

SALARPURIA JAJODIA & CO.
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E-mail : salarpuria.jajodia@rediffmail.com

BALA-BESTOS (INDIA)LIMITED

**BALANCE SHEET & STATEMENT OF PROFIT AND
LOSS FOR THE YEAR ENDED 31.03.2013**





SALARPURIA & PARTNERS

CHARTERED ACCOUNTANTS

7, C. R. AVENUE

KOLKATA - 700 072

e-mail : salarpuria.jajodia@rediffmail.com

Branches at New Delhi & Bangalore

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF *BALA BESTOS (INDIA) LIMITED*

Report on the Financial Statements

We have audited the accompanying financial statements of **Bala Bestos (India) Limited**, ("the company") which comprise the Balance Sheet as at 31st March 2013, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of Significant Accounting Policies and other explanatory information.

Management's responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give 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. 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.

Auditors' Responsibility

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

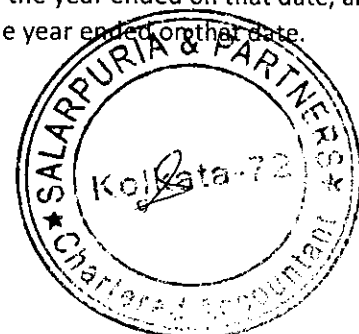
An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the Auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or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

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

Opinion

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

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





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Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2003, 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 Sec 227(3) of the Act, we report that :
 - (i) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - (ii) In our opinion proper books of accounts as required by law have been kept by the Company so far as appears from our examination of those books;
 - (iii) The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - (iv) In our opinion, the Balance Sheet, the Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;
 - (v) On the basis of written representations received from the directors as on March 31, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

Place : Kolkata

Dated : 24th May 2013

FOR SALARPURIA & PARTNERS
CHARTERED ACCOUNTANTS

Sarvesh Kumar Singh
SARVESH KUMAR SINGH

M. No. - 069367

PARTNER

Firm ICAI Reg. No.302113E





SALARPURIA & PARTNERS

CHARTERED ACCOUNTANTS

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KOLKATA - 700 072

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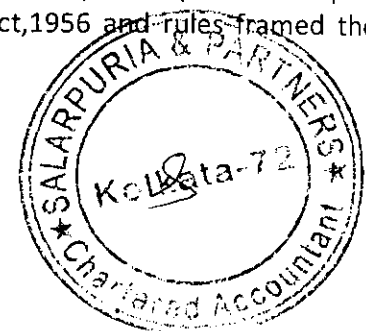
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ANNEXURE TO COMPANIES (AUDITOR'S REPORT) ORDER

(Referred to in paragraph (1) of report on Other Legal and Regulatory Requirements of our report of even date)

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

- i. a) The company is maintaining proper records showing full particulars including quantitative details and situation of fixed assets.
- b) All the assets have been physically verified by the management during the year. There is a regular programme of verification which in our opinion, is reasonable having regard to size of the company and the nature of its assets. No material discrepancies were noticed on such verification .
- c) There was no disposal of fixed assets during the year, which would affect the going concern of the company.
- ii.a) The stocks-in-trade have been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
- b) The procedures of physical verification of stocks in trade followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
- c) The company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification.
- iii. As informed to us and on the basis of our examination of books of account, the company has neither granted nor taken any loans, secured or unsecured, to/from companies, firms or other parties covered in the Register maintained under section 301 of the Companies Act,1956 and as such Clauses (iii)(a) to (iii)(g) of the said order are not applicable to the company.
- iv. In our opinion and according to the information and explanations given to us, there is adequate internal control system commensurate with the size of the company and the nature of its business with regard to purchases of Inventory, fixed assets and with regard to the sale of goods and services. During the course of our audit, no major weakness has been noticed in the internal controls.
- v. a) Based on the audit procedures applied by us and according to the information and explanations provided by the management, we are of the opinion that the transactions that need to be entered into the register maintained under section 301 have been so entered.
- b) As informed to us and on the basis of our examination of books of account, there were transactions exceeding value of Rs. five lakhs in respect of any party and these transactions has been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
- vi. According to the explanations given to us, the company has not accepted deposits from public within the meaning of section 58A, 58AA of the Companies Act,1956 and rules framed there under.





SALARPURIA & PARTNERS

CHARTERED ACCOUNTANTS

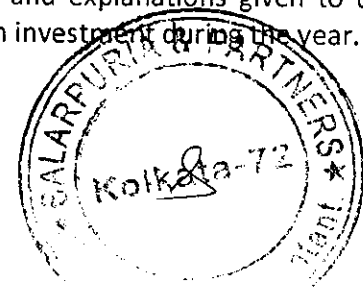
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- vii. In our opinion, the company has an internal audit system commensurate with the size and nature of its business.
- viii. According to the explanations given to us, the Provisions for Maintenance of cost records u/s.209(1)(d) of Companies Act, 1956 are not applicable to the company.
- ix. According to the information & explanations given to us
- (a) The company is generally regular in depositing undisputed statutory dues including provident fund, investor Education Protection and Fund, Employees' State Insurance, Income tax, sales-tax, wealth tax, service tax, custom duty, excise duty, cess and other statutory dues applicable to it with the appropriate authorities. There were no arrears of outstanding statutory dues as at 31.03.2013 for a period of more than six months from the date they become payable.
- b) According to the information & explanations given to us , no dues of undisputed amount payable in respect of income tax, sales tax, wealth tax, service tax, custom duty, excise duty and cess have been deposited on account of any dispute.
- x. The company has no accumulated losses as at 31st March, 2103 and has not incurred any cash losses during the financial year covered by our audit and in the immediately preceding financial year.
- xi. There is no amount due to financial institution or debenture holders. Hence default in repayment of dues does not arise.
- xii. According to the information and explanations given to us, the company has not granted loans or advances on the basis of security by way of pledge of shares, debentures, and other securities.
- xiii. The company is not a chit fund company/ nidhi company/ mutual benefit company or society hence clause xiii (a) to xiii (d) of the said order are not applicable.
- xiv. According to the information and explanation given to us, the company is not a dealer or trader in shares, debentures and other securities. The shares & securities owned by the company are non current investments and are intended to earn income from dividend. All the investments held by the company are in its own name However refer Note No.23(B)(1).
- xv. According to the information and explanations given to us, the company has not given any guarantee for loans taken by others from banks or financial institutions.
- xvi. According to the information & explanations given to us, the company has raised term loans and such loans have been used for the purpose for which they were raised.
- xvii. According to the records examined by us and the information and explanations given to us, funds raised on short term basis have not been used for Long Term investment during the year.





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- xviii. The company has not made any preferential allotment of shares to parties or companies covered in the register maintained under section 301 of the Companies Act, 1956.
- xix. There were no debentures issued by the company and hence question of creating security or charge does not arise.
- xx. The company has not raised any money by public issue during the year and hence the question of disclosure and verification of end use of such money does not arise.
- xxi. Based on information and explanations furnished by the management, which have been relied upon by us, there were no fraud on or by the company has been noticed or reported during the course of our audit.

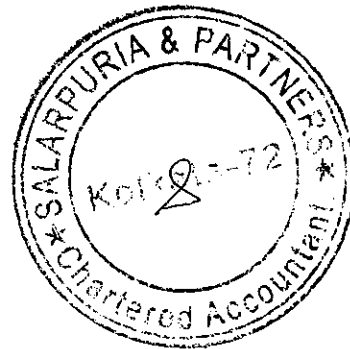
Place : Kolkata
Dated : the 4th day of May, 2013

FOR SALARPURIA & PARTNERS
CHARTERED ACCOUNTANTS

D Singh
SARVESH KUMAR SINGH

M. No. - 069367
PARTNER

Firm ICAI Reg. No.302113E



BALA-BESTOS (INDIA) LIMITED
Balance Sheet as at 31st March 2013

I. EQUITY AND LIABILITIES	Note No.	As At 31.03.2013 ₹	As At 31.03.2012 ₹
Shareholders' Funds			
Share Capital	1	2,490,000	2,490,000
Reserves and Surplus	2	8,685,731	7,792,635
		<u>11,175,731</u>	<u>10,282,635</u>
Non-Current Liabilities			
Long-term borrowings	3	-	312,637
Deferred Tax Liabilities	4	162,545	176,633
		<u>162,545</u>	<u>489,270</u>
Current Liabilities			
Short-term Borrowings	5	246,317	-
Trade Payables	6	2,054,220	-
Other current liabilities	7	518,652	674,511
		<u>2,819,189</u>	<u>674,511</u>
Total		<u>14,157,465</u>	<u>11,446,416</u>

II. ASSETS	Note NO.	As At 31.03.2013 ₹	As At 31.03.2012 ₹
Non-current assets			
<i>Fixed assets</i>			
-Tangible assets	8	2,038,648	2,313,771
Non-current investments	9	56,606	56,606
Long term loans and advances	10	6,580,489	6,598,489
Other Non Current Assets	11	1,700,000	1,922,250
		<u>10,375,743</u>	<u>10,891,116</u>
Current assets			
Cash and Bank Balances	12	944,466	118,002
Trade Receivables	13	2,706,990	-
Short-term loans and advances	14	77,545	388,567
Other Current Assets	15	52,721	48,731
		<u>3,781,722</u>	<u>555,300</u>
Total		<u>14,157,465</u>	<u>11,446,416</u>

Significant Accounting Policies & Other Notes To Accounts

23

The Notes No.1 to 22 are integrated part of these Financial Statements

As per our report of even date annexed.

For SALARPURIA & PARTNERS

Chartered Accountants

Sinh

Chartered Accountants
No. No. - 000001

PARTNER

Place : Kolkata

Date : 20th May 2013

For and on behalf of the Board

BALA BESTOS (INDIA) LTD.

N. Chawla

Director

BALA BESTOS (INDIA) LTD.

P. Chawla

Director



BALA-BESTOS (INDIA) LIMITED

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

Particulars	Note No.	For the	For the
		Year Ended	Year Ended
		31.03.2013	31.03.2012
		₹	₹
I. Revenue from operations	16	9,624,450	6,759,850
II. Other Income	17	969,780	789,877
III. Total Revenue (I + II)		10,594,230	7,549,727
IV. Expenses:			
Purchase of Traded Goods	18	7,535,555	5,124,210
Employee benefits expense	19	261,600	259,920
Finance costs	20	85,695	151,433
Depreciation Expenses	21	275,123	347,127
Other expenses	22	1,097,249	1,019,434
Total Expenses		9,255,222	6,902,124
V. Profit/ (Loss) before tax (III-IV)		1,339,008	647,603
VI. Tax expense:			
(1) Current Tax		460,000	200,110
(2) Deferred tax		(14,088)	(25,311)
Total Tax Expenses (1+2)			
VII. Profit/(Loss) after Tax (V - VI)		893,096	472,804
VIII. Earnings per equity share (Face value of Rs. 10/- each)	23(B)(3)	3.59	1.90

Significant Accounting Policies & Other Notes to Accounts

23

The Notes No.1 to 22 are integrated part of these Financial Statements

As per our report of even date annexed.

For Salarpuria & Partners

Chartered Accountants



SARVESH KUMAR SINGH
M. No. - 069367

PARTNER

Membership No. :

Place : Kolkata


Date : 24th May 2013

For and on behalf of the Board

BALA BESTOS (INDIA) LTD.

Director

BALA BESTOS (INDIA) LTD.


Director



BALA-BESTOS (INDIA) LIMITED

Notes to the Financial Statement As At 31.03.2013.

Note : 1 SHARE CAPITAL	As At 31.03.2013 ₹		As At 31.03.2012 ₹
EQUITY SHARE CAPITAL			
Authorised			
500000 (500000) Equity shares of Rs. 10/- each .	5,000,000		5,000,000
	<u>5,000,000</u>		<u>5,000,000</u>
Issued, Subscribed & Paid-Up			
249000 (249000) Equity shares of Rs. 10/- each fully paid up in cash	2,490,000		2,490,000
Total	<u>2,490,000</u>		<u>2,490,000</u>

a. Reconciliation of shares outstanding at the beginning & at the end of the reporting period

Equity Shares -	Nos.	As At 31.03.2013 ₹	Nos.	As At 31.03.2012 ₹
Equity Shares Of Rs. 10 each				
At the beginning of the year	249,000	2,490,000	249,000	2,490,000
Issued during the year	-	-	-	-
Outstanding at the end of the year	<u>249,000</u>	<u>2,490,000</u>	<u>249,000</u>	<u>2,490,000</u>

b. Details of Shareholders holding more than 5% Shares in the Company

Particulars	Nos.	As at 31.03.2013 % Holding in the class	Nos.	As at 31.03.2012 % Holding in the class
Equity Shares of Rs. 10/- Each				
Rajiv Chawla	127,560	51.23	127,560	51.23
Purnima Chawla	57,430	23.06	57,430	23.06

c. Terms/ rights attached to Equity Shares

The Company has only one class of Equity Shares having a par value of ₹ 10/- per share. Each holder of Equity shares is entitled to one vote per share and equal right for dividend. In the event of Liquidation, the equity shareholders are eligible to receive the remaining assets of the company after payment of all preferential amounts, in proportion of their shareholding.

d. The company does not have any Holding Company, ultimate Holding Company or Subsidiary Company.

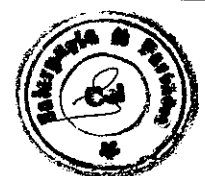
e. No Shares have been reversed for issue under options and contracts/commitments for the sale of Shares/Disinvestment as at the Balance Sheet date.

f. For the period of five years immediately preceding the date as at the Balance Sheet is prepared :

No Shares have been allotted as fully paid up pursuant to contract(s) without payment being received in cash.

No Shares have been allotted as fully paid up by way of bonus shares.

No Shares has been bought back by the company.



BALA-BESTOS (INDIA) LIMITED

Notes to the Financial Statement As At 31.03.2013

Note : 2 RESERVES & SURPLUS	As At 31.03.2013 ₹		As At 31.03.2012 ₹
SURPLUS/ (DEFICIT) AS PER THE STATEMENT OF PROFIT & LOSS			
Surplus /(Deficit) as per the last Financial Statements	7,792,635		7,319,831
Addition/ Deduction for the year	893,096		472,804
Surplus/ (Deficit) At the end of the reporting period	8,685,731		7,792,635



BALA-BESTOS (INDIA) LIMITED

Notes to the Financial Statement As At 31.03.2013

Note : 3 LONG TERM BORROWINGS	As At 31.03.2013 ₹	As At 31.03.2012 ₹
Secured :		
Vehicle Loan from Bank	312,637	818,529
Less: Current maturities of Term loan(transferred to other current liabilities) [refer note-5]	312,637	505,892
Total	-	312,637

* The Loan is repayable in 12 equated monthly installment of ₹ 48,501/- by 2013-2014. The loan is hypothecated against the respective vehicle.

Note : 4 DEFERRED TAX LIABILITIES (NET)	As At 31.03.2013 ₹	As At 31.03.2012 ₹
Deferred Tax Liabilities	162,545	176,633
Total	162,545	176,633

Note : 5 SHORT TERM BORROWINGS	As At 31.03.2013 ₹	As At 31.03.2012 ₹
Bank Overdraft	246,317	-
Total	246,317	-

Note : 6 TRADE PAYABLES	As At 31.03.2013 ₹	As At 31.03.2012 ₹
Sundry Creditors for Goods	2,054,220	-
Total	2,054,220	-

Note : 7 OTHER CURRENT LIABILITIES	As At 31.03.2013 ₹	As At 31.03.2012 ₹
Liability for Expenses	122,477	-
Statutory Dues:		
- Professional tax	40	-
- Value Added Tax	25,140	-
Listing Fee Payable	-	87,281
Payable to employees	44,560	-
Other Payables	13,798	81,338
Current maturities of long term borrowings (refer note - 3)	312,637	505,892
Total	518,652	674,511



BALA BESTOS (INDIA) LIMITED

Notes to the Financial Statement As At 31.03.2013.

NOTE 8 FIXED ASSETS

PARTICULARS	GROSS BLOCK		DEPRECIATION		NET BLOCK					
	As On 01.04.2012 ₹	Addi- tions ₹	Sales/ Adjust- ments. ₹	Balance As On 31.03.2013 ₹	Upto 31.03.2012 ₹	For the Year ₹	Sales/ Adjust- ments. ₹	Upto 31.03.2013 ₹	As On 31.03.2012 ₹	As On 31.03.2013 ₹
Tangible Assets										
Office Premises	3,418,515	-	-	3,418,515	1,903,995	75,726	-	1,979,721	1,514,520	1,438,794
Plant & Machinery	844,326	-	-	844,326	795,740	6,758	-	802,498	48,586	41,828
Electrical Fittings	55,233	-	-	55,233	53,793	200	-	53,993	1,440	1,240
Furniture & Fittings	118,952	-	-	118,952	114,547	797	-	115,344	4,405	3,608
Typewriter	5,750	-	-	5,750	5,681	10	-	5,691	69	59
Motor Cycle	16,181	-	-	16,181	16,181	-	-	16,181	-	-
Computer	22,400	-	-	22,400	22,132	107	-	22,239	268	161
Xerox Copier	96,290	-	-	96,290	94,087	306	-	94,393	2,203	1,897
Office Equipments	51,157	-	-	51,157	44,315	952	-	45,267	6,842	5,890
Tools & Implements	37,932	-	-	37,932	36,810	156	-	36,966	1,122	966
Cycle	1,479	-	-	1,479	1,420	12	-	1,432	59	47
Motor Car	2,078,090	-	-	2,078,090	1,343,833	190,099	-	1,533,932	734,257	544,158
Total:	6,746,305	-	-	6,746,305	4,432,534	275,123	-	4,707,657	2,313,771	2,038,648
Previous Year	6,746,305	-	-	6,746,305	4,085,407	347,127	-	4,432,534	-	2,313,771



BALA-BESTOS (INDIA) LIMITED

Notes to the Financial Statement As At 31.03.2013.

NOTE 9 : NON CURRENT INVESTMENT :	Face Value	AS AT 31.03.2013		AS AT 01.04.2012	
		No. of Shares/ Units	Value	No. of Shares/ Units	Value
AT COST (OTHER INVESTMENT)					
Investment in Equity Instruments					
a) Quoted					
Hindustan Development Corp. Ltd.	10	30	901	30	901
Hindustan Ferrodo Ltd.	10	100	3,705	100	3,705
D.C.M Toyota Ltd.	10	200	2,000	200	2,000
Total (a)			6,606		6,606
b) Unquoted					
Park Towers Services Pvt. Ltd [Total (b)]	10	5,000	50,000	5,000	50,000
Total (a+b)			56,606		56,606

	As at 31st March 2013		As at 31st March 2012	
	Cost ₹	Market Value ₹	Cost ₹	Market Value ₹
Aggregate value of Quoted Investments	6,606	Not Available	6,606	Not Available
Hindustan Development Corp. Ltd.	901	95	901	93
Hindustan Ferrodo Ltd.	3,705	Not Available	3,705	Not Available
D.C.M Toyota Ltd.	2,000	Not Available	2,000	Not Available
Aggregate value of Un-quoted Investments	50,000	-	50,000	-



BALA-BESTOS (INDIA) LIMITED

Notes to the Financial Statement As At 31.03.2013

Note 10 : LONG TERM LOANS AND ADVANCES	As At 31.03.2013 ₹	As At 31.03.2012 ₹
Unsecured, Considered Good :		
(a) Capital Advance (For Flat)	6,438,153	6,438,153
(b) Deposits WITH C.E.S.C & Others	160,336	178,336
less: current maturities (refer note 15)	18,000	18,000
	<u>6,580,489</u>	<u>6,598,489</u>
Total (a+b+c)	<u>6,580,489</u>	<u>6,598,489</u>

Note 11 : OTHER NON CURRENT ASSETS	As At 31.03.2013 ₹	As At 31.03.2012 ₹
Fixed deposit with maturity more than 12 months from the reporting date (Refer Note-12)	1,700,000	1,922,250
	<u>1,700,000</u>	<u>1,922,250</u>

Note : 12 CASH & BANK BALANCES	As At 31.03.2013 ₹	As At 31.03.2012 ₹
Cash & Cash Equivalents		
-Cash on hand	21,411	39,365
-Fixed Deposit with Maturity of less than 3 months from the reporting date	400,000	-
Bank Balance		
- On Current Account	23,055	78,637
Other Bank Balances		
Fixed Deposit with Maturity of more than 3 months but less than 12 months from the reporting date	500,000	-
Fixed deposit with maturity of more than 12 months from the reporting date	1,700,000	1,922,250
Less : Non Current Part of Fixed Deposit Transferred to Other Non Current Assets (Refer Note No.11)	2,200,000	1,922,250
	<u>1,700,000</u>	<u>1,922,250</u>
	500,000	-
Total	<u>944,466</u>	<u>118,002</u>

Note 13 : TRADE RECEIVABLES	As At 31.03.2013 ₹	As At 31.03.2012 ₹
- Of the period less than 6 months (Unsecured, Considered Good)	2,706,990	-
Total	<u>2,706,990</u>	<u>-</u>



BALA-BESTOS (INDIA) LIMITED

Notes to the Financial Statement As At 31.03.2013.

Note :14 SHORT TERM LOANS & ADVANCES	As At 31.03.2013 ₹	As At 31.03.2012 ₹
Unsecured ,Considered Good		
Advances recoverable in Cash or in kind		
Insurance Claim Recievable	-	331,612
Advance Tax (Net of Provisions)	23,963	38,504
Balance with Excise Department	732	732
Other Advances	25,000	-
Prepaid Expense	27,850	17,719
Total	77,545	388,567

Note : 15 OTHER CURRENT ASSETS	As At 31.03.2013 ₹	As At 31.03.2012 ₹
Current Maturities of Security Deposit (Refer Note 10)	18,000	18,000
Vat Receivable	-	694
Income Tax Refundable	6,690	6,690
Interest Receivable on Fixed Deposit	28,031	23,347
Total	52,721	48,731



BALA-BESTOS (INDIA) LIMITED

Notes to the Financial Statement for the year ended 31.03.2013.

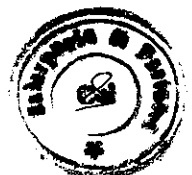
Note : 16 REVENUE FROM OPERATIONS	For the Year Ended 31.03.2013 ₹	For the Year Ended 31.03.2012 ₹
Sale of products		
Traded Goods(small clamp, big clamp & water pipe)	9,624,450	6,759,850
Total	9,624,450	6,759,850

Note : 17 OTHER INCOME	For the Year Ended 31.03.2013 ₹	For the Year Ended 31.03.2012 ₹
Interest	179,097	146,112
Sundry Balances written back	148,683	1,765
Rent	42,000	42,000
Vehicle Hire Charges	600,000	600,000
Total	969,780	789,877

Note : 18 PURCHASE OF TRADED GOODS	For the Year Ended 31.03.2013 ₹	For the Year Ended 31.03.2012 ₹
Purchase of Traded Goods(small clamp, big clamp & water pipe)	7,535,555	5,124,210
Total	7,535,555	5,124,210

Note : 19 EMPLOYEE BENEFITS EXPENSE	For the Year Ended 31.03.2013 ₹	For the Year Ended 31.03.2012 ₹
Salary, wages, Bonus & allowances	261,600	259,920
Total	261,600	259,920

Note : 20 FINANCE COST	For the Year Ended 31.03.2013 ₹	For the Year Ended 31.03.2012 ₹
Interest paid on car loan	85,695	151,433
Total	85,695	151,433



BALA-BESTOS (INDIA) LIMITED

Notes to the Financial Statement for the year ended 31.03.2013

Note : 21 DEPRECIATION EXPENSES	For the Year Ended 31.03.2013 ₹	For the Year Ended 31.03.2012 ₹
Depreciation	275,123	347,127
Total	275,123	347,127

Note : 22 OTHER EXPENSES	For the Year Ended 31.03.2013 ₹	For the Year Ended 31.03.2012 ₹
Rates & Taxes	65,814	118,354
Insurance	33,379	84,574
Payment to Auditors		
- As Auditors	9,551	9,551
- For Tax Audit fees	2,809	2,809
- For Certification matters	1,235	1,235
Legal & Professional Fees	11,077	6,456
Filing Fees	11,248	1,770
Donation	165,000	80,000
Repairs & Maintenance		
- Repairs to building	327,515	103,950
- Others	9,874	10,409
Freight & Forwarding	123,366	72,970
Electricity Charges	174,440	130,660
Bank Charges	1,429	3,657
Liquidated Damage	-	284,862
Advertisement & Publicity	52,641	-
Locker Rent	3,500	3,500
Machine Hire Charges	24,000	24,000
Inspection Charges	22,281	552
Listing Fees	11,797	-
Miscellaneous Expense	46,293	80,125
Total	1,097,249	1,019,434



BALA BESTOS (INDIA) LIMITED

Note – 23 SIGNIFICANT ACCOUNTING POLICIES AND OTHER NOTES

1. Basis of Preparation:

Financial Statements have been prepared to comply in all material aspects with the Accounting Standards notified under Section 211(3C) [Companies (Accounting Standards) Rules, 2006, as amended] and the other relevant provisions of the Companies Act, 1956. Accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

2. Basis of Accounting and Revenue Recognition:

The company follows the mercantile system of accounting and recognizes income and expenses on accrual basis save and except dividend income which are accounted on cash basis. Financial Statements are drawn using the historical cost basis as a 'going concern' and are consistent with generally accepted accounting principles in India.

3. Fixed Assets:

Fixed Assets are stated at cost less depreciation. The cost comprises of purchase cost, borrowing costs if capitalization criteria are met and other directly attributable cost of bringing the assets to its working conditions for intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

4. Depreciation:

- (i) Depreciation on fixed assets is provided on Written Down Value method at the rates specified in schedule xiv of the Companies Act, 1956.
- (ii) Depreciation on fixed assets added/disposed off during the year is provided for on pro-rata basis with reference to the date of addition/disposal.

5. Investments:

Non Current Investments being long term are stated at cost after providing for diminution in value, if such diminutions is other than temporary in nature.

6. Inventories:

Inventories are stated at lower of cost and net realisable value. Costs of Finished Goods are determined on weighted average basis while costs of Raw materials are determined on FIFO basis. Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs necessary to make the sale.

7. Foreign Exchange Transaction:

- a) Transactions in Foreign Currencies are recorded at the exchange rates prevailing on the date of transaction.
- b) Assets and Liabilities receivable/payable in Foreign Currencies are translated at the year ended exchange rates.
- c) Any income or expense on account of exchange difference either on settlement or on translation is recognised in the Statement of Profit & Loss.

8. Employee Benefits:

Short-term employee benefits are recognized as an expense at the undiscounted amount in the Statement of Profit and Loss for the year in which the related service is render.



BALA BESTOS (INDIA) LIMITED

Note – 23 SIGNIFICANT ACCOUNTING POLICIES AND OTHER NOTES

9. Earnings per share:

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

10. Taxation:

Tax expense comprises current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961. Deferred taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences of earlier years. As at the Balance Sheet date, unless there is evidence to the contrary, deferred tax assets pertaining to business losses are only recognized to the extent that there are deferred tax liabilities offsetting them.

11. Provisions, contingent Liabilities and Contingent Assets:

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



B. OTHER NOTES TO ACCOUNTS

1 Investments include 30 (30) Equity Shares in Hindustan Development Corporation Ltd. & 100 (100) Equity Shares in Hindustan Ferrodo Ltd. are yet to be transferred in the name of the Company

2 Related Parties Disclosure :

Related Party Disclosure (As required under Accounting Standard 18 on "Related Party Disclosures" according to companies, (Accounting Standard) Ruled, 2006 of the Company Act, 1956) are given below:

Nature of relationship	Nature of related parties
i) Key Management Personnel	Mr. Rajiv Chawla, Director Mr. Karan Chawla, Director Mrs. Purnima Chawla, Director
ii) Enterprises owned or significantly influenced by Key Management Personnel or their relatives	Ransal India Pvt. Ltd. Rukmini International Rukmini Financial Services Pvt. Ltd.
iii) Relative of Director	Malika Chawala, Daughter of Director

Particulars of transaction with related parties during the year ended 31st March, 2013

Nature of Transactions	2012-13 (₹)		2011-12 (₹)	
	Transactions with (ii) above	Transactions with (iii) above	Transactions with (ii) above	Transactions with (iii) above
Sale of Goods	3,515,928	-	1,310,244	-
Vehicle Hire Charges	600,000	-	600,000	-
Rent Received	42,000	-	42,000	-
Machine Charges paid		24,000		24000

Earnings per share	2012-13	2011-12
a. Profit/(Loss) available to Equity Shareholders	893096	472804
b. Nos. of Equity Shares	249000	249000
c. Basic/diluted Earnings per Equity Share of Rs. 10/- (a/b)	3.59	1.90

4 Provision for Depreciation has not been provided in case of Motor Cycle

5 Deferred Tax Pursuant to AS-22, "Accounting for taxes on income" notified in companies (Accounting Standard) rules 2006, the company has a deferred tax liability (net), which has been provided as follows:

Deferred tax assets/liability due to timing difference	As at 31.03.2013	As at 31.03.2012
Deferred tax liability in respect of Depreciation	162545	176633
Deffered tax Liability (Total)	162545	176633

6 There is no amount to be credited to investors Education and Protection Fund as on 31st March 2013

7 Figures for previous year have been regrouped and/or recasted wherever necessary and have been indicated in brackets.

