52,092</u> | |
| Less: Appropriations | | | | |
| Transferred to General Reserve | 82,00,000 | | 75,10,000 | |
| Proposed Dividend | 77,26,903 | | 77,26,903 | |
| (Dividend per share ₹ 2.50, Previous year ₹ 2.50) | | | | |
| Tax on Dividend | 12,53,497 | 26,17,57,286 | 12,53,497 | 19,83,61,692 |
| TOTAL | | <u><u>34,96,09,324</u></u> | | <u><u>27,81,35,827</u></u> |

3 LONG-TERM BORROWINGS

(Amount in ₹)

| PARTICULARS | As At 31st March, 2013 | As At 31st March, 2012 |
|------------------------------|---------------------------|---------------------------|
| SECURED | | |
| Term Loan from Banks | 37,83,879 | 34,48,094 |
| Term Loan from Others | 99,11,705 | 33,36,465 |
| Deferred Payment Liabilities | - | 99,68,000 |
| Buyer's Credit from Bank | 3,51,52,000 | - |
| TOTAL | <u><u>4,88,47,584</u></u> | <u><u>1,67,52,559</u></u> |

3.1 Term Loan from Banks and Buyer's Credit from Bank consist of Plant and Machinery loans secured against hypothecation of respective Plant and Machinery and guaranteed by the Chairman and Managing Director, Dy. Mananging Director and collaterly secured by:

- Equitable Mortgage of Factory Land and Building, Plant and Machinery located at Roto House, 14 NEPZ, Noida.
- Equitable Mortgage of Factory Land and Building located at B-14, Phase-II, Extension, Noida.
- Negative Lien(Pledge of shares of Housing Society) on Company's Flat no 54, 5th Floor, Ajai Deep, Nariman Street, Mumbai,

3.2 Term Loan from Others is secured by hypothecation of respective Vechiles.

Deferred Payment liabilities consists of facility form Greater Noida Authority in respect of Industial land which is secured buy same land.

3.2 Terms of Repayment:

- Term Loan from bank is repayable in 20 equal quarterly instalments of ₹ 750000/-each
- Term Loans from others consists of vehicle loans repayable in 36 monthly equal installments.
- Deferred Payment liabilities consists of facility from Greater Noida Authority in respect of Industial land financing of ₹ 4,98,40,000/- repayable in 10 half yearly installments of ₹ 49,84,000/- alongwith interest theron at 11%.
- The company has availed Buyer' Credit from Bank of India of USD 650000 which is due for payment in June,14 and the same shall be paid through Rupee term loan from Bank of India of equivalent Rupee amount in June,14. The same has not been hedged by any derivative instrument as the company has substantial export contribution to its total turnover.

ROTO PUMPS LTD.

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

4. LONG TERM PROVISIONS

(Amount in ₹)

| PARTICULARS | As At 31st March, 2013 | As At 31st March, 2012 |
|--|---------------------------|---------------------------|
| Provision for Employee Benefits - Superannuation, Gratuity and Un-availed Leave | 44,19,984 | 50,59,385 |
| TOTAL | 44,19,984 | 50,59,385 |

5. SHORT-TERM BORROWINGS

(Amount in ₹)

| PARTICULARS | As At 31st March, 2013 | As At 31st March, 2012 |
|---|---------------------------|---------------------------|
| SECURED LOANS REPAYABLE ON DEMAND Working Capital Loans from Banks | 14,71,98,288 | 13,43,30,839 |
| TOTAL | 14,71,98,288 | 13,43,30,839 |

- 5.1 The working Capital loans are secured against hypothecation of stocks and book debts and guaranteed by the Chairman and Managing Director, Dy. Mananging Director and collaterly secured by:
- Equitable Mortgage of Factory Land and Building, Plant and Machinery located at Roto House, 14 NEPZ, Noida.
 - Equitable Mortgage of Factory Land and Building located at B-14, Phase-II, Extension, Noida.
 - Negative Lien (Pledge of shares of Housing Society) on Company's Flat no 54, 5th Floor, Ajai Deep, Nariman Street, Mumbai.

6. OTHER CURRENT LIABILITIES

(Amount in ₹)

| PARTICULARS | As At 31st March, 2013 | As At 31st March, 2012 |
|---|---------------------------|---------------------------|
| Current Liabilities of Long Term Borrowings | 1,44,99,742 | 1,84,87,203 |
| Interest accrued but not due on borrowings | 4,75,007 | 5,48,240 |
| interest accrued and due on borrowings | - | 1,01,139 |
| Un-paid/ Unclaimed Dividend | 9,83,105 | 8,88,330 |
| Sales Tax Payable | 4,25,915 | 19,53,493 |
| Excise Duty Payable | 11,26,270 | 10,17,563 |
| Other Payables | 3,38,28,958 | 6,87,26,848 |
| TOTAL | 5,13,38,997 | 9,17,22,816 |

- 6.1 Other payable includes ₹ 10,51,229/- for Capital liability (Previous year ₹ 3,58,92,367/-) and ₹ 78,72,662/- on account of advance from customers (Previous year ₹ 1,01,62,769/-and balance on account of other expenses payable.

7. SHORT TERM PROVISIONS

(Amount in ₹)

| PARTICULARS | As At 31st March, 2013 | As At 31st March, 2012 |
|--|---------------------------|---------------------------|
| Provision for Employee Benefits - Superannuation, Gratuity and Un-availed Leave | 79,55,583 | 60,85,696 |
| Provision for Dividends (including dividend tax) | 89,80,400 | 89,80,400 |
| Provision for Income tax | 4,04,56,472 | 3,11,24,984 |
| Provision for Wealth Tax | 65,066 | 50,638 |
| TOTAL | 5,74,57,521 | 4,62,41,718 |

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

8. FIXED ASSETS

(Amount in ₹)

| Particulars | GROSS BLOCK | | | | DEPRECIATION / AMORTISATION | | | | NET BLOCK | |
|-----------------------------|------------------|--|----------------------------|------------------------|-----------------------------|--------------------------|--|-----------------------|------------------|------------------|
| | As At 01.04.2012 | Additions/ Adjustments during the year | Deductions during the year | Total As At 31.03.2013 | Upto 31.03.2012 | Provided during the year | Deduction/ Adjustments during the year | Total Upto 31.03.2013 | As At 31.03.2013 | As At 31.03.2012 |
| TANGIBLE ASSETS | | | | | | | | | | |
| OWN ASSETS | | | | | | | | | | |
| Leasehold Land | 9,25,35,016 | - | - | 9,25,35,016 | - | - | - | - | 9,25,35,016 | 92535016 |
| Factory Buildings | 4,78,13,586 | 35,47,560 | - | 5,13,61,146 | 2,86,67,085 | 21,13,265 | - | 3,07,80,350 | 2,05,80,796 | 19146502 |
| Other Buildings | 26,74,436 | - | - | 26,74,436 | 16,43,360 | 51,554 | - | 16,94,914 | 9,79,522 | 1031077 |
| Plant & Machinery | 14,46,07,692 | 2,20,39,198 | 67,67,247 | 15,98,79,643 | 6,03,31,683 | 1,28,46,085 | 60,26,957 | 6,71,50,811 | 9,27,28,832 | 84276009 |
| Furniture & Fixtures | 83,08,978 | 21,78,897 | - | 1,04,87,875 | 52,79,930 | 8,90,074 | - | 61,70,004 | 43,17,871 | 3029049 |
| Office Equipments | 63,44,851 | 15,75,231 | - | 79,20,082 | 26,40,910 | 7,34,930 | - | 33,75,840 | 45,44,242 | 3703942 |
| Vehicles | 2,92,36,526 | 1,30,20,009 | 78,67,130 | 3,43,89,405 | 1,37,05,564 | 48,68,460 | 58,91,532 | 1,26,82,492 | 2,17,06,913 | 15530962 |
| Computers | 1,39,65,738 | 30,58,543 | 4,41,157 | 1,65,83,123 | 99,94,254 | 21,82,077 | 4,38,567 | 1,17,37,764 | 48,45,360 | 3971483 |
| TOTAL | 34,54,86,823 | 4,54,19,437 | 1,50,75,534 | 37,58,30,726 | 12,22,62,786 | 2,36,86,445 | 1,23,57,057 | 13,35,92,175 | 24,22,38,552 | 223224040 |
| INTANGIBLE ASSETS | | | | | | | | | | |
| Software | 52,88,333 | 28,79,913 | - | 81,68,246 | 27,16,148 | 16,84,705 | - | 44,00,853 | 37,67,393 | 2572185 |
| Technical Design & Drawings | 10,70,334 | - | - | 10,70,334 | 186,458 | 1,22,947 | - | 3,09,405 | 7,60,929 | 883876 |
| TOTAL | 63,58,667 | 28,79,913 | - | 92,38,580 | 29,02,606 | 18,07,652 | - | 47,10,258 | 45,28,322 | 3456061 |
| Capital Work-In-Progress | | | | | | | | | 1,34,77,611 | 1638274 |
| GRAND TOTAL | 35,18,45,490 | 4,82,99,350 | 1,50,75,534 | 38,50,69,306 | 12,51,65,392 | 2,54,94,097 | 1,23,57,057 | 13,83,02,433 | 26,02,44,485 | 228318375 |
| PREVIOUS YEAR | 29,19,34,070 | 6,54,01,147 | 54,89,730 | 35,18,45,490 | 10,97,46,545 | 1,97,16,905 | 42,98,061 | 12,51,65,389 | 23,21,05,430 | 183469858 |

NOTE:

- i) Net Block of Fixed Assets as on 31st March, 2013 includes fixed assets held at Foreign Branches of the company - ₹ 51,68,775/- (Previous Year ₹ 47,69,437/-)
- ii) Net Block of Fixed Assets as on 31st March, 2013 includes ₹ 11,07,205/- towards assets revalued on 31st March, 1993 by an approved valuer.
- iii) ₹ 23,49,535 has been capitalised to the cost of Fixed Assets for Foreign Exchange difference on account of Buyers Credit for Plant & Machinery. The aforesaid amounts so capitalised are being depreciated over the remaining useful life of the Fixed Assets

ROTO PUMPS LTD.

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

9 NON-CURRENT INVESTMENTS

(Amount in ₹)

| PARTICULARS | As At 31st March, 2013 | As At 31st March, 2012 |
|--|---------------------------|---------------------------|
| Trade Investment in Equity Shares - Fully paid up and unquoted 12,500 Equity Shares of Euro 1 each in Roto Pumpen-GmbH (Wholly Owned Subsidiary) | 8,12,500 | 8,12,500 |
| TOTAL | 8,12,500 | 8,12,500 |

10 INVENTORIES

(Amount in ₹)

| Particulars | As At 31st March, 2013 | | As At 31st March, 2012 | |
|------------------------------|------------------------|---------------------|------------------------|--------------|
| a) Raw Materials-In stock | 5,47,54,683 | | 4,74,35,662 | |
| b) Work in Process-In stock | 1,35,76,003 | | 1,02,14,642 | |
| c) Finished Goods-In stock | 9,52,21,692 | | 8,91,24,793 | |
| d) Finished Goods-In Transit | 1,32,78,704 | | 59,23,499 | |
| e) Stores & Spares | 21,34,043 | | 22,35,041 | |
| f) Loose Tools | 22,46,674 | | 17,60,352 | |
| g) Packing Material | 14,53,006 | | 14,58,663 | |
| h) Scrap and Wastage | 1,17,404 | 18,27,82,209 | 1,17,799 | 15,82,70,451 |
| TOTAL | | 18,27,82,209 | | 15,82,70,451 |

11 TRADE RECEIVABLES

(Amount in ₹)

| Particulars | As At 31st March, 2013 | | As At 31st March, 2012 | |
|---|------------------------|---------------------|------------------------|--------------|
| (Unsecured and considered good) | | | | |
| a) Trade receivables due for a period exceeding six months | 1,68,88,682 | | 1,05,57,581 | |
| b) Others | 19,82,97,685 | 21,51,86,367 | 20,55,24,091 | 21,60,81,672 |
| TOTAL | | 21,51,86,367 | | 21,60,81,672 |

12 CASH & CASH EQUIVALENT

(Amount in ₹)

| Particulars | As At 31st March, 2013 | | As At 31st March, 2012 | |
|--|------------------------|--------------------|------------------------|-------------|
| a) Cash in Hand | | 10,62,464 | | 6,27,809 |
| b) Balance with Scheduled Banks In: | | | | |
| - Current Accounts | 2,35,27,919 | | 1,21,33,346 | |
| - Term Deposit(Restricted)- Margin Money against guarantees | 37,21,415 | | 1,14,66,014 | |
| - Earmarked Balances with Bank-Unclaimed dividend a/c | 9,83,106 | 2,82,32,440 | 8,88,331 | 2,44,87,691 |
| c) Remittance in Transit | | 61,85,861 | | - |
| TOTAL | | 3,54,80,765 | | 2,51,15,500 |

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

13 SHORT-TERM LOANS & ADVANCES

(Amount in ₹)

| Particulars | As At 31st March, 2013 | | As At 31st March, 2012 | |
|--|------------------------|--------------------|------------------------|--------------------|
| (Unsecured, Unconfirmed and considered good) | | | | |
| a) Capital Advances | 1,82,00,934 | | 37,87,055 | |
| b) Prepaid Expenses | 62,38,158 | | 57,25,269 | |
| c) Security Deposits | 76,28,894 | | 76,34,795 | |
| d) Deposit with Excise & Other Authorities | 1,12,18,894 | | 99,29,981 | |
| e) Advance Income Tax & Tax Deducted at Source | 3,33,05,221 | | 2,27,43,261 | |
| f) Staff Loans | 7,70,368 | | 9,01,300 | |
| g) Other Receivables | 49,05,766 | 8,22,68,235 | 40,73,655 | 5,47,95,316 |
| TOTAL | | 8,22,68,235 | | 5,47,95,316 |

14. OTHER CURRENT ASSETS

(Amount in ₹)

| PARTICULARS | As At 31st March, 2013 | As At 31st March, 2012 |
|-----------------------------------|---------------------------|---------------------------|
| Interest accrued on Bank deposits | 10,086 | 1,43,000 |
| TOTAL | 10,086 | 1,43,000 |

15. REVENUE FROM OPERATIONS

(Amount in ₹)

| PARTICULARS | Year Ended 31st March, 2013 | Year Ended 31st March, 2012 |
|-------------------------------|--------------------------------|--------------------------------|
| Sale of Products | 91,66,07,008 | 78,58,95,083 |
| Sale of Services | 17,58,707 | 23,87,363 |
| Other Operating Revenue | 49,14,609 | 29,10,348 |
| | 92,32,80,324 | 79,11,92,794 |
| Less: Excise Duty | 3,61,31,229 | 2,84,00,693 |
| Total Revenue from Operations | 88,71,49,095 | 76,27,92,101 |

16. OTHER INCOME

(Amount in ₹)

| Particulars | As At 31st March, 2013 | | As At 31st March, 2012 | |
|---|------------------------|------------------|------------------------|------------------|
| Interest Income | | | | |
| - On Bank Deposits | 7,37,366 | | 6,78,881 | |
| - Others | 3,043 | 7,40,409 | 28,602 | 7,07,483 |
| (Tax Deducted at Source ₹ 126117/- Previous Year- ₹ 67890/-) | | | | |
| Misc. Credit Balances Written Off | | 2,61,799 | | - |
| Foreign Exchange Diff.-Foreign Operations & Others | | 29,64,988 | | 59,31,350 |
| Profit on Sale/Impairment of Fixed Assets | | 5,10,766 | | 7,33,188 |
| Miscellaneous Receipts | | 2,55,633 | | 1,080 |
| TOTAL | | 47,33,595 | | 73,73,101 |

ROTO PUMPS LTD.

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

17. COST OF MATERIALS CONSUMED

(Amount in ₹)

| Particulars | Year Ended 31st March, 2013 | | Year Ended 31st March, 2012 | |
|---|--------------------------------|---------------------|--------------------------------|---------------------|
| | | | | |
| i) RAW MATERIALS CONSUMED | | | | |
| Opening Stock | 1,90,11,534 | | 1,99,50,738 | |
| Add: Purchases & Expenses thereon | 15,14,51,835 | | 12,51,64,635 | |
| Less: Closing Stock | 1,95,46,897 | 15,09,16,472 | 1,90,11,534 | 12,61,03,839 |
| ii) BOUGHT OUT COMPONENTS CONSUMED | | | | |
| Opening Stock | 2,84,24,128 | | 2,58,19,871 | |
| Add: Purchases & Expenses thereon | 19,43,21,400 | | 18,29,11,663 | |
| Less: Closing Stock | 3,52,07,786 | 18,75,37,742 | 2,84,24,128 | 18,03,07,406 |
| iii) CONSUMABLE STORES AND SPARES | | | | |
| Opening Stock | 11,19,468 | | 5,26,172 | |
| Add: Purchases | 1,32,83,348 | | 68,08,502 | |
| Less: Closing Stock | 10,38,939 | 1,33,63,877 | 11,19,468 | 62,15,206 |
| TOTAL | | 35,18,18,091 | | 31,26,26,451 |

18. CHANGE IN INVENTORIES

(Amount in ₹)

| Particulars | Year Ended 31st March, 2013 | | Year Ended 31st March, 2012 | |
|----------------------------------|--------------------------------|----------------------|--------------------------------|--------------------|
| | | | | |
| OPENING STOCK: | | | | |
| Finished Goods | 9,50,48,293 | | 9,09,27,221 | |
| Work in Progress | 1,02,14,641 | | 1,31,64,116 | |
| Scrap & Wastage | 1,17,799 | 10,53,80,733 | 1,16,499 | 10,42,07,836 |
| LESS: CLOSING STOCK: | | | | |
| Finished Goods | 10,85,00,396 | | 9,50,48,292 | |
| Work in Progress | 1,35,76,003 | | 1,02,14,642 | |
| Scrap & Wastage | 1,17,404 | 12,21,93,803 | 1,17,799 | 10,53,80,733 |
| Net Change in Inventories | | (1,68,13,070) | | (11,72,897) |

19. EMPLOYEE BENEFITS EXPENSE

(Amount in ₹)

| PARTICULARS | Year Ended 31st March, 2013 | Year Ended 31st March, 2012 |
|--|--------------------------------|--------------------------------|
| Wages, Salary, Bonus Gratuity & Other Allowances | 16,78,92,364 | 13,29,32,288 |
| Contribution to Provident & Other Funds | 1,23,61,596 | 1,12,23,913 |
| Directors' Remuneration | 1,58,65,104 | 1,51,51,828 |
| Workmen & Staff Welfare | 61,37,964 | 45,52,004 |
| TOTAL | 20,22,57,028 | 16,38,60,033 |

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

20. FINANCE COST

(Amount in ₹)

| PARTICULARS | Year Ended 31st March, 2013 | Year Ended 31st March, 2012 |
|-------------------|--------------------------------|--------------------------------|
| INTEREST : | | |
| On Term Loans | 35,75,223 | 48,67,669 |
| On Others | 1,51,69,544 | 1,44,63,573 |
| TOTAL | 1,87,44,767 | 1,93,31,242 |

21. DEPRECIATION & AMORTISATION EXPENSE

(Amount in ₹)

| PARTICULARS | Year Ended 31st March, 2013 | Year Ended 31st March, 2012 |
|---|--------------------------------|--------------------------------|
| For the year | 2,54,94,097 | 1,97,16,905 |
| Less : Transferred to Revaluation Reserve | 1,06,740 | 1,22,374 |
| TOTAL | 2,53,87,357 | 1,95,94,531 |

22. OTHER EXPENSES

(Amount in ₹)

| Particulars | Year Ended 31st March, 2013 | | Year Ended 31st March, 2012 | |
|-------------------------------|--------------------------------|---------------------|--------------------------------|---------------------|
| Power & Fuel | | 1,52,14,723 | | 1,25,66,297 |
| Machining & Electroplating | | 1,74,49,799 | | 1,36,39,011 |
| Tools | | 84,07,362 | | 50,95,193 |
| Repairs : | | | | |
| Building | 61,40,423 | | 24,16,965 | |
| Plant & Machinery | 61,79,349 | | 35,98,604 | |
| Others | 33,37,966 | 1,56,57,738 | 17,52,510 | 77,68,079 |
| Insurance Charges | | 11,72,191 | | 8,82,190 |
| Travelling & Conveyance | | 2,94,65,742 | | 2,58,59,463 |
| Postage & Telephone | | 52,80,843 | | 46,26,974 |
| Professional & Consultancy | | 20,13,141 | | 20,27,331 |
| Vehicle Running & Maintenance | | 44,63,464 | | 43,06,419 |
| Rent | | 1,02,35,228 | | 86,35,917 |
| Rates & Taxes | | 19,69,957 | | 20,00,012 |
| Directors' Sitting Fees | | 2,15,000 | | 1,85,000 |
| Payment to Auditors : | | | | |
| Audit Fee | 1,75,000 | | 1,75,000 | |
| Tax Audit Fee | 50,000 | | 50,000 | |
| Taxation Matters | 25,000 | | 25,000 | |
| Foreign Branch Audit Fee | 6,17,104 | | 5,72,489 | |
| Cost Audit Fee | 40,000 | | 30,000 | |
| Out of Pocket Expenses | 25,000 | 9,32,104 | 19,500 | 8,71,989 |
| Packing & Forwarding Exp. | | 4,07,80,173 | | 2,99,61,531 |
| Commission & Discount | | 16,34,314 | | 6,31,072 |
| Advertisement & Publicity | | 66,33,816 | | 67,17,747 |
| Bad Debts | | 21,03,967 | | 3,54,491 |
| Miscellaneous Expenses | | 2,65,74,080 | | 2,22,72,352 |
| TOTAL | | 19,02,03,642 | | 14,84,01,068 |

ROTO PUMPS LTD.

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

23 CONTINGENT LIABILITIES & COMMITMENTS

23.1 Contingent Liabilities

(Amount in ₹)

| PARTICULARS | 2012-13 | 2011-12 |
|---|-------------|-------------|
| i) Disputed Sales Tax (appeals pending) | - | 403,642 |
| ii) Disputed Income Tax (appeals pending) | 50,54,838 | 50,54,838 |
| iii) Bank Guarantee | 2,16,53,193 | 2,33,42,385 |
| iv) Labour Cases | 43,82,214 | 35,74,214 |

23.2 Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for, ₹ 9,32,29,992/- (Previous year ₹ 2,428,769/-)

- 24 Revaluation of all the fixed assets (except Building under construction upto 31.03.1993) was carried out by an approved valuer as on 31st March, 1993, which resulted in an increase in the Gross Value of assets over original cost by ₹ 2,50,17,478/-. The net increase in the value, resulting from the revaluation amounting to ₹ 2,50,17,478/- has been credited to Revaluation Reserve, created during the year ended 31.03.1993. Of this Revaluation reserve, a sum of ₹ 2,39,74,556/- has been adjusted on account of depreciation/sale of revalued assets till 31st March, 2013.
- 25 Depreciation for the year, on write up of assets due to revaluation as on 31.03.1993, has been recouped out of Revaluation Reserve.
- 26 Term Deposits with Bank of India, Janpath Branch amounting to ₹ 37,21,415/- (Prev. year ₹ 89,24,823/-) are pledged with Bank of India as Margin on Bank Guarantees, Letter of Credit and Foreign bills purchased by them.

27. Related Party Disclosure

Key Managerial Personnel

(Amount in ₹)

| Name | Designation | Nature of Transaction-Gross Salary | |
|--------------------------|------------------------------|------------------------------------|-----------|
| | | 2012-13 | 2011-2012 |
| Mr. Harish Chandra Gupta | Chairman & Managing Director | 77,46,179 | 72,90,680 |
| Mr. Anurag Gupta | Dy. Managing Director | 47,91,932 | 45,83,293 |
| Mr. Arvind Veer Gupta | Whole Time Director | 46,87,282 | 45,86,301 |

Relatives of Key Managerial Personnel

Mr. H.C. Gupta HUF

Mr. H.C. Gupta, Chairman & Managing Director of the Company is the Karta of H.C. Gupta HUF and the Company had taken on lease a residential accommodation from H.C. Gupta HUF and paid ₹ Nil towards rent during the year (Prev year ₹ 4,65,000/-)

Mr. N.K Gupta HUF

Mr. Anurag Gupta, Dy. Managing Director of the Company is the karta of N.K. Gupta HUF and the Company has taken on lease a residential accommodation from N.K. Gupta HUF and paid ₹ 14,16,000/- towards rent during the year (Prev. year ₹ 14,16,000/-)

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

28 Remuneration to Chairman & Managing Director, Dy. Managing Director and Whole Time Director.

(Amount in ₹)

| Particulars | Year 2012-13 | Year 2011-12 |
|------------------------------------|--------------------|-----------------|
| Salary | 1,09,62,000 | 1,05,46,500 |
| Contribution to P.F. & Other Funds | 13,15,440 | 12,65,580 |
| Other Perquisites | 49,47,953 | 46,48,194 |
| | 1,72,25,393 | 1,64,60,274 |

29 Income/(Loss) on difference in exchange rates on account of foreign currency transactions relating to Export Sales amounting to ₹ 34,42,735/- (Previous Year - (₹ 38,91,826/-)) has been grouped with Export Sale.

30 Excise duty payable on finished goods/Scrap Stock lying in stock at factory amounting to ₹ 11,11,553/- (Prev. year ₹ 5,61,602/-) has been included in the value of the closing stock after creating suitable provision for liability.

31 In the opinion of the Board, the Current Assets, Loans and Advances are stated at a value, considered realisable in the ordinary course of business.

32 The Company's operations predominantly comprises of only one segment-Pumps & spares, therefore segment reporting does not apply.

33 Deferred Tax

Deferred Tax assets and liabilities are being offset as they relate to taxes on income levied by the same governing laws.

Breakup of deferred tax assets/liabilities and reconciliation of current year deferred tax credit/charge.

(Amount in ₹)

| Particulars | Deferred Tax Asset/ (Liability) as on 31.03.2012 | Current Year Credit/(Charge) | Deferred Tax Asset/ (Liability) as on 31.03.2013 |
|---|--|---------------------------------|--|
| Difference in carrying amount of fixed assets in financial statements and income tax return | (56,90,503) | 1,96,583 | (54,93,920) |
| Provision for Gratuity | 9,30,258 | 9,10,956 | 18,41,214 |
| Provision for Leave encashment | 26,85,764 | (5,11,726) | 21,74,038 |
| Others | (5,85,638) | 2,02,847 | (3,82,789) |
| Total | (26,60,119) | 7,98,662 | (18,61,457) |

Note: The Company has recognised the Deferred Tax Assets of ₹ 7,98,662/- (Previous year Deferred Tax Charge ₹ 37,01,921/-) during the year and debited to Profit & Loss Account.

34 Earning per share

(Amount in ₹)

| Particulars | 2012-13 | 2011-12 |
|--------------------------------------|--------------------|-------------|
| Net profit after taxes for the year | 8,05,75,994 | 7,27,47,211 |
| Number of Equity Shares | 30,90,761 | 30,90,761 |
| Basic and Diluted Earning per Shares | 26.07 | 23.54 |
| Face Value per Share | 10 | 10 |

35 The disclosure required under Accounting Standard 15-"Employee Benefits" notified in the Companies(Accounting Standards) Rules 2006, are given below:

ROTO PUMPS LTD.

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

DEFINED CONTRIBUTION PLAN

Contribution to Defined Contribution Plan, recognised are charged off for the year are as under: (Amount in ₹)

| Particulars | 2012-13 | 2011-12 |
|---|-----------|-----------|
| Employer's Contribution to Provident fund | 41,54,990 | 51,86,298 |
| Employer's Contribution to Superannuation/NIC at foreign branches | 56,95,121 | 49,59,571 |

DEFINED BENEFIT PLAN

The Employees' gratuity fund scheme managed by Reliance Life Insurance Company Ltd. is a defined benefit plan. The present value of obligation for gratuity and leave encashment is determined on the basis of Actuarial Valuation Report made at the year end.

In respect of Employees in India

| Particulars | Gratuity Funded | | Leave encashment | |
|---|-----------------------|-----------------------|-----------------------|-----------------------|
| | 2012-13 Amount (₹) | 2011-12 Amount (₹) | 2012-13 Amount (₹) | 2011-12 Amount (₹) |
| The principle assumptions used in actuarial valuation | | | | |
| - Discount rate | 8.50% | 8.25% | 8.25% | 8.3% |
| - Expected rate on return of assets (per annum) | 8.50% | 8.25% | N.A | N.A |
| - Expected rate of future salary increase | 6.25% | 5.75% | 5.75% | 5.75% |
| Change in Present value of Obligation | | | | |
| - Present value of obligation as at the beginning of the year | 1,16,50,355 | 1,09,39,069 | 42,37,398 | 43,48,950 |
| - Interest Costs | 9,90,280 | 9,02,473 | 3,48,628 | 3,58,788 |
| - Current Service Cost | 16,41,026 | 15,30,505 | 6,69,371 | 7,07,434 |
| - Past Service Cost(vested benefit) | (40,788) | - | - | - |
| - Benefits Paid | (3,53,250) | (8,66,712) | (36,84,506) | (25,69,546) |
| - Actuarial (Gain)/Loss on obligations | (5,32,476) | (8,54,980) | 14,50,899 | 13,91,772 |
| - Present value of obligation as at the end of the year | 1,33,55,147 | 1,16,50,355 | 30,21,790 | 42,37,398 |
| Change in fair value of Plan Assets | | | | |
| Fair Value of Plan Assets at the beginning of the year | 88,23,958 | 89,11,080 | - | - |
| Expected Return on Plan Assets | 7,50,036 | 7,35,164 | - | - |
| Contributions | - | - | - | - |
| Benefit Paid | (3,94,038) | (9,07,506) | - | - |
| Actuarial Gain/(Loss) on Plan Assets | 68,364 | 44,427 | - | - |
| Fair Value of Plan Assets at the end of the year | 92,48,320 | 88,23,958 | - | - |
| Actual Return on Plan Assets | 6,00,840 | 8,99,406 | - | - |
| Liability Recognised in balance Sheet | | | | |
| - Present value of obligation as at the beginning of the year | 1,33,55,147 | 1,16,50,355 | 30,21,790 | 42,37,398 |
| - Fair value of plan assets as at the end of the year | 92,48,320 | 87,83,170 | - | - |
| - Unfunded status | 41,06,827 | 28,67,185 | 30,21,790 | 42,37,398 |
| - Unrecognised Actuarial (Gain)/Loss | - | - | - | - |
| Net (Assets)/Liability recognised in Balance Sheet | 41,06,827 | 28,67,185 | 30,21,790 | 42,37,398 |
| Expenses recognised in Profit and Loss Account | | | | |
| - Current Service Cost | 16,41,026 | 15,30,505 | 6,69,371 | 7,07,434 |
| - Interest Costs | 9,90,280 | 9,02,473 | 3,48,628 | 2,98,408 |
| - Expected Return on Plan assets | (7,50,036) | (7,35,164) | - | - |
| - Past Service Cost(vested benefit) Recognised | (40,788) | - | - | - |
| - Net Actuarial (Gain)/Loss recognised during the year | (6,00,840) | (8,58,619) | 14,50,899 | 13,91,772 |
| Total Expenses recognised in Profit and Loss a/c | 12,39,642 | 8,39,195 | 24,68,898 | 23,97,614 |

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

| Particulars | Gratuity Funded | | Leave encashment | |
|---|-----------------------|-----------------------|-----------------------|-----------------------|
| | 2012-13 Amount (₹) | 2011-12 Amount (₹) | 2012-13 Amount (₹) | 2011-12 Amount (₹) |
| In respect of employees at Foreign branches | | | | |
| Change in Present value of Obligation | - | - | | - |
| - Present value of obligation as at the beginning of the year | - | - | 40,39,853 | - |
| - Interest Costs | - | - | 3,54,439 | - |
| - Current Service Cost | - | - | 17,71,856 | - |
| - Past Service Cost(Vested benefit) | - | - | - | - |
| - Benefits Paid | - | - | (19,68,990) | - |
| - Actuarial (Gain)/Loss on obligations | - | - | 10,49,791 | - |
| - Present Value of obligation as at the end of the year | - | - | 52,46,949 | - |
| Change in fair value of Plan Assets | | | | |
| Fair Value of Plan Assets at the beginning of the year | - | - | - | - |
| Expected Return on Plan Assets | - | - | - | - |
| Contributions | - | - | - | - |
| Benefit Paid | - | - | - | - |
| Actuarial Gain/(Loss) on Plan Assets | - | - | - | - |
| Fair Value of Plan Assets at the end of the year | - | - | - | - |
| Actual Return on Plan Assets | - | - | - | - |
| Liability Recognised in balance Sheet | | | | |
| - Present value of obligation as at the end of the year | - | - | 52,46,949 | 40,39,853 |
| - Fair value of plan assets as at the end of the year | - | - | - | - |
| - Unfunded status | - | - | 52,46,949 | 40,39,853 |
| - Unrecognised Actuarial (Gain)/Loss | - | - | - | - |
| Net (Assets)/Liability recognised in Balance Sheet | | | 52,46,949 | 40,39,853 |
| Expenses recognised in Profit and Loss Account | | | | |
| - Current Service Cost | - | - | 17,71,856 | - |
| - Interest Cost | - | - | 3,54,439 | - |
| - Expected Return on Plan assets | - | - | - | - |
| - Past Service Cost(vested benefit) Recognised | - | - | - | - |
| - Net Actuarial (Gain)/Loss recognised during the year | - | - | 7,81,423 | - |
| Total Expenses recognised in Profit and Loss a/c | - | - | 29,07,718 | 3,62,887 |

36. Taxation provisions for current year and previous year tax adjustments includes interest thereon.

37. The Company has not received information from vendors regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosure relating to amounts unpaid as at the year end together with interest paid/payable under this Act have not been given.

38. Raw Material and Components Consumed

(Amount in ₹)

| Particulars | 2012-13 | 2011-12 |
|-------------------------------|---------------------|--------------|
| Mild Steel | 21,15,948 | 5,48,989 |
| Steel (Ss & Alloy) | 7,00,01,618 | 6,03,31,130 |
| Iron & Metal Castings | 3,80,22,561 | 2,85,41,031 |
| Rubber & Chemicals | 2,24,83,840 | 2,02,17,744 |
| Pipes | 1,36,89,740 | 1,28,40,547 |
| Other Materials & Components | 18,75,37,743 | 18,03,07,405 |
| Freight, Cartage, Clg. & Ins. | 46,02,764 | 36,24,399 |
| TOTAL | 33,84,54,214 | 30,64,11,245 |

ROTO PUMPS LTD.

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

39. Consumable Material

(Amount in ₹)

| Particulars | 2012-13 | 2011-12 |
|--------------------|--------------------|------------------|
| Stores Consumables | 1,33,63,877 | 62,15,206 |
| TOTAL | 1,33,63,877 | 62,15,206 |

40. Particulars of Revenue from Operations

(Amount in ₹)

| Particulars | 2012-13 | | 2011-12 | |
|-------------------------|--------------|---------------------|--------------|---------------------|
| | Amount (₹) | | Amount (₹) | |
| Domestic | | | | |
| Sales of Products | | | 18,51,03,557 | |
| - Pumps | 19,96,47,539 | | | |
| - Spares | 12,78,89,093 | 32,75,36,632 | 11,30,70,859 | 29,81,74,416 |
| Sales of Services | | 13,51,223 | | 12,19,466 |
| Other Operating Revenue | | 43,92,021 | | 26,40,369 |
| | | 33,32,79,876 | | 30,20,34,251 |
| Export | | | | |
| Sales of products | | | 22,90,91,063 | |
| - Pumps | 24,20,75,408 | | | |
| - Spares | 31,13,86,327 | 55,34,61,735 | 23,04,98,890 | 45,95,89,953 |
| Sales of Services | | 4,07,484 | | 11,67,897 |
| | | 55,38,69,219 | | 46,07,57,850 |
| TOTAL | | 88,71,49,095 | | 76,27,92,101 |

41. Earnings in Foreign Currency

| Particulars | 2012-13 | | 2011-12 | |
|------------------------|---------------------|---------------------|---------------------|---------------------|
| | Bill Value (₹) | FOB Value (₹) | Bill Value (₹) | FOB Value (₹) |
| Export of Goods | | | | |
| Pumps | 24,20,75,408 | 23,99,43,854 | 22,90,91,063 | 22,84,62,680 |
| Spares | 31,13,86,327 | 30,68,33,299 | 23,04,98,890 | 22,87,28,780 |
| Others | | | | |
| Service Charges | 4,07,484 | 4,07,484 | 11,67,897 | 11,67,897 |
| Interest Income | 3,043 | 3,043 | 25,724 | 25,724 |
| TOTAL | 55,38,72,262 | 54,71,87,679 | 46,07,83,574 | 45,83,85,081 |

Note : Export of goods includes sales at Foreign Branches ₹ 36,75,14,645/- (Prev. Year ₹ 27,54,42,238/-)

Service Charges includes charges at Foreign Branches ₹ 4,07,484/- (Prev. Year ₹ 11,67,897/-)

Interest Income includes interest at Foreign Branches ₹ 3,043/- (Prev. Year ₹ 25,724/-)

42. Expenditure in Foreign Currency

(Amount in ₹)

| Particulars | 2012-13 | 2011-12 |
|----------------------------|---------------------|--------------------|
| Travelling Expenses | 77,16,239 | 53,13,263 |
| Expenses at Foreign Branch | 10,99,79,891 | 8,58,57,391 |
| Other Expenses | 21,15,919 | 24,93,744 |
| TOTAL | 11,98,12,049 | 9,36,64,398 |

Note : Expenses of Foreign Branch includes Capital goods (net of sales) installed and used at Foreign Branch ₹ 17,71,128/- (Prev. Year ₹ 4,13,795/-)

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

43. Remittance in foreign currency towards Dividend for 2011-12 to Ms. Debra Pauly, U.K. of ₹ 1,91,000/- on 76400 Equity Shares (Previous Year ₹ 1,91,000/-)

44. **Value of Imports (Calculated on CIF basis)** (Amount in ₹)

| Particulars | 2012-13 | 2011-12 |
|---------------|--------------------|--------------------|
| Materials | 1,18,90,095 | 2,32,96,037 |
| Capital Goods | 23,92,860 | 39,89,283 |
| TOTAL | 1,42,82,955 | 2,72,85,320 |

45. **Consumption of Indigenous/Imported Materials**

| | 2012-13 | | 2011-12 | |
|---|---------------------|-------------|---------------------|-------------|
| | Amount (₹) | % | Amount (₹) | % |
| a) Raw Materials and components | | | | |
| Indigenous | 27,92,40,921 | 79.37% | 24,51,86,393 | 80.02% |
| Imported | 7,25,77,169 | 20.63% | 6,12,24,852 | 19.98% |
| TOTAL | 35,18,18,090 | 100% | 30,64,11,245 | 100% |
| Note: Imported Raw Material and Components includes ₹ 6,73,06,981/- (Previous Year ₹ 5,46,63,044/-) consumption at foreign branches. | | | | |
| b) Consumable Stores | | | | |
| Indigenous | 1,25,76,865 | 94.11% | 53,70,645 | 86.41% |
| Imported | 7,87,012 | 5.89% | 8,44,561 | 13.59% |
| TOTAL | 1,33,63,877 | 100% | 62,15,206 | 100% |
| Note: Imported Consumables includes ₹ 7,87,012/- (Previous Year ₹ 8,44,561/-) consumption at foreign branches. | | | | |

46. Previous Year's figures have been re-grouped/re-arranged wherever necessary to render them comparable with the current year's figures.

47. Figures have been rounded off to the nearest rupee.

As per our Report of even date.

For A.Kay.Mehra & Co.,
Chartered Accountants
(Registration No. 050004C)

For and on behalf of the Board

(A. KAY. MEHRA)
Partner
Membership No. 009963

(HARISH CHANDRA GUPTA)
Chairman & Managing Director

(ARVIND VEER GUPTA)
Director

(D.K. SURI)
(DGM-Finance & Accounts)

(ASHWANI K VERMA)
Company Secretary

Place : Noida
Date : 30th May, 2013

ROTO PUMPS LTD.

Statement pursuant to the provisions of 212 of the Companies Act, 1956 relating to Subsidiary Company

1. Name of the Subsidiary Company : Roto Pumpen GmbH
2. Financial year ended of the subsidiary company : 31st March, 2013
3. Shares of the subsidiary held by Roto Pumps on the above date
 - a. Number of shares and face value : 12500 equity shares of Euro 1/- each
 - b. Extent of holding : 100%
4. Net aggregate amount of profit / (loss) of the subsidiary company not dealt within the holding company's accounts.
 - a. For the current financial year : (0.88 Lacs)
 - b. For the previous financial years : (3.16 Lacs)
5. Net aggregate amount of profit / (loss) of the subsidiary company dealt within the holding company's accounts.
 - a. For the current financial year : Nil
 - b. For the previous financial years : Not applicable

For and on behalf of the Board

(HARISH CHANDRA GUPTA)
Chairman & Managing Director

(ARVIND VEER GUPTA)
Director

Place : Noida
Date : 30th May, 2013

(D.K. Suri)
(DGM-Finance & Accounts)

(ASHWANI K VERMA)
Company Secretary

AUDITOR'S REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

TO THE BOARD OF DIRECTORS,
ROTO PUMPS LIMITED

We have audited the attached Consolidated Balance Sheet of ROTO PUMPS LIMITED (the Company) and its subsidiary, Roto Pumpen GmbH (collectively referred to as "the Group") as at 31st March, 2013, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management and have been prepared by the Management on the basis of separate financial statements and other financial information regarding the Group. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by Management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

1. We have relied on the financial statements of the subsidiary company. These financial statements as approved by the Board of Directors of the subsidiary company have been furnished to us by the Management and our report in so far as it relates to the amounts included in respect of the subsidiary company is based solely on such approved financial statements.
2. We report that the consolidated financial statements have been prepared by the Company's management in accordance with the requirements of Accounting Standard (AS) 21, Consolidated Financial Statements, as notified by the Companies (Accounting Standards) Rules, 2006.
3. Based on our audit as aforesaid and on the other financial information of the companies and to the best of our information and according to the explanations given to us, we are of the opinion that the attached consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (i) in the case of the Consolidated Balance Sheet, of the State of Affairs of the Group as at 31st March, 2013;
 - (ii) 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
 - (iii) in the case of the Consolidated Cash Flow Statement, of the Cash Flows of the Group for the year ended on that date.

For **A. KAY. MEHRA & CO.**
Chartered Accountants
(Registration No. 050004C)

Place : NOIDA
Dated : 30.05.2013

(A. KAY. MEHRA)
PARTNER
Membership No. 9963

ROTO PUMPS LTD.

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2013

(Amount in ₹)

| PARTICULARS | Note No. | As At | | As At |
|--|----------|------------------|---------------------|---------------------|
| | | 31st March, 2013 | | 31st March, 2012 |
| EQUITY AND LIABILITIES | | | | |
| Shareholders' Funds | | | | |
| Share Capital | 1 | 3,09,07,610 | | 3,09,07,610 |
| Reserves & Surplus | 2 | 34,92,05,418 | 38,01,13,028 | 27,78,19,851 |
| | | | | 30,87,27,461 |
| Non-current Liabilities | | | | |
| Long Term Borrowings | 3 | | 4,88,47,584 | 1,67,52,559 |
| Deferred Tax Liabilities (Net) | | | 18,61,457 | 26,60,119 |
| Long Term Provisions | 4 | | 44,19,984 | 50,59,385 |
| Current Liabilities | | | | |
| Short Term Borrowings | 5 | 14,71,98,288 | | 13,43,30,839 |
| Trade Payables | | 8,51,43,882 | | 7,77,25,941 |
| Other Current Liabilities | 6 | 5,13,38,997 | | 9,17,22,816 |
| Short Term Provisions | 7 | 5,74,57,521 | 34,11,38,688 | 4,62,41,718 |
| | | | | 35,00,21,314 |
| TOTAL | | | 77,63,80,741 | 68,32,20,838 |
| ASSETS | | | | |
| Non-current Assets | | | | |
| Fixed Assets | | | | |
| i) Tangible Assets | 8 | 24,22,38,552 | | 22,32,24,040 |
| ii) Intangible Assets | 8 | 45,28,322 | | 34,56,061 |
| iii) Capital Work in Progress | 8 | 1,34,77,611 | 26,02,44,485 | 16,38,274 |
| | | | | 22,83,18,375 |
| Current Assets | | | | |
| Inventories | 9 | 18,27,82,209 | | 15,82,70,451 |
| Trade Receivables | 10 | 21,51,86,367 | | 21,60,81,672 |
| Cash and Cash Equivalents | 11 | 3,58,72,947 | | 2,56,12,024 |
| Short Term Loans and Advances | 12 | 8,22,84,647 | | 5,47,95,316 |
| Other Current Assets | 13 | 10,086 | 51,61,36,256 | 1,43,000 |
| | | | | 45,49,02,463 |
| TOTAL | | | 77,63,80,741 | 68,32,20,838 |
| Significant Accounting Policies and Notes on Financial Statements | | | | |
| | | | | 1 to 46 |

As per our Report of even date.

For A.Kay.Mehra & Co.,
Chartered Accountants
(Registration No. 050004C)

For and on behalf of the Board

(A. KAY. MEHRA)
Partner
Membership No. 009963

(HARISH CHANDRA GUPTA)
Chairman & Managing Director

(ARVIND VEER GUPTA)
Director

(D.K. SURI)
(DGM-Finance & Accounts)

(ASHWANI K VERMA)
Company Secretary

Place : Noida
Date : 30th May, 2013

**CONSOLIDATED STATEMENT OF PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31ST MARCH, 2013**

(Amount in ₹)

| PARTICULARS | Note No. | Year Ended 31st March, 2013 | Year Ended 31st March, 2012 |
|--|----------------|--------------------------------|--------------------------------|
| INCOME | | | |
| Revenue from Operations | 14 | 88,71,49,095 | 76,27,92,101 |
| Other Income | 15 | 47,42,483 | 74,05,351 |
| TOTAL REVENUE | | 89,18,91,578 | 77,01,97,452 |
| EXPENSES | | | |
| Cost of Materials consumed | 16 | 35,18,18,091 | 31,26,26,451 |
| Change in Inventories of Finished goods and Work in Progress | 17 | (1,68,13,070) | (11,72,897) |
| Employee Benefits Expense | 18 | 20,22,57,028 | 16,38,60,033 |
| Finance Costs | 19 | 1,87,44,767 | 1,93,31,242 |
| Depreciation & Amortisation Expense | 20 | 2,53,87,357 | 1,95,94,531 |
| Other Expenses | 21 | 19,03,00,460 | 14,87,49,294 |
| TOTAL EXPENSES | | 77,16,94,633 | 66,29,88,654 |
| Profit Before Tax | | 12,01,96,945 | 10,72,08,798 |
| Tax expenses | | | |
| Current tax | | 4,04,80,137 | 3,11,24,984 |
| Deferred Tax | | (7,98,662) | 37,01,922 |
| Short/(Excess) Provisions- earlier years | | 27,406 | (49,343) |
| Profit After Tax | | 8,04,88,064 | 7,24,31,235 |
| Earning Per Share (₹) (Basic & Diluted) | | 26.04 | 23.43 |
| Significant Accounting Policies and Notes on Financial Statements | 1 to 46 | | |

As per our Report of even date.

For A.Kay.Mehra & Co.,
Chartered Accountants
(Registration No. 050004C)

For and on behalf of the Board

(A. KAY. MEHRA)
Partner
Membership No. 009963

(HARISH CHANDRA GUPTA)
Chairman & Managing Director

(ARVIND VEER GUPTA)
Director

(D.K. SURI)
(DGM-Finance & Accounts)

(ASHWANI K VERMA)
Company Secretary

Place : Noida
Date : 30th May, 2013

ROTO PUMPS LTD.

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

(Amount in ₹)

| PARTICULARS | Year Ended 31st March, 2013 | Year Ended 31st March, 2012 |
|---|--------------------------------|--------------------------------|
| (A) CASH FLOW FROM OPERATING ACTIVITIES: | | |
| Net Profit/(Loss) before tax and extra ordinary items | 12,01,96,945 | 10,72,08,798 |
| Adjusted for: | | |
| 1. Depreciation | 2,53,87,357 | 1,95,94,531 |
| 2. Interest Paid | 1,87,44,767 | 1,93,31,242 |
| 3. Interest received | (7,40,409) | (7,07,483) |
| 4. Loss/(Profit) on sale of fixed assets | (5,10,766) | (7,33,188) |
| Operating Profit / (Loss) before Working Capital Changes | 16,30,77,894 | 14,46,93,900 |
| 1. Adjusted for: | | |
| a. Trade and Other Receivables | (14,85,269) | (8,81,51,176) |
| b. Inventories | (2,45,11,758) | (47,87,250) |
| c. Trade and Other Payables | 31,05,743 | 2,85,09,001 |
| 2. Cash Generated from Operations | 14,01,86,610 | 8,02,64,475 |
| 3. Direct Taxes Paid & Previous year adjustments | (4,17,23,588) | (3,06,33,817) |
| 4. Direct Taxes Refund Received | - | - |
| 5. Cash Flow before Extra Ordinary Items | 9,84,63,022 | 4,96,30,658 |
| 6. Extra Ordinary Items | - | - |
| Net Cash from Operating Activities | 9,84,63,022 | 4,96,30,658 |
| (B) CASH FLOW FROM INVESTING ACTIVITIES: | | |
| 1. Purchase of Fixed Assets | (10,93,93,704) | (3,50,73,397) |
| 2. Proceeds on sale of Fixed Assets | 32,13,887 | 19,12,372 |
| 3. Interest Received | 7,40,409 | 7,07,483 |
| Net Cash used in Investing Activities | (10,54,39,408) | (3,24,53,542) |
| (C) CASH FLOW FROM FINANCING ACTIVITIES: | | |
| 1. Proceeds from Long Term borrowings | 4,88,11,342 | 1,21,91,094 |
| 2. Repayment of Long Term borrowings | (1,67,16,315) | (2,15,45,135) |
| 3. Short Term Borrowings(Net) | 1,28,67,449 | 2,08,58,645 |
| 4. Interest Paid | (1,87,44,767) | (1,93,31,242) |
| 5. Dividend & Dividend tax Paid | (89,80,400) | (90,10,245) |
| Net Cash used in Financing Activities | 1,72,37,309 | (1,68,36,883) |
| Net increase in Cash and Cash Equivalents (A+B+C) | 1,02,60,923 | 3,40,233 |
| Cash and Cash Equivalents as at the beginning of the year | 2,56,12,024 | 2,52,71,790 |
| Cash and Cash Equivalents as at the end of the year | 3,58,72,947 | 2,56,12,024 |

As per our Report of even date.

For A.Kay.Mehra & Co.,
Chartered Accountants
(Registration No. 050004C)

For and on behalf of the Board

(A. KAY. MEHRA)
Partner
Membership No. 009963

(HARISH CHANDRA GUPTA)
Chairman & Managing Director

(ARVIND VEER GUPTA)
Director

(D.K. SURI)
(DGM-Finance & Accounts)

(ASHWANI K VERMA)
Company Secretary

Place : Noida
Date : 30th May, 2013

SIGNIFICANT ACCOUNTING POLICIES

1. System of Consolidation

- a) The consolidated financial statements are prepared in accordance with the Accounting Standard 21 "Consolidated Financial Statements"
- b) The Consolidated Financial Statements comprise the Financial Statements of the Company and its wholly owned subsidiary company Roto Pumpen GmbH in Germany.

2. System of Accounting

Unless otherwise stated hereunder the financial accounts of the Company have been drawn up on historical cost convention and on accrual basis.

3. Use of Estimates

The preparation of financial statement requires management to make certain estimates and assumptions that affect the amounts reported in the financial statements and notes thereto. Differences between actual results and estimates are recognised in the period in which they are materialise.

4. Sales

Sales are net of taxes and sales returns but inclusive of excise duty and exchange rates fluctuations.

5. Fixed Assets

Fixed Assets are capitalised at cost of acquisition and subsequent improvements thereto including taxes, duties etc other than Cenvat credit wherever applicable. Freight & other incidental expenses related to acquisition and installation are added to cost. In case of write-up due to revaluation are shown at such higher amount.

6. Depreciation

Depreciation on all assets has been charged by written down value method in accordance with the rates and manner specified in Schedule XIV to the Companies Act, 1956.

In respect of revalued assets, the incremental depreciation attributable to the Revaluation is transferred to Revaluation Reserve.

7. Inventories

Inventories have been valued as follows -

| | |
|---------------------------------|--|
| Raw Materials | : At cost * |
| Finished Goods | : At lower of the cost and net realisable value ** |
| Work in Progress | : At cost * |
| Stores, Tools & Other Materials | : At cost * |

* The cost has been arrived at by using 'FIFO' method.

** The cost of finished goods has been determined by considering standard conversion cost.

8. Impairment of Assets

The Company determines whether there is any indication of impairment of the carrying amount of the company's assets. The recoverable amount of such assets are estimated, if any indication exists, and impairment losses recognised wherever the carrying amount of the assets exceeds its recoverable amount.

9. Employees' Benefits

- Company's contribution to Provident Fund and Family Pension Fund are charged to profit & loss account.
- Provision for Gratuity and Leave Encashment benefits, in respect of employees governed by Indian rules and regulations is made on the basis of actuarial valuation as at the end of the year in conformity with the Accounting standard-15 (Revised) issued by the Institute of Chartered Accountants of India and the provision for leave encashment (including long term leave) in respect of employees at foreign branches is made as per law prevalent in foreign country.

ROTO PUMPS LTD.

- Contribution to Employee Group Gratuity Trust for the current year are charged to Profit & Loss account and for the past years are adjusted in the Provision for Gratuity a/c.

10. Foreign Currency Transactions

Transactions in foreign currency are accounted for at the exchange rates prevailing at the date of transaction. Gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currency are recognised in the profit and loss account. Exchange differences arising on account of monetary liabilities related to fixed assets are adjusted in the cost of assets. Bank Guarantee in foreign currency are translated at the exchange rate prevailing at the year end.

11. Foreign Branch Operation's Translations

The activities of the Foreign Branches are an integral part of the operations of the company and hence the foreign branch financial statements are translated in accordance with accounting standard applicable to Integral Foreign Operation as given under:

Income & Expenditure items by applying to the foreign currency amount, the exchange rate at the date of transaction. The rate used is an average rate for calendar month and used for all transaction occurring during that calendar month.

Fixed Assets are recorded at the exchange rate prevailing on the date of transaction.

Depreciation on the fixed assets in Indian rupees, which are reported using the exchange rate at the date of transaction.

Inventories related to stocks transfer from reporting enterprise are shown at the cost of reporting enterprises plus expenses incurred to bring the material at the shelf of foreign branch's warehouse and local bought out inventories are translated at the exchange rate prevailing at year end.

Other current assets and liabilities are converted at the exchange rates prevailing at the year end.

The exchange difference on translation of Foreign Branch financial statements are recognised in profit & loss account.

12. Research & Development

Revenue expenditure pertaining to research and development is charged to revenue in the year in which it is incurred. Capital Expenditure is treated as forming part of Fixed Assets.

13. Government Grants

- Revenue grants are accounted for in Profit & Loss Account.
- Capital grants other than relating to specific fixed assets are credited to Capital Reserve.

14. Miscellaneous Expenditure

Public Issue Expense, Deferred Revenue Expenses & other expenses on intangible assets are recognised & amortised as per the Accounting Standard no. 26 on Intangible Assets issued by the Institute of Chartered Accountants of India.

15. Borrowing Cost

Interest and other costs in connection with borrowing of funds to the extent related / attributed to the acquisition / construction of qualifying fixed assets are capitalised upto the date when such assets are ready for its intended use and other borrowing cost are charged to Profit and Loss Account.

16. Provision for Deferred and Current tax

Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income Tax Act, 1961. Deferred Tax resulting from "timing difference" between book and taxable profit is accounted for using the tax rates and laws that have been enacted or substantively enacted as on the balance sheet date. The deferred tax asset is recognised and carried forward only to the extent that there is a reasonable certainty that the assets will be realised in future.

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

1 SHARE CAPITAL

(Amount in ₹)

| PARTICULARS | As At 31st March, 2013 | As At 31st March, 2012 |
|---|---------------------------|---------------------------|
| AUTHORISED SHARE CAPITAL 1,00,00,000 Equity Shares of par value ₹ 10/- each (Previous year 1,00,00,000 Equity shares of par value of ₹ 10/- each) | 10,00,00,000 | 10,00,00,000 |
| ISSUED & SUBSCRIBED SHARE CAPITAL 31,00,061 Equity Shares of par value ₹ 10/- each (Previous year 31,00,061 Equity Shares of ₹ par value of 10/- each) | 3,10,00,610 | 3,10,00,610 |
| PAID UP SHARE CAPITAL 30,90,761 Equity Shares of par value of ₹ 10/- each (Previous year 30,90,761 Equity Shares of par value ₹ 10/- each) | 3,09,07,610 | 3,09,07,610 |

1.1 DETAILS OF SHAREHOLDER HOLDING MORE THAN 5% SHARES

| Name of Shareholder | As At 31st March, 2013 | | As At 31st March, 2012 | |
|--------------------------|---|--------|---|--------|
| | Number of Shares held in the Company | % Held | Number of Shares held in the Company | % Held |
| Anurag Gupta | 2,17,067 | 7.02 | 2,17,067 | 7.02 |
| Nand Kishore Gupta HUF | 2,97,732 | 9.63 | 2,97,732 | 9.63 |
| Arvind Gupta | 2,42,067 | 7.83 | 2,42,067 | 7.83 |
| Asha Gupta | 4,99,933 | 16.18 | 4,99,933 | 16.18 |
| Harish Chandra Gupta | 3,94,739 | 12.77 | 3,94,739 | 12.77 |
| Harish Chandra Gupta HUF | 2,14,220 | 6.93 | 2,14,220 | 6.93 |
| Neera Gupta | 1,69,715 | 5.49 | 1,69,715 | 5.49 |

1.2 Application Money on 9,300 Equity Shares @ ₹ 10/- per Share alongwith premium @ ₹ 45/- per share aggregating to ₹ 5,11,500/- allotted on 11.11.1994 has not yet been realised as the same was paid by an applicant through a forged stock invest which has been dishonoured by the bankers.

ROTO PUMPS LTD.

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

2. RESERVES & SURPLUS

(Amount in ₹)

| Particulars | As At 31st March, 2013 | | As At 31st March, 2012 | |
|---|------------------------|---------------------|------------------------|---------------------|
| CAPITAL RESERVE: | | | | |
| As per last Balance Sheet | | 14,13,245 | | 14,13,245 |
| REVALUATION RESERVE: | | | | |
| As per last Balance Sheet | 11,65,019 | | 12,99,877 | |
| Less: Written back during the year | | | | |
| Depreciation | 1,06,740 | | 1,22,374 | |
| Sale of Fixed Assets | 15,357 | 10,42,922 | 12,484 | 11,65,019 |
| GENERAL RESERVE: | | | | |
| As per last Balance Sheet | 2,99,89,316 | | 2,24,79,316 | |
| Add: Transferred during the year | 82,00,000 | 3,81,89,316 | 75,10,000 | 2,99,89,316 |
| SHARE PREMIUM ACCOUNT : | | | | |
| As per last Balance Sheet | | 4,72,06,555 | | 4,72,06,555 |
| PROFIT AND LOSS ACCOUNT | | | | |
| As per last Balance Sheet | 19,80,45,716 | | 14,21,04,881 | |
| Add: Profit for the year | 8,04,88,064 | | 7,24,31,235 | |
| | 27,85,33,780 | | 21,45,36,116 | |
| Less: Appropriations | | | | |
| Transferred to General Reserve | 82,00,000 | | 75,10,000 | |
| Proposed Dividend | 77,26,903 | | 77,26,903 | |
| (Dividend per share ₹ 2.50, Previous year ₹ 2.50) | | | | |
| Tax on Dividend | 12,53,497 | 26,13,53,380 | 12,53,497 | 19,80,45,716 |
| TOTAL | | 34,92,05,418 | | 27,78,19,851 |

3 LONG-TERM BORROWINGS

(Amount in ₹)

| PARTICULARS | As At 31st March, 2013 | As At 31st March, 2012 |
|------------------------------|---------------------------|---------------------------|
| SECURED | | |
| Term Loan from Banks | 37,83,879 | 34,48,094 |
| Term Loan from Others | 99,11,705 | 33,36,465 |
| Deferred Payment Liabilities | - | 99,68,000 |
| Buyer's Credit from Bank | 3,51,52,000 | |
| TOTAL | 4,88,47,584 | 1,67,52,559 |

3.1 Term Loan from Banks and Buyer's credit from Bank consist of Plant and Machinery loans secured against hypothecation of respective Plant and Machinery and guaranteed by the Chairman and Managing Director, Dy. Mananging Director and collaterly secured by:

- Equitable Mortgage of Factory Land and Building, Plant and Machinery located at Roto House, 14 NEPZ, Noida.
- Equitable Mortgage of Factory Land and Building located at B-14, Phase-II, Extension, Noida.
- Negative Lien (Pledge of shares of Housing Society) on Company's Flat no 54, 5th Floor, Ajai Deep, Nariman Street, Mumbai.

3.2 Term Loan from Others is secured by hypothecation of respective Vechiles.

Deferred Payment liabilities consists of facility form Greater Noida Authority in respect of Industial land which is secured buy same land.

3.3 Terms of Repayment:

- Term Loan from bank is repayable in 20 equal quarterly instalments of ₹ 7,50,000/-each
- Term Loans from others consists of vehicle loans repayable in 36 monthly equal installments.
- Deferred Payment liabilities consists of facility from Greater Noida Authority in respect of Industial land financing of ₹ 4,98,40,000/- repayable in 10 half yearly installments of ₹ 49,84,000/- alongwith interest theron at 11%.
- The company has availed Buyer' Credit from Bank of India of USD 650000 which is due for payment in June,14 and the same shall be paid through Rupee term loan from Bank of India of equivalent Rupee amount in June,14. The same has not been hedged by any derivative instrument as the company has substantial export contribution to its total turnover.

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

4. LONG TERM PROVISIONS

(Amount in ₹)

| PARTICULARS | As At 31st March, 2013 | As At 31st March, 2012 |
|--|---------------------------|---------------------------|
| Provision for Employee Benefits - Superannuation, Gratuity and Un-availed Leave | 44,19,984 | 50,59,385 |
| TOTAL | 44,19,984 | 50,59,385 |

5. SHORT-TERM BORROWINGS

(Amount in ₹)

| PARTICULARS | As At 31st March, 2013 | As At 31st March, 2012 |
|---|---------------------------|---------------------------|
| SECURED LOANS REPAYABLE ON DEMAND Working Capital Loans from Banks | 14,71,98,288 | 13,43,30,839 |
| TOTAL | 14,71,98,288 | 13,43,30,839 |

5.1 The working Capital loans are secured against hypothecation of stocks and book debts and guaranteed by the Chairman and Managing Director, Dy. Mananging Director and collaterly secured by:

- Equitable Mortgage of Factory Land and Building, Plant and Machinery located at Roto House, 14 NEPZ, Noida.
- Equitable Mortgage of Factory Land and Building located at B-14, Phase-II, Extension, Noida.
- Negative Lien (Pledge of shares of Housing Society) on Company's Flat no 54, 5th Floor, Ajai Deep, Nariman Street, Mumbai.

6. OTHER CURRENT LIABILITIES

(Amount in ₹)

| PARTICULARS | As At 31st March, 2013 | As At 31st March, 2012 |
|---|---------------------------|---------------------------|
| Current Liabilities of Long Term Borrowings | 1,44,99,742 | 1,84,87,203 |
| Interest accrued but not due on borrowings | 4,75,007 | 5,48,240 |
| Interest accrued and due on borrowings | - | 1,01,139 |
| Un-paid/ Unclaimed Dividend | 9,83,105 | 8,88,330 |
| Sales Tax Payable | 4,25,915 | 19,53,493 |
| Excise Duty Payable | 11,26,270 | 10,17,563 |
| Other Payables | 3,38,28,958 | 6,87,26,848 |
| TOTAL | 5,13,38,997 | 9,17,22,816 |

6.1 Other payable includes ₹ 10,51,229/- for Capital liability (Previous year ₹ 3,58,92,367/-) and ₹ 78,72,662/- on account of advance from customers (Previous year ₹ 1,01,62,769/- and balance on account of other expenses payable).

7. SHORT TERM PROVISIONS

(Amount in ₹)

| PARTICULARS | As At 31st March, 2013 | As At 31st March, 2012 |
|--|---------------------------|---------------------------|
| Provision for Employee Benefits - Superannuation, Gratuity and Un-availed Leave | 79,55,583 | 60,85,696 |
| Provision for Dividends (including dividend tax) | 89,80,400 | 89,80,400 |
| Provision for Income tax | 4,04,56,472 | 3,11,24,984 |
| Provision for Wealth Tax | 65,066 | 50,638 |
| TOTAL | 5,74,57,521 | 4,62,41,718 |

ROTO PUMPS LTD.

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

8. FIXED ASSETS

(Amount in ₹)

| Particulars | GROSS BLOCK | | | DEPRECIATION / AMORTISATION | | | NET BLOCK | | | |
|-----------------------------|---------------------|---|----------------------------------|------------------------------|--------------------|--------------------------------|---|-----------------------------|---------------------|---------------------|
| | As At 01.04.2012 | Additions/ Adjustments during the year | Deductions during the year | Total As At 31.03.2013 | Upto 31.03.2012 | Provided during the year | Deduction/ Adjustments during the year | Total Upto 31.03.2013 | As At 31.03.2013 | As At 31.03.2012 |
| TANGIBLE ASSETS | | | | | | | | | | |
| Own Assets | | | | | | | | | | |
| Leasehold Land | 9,25,35,016 | - | - | 9,25,35,016 | - | - | - | - | 9,25,35,016 | 9,25,35,016 |
| Factory Buildings | 4,78,13,586 | 35,47,560 | - | 5,13,61,146 | 2,86,67,085 | 21,13,265 | - | 3,07,80,350 | 2,05,80,796 | 1,91,46,502 |
| Other Buildings | 26,74,436 | - | - | 26,74,436 | 16,43,360 | 51,554 | - | 16,94,914 | 9,79,522 | 10,31,077 |
| Plant & Machinery | 14,46,07,692 | 2,20,39,198 | 67,67,247 | 15,98,79,643 | 6,03,31,683 | 1,28,46,085 | 60,26,957 | 6,71,50,811 | 9,27,28,832 | 8,42,76,009 |
| Furniture & Fixtures | 83,08,978 | 21,78,897 | - | 1,04,87,875 | 52,79,930 | 8,90,074 | - | 61,70,004 | 43,17,871 | 30,29,049 |
| Office Equipments | 63,44,851 | 15,75,231 | - | 79,20,082 | 26,40,910 | 7,34,930 | - | 33,75,840 | 45,44,242 | 37,03,942 |
| Vehicles | 2,92,36,526 | 1,30,20,009 | 78,67,130 | 3,43,89,405 | 1,37,05,564 | 48,68,460 | 58,91,532 | 1,26,82,492 | 2,17,06,913 | 1,55,30,962 |
| Computers | 1,39,65,738 | 30,58,543 | 4,41,157 | 1,65,83,123 | 99,94,254 | 21,82,077 | 4,38,567 | 1,17,37,764 | 48,45,360 | 39,71,483 |
| TOTAL | 34,54,86,823 | 4,54,19,437 | 1,50,75,534 | 37,58,30,726 | 12,22,62,786 | 2,36,86,445 | 1,23,57,057 | 13,35,92,175 | 24,22,38,552 | 22,32,24,040 |
| INTANGIBLE ASSETS | | | | | | | | | | |
| Software | 52,88,333 | 28,79,913 | - | 81,68,246 | 27,16,148 | 16,84,705 | - | 44,00,853 | 37,67,393 | 25,72,185 |
| Technical Design & Drawings | 10,70,334 | - | - | 10,70,334 | 1,86,458 | 1,22,947 | - | 3,09,405 | 7,60,929 | 8,83,876 |
| TOTAL | 63,58,667 | 28,79,913 | - | 92,38,580 | 29,02,606 | 18,07,652 | - | 47,10,258 | 45,28,322 | 34,56,061 |
| Capital Work-In-Progress | | | | | | | | | 1,34,77,611 | 16,38,274 |
| GRAND TOTAL | 35,18,45,490 | 4,82,99,350 | 1,50,75,534 | 38,50,69,306 | 12,51,65,392 | 2,54,94,097 | 1,23,57,057 | 13,83,02,433 | 26,02,44,485 | 22,83,18,375 |
| PREVIOUS YEAR | 29,19,34,070 | 6,54,01,147 | 54,89,730 | 35,18,45,490 | 10,97,46,545 | 1,97,16,905 | 42,98,061 | 12,51,65,389 | 23,21,05,430 | 18,34,69,858 |

NOTE:

- Net Block of Fixed Assets as on 31st March, 2013 includes fixed assets held at Foreign Branches of the company, ₹ 51,68,775/- (Previous Year ₹ 47,69,437/-)
- Net Block of Fixed Assets as on 31st March, 2013 includes ₹ 1,07,205/- towards assets revalued on 31st March, 1993 by an approved valuer.
- ₹ 23,49,535 has been capitalised to the cost of Fixed Assets for Foreign Exchange difference on account of Buyers Credit for Plant & Machinery. The aforesaid amounts so capitalised are being depreciated over the remaining useful life of the Fixed Assets.

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

9 INVENTORIES

(Amount in ₹)

| Particulars | As At 31st March, 2013 | | As At 31st March, 2012 | |
|------------------------------|------------------------|---------------------|------------------------|---------------------|
| a) Raw Materials-In stock | 5,47,54,683 | | 4,74,35,662 | |
| b) Work in Process-In stock | 1,35,76,003 | | 1,02,14,642 | |
| c) Finished Goods-In stock | 9,52,21,692 | | 8,91,24,793 | |
| d) Finished Goods-In Transit | 1,32,78,704 | | 59,23,499 | |
| e) Stores & Spares | 21,34,043 | | 22,35,041 | |
| f) Loose Tools | 22,46,674 | | 17,60,352 | |
| g) Packing Material | 14,53,006 | | 14,58,663 | |
| h) Scrap and Wastage | 1,17,404 | 18,27,82,209 | 117,799 | 15,82,70,451 |
| TOTAL | | 18,27,82,209 | | 15,82,70,451 |

10 TRADE RECEIVABLES

(Amount in ₹)

| Particulars | As At 31st March, 2013 | | As At 31st March, 2012 | |
|--|------------------------|---------------------|------------------------|---------------------|
| (Unsecured and considered good) | | | | |
| a) Trade receivables due for a period exceeding six months | 1,68,88,682 | | 1,05,57,581 | |
| b) Others | 19,82,97,685 | 21,51,86,367 | 20,55,24,091 | 21,60,81,672 |
| TOTAL | | 21,51,86,367 | | 21,60,81,672 |

11 CASH & CASH EQUIVALENT

(Amount in ₹)

| Particulars | As At 31st March, 2013 | | As At 31st March, 2012 | |
|---|------------------------|--------------------|------------------------|--------------------|
| a) Cash in Hand | | 10,62,464 | | 6,27,809 |
| b) Balance with Scheduled Banks In: | | | | |
| - Current Accounts | 2,39,20,101 | | 1,26,29,870 | |
| - Term Deposit(Restricted)- Margin Money against guarantees | 37,21,415 | | 1,14,66,014 | |
| - Earmarked Balances with Bank-Unclaimed dividend a/c | 9,83,106 | 2,86,24,622 | 8,88,331 | 2,49,84,215 |
| c) Remittance in Transit | | 61,85,861 | | |
| TOTAL | | 3,58,72,947 | | 2,56,12,024 |

ROTO PUMPS LTD.

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

12 SHORT-TERM LOANS & ADVANCES

(Amount in ₹)

| Particulars | As At 31st March, 2013 | | As At 31st March, 2012 | |
|--|------------------------|--------------------|------------------------|--------------------|
| (Unsecured, Unconfirmed and considered good) | | | | |
| a) Capital Advances | 1,82,00,934 | | 37,87,055 | |
| b) Prepaid Expenses | 62,38,158 | | 57,25,269 | |
| c) Security Deposits | 76,28,894 | | 76,34,795 | |
| d) Deposit with Excise & Other Authorities | 1,12,35,304 | | 99,29,981 | |
| e) Advance Income Tax & Tax Deducted at Source | 3,33,05,221 | | 227,43,261 | |
| f) Staff Loans | 7,70,368 | | 9,01,300 | |
| g) Other Receivables | 49,05,768 | 8,22,84,647 | 40,73,655 | 5,47,95,316 |
| TOTAL | | 8,22,84,647 | | 5,47,95,316 |

13. OTHER CURRENT ASSETS

(Amount in ₹)

| PARTICULARS | As At 31st March, 2013 | As At 31st March, 2012 |
|-----------------------------------|---------------------------|---------------------------|
| Interest accrued on Bank deposits | 10,086 | 1,43,000 |
| TOTAL | 10,086 | 1,43,000 |

14. REVENUE FROM OPERATIONS

(Amount in ₹)

| PARTICULARS | Year Ended 31st March, 2013 | Year Ended 31st March, 2012 |
|--------------------------------------|--------------------------------|--------------------------------|
| Sale of Products | 91,66,07,008 | 78,58,95,083 |
| Sale Of Services | 17,58,707 | 23,87,363 |
| Other Operating Revenue | 49,14,609 | 29,10,348 |
| | 92,32,80,324 | 79,11,92,794 |
| Less: Excise Duty | 3,61,31,229 | 2,84,00,693 |
| Total Revenue From Operations | 88,71,49,095 | 76,27,92,101 |

14.1 Sale of Products includes Export Sales of ₹ 55,31,83,787/- (Previous Year ₹ 45,95,89,953/-)

15. OTHER INCOME

(Amount in ₹)

| Particulars | As At 31st March, 2013 | | As At 31st March, 2012 | |
|---|------------------------|------------------|------------------------|------------------|
| Interest Income | | | | |
| - On Bank Deposits | 7,37,366 | | 678881 | |
| - Others | 3,043 | 7,40,409 | 28602 | 7,07,483 |
| (Tax Deducted at Source ₹ 126117/- (Previous Year-₹ 67890/-) | | | | |
| Misc. Credit Balances Written Off | | 2,61,799 | | - |
| Foreign Exchange Diff.-Foreign Operations & Others | | 29,73,876 | | 59,63,600 |
| Profit on Sale/Impairment of Fixed Assets | | 5,10,766 | | 7,33,188 |
| Miscellaneous Receipts | | 2,55,633 | | 1,080 |
| TOTAL | | 47,42,483 | | 74,05,351 |

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

16. COST OF MATERIALS CONSUMED

(Amount in ₹)

| Particulars | Year Ended 31st March, 2013 | | Year Ended 31st March, 2012 | |
|---|--------------------------------|---------------------|--------------------------------|---------------------|
| | | | | |
| i) RAW MATERIALS CONSUMED | | | | |
| Opening Stock | 1,90,11,534 | | 1,99,50,738 | |
| Add: Purchases & Expenses thereon | 15,14,51,835 | | 12,51,64,635 | |
| Less: Closing Stock | 1,95,46,897 | 15,09,16,472 | 1,90,11,534 | 12,61,03,839 |
| ii) BOUGHT OUT COMPONENTS CONSUMED | | | | |
| Opening Stock | 2,84,24,128 | | 2,58,19,871 | |
| Add: Purchases & Expenses thereon | 19,43,21,400 | | 18,29,11,663 | |
| Less: Closing Stock | 3,52,07,786 | 18,75,37,742 | 2,84,24,128 | 18,03,07,406 |
| iii) CONSUMABLE STORES AND SPARES | | | | |
| Opening Stock | 11,19,468 | | 5,26,172 | |
| Add: Purchases | 1,32,83,348 | | 68,08,502 | |
| Less: Closing Stock | 10,38,939 | 1,33,63,877 | 11,19,468 | 62,15,206 |
| TOTAL | | 35,18,18,091 | | 31,26,26,451 |

17. CHANGE IN INVENTORIES

(Amount in ₹)

| Particulars | Year Ended 31st March, 2013 | | Year Ended 31st March, 2012 | |
|----------------------------------|--------------------------------|----------------------|--------------------------------|--------------------|
| | | | | |
| OPENING STOCK: | | | | |
| Finished Goods | 9,50,48,293 | | 9,09,27,221 | |
| Work in Progress | 1,02,14,641 | | 1,31,64,116 | |
| Scrap & Wastage | 1,17,799 | 10,53,80,733 | 1,16,499 | 10,42,07,836 |
| LESS: CLOSING STOCK: | | | | |
| Finished Goods | 10,85,00,396 | | 9,50,48,292 | |
| Work in Progress | 1,35,76,003 | | 1,02,14,642 | |
| Scrap & Wastage | 1,17,404 | 12,21,93,803 | 1,17,799 | 10,53,80,733 |
| Net Change in Inventories | | (1,68,13,070) | | (11,72,897) |

18. EMPLOYEE BENEFITS EXPENSE

(Amount in ₹)

| PARTICULARS | Year Ended | Year Ended |
|--|---------------------|---------------------|
| | 31st March, 2013 | 31st March, 2012 |
| Wages, Salary, Bonus Gratuity & Other Allowances | 16,78,92,364 | 13,29,32,288 |
| Contribution to Provident & Other Funds | 1,23,61,596 | 1,12,23,913 |
| Directors' Remuneration | 1,58,65,104 | 1,51,51,828 |
| Workmen & Staff Welfare | 61,37,964 | 45,52,004 |
| TOTAL | 20,22,57,028 | 16,38,60,033 |

ROTO PUMPS LTD.

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

19. FINANCE COST

(Amount in ₹)

| PARTICULARS | Year Ended 31st March, 2013 | Year Ended 31st March, 2012 |
|-------------------|--------------------------------|--------------------------------|
| INTEREST : | | |
| On Term Loans | 35,75,223 | 48,67,669 |
| On Others | 1,51,69,544 | 1,44,63,573 |
| TOTAL | 1,87,44,767 | 1,93,31,242 |

20. DEPRECIATION & AMORTISATION EXPENSE

(Amount in ₹)

| PARTICULARS | Year Ended 31st March, 2013 | Year Ended 31st March, 2012 |
|---|--------------------------------|--------------------------------|
| For the year | 2,54,94,097 | 1,97,16,905 |
| Less : Transferred to Revaluation Reserve | 1,06,740 | 1,22,374 |
| TOTAL | 2,53,87,357 | 1,95,94,531 |

21. OTHER EXPENSES

(Amount in ₹)

| Particulars | Year Ended 31st March, 2013 | | Year Ended 31st March, 2012 | |
|-------------------------------|--------------------------------|---------------------|--------------------------------|---------------------|
| Power & Fuel | | 1,52,14,723 | | 1,25,66,297 |
| Machining & Electroplating | | 1,74,49,799 | | 1,36,39,011 |
| Tools | | 84,07,362 | | 50,95,193 |
| Repairs : | | | | |
| Building | 61,40,423 | | 24,16,965 | |
| Plant & Machinery | 61,79,349 | | 35,98,604 | |
| Others | 33,37,966 | 1,56,57,738 | 17,52,510 | 77,68,079 |
| Insurance Charges | | 11,72,191 | | 8,82,190 |
| Travelling & Conveyance | | 2,94,65,742 | | 2,58,59,463 |
| Postage & Telephone | | 52,80,843 | | 46,26,974 |
| Professional & Consultancy | | 20,99,507 | | 20,27,331 |
| Vehicle Running & Maintenance | | 44,63,464 | | 43,06,419 |
| Rent | | 1,02,35,228 | | 86,35,917 |
| Rates & Taxes | | 19,69,957 | | 20,00,012 |
| Directors' Sitting Fees | | 2,15,000 | | 1,85,000 |
| Payment to Auditors : | | | | |
| Audit Fee | 1,75,000 | | 1,75,000 | |
| Tax Audit Fee | 50,000 | | 50,000 | |
| Taxation Matters | 25,000 | | 25,000 | |
| Foreign Branch Audit Fee | 6,17,104 | | 5,72,489 | |
| Cost Audit Fee | 40,000 | | 30,000 | |
| Out of Pocket Expenses | 25,000 | 9,32,104 | 19,500 | 8,71,989 |
| Packing & Forwarding Exp. | | 4,07,80,173 | | 2,99,61,531 |
| Commission & Discount | | 16,34,314 | | 6,31,072 |
| Advertisement & Publicity | | 66,33,816 | | 67,17,747 |
| Bad Debts | | 21,03,967 | | 3,54,491 |
| Miscellaneous Expenses | | 2,65,84,532 | | 2,26,20,578 |
| TOTAL | | 19,03,00,460 | | 14,87,49,294 |

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

22. CONTINGENT LIABILITIES & COMMITMENTS

22.1 Contingent Liabilities

(Amount in ₹)

| PARTICULARS | 2012-13 | 2011-12 |
|---|-------------|-------------|
| i) Disputed Sales Tax (appeals pending) | - | 4,03,642 |
| ii) Disputed Income Tax (appeals pending) | 50,54,838 | 50,54,838 |
| iii) Bank Guarantee | 2,16,53,193 | 2,33,42,385 |
| iv) Labour Cases | 43,82,214 | 35,74,214 |

22.2 Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for, ₹ 9,32,29,992/- (Previous year ₹ 2428769/-)

23. Revaluation of all the fixed assets (except Building under construction upto 31.03.1993) was carried out by an approved valuer as on 31st March, 1993, which resulted in an increase in the Gross Value of assets over original cost by ₹ 2,50,17,478/-. The net increase in the value, resulting from the revaluation amounting to ₹ 2,50,17,478/- has been credited to Revaluation Reserve, created during the year ended 31.03.1993. Of this Revaluation reserve, a sum of ₹ 2,39,74,556/- has been adjusted on account of depreciation/sale of revalued assets till 31st March, 2013.
24. Depreciation for the year, on write up of assets due to revaluation as on 31.03.1993, has been recouped out of Revaluation Reserve.
25. Term Deposits with Bank of India, Janpath Branch amounting to ₹ 37,21,415/- (Prev. year ₹ 89,24,823/-) are pledged with Bank of India as Margin on Bank Guarantees, Letter of Credit and Foreign bills purchased by them.

26. Related Party Disclosure

Key Managerial Personnel

(Amount in ₹)

| Name | Designation | Nature of Transaction-Gross Salary | |
|--------------------------|------------------------------|------------------------------------|-----------|
| | | 2012-13 | 2011-2012 |
| Mr. Harish Chandra Gupta | Chairman & Managing Director | 77,46,179 | 72,90,680 |
| Mr. Anurag Gupta | Dy. Managing Director | 47,91,932 | 45,83,293 |
| Mr. Arvind Veer Gupta | Whole Time Director | 46,87,282 | 45,86,301 |

Relatives of Key Managerial Personnel

Mr. H.C. Gupta HUF

Mr. H. C. Gupta, Chairman & Managing Director of the Company is the Karta of H. C. Gupta HUF and the Company had taken on lease a residential accommodation from H. C. Gupta HUF and paid ₹ Nil towards rent during the year (Prev year ₹ 4,65,000/-)

Mr. N. K Gupta HUF

Mr. Anurag Gupta, Dy. Managing Director of the Company is the karta of N. K. Gupta HUF and the Company has taken on lease a residential accommodation from N. K. Gupta HUF and paid ₹ 14,16,000/- towards rent during the year (Prev. year ₹ 14,16,000/-)

ROTO PUMPS LTD.

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

27. Remuneration to Chairman & Managing Director, Dy. Managing Director and Whole Time Director.

(Amount in ₹)

| Particulars | Year 2012-13 | Year 2011-12 |
|------------------------------------|--------------------|-----------------|
| Salary | 1,09,62,000 | 1,05,46,500 |
| Contribution to P.F. & other funds | 13,15,440 | 12,65,580 |
| Other Perquisites | 49,47,953 | 46,48,194 |
| | 1,72,25,393 | 1,64,60,274 |

28. Income /(Loss) on difference in exchange rates on account of foreign currency transactions relating to Export Sales amounting to ₹ 34,42,735/- (Previous Year - (₹ 38,91,826/-)) has been grouped with Export Sale.

29. Excise duty payable on finished goods/Scrap Stock lying in stock at factory amounting to ₹ 11,11,553/- (Prev. year ₹ 5,61,602/-) has been included in the value of the closing stock after creating suitable provision for liability.

30. In the opinion of the Board, the Current Assets, Loans and Advances are stated at a value, considered realisable in the ordinary course of business.

31. The Company's operations predominantly comprises of only one segment - Pumps & spares, therefore segment reporting does not apply.

32. Deferred Tax

Deferred Tax assets and liabilities are being offset as they relate to taxes on income levied by the same governing laws.

Breakup of deferred tax assets / liabilities and reconciliation of current year deferred tax credit/charge.

(Amount in ₹)

| Particulars | Deferred Tax Asset/ (Liability) as on 31.03.2012 | Current Year Credit/(Charge) | Deferred Tax Asset/ (Liability) as on 31.03.2013 |
|---|--|---------------------------------|--|
| Difference in carrying amount of fixed assets in financial statements and income tax return | (56,90,503) | 1,96,583 | (54,93,920) |
| Provision for Gratuity | 9,30,258 | 9,10,956 | 18,41,214 |
| Provision for Leave encashment | 26,85,764 | (5,11,726) | 21,74,038 |
| Others | (5,85,638) | 2,02,849 | (3,82,780) |
| Total | (26,60,119) | 7,98,662 | (18,61,457) |

Note: The Company has recognised the Deferred Tax Assets of ₹ 7,98,662/- (Previous year Deferred Tax Charge ₹ 37,01,921/-) during the year and debited to Profit & Loss Account.

33. Earning per share

(Amount in ₹)

| Particulars | 2012-13 | 2011-12 |
|--------------------------------------|--------------------|-------------|
| Net profit after taxes for the year | 8,04,88,056 | 7,24,31,235 |
| Number of Equity Shares | 30,90,761 | 30,90,761 |
| Basic and Diluted Earning per Shares | 26.04 | 23.43 |
| Face Value per Share | 10 | 10 |

34. The disclosure required under Accounting Standard 15-"Employee Benefits" notified in the Companies (Accounting Standards) Rules 2006, are given below:

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

DEFINED CONTRIBUTION PLAN

Contribution to Defined Contribution Plan, recognised are charged off for the year are as under: (Amount in ₹)

| Particulars | 2012-13 | 2011-12 |
|---|-----------|-----------|
| Employer's Contribution to Provident fund | 41,54,990 | 51,86,298 |
| Employer's Contribution to Superannuation/NIC at foreign branches | 56,95,121 | 49,59,571 |

DEFINED BENEFIT PLAN

The Employees' gratuity fund scheme managed by Reliance Life Insurance Company Ltd. is a defined benefit plan. The present value of obligation for gratuity and leave encashment is determined on the basis of Actuarial Valuation Report made at the year end.

In respect of Employees in India

| Particulars | Gratuity Funded | | Leave encashment | |
|---|-----------------------|-----------------------|-----------------------|-----------------------|
| | 2012-13 Amount (₹) | 2011-12 Amount (₹) | 2012-13 Amount (₹) | 2011-12 Amount (₹) |
| The principle assumptions used in actuarial valuation | | | | |
| - Discount rate | 8.50% | 8.25% | 8.25% | 8.3% |
| - Expected rate on return of assets (per annum) | 8.50% | 8.25% | N.A | N.A |
| - Expected rate of future salary increase | 6.25% | 5.75% | 5.75% | 5.75% |
| Change in Present value of Obligation | | | | |
| - Present value of obligation as at the beginning of the year | 1,16,50,355 | 1,09,39,069 | 42,37,398 | 43,48,950 |
| - Interest Costs | 9,90,280 | 9,02,473 | 3,48,628 | 3,58,788 |
| - Current Service Cost | 16,41,026 | 15,30,505 | 6,69,371 | 7,07,434 |
| - Past Service Cost(vested benefit) | (40,788) | - | - | - |
| - Benefits Paid | (3,53,250) | (8,66,712) | (36,84,506) | (25,69,546) |
| - Actuarial (Gain)/Loss on obligations | (5,32,476) | (8,54,980) | 14,50,899 | 13,91,772 |
| - Present value of obligation as at the end of the year | 1,33,55,147 | 1,16,50,355 | 30,21,790 | 42,37,398 |
| Change in fair value of Plan Assets | | | | |
| Fair Value of Plan Assets at the beginning of the year | 88,23,958 | 89,11,080 | - | - |
| Expected Return on Plan Assets | 7,50,036 | 7,35,164 | - | - |
| Contributions | - | - | - | - |
| Benefit Paid | (3,94,038) | (9,07,506) | - | - |
| Actuarial Gain/(Loss) on Plan Assets | 68,364 | 44,427 | - | - |
| Fair Value of Plan Assets at the end of the year | 92,48,320 | 88,23,958 | - | - |
| Actual Return on Plan Assets | 6,00,840 | 8,99,406 | - | - |
| Liability Recognised in balance Sheet | | | | |
| - Present value of obligation as at the beginning of the year | 1,33,55,147 | 1,16,50,355 | 30,21,790 | 42,37,398 |
| - Fair value of plan assets as at the end of the year | 92,48,320 | 87,83,170 | - | - |
| - Unfunded status | 41,06,827 | 28,67,185 | 30,21,790 | 42,37,398 |
| - Unrecognised Actuarial (Gain)/Loss | - | - | - | - |
| Net (Assets)/Liability recognised in Balance Sheet | 41,06,827 | 28,67,185 | 30,21,790 | 42,37,398 |
| Expenses recognised in Profit and Loss Account | | | | |
| - Current Service Cost | 16,41,026 | 15,30,505 | 6,69,371 | 7,07,434 |
| - Interest Costs | 9,90,280 | 9,02,473 | 3,48,628 | 2,98,408 |
| - Expected Return on Plan assets | (7,50,036) | (7,35,164) | - | - |
| - Past Service Cost(vested benefit) Recognised | (40,788) | - | - | - |
| - Net Actuarial (Gain)/Loss recognised during the year | (6,00,840) | (8,58,619) | 14,50,899 | 13,91,772 |
| Total Expenses recognised in Profit and Loss a/c | 12,39,642 | 8,39,195 | 24,68,898 | 23,97,614 |

ROTO PUMPS LTD.

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

| Particulars | Gratuity Funded | | Leave encashment | |
|---|-----------------------|-----------------------|-----------------------|-----------------------|
| | 2012-13 Amount (₹) | 2011-12 Amount (₹) | 2012-13 Amount (₹) | 2011-12 Amount (₹) |
| In respect of employees at Foreign branches | | | | |
| Change in Present value of Obligation | - | - | - | - |
| - Present value of obligation as at the beginning of the year | - | - | 40,39,853 | - |
| - Interest Costs | - | - | 3,54,439 | - |
| - Current Service Cost | - | - | 17,71,856 | - |
| - Past Service Cost(Vested benefit) | - | - | - | - |
| - Benefits Paid | - | - | (19,68,990) | - |
| - Actuarial (Gain)/Loss on obligations | - | - | 10,49,791 | - |
| - Present Value of obligation as at the end of the year | - | - | 52,46,949 | - |
| Change in fair value of Plan Assets | | | | |
| Fair Value of Plan Assets at the beginning of the year | - | - | - | - |
| Expected Return on Plan Assets | - | - | - | - |
| Contributions | - | - | - | - |
| Benefit Paid | - | - | - | - |
| Actuarial Gain/(Loss) on Plan Assets | - | - | - | - |
| Fair Value of Plan Assets at the end of the year | - | - | - | - |
| Actual Return on Plan Assets | - | - | - | - |
| Liability Recognised in balance Sheet | | | | |
| - Present value of obligation as at the end of the year | - | - | 52,46,949 | 40,39,853 |
| - Fair value of plan assets as at the end of the year | - | - | - | - |
| - Unfunded status | - | - | 52,46,949 | 40,39,853 |
| - Unrecongised Actuarial (Gain)/Loss | - | - | - | - |
| Net (Assets)/Liability recognised in Balance Sheet | | | 52,46,949 | 40,39,853 |
| Expenses recongnised in Profit and Loss Account | | | | |
| - Current Service Cost | - | - | 17,71,856 | - |
| - Interest Cost | - | - | 3,54,439 | - |
| - Expected Return on Plan assets | - | - | - | - |
| - Past Service Cost(vested benefit) Recognised | - | - | - | - |
| - Net Actuarial (Gain)/Loss recognised during the year | - | - | 7,81,423 | - |
| Total Expenses recognised in Profit and Loss a/c | - | - | 29,07,718 | 3,62,887 |

35. Taxation provisions for current year and previous year tax adjustments includes interest thereon.

36. The Company has not received information from vendors regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosure relating to amounts unpaid as at the year end together with interest paid/payable under this Act have not been given.

37. Raw Material and Components Consumed

(Amount in ₹)

| Particulars | 2012-13 | 2011-12 |
|-------------------------------|---------------------|--------------|
| Mild Steel | 21,15,948 | 5,48,989 |
| Steel (Ss & Alloy) | 7,00,01,618 | 6,03,31,130 |
| Iron & Metal Castings | 3,80,22,561 | 2,85,41,031 |
| Rubber & Chemicals | 2,24,83,840 | 2,02,17,744 |
| Pipes | 1,36,89,740 | 1,28,40,547 |
| Other Materials & Components | 18,75,37,743 | 18,03,07,405 |
| Freight, Cartage, Clg. & Ins. | 46,02,764 | 36,24,399 |
| TOTAL | 33,84,54,214 | 30,64,11,245 |

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

38. Consumable Material (Amount in ₹)

| Particulars | 2012-13 | 2011-12 |
|--------------------|--------------------|------------------|
| Stores Consumables | 1,33,63,877 | 62,15,206 |
| TOTAL | 1,33,63,877 | 62,15,206 |

39. Particulars of Revenue from Operations (Amount in ₹)

| Particulars | 2012-13 | | 2011-12 | |
|-------------------------|--------------|---------------------|--------------|---------------------|
| | Amount (₹) | | Amount (₹) | |
| Domestic | | | | |
| Sales of Products | | | 18,51,03,557 | 29,81,74,416 |
| - Pumps | 19,96,47,539 | | | |
| - Spares | 12,78,89,093 | 32,75,36,632 | 11,30,70,859 | |
| Sales of Services | | 13,51,223 | | 12,19,466 |
| Other Operating Revenue | | 43,92,021 | | 26,40,369 |
| | | 33,32,79,876 | | 30,20,34,251 |
| Export | | | | |
| Sales of products | | | 22,90,91,063 | 45,95,89,953 |
| - Pumps | 24,20,75,408 | | | |
| - Spares | 31,13,86,327 | 55,34,61,735 | 23,04,98,890 | |
| Sales of Services | | 4,07,484 | | 11,67,897 |
| | | 55,38,69,219 | | 46,07,57,850 |
| TOTAL | | 88,71,49,095 | | 76,27,92,101 |

40. Earnings in Foreign Currency

| Particulars | 2012-13 | | 2011-12 | |
|------------------------|---------------------|---------------------|---------------------|---------------------|
| | Bill Value (₹) | FOB Value (₹) | Bill Value (₹) | FOB Value (₹) |
| Export of Goods | | | | |
| Pumps | 24,20,75,408 | 23,99,43,854 | 22,90,91,063 | 22,84,62,680 |
| Spares | 31,13,86,327 | 30,68,33,299 | 23,04,98,890 | 22,87,28,780 |
| Others | | | | |
| Service Charges | 4,07,484 | 4,07,484 | 11,67,897 | 11,67,897 |
| Interest Income | 3,043 | 3,043 | 25,724 | 25,724 |
| TOTAL | 55,38,72,262 | 54,71,87,679 | 46,07,83,574 | 45,83,85,081 |

Note : Export of goods includes sales at Foreign Branches ₹ 36,75,14,645/- (Prev. Year ₹ 27,54,42,238/-)

Service Charges includes charges at Foreign Branches ₹ 4,07,484/- (Prev. Year ₹ 11,67,897/-)

Interest Income includes interest at Foreign Branches ₹ 3,043/- (Prev. Year ₹ 25,724/-)

41. Expenditure in Foreign Currency (Amount in ₹)

| Particulars | 2012-13 | 2011-12 |
|----------------------------|---------------------|--------------------|
| Travelling Expenses | 77,16,239 | 53,13,263 |
| Expenses at Foreign Branch | 10,99,79,891 | 8,58,57,391 |
| Other Expenses | 21,15,919 | 24,93,744 |
| TOTAL | 11,98,12,049 | 9,36,64,398 |

Note : Expenses of Foreign Branch includes Capital goods (net of sales) installed and used at Foreign Branch ₹ 17,71,128/- (Prev. Year ₹ 4,13,795/-)

ROTO PUMPS LTD.

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

42. Remittance in foreign currency towards Dividend for 2011-12 to Ms. Debra Pauly, U.K. of ₹ 1,91,000/- on 76400 Equity Shares (Previous Year ₹ 1,91,000/-)

43. Value of Imports (Calculated on CIF basis) (Amount in ₹)

| Particulars | 2012-13 | 2011-12 |
|---------------|--------------------|--------------------|
| Materials | 1,18,90,095 | 2,32,96,037 |
| Capital Goods | 23,92,860 | 39,89,283 |
| TOTAL | 1,42,82,955 | 2,72,85,320 |

44. Consumption of Indigenous/Imported Materials

| Particulars | 2012-13 | | 2011-12 | |
|---|---------------------|-------------|---------------------|-------------|
| | Amount (₹) | % | Amount (₹) | % |
| a) Raw Materials and components | | | | |
| Indigenous | 27,92,40,921 | 79.37% | 24,51,86,393 | 80.02% |
| Imported | 7,25,77,169 | 20.63% | 6,12,24,852 | 19.98% |
| TOTAL | 35,18,18,090 | 100% | 30,64,11,245 | 100% |
| Note: Imported Raw Material and Components includes ₹ 6,73,06,981/- (Previous Year ₹ 5,46,63,044/-) consumption at foreign branches. | | | | |
| b) Consumable Stores | | | | |
| Indigenous | 1,25,76,865 | 94.11% | 53,70,645 | 86.41% |
| Imported | 7,87,012 | 5.89% | 8,44,561 | 13.59% |
| TOTAL | 1,33,63,877 | 100% | 62,15,206 | 100% |
| Note: Imported Consumables includes ₹ 7,87,012/- (Previous Year ₹ 8,44,561/-) consumption at foreign branches. | | | | |

45. Previous Year's figures have been re-grouped/re-arranged wherever necessary to render them comparable with the current year's figures.

46. Figures have been rounded off to the nearest rupee.

As per our Report of even date.

For A.Kay.Mehra & Co.,
Chartered Accountants
(Registration No. 050004C)

For and on behalf of the Board

(A. KAY. MEHRA)
Partner
Membership No. 009963

(HARISH CHANDRA GUPTA)
Chairman & Managing Director

(ARVIND VEER GUPTA)
Director

(D.K. SURI)
(DGM-Finance & Accounts)

(ASHWANI K VERMA)
Company Secretary

Place : Noida
Date : 30th May, 2013

ROTO PUMPEN GmbH
**BILANZ (BALANCE SHEET) ZUM (AS PER)
31. MÄRZ (MARCH) 2013**

| | Geschäftsjahr (Financial Year) EUR | Vorjahr (Previous Year) EUR |
|---|--|-----------------------------------|
| AKTIVA (Assets) | | |
| Sonstige Vermögensgegenstände (Assets – receivables) | 238,55 | -,- |
| Bankkonto (Bank Account) | 5.701,15 | 7.347,20 |
| | <u>5.939,70</u> | <u>7.347,20</u> |

**BILANZ ZUM 31. MÄRZ 2013 (BALANCE SHEET
AS PER 31 MARCH 2013)**

| | Geschäftsjahr (Financial Year) EUR | Vorjahr (Previous Year) EUR |
|---|--|-----------------------------------|
| PASSIVA (Liabilities) | | |
| A. Eigenkapital (Equity Capital) | | |
| I. Gezeichnetes Kapital (Subscribed capital) | 25.000,00 | 25.000,00 |
| Nicht eingefordert (Uncalled) | 12.500,00 | 12.500,00 |
| Eingefordertes Kapital (Called-up capital) | 12.500,00 | 12.500,00 |
| II. Verlustvortrag (Loss carry-forward) | 5.152,80 | 2,00 |
| III. Jahresergebnis (= Fehlbetrag) (Annual result = Net loss for the year) | 1.407,50 | 5.150,80 |
| | <u>5.939,70</u> | <u>7.347,20</u> |

**GEWINN- UND VERLUSTRECHNUNG VOM 01.04.2012
BIS 31.03.2013**
**(PROFIT AND LOSS ACCOUNT FOR THE PERIOD
FROM 01.04.2012 THROUGH 31.03.2013)**

| | Geschäftsjahr (Financial Year) EUR | Vorzeit (Prior Period) EUR |
|--|--|----------------------------------|
| 1. Income Vat receivables | 238,55 | -,- |
| 2. Sonstige betriebliche Aufwendungen (Other operating expenses) | 1.646,05 | 5.150,80 |
| 3. Ergebnis der gewöhnlichen Geschäftstätigkeit (Result of ordinary business activity) | 1.407,50 | 5.150,80 |
| 4. Jahresergebnis (=Fehlbetrag) (Annual result=Net loss for the year) | 1.407,50 | 5.150,80 |

**KONTENNACHWEIS ZUR BILANZ ZUM 31.03.2013
(ACCOUNT STATEMENTS TO BALANCE SHEET
AS PER 31.03.2013)**

| | Geschäftsjahr (Financial Year) EUR | Vorzeit (Prior Period) EUR |
|---|--|----------------------------------|
| Konto Bezeichnung (Account) (Designation) | | |
| AKTIVA (Assets) | | |
| Sonstige Vermögensgegenstände (Oster Assets) | | |
| 1545 Vorsteuererstattungsanspruch (VAT receivables)..... | 238,55 | -,- |
| Schecks, Kassenbestand, Bundesbank- und Postgiro- guthaben, Guthaben bei Kreditinstituten | | |
| <i>(Cheques, cash in hand, deposits with Federal Bank and Postal Giro Bank, credit balances with credit institutes)</i> | | |
| 1200 State Bank of India 0072240014 | 5.701,15 | 7.347,20 |
| Summe Aktiva (Total Assets) | <u>5.939,70</u> | <u>7.347,20</u> |

**KONTENNACHWEIS ZUR BILANZ ZUM 31.03.2013
(ACCOUNT STATEMENTS TO BALANCE SHEET
AS PER 31.03.2013)**

| | Geschäftsjahr (Financial Year) EUR | Vorjahr (Previous Year) EUR |
|---|--|-----------------------------------|
| Konto Bezeichnung (Account) (Designation) | | |
| PASSIVA(Liabilities) | | |
| Gezeichnetes Kapital (Subscribed capital) | | |
| 0800 Gezeichnetes Kapital (Subscribed capital) | 25.000,00 | 25.000,00 |
| 0820 nicht eingefordertes Kapital (Uncalled capital) | 12.500,00 | 12.500,00 |
| eingefordertes Kapital (Called-up capital) | 12.500,00 | 12.500,00 |
| Verlustvortrag (Loss carry-forward) | | |
| 0868 Vortrag vor Verwendung (Carry-forward prior to utilization) | - 5.152,80 | - 2,00 |
| Jahresergebnis (Annual result) | | |
| 0000 Verlust (Loss for the year) | 1.407,50 | 5.150,80 |
| Summe Passiva (Total Liabilities) | <u>5.939,70</u> | <u>7.347,20</u> |

ROTO PUMPS LTD.

ROTO PUMPEN GmbH

KONTENNACHWEIS ZUR G. U. V. VOM 01.04.2012 BIS 31.03.2013 (ACCOUNT STATEMENTS TO PROFIT AND LOSS ACCOUNT FOR THE PERIOD FROM 01.04.2012 THROUGH 31.03.2013)

| | | Geschäftsjahr (Financial Year) EUR | Vorzeit (Prior Period) EUR |
|--|--|--|----------------------------------|
| Konto Bezeichnung (Account) (Designation) | | | |
| Einkommen (Income) | | | |
| 1545 | Vorsteuererstattungsanspruch Vat receivables | 238,55 | -,- |
| | | 238,55 | -,- |
| sonstige betriebliche Aufwendungen (Other operating expenses) | | | |
| 4380 | Beiträge (Contributions) | 128,00 | 214,00 |
| 4390 | Sonstige Abgaben/Gebühren (Other charges/fees) | -,- | 20,00 |
| 4950 | Rechts- und Beratungskosten (Legal and consultancy fees) | 1.494,05 | 4.898,80 |
| 4970 | Nebenkosten des Geldverkehrs (Incidental expenses for monetary transactions) | 24,00 | 18,00 |
| | | 1.646,05 | 5.150,80 |
| Jahresergebnis (Annual result) | | | |
| 0000 | Verlust (Net loss for the year) | 1.407,50 | 5.150,80 |

ANHANG UND LAGEBERICHT ZUM JAHRESABSCHLUSS AUF DEN 31.03.2013 (ANNEX AND MANAGEMENT REPORT TO ANNUAL FINANCIAL STATEMENTS AS PER 31.03.2013)

ANHANG (ANNEX)

I. Buchführung

(Accounting)

Die Buchführung erfolgte manuell.
(The accounting was done manually.)

II. Erläuterungen zur Bilanz und zur Gewinn- u. Verlustrechnung

(Notes to the Balance Sheet and to the Profit & Loss Account)

Die Gesellschaft war im Geschäftsjahr de facto noch nicht wirtschaftlich nicht tätig.

(During the financial year the company was de facto not yet engaged in economic transactions.)

III. Sonstige Angaben

(Other Details)

Geschäftsführer der Gesellschaft ist Herr Anurag Gupta.
(The Managing Director of the company is Mr. Anurag Gupta.)

LAGEBERICHT (Management Report)

Die Gesellschaft plant die Aufnahme des aktiven Geschäftsbetriebs im Geschäftsjahre 2013/2014.

(The company intends to start the active business operations in the financial years 2013/2014.)

Noida India, den 8th Mai 2013
Noida India; 8th May 2013)

Sd/-
(Anurag Gupta)
Managing Director

BOOK POST



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Roto House, Noida Special Economic Zone
Noida - 201 305 (U.P.)