

**BOBSHELL ELECTRODES LIMITED**

**19<sup>th</sup> Audited Annual Report**

FOR THE YEAR 2012 - 13

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COMPANY REGISTRATION NO. : 04-023275

CIN NO. : L29308GJ1994PLC023275

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**BOBSHELL ELECTRODES LIMITED**

REGISTERED OFFICE

B-505, FAIRDEAL HOUSE, OPP. : ST. XAVIERS' LADIES HOSTEL,  
SWASTIK CHAR RASTA, NAVRANGPURA, AHMEDABAD-380009.

## **NINETEENTH ANNUAL GENERAL MEETING PROGRAMME**

**DATE :** 30<sup>th</sup> SEPTEMBER, 2013  
**DAY :** Monday  
**TIME :** 11.00 A.M.  
**VENUE :** Corporate office of the Company at  
802, 8<sup>th</sup> Floor, Swagat Building,  
Near Lal Bunglow,  
C.G.Road, Ellisbridge,  
Ahmedabad: 380 006.

### **NOTE TO SHAREHOLDER :**

As a measure of economy, copies of the Annual Report will not be distributed at the Annual General Meeting. Shareholders are requested to kindly bring their copies to the meeting.

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**BOARD OF DIRECTORS**

|                                  |                                |
|----------------------------------|--------------------------------|
| <b>Shri Shailesh. M. Joshi</b>   | Chairman and Managing Director |
| <b>Shri Manshanker. T. Joshi</b> | Director                       |
| <b>Shri Kashyap. P. Pathak</b>   | Director                       |

**COMPANY SECRETARY (COMPANY LAW CONSULTANT)**

**M/s Kamlesh M Shah & Co.**

Company Secretaries,  
801-A, Mahalay Complex, Opp. Choice Restaurant Lane  
B/h. Fairdeal House, Off. C.G.Road Navrangpura, Ahmedabad-380009.

**BANKERS OF THE COMPANY**

Union Bank of India, Industrial Finance Branch, Ahmedabad  
State Bank of Saurashtra, Sikka  
Dena Bank, Wanakbori  
Bank of Baroda, Dhuvaran  
Bank of Baroda, Ukai

**STATUTORY AUDITORS**

**DJNV & CO.**

Chartered Accountants  
58, White House, Panchvati Circle  
C.G. Road, Ellisbridge, Ahmedabad-380006

**LISTING AT**

**AHMEDABAD**

The Stock Exchange Ahmedabad  
Kamdhenu Complex  
Nr. Panjarapole,  
Ambawadi, Ahmedabad-380015

**MUMBAI**

The Stock Exchange Mumbai  
25<sup>th</sup> Floor, P.J. Towers,  
Dalal Street Fort,  
Mumbai 400001.

**REGISTRAR & SHARE TRANSFER AGENTS**

**(Electronics Connectivity Only)**

SHAREPRO SERVICES (INDIA) PVT. LTD  
13/A-B, Samhita Warehousing Complex,  
2nd Floor, Sakinaka Telephone Exchange,  
Off Andheri-Kurla Road, Sakinaka,  
Andheri East, Mumbai-400072.

**SHARE DEPARTMENT**

802, Swagat Building,  
8<sup>th</sup> Floor, C. G. Road,  
Ellisbridge,  
Ahmedabad: 380 006.

**COMPLIANCE OFFICER**

Mr. Shailesh. M. Joshi,  
Chairman and Managing Director  
802, Swagat Building, 8<sup>th</sup> Floor,  
C.G.Road, Ellisbridge, Ahmedabad-380006.

**NOTICE**

Notice is hereby given to the Member of **Bobshell Electrodes Limited** that the **19th Annual General Meeting** of the Members of the Company will be held on Monday the 30th September, 2013 at 11.00 A.M. at the Corporate Office of the Company at 802, 8th Floor, Swagat Building, Near Lal Bunglow, C. G. Road, Ellisbridge, Ahmedabad: 380 006 to transact the following Business.

**ORDINARY BUSINESS :**

- (1) To Receive, Consider, Approve and Adopt the Audited Statement of Accounts i.e. The Audited Balance Sheet as at 31.03.2013, the Profit and Loss Account for the year ended on that date, the Report of the Auditors and Director thereon.
- (2) To Appoint a Director in Place of Shri Kashyap Pradyumna Pathak who retires by rotation at this Annual General Meeting and being eligible offers himself for reappointment.
- (3) To Appoint M/s. DJNV & CO., Chartered Accountants as the Statutory Auditors and to fix their Remuneration.

**SPECIAL BUSINESS :**

- (4) To Consider and if thought fit to pass following resolution as Special Resolution.

RESOLVED THAT pursuant to section 198,269,309,310,311,349 and 350 of Companies Act, 1956 read with Schedule XIII, the Company do hereby reappoint Mr. Shailesh M. Joshi as Chairman And Managing Director of the Company for further period of 3 years w.e.f. 30TH May, 2013 to 29TH May, 2016 at a monthly remuneration of Rs. 1,00,000/-.

RESOLVED FURTHER THAT the Managing Director shall be entitled to the reimbursement of all the expenses and charges, fees or other out of pocket

expenses incurred by him in the course of the business of the company.

RESOLVED FURTHER THAT Mr. Shailesh M. Joshi, shall have, as Managing Director, substantial powers of management of the business and affairs of the Company subject however to the overall superintendence, control and direction of the Board of Directors of the Company.

RESOLVED FURTHER THAT in case of absence or inadequacy of profits of the company in any financial year, the Managing Director shall be paid minimum remuneration of Rs. 1,00,000/- per month as per Schedule XIII.

RESOLVED FURTHER THAT Mr. Shailesh M. Joshi, Chairman of the Company is authorized to take all necessary action to give effect to this resolution.

- (5) To Consider and if thought fit to pass following resolution as Special Resolution.

RESOLVED THAT pursuant to provisions of SEBI delisting of securities guidelines as in force or as amended from time to time, the Company do hereby make application to Ahmedabad Stock Exchange for delisting of its equity shares.

RESOLVED FURTHER THAT Mr. Shailesh M. Joshi, Chairman and Managing Director of the Company is authorised to take all necessary action to give effect to this resolution.

**BY ORDER OF THE BOARD OF DIRECTORS  
OF BOBSHELL ELECTRODES  
LIMITED**

**DATE : 30th May, 2013  
PLACE : AHMEDABAD**

**SD/-  
(SHAILESH M. JOSHI)  
CHAIRMAN AND  
MANAGING DIRECTOR**

**AN EXPLANATORY STATEMENT PURSUANT TO THE PROVISIONS OF SECTION 173(2) OF THE COMPANIES ACT, 1956 TO THE RESOLUTIONS MENTIONED UNDER THE HEAD SPECIAL BUSINESS OF THE NOTICE CONVENING THE 19TH ANNUAL GENERAL MEETING.**

**ITEM NO. 4 REAPPOINTMENT OF MR. SHAILESH M. JOSHI AS MANAGING DIRECTOR OF THE COMPANY.**

The Board of Directors has in its meeting held on 30th May, 2013 reappointed Mr. Shailesh M. Joshi as the Managing director of the company w.e.f 30th May, 2013 as per requirements of Section 269 of the Companies Act 1956 for a further period of 3 years at a monthly remuneration of Rs. 1,00,000 /-

Other information required to be disclosed in an explanatory statement as per requirements of Schedule XIII to the Companies Act 1956 are as under:

**I. GENERAL INFORMATION :**

**(1) Nature of Industry :**

The Company is a Manufacturing Company.

**(2) Date or Expected date of Commencement of Commercial Production :**

The Company is already doing manufacturing activities.

**(3) In case of New Companies, expected date of Commencement of activities :**

NOT APPLICABLE

**(4) Export Performance and Net Foreign Collaborations :**

The Company has not earned any foreign exchange whether by general business or from collaborations.

**(5) Foreign Investment or collaboration :**

Not Applicable.

**II. INFORMATION ABOUT THE APPOINTEE :**

**(1) BACKGROUND DETAILS :**

Mr. Shailesh M. Joshi is a Promoter Director. He has more than 17 years of business experience. He is an Industrialist of repute.

**(2) PAST REMUNERATION :**

Mr. Shailesh M. Joshi was given and paid managerial remuneration in the past as Managing Director as approved by shareholders. However, due to inadequate profits, now the Company has decreased remuneration as per requirements of Schedule XIII.

**(3) RECOGNITION OR AWARDS :**

Mr. Shailesh M. Joshi has not achieved any special award or prize or recognition from any reputed business houses, trade associations etc. However, under his leadership the Company has achieved good reputation in product market both for Management ethics and Product quality.

**(4) JOB PROFILE AND HIS SUITABILITY :**

Mr. Shailesh M. Joshi is a B.E. (Mech.) He has more than 17 years of experience as a Businessman. He is the Promoter Director of the Company. He is being reappointed as Managing Director as per requirements of Section 269 of the Companies Act 1956. Being Promoter director of the company he is fully aware of the entire business profile of the company and he is personally looking after all the business transactions of the company. Hence, it is found most suitable to reappoint Mr. Shailesh M Joshi as the Managing Director of the company.

**(5) REMUNERATION PROPOSED :**

It is proposed that Shailesh M. Joshi as Managing Director be paid Managerial Remuneration of Rs. 1,00,000 per month as per Schedule XIII.

**(6) PECUNIARY RELATIONSHIP WITH THE COMPANY OR ANY OTHER MANAGERIAL PERSON WHETHER DIRECT OR INDIRECT :**

Mr. Shailesh M. Joshi, is the Promoter Director of the Company. He is not related with any other member of the Board of Director, except Mr. Manshankar T. Joshi, his father. He has no direct or indirect relationship or pecuniary relationship with the Company or any of the directors, except to the extent of his shareholding in the Company.

**III. DISCLOSURES :**

The appointment of Mr. Shailesh M. Joshi as Chairman and Managing Director of the Company has been approved by the board. Mr. Joshi is a Promoter of the Company. Initially Mr. Joshi is proposed to be appointed as Managing Director for a period of 3 years at a monthly remuneration of Rs. 1,00,000/-. The company has made adequate disclosure of this fact in the Directors report as well as in the report on Corporate Governance at appropriate place.

Your directors recommend to pass the said resolution as special resolution as per requirements of the law.

Except Mr. Shailesh M. Joshi & Mr. M. T. Joshi, no other directors may be deemed to be concerned or interested in the proposed resolution.

**ITEM NO. 5 DELISTING OF EQUITY SHARES OF THE COMPANY FROM AHMEDABAD STOCK EXCHANGE LIMITED**

According to the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (the "SEBI Delisting Regulation"), a Company may voluntary delist its equity shares from the Stock Exchange where its shares are listed.

The promoters of the Company are of the view that the delisting proposal is in interest of the public shareholders of the Company as there is no actual trading in the equity shares of the Company since last few years on Ahmedabad Stock Exchange Ltd. Accordingly, the Board of Directors has decided to approve the proposal of voluntary delisting from Ahmedabad Stock Exchange Ltd.

In terms of Regulation 8 (1) (b) of the SEBI Delisting Regulations, the delisting proposal requires the approval of the shareholders of the Company by way of a special resolution passed.

The Board of Directors seek approval of the shareholders for the proposed delisting of the Equity Shares from the Ahmedabad Stock Exchange where these shares are listed. Further, the Board of Directors informed that equity shares of the Company shall continue to be listed and traded on Bombay Stock Exchange Limited having nation wide trading terminals.

The Board of Directors recommends the proposed 'special resolution' for approval by the members.

None of the Director(s) of the Company is, in any way, concerned or interested in the said resolution.

**BY ORDER OF THE BOARD OF DIRECTORS  
OF BOBSHELL ELECTRODES  
LIMITED**

**SD/-  
(SHAILESH M. JOSHI)  
CHAIRMAN AND  
MANAGING DIRECTOR**  
**DATE : 30th May, 2013  
PLACE : AHMEDABAD**

**NOTES :**

- A Member entitled to attend a Meeting is also entitled to appoint a proxy attend the meeting and vote if poll is granted and that a member need not be a member of the Company.
- Proxies in order to be valid and effective should be executed in the prescribed form, stamped signed and must be deposited at the registered office of the company at least 48 hours before the time fixed for the meeting.
- The Register of the Members and Share Transfer books of the Company shall remain closed for a period from 26/09/2013 to 30/09/2013 (Both Days Inclusive) as per the requirements of clause 16 of the Listing Agreement.
- Members are requested to notify immediately any change in their address to the Secretarial Department of the company at its Registered Office or directly to the Registrar and Share Transfer Agents.
- Member desiring any information as regards accounts are requested to write to the company atleast 10 days before the meeting to enable the management to keep the information ready.

**BY ORDER OF THE BOARD OF DIRECTORS  
OF BOBSHELL ELECTRODES  
LIMITED**

**SD/-  
(SHAILESH M. JOSHI)  
CHAIRMAN AND  
MANAGING DIRECTOR**  
**DATE : 30th May, 2013  
PLACE : AHMEDABAD**

**DIRECTORS' REPORT**

To,  
The Members,  
**BOBSHELL ELECTRODES LIMITED**

Dear Shareholders,

Your directors have pleasure in presenting herewith the 19th Audited Annual Report for the year ended on 31st March, 2013 of your Company.

**FINANCIAL HIGHLIGHT :**

The Financial performance of the company during the year is as under:

| <b>PARTICULARS</b>               | <b>FOR THE<br/>YEAR<br/>ENDED ON<br/>31/03/2013</b> | <b>FOR THE<br/>YEAR<br/>ENDED ON<br/>31/03/2012</b> |
|----------------------------------|---|---|
| Income From Sales(Net)           | 3,03,08,799   | 2,55,88,732   |
| Other Income                     | 8,17,445  | 6,48,208  |
| Total Income.                    | 3,11,26,244   | 2,62,36,940   |
| Total Expenses                   | 3,18,56,943   | 2,68,73,680   |
| Profit Before Tax                | (73,06,99)  | (6,36,740)  |
| Depreciation                     | 7,90,717  | 7,68,260  |
| Adjustment For Tax               | 0   | 0   |
| Provision for FBT.               | 0   | 0   |
| Profit / (Loss) After Tax.       | (8,17,485)  | (7,52,713)  |
| Deferred Tax (Assets) Liability  | 86,786  | 1,15,973  |
| Net Profit / (Loss) for the Year | (8,17,485)  | (7,52,713)  |
| Previous Year Balance B/F        | (2,36,20,799)                                       | (2,28,68,086)                                       |
| Balance Carried to               |   |   |
| Balance Sheet                    | (2,44,38,284)                                       | (2,36,20,799)                                       |
| Earning Per Share (In Rupees)    | (0.136)   | (0.125)   |

**DIVIDEND :**

Due to negative Earning Per share, loss brought forward from the last year and loss after differed tax provision, your Director do not recommended any amount to be paid as a dividend.

**TRANSFER OF UNPAID/ UNCLAIMED DIVIDEND :**

The Company has no any liability on account of unpaid/ unclaimed dividend which may be required to be transferred and credited to the Investors Education and Protection Fund as per requirements of Section 205C of the

Companies Act. The Company has also no outstanding unpaid/ unclaimed Interest liability on Deposits or Debentures or no outstanding unpaid/ unclaimed principal amount of any Deposits or Debentures or share application money.

**BUY BACK OF SHARES :**

The Company has not announced any Buy Back Of Share of its Equity Share Capital since inception as per the provisions of Section 77A, 77AA, 77B of the Company Act 1956. Hence the Company is not required to complete any such formalities as provided in the Companies Act on account of Buy Back Of Shares.

**CAPITAL STRUCTURE OF THE COMPANY :**

The Company has not issued any share of any nature during the year under review. There were no changes in the Capital structure of the Company during the year.

**YEAR UNDER REVIEW :**

During the year under review your company has earned a Total income of Rs 3,11,26,244(Previous Year of Rs. 2, 62,36,940), After deduction of all Expenses of Rs. 3,18,56,943 (Previous year Rs. 2,68,73,680) your company has incurred a net loss of Rs. 8,17,485/- (Previous Year Operating Loss of Rs. 7,52,713/-) which is carried to balance sheet. At the year end, total accumulated losses were at Rs. 2,44,38,284/-(Previous year were at Rs. 2,36,20,799). The Company still holds positive net worth and is not a sick Industry. During the year, the company has repaid all its bank's liabilities and there is no interest liability for next financial year. This will add the profitability of the company. Further the improved cash flow in the company will entitle it negotiate further for raw material cost and ultimately improve the possibilities of earning profit margin on per unit of production.

**COMPLIANCE TO CODE OF CORPORATE GOVERNANCE : (CLAUSE 49 OF THE LISTING AGREEMENT)**

The Present board of directors is not in compliance with the clause 49 of the Listing Agreement. At present the Board is consisting of only 3 directors. Two are promoter directors and one is an independent director. The company is in process of inviting more professional persons to join the board as directors. However, due to accumulated financial losses and the size of the company being that of a small scale sector the management find it difficult to find independent professional directors to join the board. However, the company expects to complete the process of compliance with the corporate governance norms by end of the next financial year. In view of the same, corporate governance report is not given herewith.

**INFORMATION PURSUANT TO THE LISTING AGREEMENT AND SEBI CIRCULAR NO SMDRP / CIR-14 / 98 DATED APRIL 29TH, 1998**

The Company's shares are at present listed on Ahmedabad and Mumbai Stock Exchanges. The complete address is given elsewhere in this report. The Company has paid the Annual listing fees for of Ahmedabad stock exchange and Mumbai Stock Exchange.

**DEMATERIALIZATION OF THE SECURITIES OF THE COMPANY :**

The company has already signed Tripartite Agreement with NSDL & CDSL for Dematerializing of its Equity Shares. The Equity shares are now available for Dematerialization by investors. The company has paid the dues of depositories ie NSDL and CDSL and Registrar and Transfer Agent up to the date.

**ENVIRONMENT PROTECTION :**

The Company is engaged in the business of manufacture of welding rods. The process does not generate any type of Air or water pollution. The water is being used only for sanitation purpose. The metal scrap is being disposed off in regular manner as per practice prevailing in the industry. The manufacturing process does not generate any type of pollution.

**INSURANCE AND PROTECTION OF ASSETS :**

The Company's all fixed assets and tangible movable assets are properly insured against all available commercial risks like fire, flood, earthquake and other extraneous perils from the approved and reputed insurance companies. During the year the company has not made any insurance claims and no such claims are pending for settlement.

**DEPOSITS: (SECTION 58A) :**

During the year under review your company has neither invited nor accepted any public deposit or deposits from the private parties as defined under section 58A of the Companies Act-1956.

**DIRECTORS :**

During the year Shri Kashyap Pradyumna Pathak shall retire by rotation. Your directors recommend reappointing him by passing the required resolution. Except this during the year there was no change in the constitution of the directors.

**DIRECTORS RESPONSIBILITY STATEMENT (SECTION 217(2AA)) :**

Pursuant to the provision contained in section 217(2AA) of the Companies Act 1956 the Directors of your Company Confirm :

- (A) That as far as possible and except for AS-15 on making provision for retirement benefits for Gratuity for employees, in the preparation of the annual account, the applicable accounting standards have been followed and no material departures have been made from the same;
- (B) That they have selected such accounting policies and applied them consistently and made judgments and estimated that are reasonable and prudent so as to give a true and fair view of the state of affair of the company for that period:
- (C) That they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company for preventing and detecting fraud and other irregularities.
- (D) That they have prepared the annual account on a going concern basis.

**STATUTORY AUDITOR :**

The Statutory auditor of the company is M/s. DJNV & CO. Mr. Jayesh Parikh Chartered Accounts, is a partner of the said firm. Hence, practically, there is no change in the Auditors during the year. The retiring auditors have given their letter of consent and confirmation under section 224(1B) of the Companies Act 1956 for reappointment as Statutory Auditors of the Company. Necessary Resolution making their appointment as the Statutory Auditors and fixing their resolution is proposed to be passed at the Annual General Meeting.

**AUDITORS OBSERVATION :**

Notes to the Accounts are self explanatory in nature. The Company has not made provision for Gratuity in the financial accounts for the year. This is because except the Managing Director no persons have put in the qualified services to be eligible for payment of gratuity. Managing Director is not covered under the provisions of the Act. However, the gratuity as per provisions of the Appointment Agreement is payable only upon the attaining the age of maturity for gratuity. The management will take sufficient steps to make necessary provision for this expense and will also arrange to create a separate fund for the purpose in future.

**EMPLOYEES: (SECTION 217 (2A)) :**

There is no employee of the company who were in receipt of the remuneration of RS. 24,00,000/- in the aggregate if employed for the year and in receipt of the monthly remuneration of RS. 2,00,000/- in the aggregate if employed for a part of the year. Hence the information required under



section 217 (2A) of the companies Act, 1956 being not applicable are not given in this report.

**FORMATION OF THE AUDIT COMMITTEE (SECTION 292A) :**

As stated in para corporate governance the present Board of Directors being not as per the requirements of Listing Agreement and the provisions of section 292A the company has yet not formed the Audit Committee within the organization. The management is taking active steps to regularize and make legal compliance in this regard immediately.

**MATERIAL DEVELOPMENT :**

No material development has taken place in the Company from the closure of the financial year till the date of this annual report and the same does not have any material impact on the financial conditions or operation of the Company.

**STATUTORY INFORMATION: (SECTION 217 (1) (E)) :**

As the Company is a trading Company and not engaged in the manufacturing activating the information required to be

disclosed as per the provisions of Section 217 (1) (E) of the Company Act – 1956 and the Companies (Disclosure of particulars in the Report of Board of Directors ) Rules 1988 are given in the annexure to this report.

**APPRECIATION :**

Your directors take this opportunity to acknowledge the trust reposed in your Company by its Shareholders, Bankers and Clients. Your Directors also keenly appreciate the dedication & Committee of all our employees, without which the continuing progress of the Company would not have been possible.

**ON BEHALF OF THE BOARD OF DIRECTORS  
OF BOBSHELL ELECTRODES  
LIMITED**

**DATE : 30th May, 2013  
PLACE : AHMEDABAD**

**SD/-  
(SHAILESH M. JOSHI)  
CHAIRMAN AND  
MANAGING DIRECTOR**

**ANNEXURE-A TO DIRECTORS REPORT**

**DETAILS ON ENERGY CONSUMPTION, RESEARCH AND DEVELOPMENT, TECHNOLOGY ABSORPTION AND ADOPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO.**

**[A] ENERGY CONSUMPTION AND CONSERVATION.**

| Sr. Particulars<br>No.                               | For the<br>Yr. ended<br>31/03/2013 | For the<br>Yr. ended<br>31/03/2012 |
|--|------------------------------------|------------------------------------|
| <b>(1) CONSUMPTION OF ENERGY/POWER</b>               |                                    |                                    |
| <b>(a) Electricity Purchased</b>                     |                                    |                                    |
| No. of Units consumed.                               | 68452                              | 63760                              |
| Total Amount of Electricity                          | Rs. 605904.26                      | Rs. 519152.33                      |
| Cost per unit of Electricity                         | Rs. 8.85                           | Rs. 8.14                           |
| <b>(b) Electricity Generated</b>                     |                                    |                                    |
| No. of Units Generated.                              | NIL                                | NIL                                |
| Total Amount of Power Generation.                    | NIL                                | NIL                                |
| Cost per Unit of Power Generated.                    | NIL                                | NIL                                |
| <b>[c] CONSUMPTION OF FUEL</b>                       |                                    |                                    |
| Type & Nature of Fuel Consumed                       |                                    |                                    |
| Coal/ Firewood/ Bio Mass/<br>Furnace Oil/ Others     | N.A.                               | N.A.                               |
| Total Quantity of Fuel Used                          | N.A.                               | N.A.                               |
| Total Amount of Fuel Used                            | N.A.                               | N.A.                               |
| Cost per Unit of Fuel Used                           | N.A.                               | N.A.                               |
| Cost per Unit of Product<br>Manufactured             | N.A.                               | N.A.                               |
| <b>[d] Unit of Production</b>                        |                                    |                                    |
| Total Units of Products<br>Produced                  | 101086                             | 91339                              |
| Total Cost of Power/ Fuel per<br>unit of Production. | Rs.5.99                            | Rs. 5.68                           |

**RESEARCH AND DEVELOPMENT :**

The Company is running an in house small Research & Development unit for Quality testing of the products manufactured. In fact the Company's entire process of manufacturing right from the raw material procurements to dispatch of finished goods is ISO Certified. The Company is following strict quality control norms as per requirements of ISO Certification. The ISO Certificate granting authorities are also conducting operational audit of the Company's entire process flow system. The Company is continuously

making research for reduction of manufacturing cost by improvement in quality of products, flux used, quality of wire bars used in manufacture of welding rods. All successful research and innovations are immediately implemented in the manufacturing process.

**TECHNOLOGY UPGRADATION AND ADOPTION :**

As stated above, the Company is continuously making Research & Development within its own Quality Control Lab. All the successful research for quality control, quality improvement, cost control measures are immediately implemented within the manufacturing units of the Company. The results are that, the Company despite continuous increase in the cost of raw materials, steel prices in the world, able to control the cost of operations and has yet not drawn in to cash operational losses.

**FOREIGN EXCHANGE EARNINGS AND OUTGO :**

*(Amount in Rupees)*

| Sr. Particulars<br>No.   | For the<br>Year<br>31/03/2013 | For the<br>year<br>31/03/2012 |
|--|-------------------------------|-------------------------------|
| <b>[A] FOREIGN EXCHANGE EARNED</b>   |                               |                               |
| (1) On Export of Revenue<br>Goods & Services                                     | NIL                           | NIL                           |
| (2) On Export of Technology/<br>Research and IPRs                                | NIL                           | NIL                           |
| (3) On Export of Capital Goods   | NIL                           | NIL                           |
| (4) On Any Other Matters   | NIL                           | NIL                           |
| <b>[A] FOREIGN EXCHANGE USED</b>   |                               |                               |
| (1) On Import of Revenue<br>Goods & Services                                     | NIL                           | NIL                           |
| (2) On Import of Technology/<br>Research and IPRs                                | NIL                           | NIL                           |
| (3) On Import of Capital Goods   | NIL                           | NIL                           |
| (4) On Manpower Training or<br>Remuneration paid to Foreign<br>Technicians. Etc. | NIL                           | NIL                           |
| (5) On Any other Matters   | NIL                           | NIL                           |

**ON BEHALF OF THE BOARD OF DIRECTORS  
OF BOBSHELL ELECTRODES  
LIMITED**

**DATE : 30th May, 2013  
PLACE : AHMEDABAD**

**SD/-  
(SHAILESH M. JOSHI)  
CHAIRMAN AND  
MANAGING DIRECTOR**

**AUDITORS' REPORT**

To the members of  
**BOBSHELL ELECTRODES LIMITED**

1. We have audited the attached Balance Sheet of BOBSHELL ELECTRODES LIMITED for the year ended 31st March 2013, the Statement of Profit & Loss and Cash Flow Statement for the year ended on that date, annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. 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.
3. As required by the Companies ( Auditor's Report ) Order, 2003 and the Companies (Auditor's Report) (Amendment) Order , 2004 issued by the Central Government in terms of Section 227 (4A) of the Companies Act, 1956 we enclose in the Annexure a statement on the matter specified in paragraphs 4 & 5 of the said order.
4. Further, 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 the law have been kept by the company so far as appears from our examination of the books;
  - (c) The Balance Sheet, the Statement of Profit & Loss and Cash Flow Statement dealt with by this report are in agreement with the books of accounts;
  - (d) In our opinion, the Balance Sheet, the Statement of Profit & Loss and Cash flow Statement dealt

with by this report comply with the Accounting Standards referred to in sub section (3C) of Section 211 of the Companies Act, 1956 except for AS 15 in respect of Accounting for Retirement Benefits and disclosure requirements thereof.

- (e) On the basis of written representations received from the Directors of the company as at 31st March , 2013 and taken on record by the board of directors, we report that no director is disqualified from being appointed as director of the company under clause (g) of sub- section (1) of section 274 of the Companies Act, 1956.
- (f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with Accounting Policies and other notes thereon, give the information required by the Companies Act, 1956, in the manner so required and give a true & fair view;
  - (I) in case of the Balance Sheet , of the State of Affairs of the company as at 31st March, 2013,
  - (II) in case of the Statement of Profit & Loss , of the Loss for the year ended on that date and
  - (III) in case of the Cash Flow Statement, of the cash flows for the year ended on that date.

**For DJNV & CO**  
**Chartered Accountants**  
**ICAI Regn No.115145W**

**Jayesh Parikh**  
**Partner**  
**M.No.: 40650**

**Place : Ahmedabad**  
**Date : 30th May, 2013**

**ANNEXURE TO THE AUDITOR'S REPORT**

- |   |   |
|---|---|
| <p>(1) (a) In our opinion and according to the information and explanation given to us, the company has maintained all the relevant records showing full particulars including quantitative details and situation of fixed assets.</p> <p>(b) In our opinion, the fixed assets have been physically verified by the management at reasonable intervals having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such verification.</p> <p>(c) The fixed assets disposed off during the year, in our opinion, do not constitute a substantial part of the fixed assets of the company and the going concern status of the company is not affected.</p> | <p>under section 301 of the Companies Act, 1956. Accordingly, paragraph (v) (a) and (b) of the order, are not applicable.</p>   |
| <p>(2) (a) As explained to us, inventories have been physically verified by the management at reasonable intervals during the year. In our opinion, the frequency of such verification is reasonable.</p> <p>(b) In our opinion and according to the information and explanation given to us, the procedure of physical verification of stock followed by the management are reasonable and adequate in relation to the size of the company and the nature of the business.</p> <p>(c) The company has maintained proper records of inventory. No material discrepancies were noticed on physical verification.</p>   | <p>(6) In our opinion and according to the information and explanations given to us, the company has not accepted any deposits from the public which falls within the provisions of section 58 A and 58 AA of the Companies Act, 1956, and the rules framed there under.</p>  |
| <p>(3) The company has neither granted nor taken any loans, secured or unsecured to or from parties covered in the register maintained under Section 301 of the companies Act, 1956. Accordingly, clauses III (a) to (g) of the Order are not applicable.</p>   | <p>(7) In our opinion, the company has an internal audit system commensurate with the size and nature of its business.</p>  |
| <p>(4) In our opinion and according to the information and explanation given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to the purchase of inventory, fixed assets and with regard to the sale of goods. During the course of our audit, no major weakness has been noticed in the internal controls.</p>   | <p>(8) According to the best of knowledge and according to the information given to us, the Central Government has not prescribed maintenance of cost record under section 209 (1)(d) of the Companies Act, 1956.</p>   |
| <p>(5) According to the information and explanation given to us, during the year, there were no transactions that need to be entered into the register maintained</p>   | <p>(9) (a) According to the information and explanations given to us and on the basis of our examination of the books of accounts, the company is regular in depositing undisputed statutory dues including Provident Fund, Investor education protection fund, Employee State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom duty, Excise Duty, Cess and other statutory dues to the extent applicable with the appropriate authorities.</p> <p>According to information and explanation given to us, there are no dues which have not been deposited on account of any dispute as on 31st March, 2013 for a period of more than six months from the date they became payable.</p> <p>(b) According to information and explanation given to us, there are no dues in respect of Income Tax, Sales Tax, Excise Duty, ESI, Wealth Tax, Service Tax which have not been deposited on account of any dispute.</p> |
|   | <p>(10) In our opinion, the accumulated losses of the company are not more than fifty per cent of its net worth at the end of the financial year. Further, the company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.</p>  |
|   | <p>(11) In our opinion and according to the information and explanation given to us, the company has not defaulted in repayment of dues to a financial institution / bank.</p>  |

## BOBSHELL ELECTRODES LIMITED

- (12) According to the information & explanation given to us, the company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (13) In our opinion, the company is not a chit fund or a nidhi / mutual benefit fund/society. Therefore, the provisions of clause 4(xiii) of the companies (Auditor's Report) Order, 2003 are not applicable to the company.
- (14) In our opinion, the company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- (15) According to the information & explanations given to us, the company has not given any guarantees for the loans taken by others from banks or financial institutions.
- (16) In our opinion, the term loans have been applied for the purpose for which they were raised.
- (17) According to the information and explanations given to us and on an overall examination of the balance sheet of the company, we report that the no funds raised on short term basis have been used for long term investment.
- (18) According to the information and explanation given to us, the company has not made preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Act.
- (19) According to the information and explanations given to us, Company has not issued any debenture during the year. Accordingly, the provisions of clause 4(xix) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- (20) The company has not raised any fund by way of public issues during the year.
- (21) Based upon the audit procedures performed and on the basis of information and explanation provided by the management, we report that no fraud on or by the company has been noticed or reported during the year.

**For DJNV & CO**  
**Chartered Accountants**  
**ICAI Regn No.115145W**

**Jayesh Parikh**  
**Partner**  
**M.No.: 40650**

**Place : Ahmedabad**  
**Date : 30th May, 2013**

**BOBSHELL ELECTRODES LIMITED**

**BALANCE SHEET AS ON 31ST MARCH 2013**

| Particulars   | Note<br>No. | As At<br>31 March, 2013<br>Amt. (Rs.) | As At<br>31 March, 2012<br>Amt. (Rs.) |
|---|-------------|---------------------------------------|---------------------------------------|
| <b><u>EQUITY AND LIABILITIES :</u></b>              |             |                                       |                                       |
| <b>1. Shareholders' Funds :</b>                     |             |                                       |                                       |
| a) Share Capital                                    | 3           | 60,060,000                            | 60,060,000                            |
| b) Reserves & Surplus                               | 4           | (24,438,284)                          | (23,620,799)                          |
|   |             | <u>35,621,716</u>                     | <u>36,439,201</u>                     |
| <b>2. Share Application money pending allotment</b> |             | --                                    | --                                    |
| <b>3. Non-Current Liabilities :</b>                 |             |                                       |                                       |
| a) Long Term Borrowings                             | 5           | --                                    | --                                    |
| b) Deferred Tax Liabilities (Net)                   | 6           | 1,492,392                             | 1,405,606                             |
| c) Other Long term Liabilities                      | 7           | --                                    | 25,000                                |
| d) Long-term Provisions                             |             | --                                    | --                                    |
|   |             | <u>1,492,392</u>                      | <u>1,430,606</u>                      |
| <b>4. Current Liabilities :</b>                     |             |                                       |                                       |
| a) Short-term borrowings                            |             | --                                    | --                                    |
| b) Trade Payables                                   | 26          | 870,319                               | 1,008,946                             |
| c) Short term Provisions                            | 8           | 336,938                               | 332,917                               |
| d) Other Current liabilities                        | 9           | 181,764                               | 622,125                               |
|   |             | <u>1,389,021</u>                      | <u>1,963,988</u>                      |
| <b>TOTAL</b>  |             | <b><u>38,503,129</u></b>              | <b><u>39,833,795</u></b>              |
| <b><u>ASSETS :</u></b>                              |             |                                       |                                       |
| <b>1. Non-Current Assets :</b>                      |             |                                       |                                       |
| a) Fixed Assets :                                   |             |                                       |                                       |
| (i) Tangible Assets                                 | 10          | 15,793,468                            | 15,910,317                            |
| (ii) Intangible Assets                              |             | --                                    | --                                    |
|   |             | <u>15,793,468</u>                     | <u>15,910,317</u>                     |
| b) Non-Current Investments                          |             | --                                    | --                                    |
| c) Long-Term Loans and Advance                      | 11          | 413,000                               | 431,000                               |
| d) Trade Receivable                                 | 12          | --                                    | --                                    |
| e) Other Non-Current Assets                         | 13          | 6,794,125                             | 5,800,670                             |
| <b>2. Current Assets :</b>                          |             |                                       |                                       |
| a) Current Investment                               |             | --                                    | --                                    |
| b) Short Term Loans and Advances                    | 11          | 425,835                               | 3,392,210                             |
| c) Trade Receivables                                | 12          | 6,089,925                             | 9,456,287                             |
| d) Inventories                                      | 14          | 2,097,168                             | 3,000,566                             |
| e) Cash & Cash Equivalents                          | 15          | 6,836,297                             | 1,688,443                             |
| f) Other Current Assets                             | 3           | 35,311                                | 154,302                               |
|   |             | <u>38,503,129</u>                     | <u>39,833,795</u>                     |
| <b>TOTAL</b>  |             | <b><u>38,503,129</u></b>              | <b><u>39,833,795</u></b>              |
| <b>Summary of Significant Accounting Policies</b>   | <b>2</b>    |                                       |                                       |

The accompanying notes are an integral part of the financial statements

As per our report of even date attached herewith

For, DJNV & CO.  
Chartered Accountants  
Firm Reg. No. 115145W

Jayesh Parikh  
(Partner)  
M. No. 40650

Place : Ahmedabad  
Date : 30-05-2013

For, BOBSHELL ELECTRODES LTD.

Director

Director

**BOBSHELL ELECTRODES LIMITED**

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

| Particulars   | Note No.             | 31 March, 2013<br>Amt. (Rs.) | 31 March, 2012<br>Amt. (Rs.) |
|---|----------------------|------------------------------|------------------------------|
| <b>INCOME :</b>                                     |                      |                              |                              |
| Gross Revenue from Operations                       | 16                   | 31,896,500                   | 26,566,442                   |
| Less : Excise Duty                                  |                      | 1,587,701                    | 977,710                      |
| Net Revenue from Operations                         |                      | 30,308,799                   | 25,588,732                   |
| Other Income  | 17                   | 817,445                      | 648,208                      |
| <b>Revenue (i)</b>                                  |                      | <b>31,126,244</b>            | <b>26,236,940</b>            |
| <b>EXPENDITURE :</b>                                |                      |                              |                              |
| Cost of Materials Consumed                          | 18                   | 22,523,979                   | 16,787,585                   |
| (Increase)/ Decrease in inventory of Finished Goods | 19                   | (490,842)                    | 49,290                       |
| Employee Benefits Expense                           | 20                   | 5,451,099                    | 5,019,494                    |
| Finance Cost  | 21                   | 28,848                       | 81,070                       |
| Depreciation and Amortisation expense               | 22                   | 790,717                      | 768,260                      |
| Other Expenses                                      | 23                   | 3,553,142                    | 4,167,981                    |
| <b>Total Expenses (ii)</b>                          |                      | <b>31,856,943</b>            | <b>26,873,680</b>            |
| Adjustments of earlier years                        |                      | --                           | --                           |
| <b>Profit / ( Loss) before Tax</b>                  | <b>[(i) - (ii) ]</b> | <b>(730,699)</b>             | <b>(636,740)</b>             |
| <b>Tax Expense :</b>                                |                      |                              |                              |
| Current Tax   |                      | --                           | --                           |
| Deferred Tax Liability                              |                      | 86,786                       | 115,973                      |
|   |                      | <b>86,786</b>                | <b>115,973</b>               |
| <b>Profit/ (Loss) for the year</b>                  |                      | <b>(817,485)</b>             | <b>(752,713)</b>             |
| <b>Basic earnings per share</b>                     | <b>24</b>            | <b>(0.136)</b>               | <b>(0.125)</b>               |
| <b>Summary of Significant Accounting Policies</b>   | <b>2</b>             |                              |                              |

The accompanying notes are an integral part of the financial statements

As per our report of even date attached herewith  
For, DJNV & CO.  
Chartered Accountants  
Firm Reg. No. 115145W

For, BOBSHELL ELECTRODES LTD.

Jayesh Parikh  
(Partner)  
M. No. 40650

Director

Director

Place : Ahmedabad  
Date : 30-05-2013

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2013**

**NOTE - 3 - SHARE CAPITAL :**

| Particulars                                  | As at 31 March 2013 |                   | As at 31 March 2012 |                   |
|--|---------------------|-------------------|---------------------|-------------------|
|  | Number              | Amt (Rs.)         | Number              | Amt (Rs.)         |
| <b>Authorised Shares :</b>                   |                     |                   |                     |                   |
| Equity Shares of Rs. 10/- each.              | 7,000,000           | 70,000,000        | 7,000,000           | 70,000,000        |
| <b>Issued :</b>                              |                     |                   |                     |                   |
| Equity Shares of Rs. 10/- each.              | 6,006,000           | 60,060,000        | 6,006,000           | 60,060,000        |
| <b>Subscribed &amp; fully Paid up :</b>      |                     |                   |                     |                   |
| Equity Shares of Rs. 10/- each fully paid up | 6,006,000           | 60,060,000        | 6,006,000           | 60,060,000        |
| <b>TOTAL</b>                                 | <b>6,006,000</b>    | <b>60,060,000</b> | <b>6,006,000</b>    | <b>60,060,000</b> |

The company has only 1 class of shares referred to as Equity shares having face value of Rs. 10 /- Each holder of Equity share is entitled to 1 vote per share.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive any of the remaining assets of the company, after distribution of all preferential amounts. However, no such preferential amounts exists currently. The distribution will be in proportion to the number of shares held by the shareholders.

The details of shareholders holding more than 5% shares as at 31/03/2013 and 31/03/2012 is set out below.

| Particulars    | As at 31 March 2013 |        | As at 31 March 2012 |        |
|----------------|---------------------|--------|---------------------|--------|
|                | Number              | % held | Number              | % held |
| Shailesh Joshi | 550,000             | 9.16%  | 550,000             | 9.16%  |

The Reconciliation of the number of shares outstanding and the amount of share capital as at 31/03/2013 & 31/03/2012 is set out below.

| Particulars              | As at 31 March 2013 |                   | As at 31 March 2012 |                   |
|--------------------------|---------------------|-------------------|---------------------|-------------------|
|                          | Number              | Amt (Rs.)         | Number              | Amt (Rs.)         |
| Shares at the beginning  | 6,006,000           | 60,060,000        | 6,006,000           | 60,060,000        |
| Addition                 | --                  | --                | --                  | --                |
| Deletion                 | --                  | --                | --                  | --                |
| <b>Shares at the end</b> | <b>6,006,000</b>    | <b>60,060,000</b> | <b>6,006,000</b>    | <b>60,060,000</b> |

**NOTE - 4 - RESERVE & SURPLUS :**

| Particulars  | As at                          | As at                          |
|--|--------------------------------|--------------------------------|
|  | 31 March<br>2013<br>Amt. (Rs.) | 31 March<br>2012<br>Amt. (Rs.) |
| <b>Surplus/(Deficit) in the Statement of Profit and Loss :</b> |                                |                                |
| Balance as per Last Financial Statement                        | (23,620,799)                   | (22,868,086)                   |
| Add : Profit for the year                                      | (817,485)                      | (752,713)                      |
| Net Surplus/ (Deficit) at year end                             | (24,438,284)                   | (23,620,799)                   |
| <b>TOTAL</b>   | <b>(24,438,284)</b>            | <b>(23,620,799)</b>            |



**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2013**

**NOTE - 5 - LONG TERM BORROWINGS :**

| Particulars  | Non Current                     |                                 | Current                         |                                 |
|--|---------------------------------|---------------------------------|---------------------------------|---------------------------------|
|  | As at<br>31-3-2013<br>Amt (Rs.) | As at<br>31-3-2012<br>Amt (Rs.) | As at<br>31-3-2013<br>Amt (Rs.) | As at<br>31-3-2012<br>Amt (Rs.) |
| Term Loan - From Financial Institute (Secured)                             | --                              | --                              | --                              | 331,727                         |
| <b>TOTAL</b>   | <b>--</b>                       | <b>--</b>                       | <b>--</b>                       | <b>331,727</b>                  |
| Less : Amount disclosed under head<br>"Other Current Liabilities" (Note 8) | --                              | --                              | --                              | 331,727                         |
| <b>TOTAL</b>   | <b>--</b>                       | <b>--</b>                       | <b>--</b>                       | <b>--</b>                       |

**Term Loan From Financial Institute :**

Term Loan from the financial institute was taken in the Financial Year 2011-12 and carries Interest @ 13.50 % . The loan is repayable in 12 monthly instalments. The loan is secured by hypothecation of the Vehicle for which the loan is taken.

| Particulars   | As at<br>31 March<br>2013<br>Amt. (Rs.) | As at<br>31 March<br>2012<br>Amt. (Rs.) |
|---|---|---|
| <b>NOTE - 6 - DEFERRED TAX LIABILITY / DEFERRED TAX ASSET :</b>   |   |   |
| <b>Deferred Tax Liability :</b>   |   |   |
| Opening Balance   | 1,405,606                               | 1,289,633                               |
| Fixed Assets: Impact of difference between tax depreciation<br>and depreciation charged for the financial reporting |   |   |
| Add : Deferred Tax Liability  | 86,786                                  | 115,973                                 |
| <b>TOTAL</b>  | <b>1,492,392</b>                        | <b>1,405,606</b>                        |
| <b>NOTE - 7 - OTHER LONG TERM LIABILITIES :</b>   |   |   |
| A . Dealer Deposits   | --                                      | 25,000                                  |
| <b>TOTAL</b>  | <b>--</b>                               | <b>25,000</b>                           |
| <b>NOTE - 8 - OTHER CURRENT LIABILITIES :</b>   |   |   |
| Provision for Employee Benefits   | 336,938                                 | 332,917                                 |
| <b>TOTAL</b>  | <b>336,938</b>                          | <b>332,917</b>                          |
| <b>NOTE - 9 - OTHER CURRENT LIABILITIES :</b>   |   |   |
| Current maturity of long term borrowings ( Note 5)  | --                                      | 331,727                                 |
| Electricity Expense Payable   | 7,407                                   | --                                      |
| Other Statutory Dues  | 129,907                                 | 245,948                                 |
| Professional Fees Payable   | 44,450                                  | 44,450                                  |
| <b>TOTAL</b>  | <b>181,764</b>                          | <b>622,125</b>                          |

**BOBSHELL ELECTRODES LIMITED**

**NOTE - 10 - TANGIBLE ASSETS :**

| <u>COST OF VALUATION</u> | Fre Hold Land | Factory Building | Office Building | Plant & Machinery | Office Equipment | Furniture & Fixtures | Vehicles  | Computer  | TOTAL      |
|--------------------------|---------------|------------------|-----------------|-------------------|------------------|----------------------|-----------|-----------|------------|
| As at 31 March 2011      | 5,240,823     | 5,416,703        | 1,874,000       | 45,103,334        | 4,315,173        | 1,988,227            | 1,919,670 | 1,419,864 | 67,277,794 |
| Addition                 | -             | -                | -               | -                 | -                | -                    | 917,405   | -         | 917,405    |
| Disposal                 | -             | -                | -               | -                 | -                | -                    | 576,594   | -         | 576,594    |
| Other Adjustment         | -             | -                | -               | -                 | -                | -                    | -         | -         | -          |
| As at 31 March 2012      | 5,240,823     | 5,416,703        | 1,874,000       | 45,103,334        | 4,315,173        | 1,988,227            | 2,260,481 | 1,419,864 | 67,618,605 |
| Addition                 | -             | 574,444          | -               | 50,925            | -                | -                    | -         | 48,499    | 673,868    |
| Disposal                 | -             | -                | -               | -                 | -                | -                    | -         | -         | -          |
| Other Adjustment         | -             | -                | -               | -                 | -                | -                    | -         | -         | -          |
| As at 31 March 2013      | 5,240,823     | 5,991,147        | 1,874,000       | 45,154,259        | 4,315,173        | 1,988,227            | 2,260,481 | 1,468,363 | 68,292,473 |
| <b>DEPRECIATION</b>      |               |                  |                 |                   |                  |                      |           |           |            |
| <u>DEPRECIATION</u>      | Fre Hold Land | Factory Building | Office Building | Plant & Machinery | Office Equipment | Furniture & Fixtures | Vehicles  | Computer  | TOTAL      |
| As at 31 March 2011      | -             | 2,405,738        | 107,649         | 43,197,617        | 2,728,413        | 1,327,574            | 61,736    | 1,284,760 | 51,113,487 |
| Charge for the year      | -             | 180,918          | 30,546          | -                 | 204,971          | 125,855              | 213,083   | 12,887    | 768,260    |
| Disposal                 | -             | -                | -               | -                 | -                | -                    | 173,459   | -         | 173,459    |
| Other Adjustment         | -             | -                | -               | -                 | -                | -                    | -         | -         | -          |
| As at 31 March 2012      | -             | 2,586,656        | 138,195         | 43,197,617        | 2,933,384        | 1,453,429            | 101,360   | 1,297,647 | 51,708,288 |
| Charge for the year      | -             | 193,691          | 30,546          | 2,220             | 204,971          | 125,855              | 214,746   | 18,688    | 790,717    |
| Disposal                 | -             | -                | -               | -                 | -                | -                    | -         | -         | -          |
| Other Adjustment         | -             | -                | -               | -                 | -                | -                    | -         | -         | -          |
| As at 31 March 2013      | -             | 2,780,347        | 168,741         | 43,199,837        | 3,138,355        | 1,579,284            | 316,106   | 1,316,335 | 52,499,005 |
| <b>NET BLOCK</b>         |               |                  |                 |                   |                  |                      |           |           |            |
| As at 31 March 2012      | 5,240,823     | 2,830,047        | 1,735,805       | 1,905,717         | 1,381,789        | 534,798              | 2,159,121 | 122,217   | 15,910,317 |
| As at 31 March 2013      | 5,240,823     | 3,210,800        | 1,705,259       | 1,954,422         | 1,176,818        | 408,943              | 1,944,375 | 152,028   | 15,793,468 |

**BOBSHELL ELECTRODES LIMITED**

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2013**

**NOTE - 11 - LOANS & ADVANCES :**

| Particulars                                     | <u>Long Term</u>                |                                 | <u>Short Term</u>               |                                 |
|---|---------------------------------|---------------------------------|---------------------------------|---------------------------------|
|   | As at<br>31-3-2013<br>Amt (Rs.) | As at<br>31-3-2012<br>Amt (Rs.) | As at<br>31-3-2013<br>Amt (Rs.) | As at<br>31-3-2012<br>Amt (Rs.) |
| <b>(A) Capital Advances :</b>                   |                                 |                                 |                                 |                                 |
| Unsecured, Considered Good                      | --                              | --                              | --                              | 2,858,000                       |
| <b>(A)</b>                                      | <u>--</u>                       | <u>--</u>                       | <u>--</u>                       | <u>2,858,000</u>                |
| <b>(B) Security Deposit :</b>                   |                                 |                                 |                                 |                                 |
| Unsecured , Considered Good                     | 413,000                         | 431,000                         | 117,309                         | 336,360                         |
| <b>(B)</b>                                      | <u>413,000</u>                  | <u>431,000</u>                  | <u>117,309</u>                  | <u>336,360</u>                  |
| <b>(C) Other Loans &amp; Advances :</b>         |                                 |                                 |                                 |                                 |
| (i) Advance Tax/ TDS Receivable                 | --                              | --                              | 132,607                         | 63,201                          |
| Less : Provision                                | --                              | --                              | --                              | --                              |
| Net Advance                                     | --                              | --                              | 132,607                         | 63,201                          |
| (ii) Prepaid Expense                            | --                              | --                              | 57,729                          | 55,758                          |
| (iii) Loans/ Advances to Employees              | --                              | --                              | 114,400                         | 58,340                          |
| (iv) Balance with Statutory / Govt. Authorities | --                              | --                              | 2,067                           | 2,067                           |
| (v) Advance to Suppliers                        | --                              | --                              | 19,723                          | 18,484                          |
| <b>(C)</b>                                      | <u>--</u>                       | <u>--</u>                       | <u>326,526</u>                  | <u>197,850</u>                  |
| <b>TOTAL (A+B+C)</b>                            | <u>413,000</u>                  | <u>431,000</u>                  | <u>443,835</u>                  | <u>3,392,210</u>                |

**NOTE - 12 - TRADE RECEIVABLES :**

| Particulars  | <u>Non Current</u>              |                                 | <u>Current</u>                  |                                 |
|--|---------------------------------|---------------------------------|---------------------------------|---------------------------------|
|  | As at<br>31-3-2013<br>Amt (Rs.) | As at<br>31-3-2012<br>Amt (Rs.) | As at<br>31-3-2013<br>Amt (Rs.) | As at<br>31-3-2012<br>Amt (Rs.) |
| <b>A. Outstanding for a period exceeding six months from the date they are due for payment</b> |                                 |                                 |                                 |                                 |
| - Unsecured , Considered Good  | --                              | --                              | 1,097,375                       | 1,372,249                       |
| <b>(A)</b>   | <u>--</u>                       | <u>--</u>                       | <u>1,097,375</u>                | <u>1,372,249</u>                |
| <b>B. Other Receivables :</b>  |                                 |                                 |                                 |                                 |
| Unsecured , Considered Good  | --                              | --                              | 4,992,550                       | 8,084,038                       |
| <b>(B)</b>   | <u>--</u>                       | <u>--</u>                       | <u>4,992,550</u>                | <u>8,084,038</u>                |
| <b>TOTAL (A+B)</b>   | <u>--</u>                       | <u>--</u>                       | <u>6,089,925</u>                | <u>9,456,287</u>                |

**NOTE - 13 - OTHER ASSETS :**

|                                       |                  |                  |               |                |
|---------------------------------------|------------------|------------------|---------------|----------------|
| A. Non Current Bank Balance (Note 14) | 6,794,125        | 5,800,670        | --            | --             |
| B. Accrued Interest                   | --               | --               | 35,311        | 22,302         |
| C. Receivable on Sale of Fixed Assets | --               | --               | --            | 132,000        |
| <b>TOTAL</b>                          | <u>6,794,125</u> | <u>5,800,670</u> | <u>35,311</u> | <u>154,302</u> |

**BOBSHELL ELECTRODES LIMITED**

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2013**

**NOTE - 14- INVENTORIES :**

| Particulars            | 31 March<br>2013<br>Amt. (Rs.) | 31 March<br>2012<br>Amt. (Rs.) |
|------------------------|--------------------------------|--------------------------------|
| Raw Materials & Others | 1,482,248                      | 2,876,488                      |
| Finished Stock         | 614,920                        | 124,078                        |
| <b>TOTAL</b>           | <b>2,097,168</b>               | <b>3,000,566</b>               |

**NOTE - 15 - CASH AND CASH EQUIVALENTS :**

| Particulars   | Non Current                     |                                 | Current                         |                                 |
|---|---------------------------------|---------------------------------|---------------------------------|---------------------------------|
|   | As at<br>31-3-2013<br>Amt (Rs.) | As at<br>31-3-2012<br>Amt (Rs.) | As at<br>31-3-2013<br>Amt (Rs.) | As at<br>31-3-2012<br>Amt (Rs.) |
| <b>A. Cash and Cash Equivalents :</b>                                 |                                 |                                 |                                 |                                 |
| <b>Balances with Bank :</b>   |                                 |                                 |                                 |                                 |
| in Current Accounts   | --                              | --                              | 6,063,641                       | 297,468                         |
| Cash on Hand  | --                              | --                              | 272,656                         | 390,975                         |
| <b>(A)</b>  | <b>--</b>                       | <b>--</b>                       | <b>6,336,297</b>                | <b>688,443</b>                  |
| <b>B. Other Bank Balances :</b>                                       |                                 |                                 |                                 |                                 |
| Deposits with original maturity for more than 12 months               | 6,794,125                       | 5,800,670                       | 500,000                         | 1,000,000                       |
|   | <b>6,794,125</b>                | <b>5,800,670</b>                | <b>500,000</b>                  | <b>1,000,000</b>                |
| <b>Less :</b> Amount disclosed Under<br>Non Current Assets (Note 13 ) | 6,794,125                       | 5,800,670                       | --                              | --                              |
| <b>(B)</b>  | <b>--</b>                       | <b>--</b>                       | <b>500,000</b>                  | <b>1,000,000</b>                |
| <b>TOTAL (A+B)</b>  | <b>--</b>                       | <b>--</b>                       | <b>6,836,297</b>                | <b>1,688,443</b>                |

**NOTE - 16 - REVENUE FROM OPERATIONS :**

| Particulars               | 31 March<br>2013<br>Amt. (Rs.) | 31 March<br>2012<br>Amt. (Rs.) |
|---------------------------|--------------------------------|--------------------------------|
| <b>Sale of Products :</b> |                                |                                |
| Finished Goods            | 31,896,500                     | 26,566,442                     |
| <b>TOTAL</b>              | <b>31,896,500</b>              | <b>26,566,442</b>              |

**NOTE - 17 - OTHER INCOME :**

| Particulars  | 31 March<br>2013<br>Amt. (Rs.) | 31 March<br>2012<br>Amt. (Rs.) |
|--------------|--------------------------------|--------------------------------|
| Discount     | 123,390                        | 51,581                         |
| Interest     | 694,055                        | 590,704                        |
| Kasar        | --                             | 5,923                          |
| <b>TOTAL</b> | <b>817,445</b>                 | <b>648,208</b>                 |

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2013**

**NOTE - 18 - COST OF MATERIALS CONSUMED :**

| Particulars                             | <u>31 March, 2013</u> |                   | <u>31 March, 2012</u> |                   |
|---|-----------------------|-------------------|-----------------------|-------------------|
|   | Amt (Rs.)             | Amt (Rs.)         | Amt (Rs.)             | Amt (Rs.)         |
| Inventory at the Beginning of the year  | 2,876,488             |                   | 2,173,672             |                   |
| ADD : Purchases                         | 21,129,739            |                   | 17,490,401            |                   |
| LESS : Inventory at the end of the year | 1,482,248             |                   | 2,876,488             |                   |
| <b>Cost of Materials Consumed</b>       |                       | <b>22,523,979</b> |                       | <b>16,787,585</b> |

**NOTE - 19 - (INCREASE)/ DECREASE IN INVENTORIES :**

| Particulars                                   | <u>31 March</u>   | <u>31 March</u>   |
|---|-------------------|-------------------|
|   | <u>2013</u>       | <u>2012</u>       |
|   | <u>Amt. (Rs.)</u> | <u>Amt. (Rs.)</u> |
| <b>Inventory at the beginning of the year</b> |                   |                   |
| Finished Stock                                | 124,078           | 173,368           |
|   | <u>124,078</u>    | <u>173,368</u>    |
| <b>Inventory at the end of the year</b>       |                   |                   |
| Finished Stock                                | 614,920           | 124,078           |
|   | <u>614,920</u>    | <u>124,078</u>    |
| <b>(Increase)/ Decrease in Stock</b>          | <b>(490,842)</b>  | <b>49,290</b>     |

**NOTE - 20 - EMPLOYEE BENEFIT EXPENSES :**

| Particulars             | <u>31 March</u>   | <u>31 March</u>   |
|-------------------------|-------------------|-------------------|
|                         | <u>2013</u>       | <u>2012</u>       |
|                         | <u>Amt. (Rs.)</u> | <u>Amt. (Rs.)</u> |
| Director's Remuneration | 2,496,000         | 2,412,000         |
| Provident Fund          | 185,694           | 169,702           |
| Salary, Wages & Bonus   | 2,638,087         | 2,320,597         |
| Staff Welfare           | 131,318           | 117,195           |
| <b>TOTAL</b>            | <b>5,451,099</b>  | <b>5,019,494</b>  |

**NOTE - 21 - FINANCE COST :**

| Particulars            | <u>31 March</u>   | <u>31 March</u>   |
|------------------------|-------------------|-------------------|
|                        | <u>2013</u>       | <u>2012</u>       |
|                        | <u>Amt. (Rs.)</u> | <u>Amt. (Rs.)</u> |
| Bank Guarantee Charges | 17,550            | 33,062            |
| Interest On Car Loan   | 11,298            | 48,008            |
| <b>TOTAL</b>           | <b>28,848</b>     | <b>81,070</b>     |

**NOTE - 22 - DEPRECIATION AND AMORTISATION EXPENSES :**

| Particulars                     | <u>31 March</u>   | <u>31 March</u>   |
|---------------------------------|-------------------|-------------------|
|                                 | <u>2013</u>       | <u>2012</u>       |
|                                 | <u>Amt. (Rs.)</u> | <u>Amt. (Rs.)</u> |
| Depreciation of Tangible Assets | 790,717           | 768,260           |
| <b>TOTAL</b>                    | <b>790,717</b>    | <b>768,260</b>    |

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2013

**NOTE - 23 - OTHER EXPENSES :**

| Particulars                 | 31 March<br>2013<br>Amt. (Rs.) | 31 March<br>2012<br>Amt. (Rs.) |
|-----------------------------|--------------------------------|--------------------------------|
| Auditors Rremuneration      | 40,000                         | 40,000                         |
| Conveyance & Lodging        | 233,207                        | 235,098                        |
| Excise On Closing Stock     | 147,291                        | 42,130                         |
| Factory Expense             | 251,648                        | 470,449                        |
| Freight Expenses            | 230,095                        | 319,782                        |
| Insurance                   | 121,794                        | 141,577                        |
| Selling & Marketing Expense | 28,090                         | 76,850                         |
| Rates & Taxes               | 34,709                         | 35,965                         |
| Power & Fuel Expense        | 836,248                        | 541,454                        |
| Stores & Spares             | 19,935                         | 48,341                         |
| Travelling Expense          | 53,275                         | 228,404                        |
| Vehicle Repairs             | 119,712                        | 450,575                        |
| Service Tax                 | 15,960                         | 9,657                          |
| VAT                         | 817,009                        | 679,246                        |
| Miscellaneous Expenses      | 604,169                        | 848,453                        |
| <b>TOTAL</b>                | <b>3,553,142</b>               | <b>4,167,981</b>               |

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2013****1. Corporate Information :**

Bobshell Electrodes Limited is a public company domiciled in India and incorporated under the provisions of The Companies Act, 1956. The Company is engaged in manufacturing and marketing of Low Heat Input Maintenance Welding Electrodes. It has a leading name in providing total solution in Maintenance Welding products and services.

Bobshell is having the most modern manufacturing facilities and having all microprocessor controlled machineries to produce "Zero Defect Electrodes". The products are unique in nature. As a result the products are patented.

**2. Basis of preparation :**

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

The accounting policies adopted in the preparation of financial statements are consistent with those of previous year, except for the change in accounting policy explained below :

**2.1 Summary of significant accounting polices :****a. Use of Estimates :**

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

**b. Tangible fixed assets :**

Fixed assets are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the assets to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day to day repaired maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

Gains or losses arising from de recognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit & loss when the asset is de recognized.

**c. Depreciation on Tangible Fixed Asset :**

Depreciation on fixed asset is calculated on Straight Line method using the rates prescribed under the Schedule XIV to The Companies Act, 1956.

**d. Investments :**

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, will be classified as current investments. All other investments will be classified as non- current investments.

Non-current investments are carried at cost. However, provision for diminution in value is to be made to recognize a decline other than temporary in the value of investments.

**e. Inventories**

- (i) Raw materials including consumables are valued at lower of cost or net realizable value including duties, taxes, freight, insurance and handling and clearing charges and other incidental expenses.
- (ii) Work In progress are valued at lower of cost or net realizable value .
- (iii) Finished goods are valued at cost or net realizable value whichever is lower.

**f. Revenue Recognition :**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured.

Revenue from sale of goods is recognized when all the significant risks and rewards of ownership of the goods have passed to the buyer, usually on delivery of goods. The Company collects VAT & CST on behalf of the government and therefore, these are not economic benefits flowing to the Company. Hence they are excluded from revenue.

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest Income is included under the head "Other Income" in the statement of profit & loss.

**g. Retirement Benefits :**

Retirement benefit in the form of provident fund is a defined contribution scheme. The contributions to the provident fund are charged to the statement of profit & loss for the year when the contributions are due. The Company has no obligation, other than the contribution payable to the provident fund.

**h. Income Tax :**

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 enacted in India and tax laws prevailing in the respective tax jurisdiction where the company operates. The tax rates and tax laws used to compute the amount are those that are enacted, at the reporting date.

Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been announced up to the Balance Sheet date. Deferred tax assets and liabilities are recognized for the future tax consequences attributable to timing differences between the taxable income and accounting income. The effect of tax rate change is considered in the Profit & Loss Account of the respective year of change.

**i. Segment Reporting :**

As the entire operation of the company is related to one reporting segment comprising of welding rods and allied products, there are no separate reportable segment as per Accounting Standard – 17.

**j. Provisions and Contingent liabilities :**

A provision is recognized when the Company has a present obligation as a result of past event. It is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimate.

Where no reliable estimate can be made, a disclosure is made as a contingent liability. A disclosure for a contingent liability is also made when there is a possible obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

**k. Cash & Cash equivalents :**

Cash and cash equivalents comprise cash and cash on deposit with banks and corporations. The company considers all highly liquid investments with a remaining maturity at the date of purchase of three months or less and that are readily convertible to known amounts of cash to be cash equivalents.



**24. EARNING PER SHARE :**

Basic earning per share is computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the period.

| Sr. No. | Particulars                                      | Year ended<br>31-03-2013 | Year ended<br>31-03-2012 |
|---------|--|--------------------------|--------------------------|
| 1       | Net Profit / (Loss) attributable to shareholders | (817,485)                | (752,713)                |
| 2       | Weighted average no. of. Equity Shares           | 6,006,000                | 6,006,000                |
| 3       | Basic Earning Per Share                          | (0.136)                  | (0.125)                  |

**25. RELATED PARTY TRANSACTIONS :**

| Name           | Relationship                 | Nature of transaction | Amt (Rs)  |           | Outstanding Balance (Rs) |         |
|----------------|------------------------------|-----------------------|-----------|-----------|--------------------------|---------|
|                |                              |                       | 2012-13   | 2011-12   | 2012-13                  | 2011-12 |
| Shailesh Joshi | Chairman & Managing Director | Remuneration          | 1,860,000 | 1,860,000 | --                       | --      |
| Kashyap Pathak | Director                     | Remuneration          | 636,000   | 552,000   | --                       | --      |
|                |                              | Bonus                 | --        | 51,000    | --                       | --      |

26. There are no dues to Micro & Small Enterprises as defined under the MSMED Act, 2006.

The accompanying notes are an integral part of the financial statements

As per our report of even date attached herewith  
 For, DJNV & CO.  
 Chartered Accountants  
 Firm Reg. No. 115145W

For, BOBSHELL ELECTRODES LTD.

Jayesh Parikh  
 (Partner)  
 M. No. 40650

Director

Director

Place : Ahmedabad  
 Date : 30-05-2013

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

| Particulars   | 31 March, 2013<br>Amt. (Rs.) | 31 March, 2012<br>Amt. (Rs.) |
|---|------------------------------|------------------------------|
| <b>A. CASH FLOW FROM OPERATING ACTIVITIES :</b>                             |                              |                              |
| Profit before tax   | (730,699)                    | (636,740)                    |
| <b>Non-cash adjustment to reconcile profit before tax to net cash flows</b> |                              |                              |
| ADD : Depreciation  | 790,717                      | 768,260                      |
| Loss On sale of car   | --                           | 70,135                       |
| <b>Operating Profit before Working Capital Changes</b>                      | <b>60,018</b>                | <b>201,655</b>               |
| Movement in Working Capital :   |                              |                              |
| Increase / (Decrease) in Trade Payables                                     | (138,627)                    | (433,865)                    |
| Increase / (Decrease) in Provisions   | 4,021                        | 65,484                       |
| Increase / (Decrease) in Long Term Liabilities                              | (25,000)                     | --                           |
| Increase / (Decrease) in Other Current Liabilities                          | (440,361)                    | 145,143                      |
| (Increase)/ Decrease in Trade Receivables                                   | 3,366,362                    | 1,390,478                    |
| (Increase)/ Decrease in Inventories   | 903,398                      | (653,526)                    |
| (Increase)/ Decrease in Current Loans & Advances                            | 2,948,375                    | (3,144,354)                  |
| (Increase)/ Decrease in Other Assets  | 118,991                      | (54,302)                     |
| Cash generated from / (used in) operations                                  | 6,737,159                    | (2,684,942)                  |
| Income Tax Paid   | --                           | --                           |
| <b>Net Cash Flow From / ( Used in ) Operating Activities (A)</b>            | <b>6,797,177</b>             | <b>(2,483,287)</b>           |
| <b>B. CASH FLOW FROM INVESTING ACTIVITIES :</b>                             |                              |                              |
| Purchase of Fixed Assets  | (673,868)                    | (917,405)                    |
| (Increase) / Decrease in Other Non Current Assets                           | (975,455)                    | 50,268                       |
| Proceeds from Sale of Fixed Assets  | --                           | 333,000                      |
| <b>Net Cash Flow From / ( Used in ) Investing Activities (B)</b>            | <b>(1,649,323)</b>           | <b>(534,137)</b>             |
| <b>C. CASH FLOW FROM FINANCING ACTIVITIES :</b>                             |                              |                              |
| Proceeds from Long Term Borrowings  | --                           | --                           |
| <b>Net Cash Flow From / ( Used in ) Financing Activities (C)</b>            | <b>--</b>                    | <b>--</b>                    |
| <b>Net Increase/ (Decrease) in Cash &amp; Cash Equivalent (A+B+C)</b>       | <b>5,147,854</b>             | <b>(3,017,424)</b>           |
| Cash & Cash Equivalents at the beginning of the year                        | 1,688,443                    | 4,705,867                    |
| <b>Cash &amp; Cash Equivalents at the end of the year</b>                   | <b>6,836,297</b>             | <b>1,688,443</b>             |

**Notes :-**

Cash Flow Statement has been prepared under the indirect method set out in Accounting Standard-3 "Cash Flow Statements" as specified in the Companies (Accounting Standards) Rules, 2006.

**As per our report even date**

**For, DJNV & CO.**  
Chartered Accountants  
Firm Reg. No. 115145W

**Jayesh Parikh**  
(Partner)  
M. No. 40650

**Place : Ahmedabad**  
**Date : 30th May, 2013**

**For, BOBSHELL ELECTRODES LTD.**

**Shailesh M. Joshi**  
Director

**Manshankar T. Joshi**  
Director

### ATTENDANCE SHEET

I Shri / Smt.....of ..... Being a member / proxy of BOBSHELL ELECTRODES LIMITED do hereby record my presence at the 19<sup>th</sup> Annual General Meeting of the member of the Company to be held on Monday the 30<sup>th</sup> September, 2013 at 11.00 A.M. at Corporate Office Of the Company at 802, 8<sup>th</sup> Floor, Swagat Building, Near Lal Bunglow, C. G. Road, Ellisbridge, Ahmedabad-380 006.

|                         |
|-------------------------|
| FOLIO NO. / CLIENT I.D. |
| D.P. ID.                |
| D.P. NAME.              |
| NAME OF SHAREHOLDER     |
| NUMBER OF SHARE HELD    |

Date :

Place : (Signature of the Member/ Proxy attending the Meeting)

### PROXY FORM BOBSHELL ELECTRODES LIMITED

|                         |
|-------------------------|
| FOLIO NO. / CLIENT I.D. |
| D.P. ID.                |
| D.P. NAME.              |
| NAME OF SHAREHOLDER     |
| NUMBER OF SHARE HELD    |

I Shri/Smt ..... being a member of BOBSHELL ELECTRODES LIMITED, holding ..... Shares in the Company do hereby appointed Shri ..... of ..... or falling him Shri ..... of ..... to remain present at the 19<sup>th</sup> Annual General Meeting of the Company to be held on Monday the 30<sup>th</sup> September, 2013 at 11.00 A.M. at the Corporate Office of the Company at 802, 8<sup>th</sup> Floor, Swagat Building, Near Lal Bunglow, C.G.Road, Ellisbridge, Ahmedabad: 380 006 or at any adjournment thereof and to vote for and on my behalf if poll is granted.

Date :

Place :

Affix  
Rs.1/-  
revenue  
stamp

(Signature of the member appointing a proxy)

Proxy form duly stamped, signed and completed in all respect should be deposited 48 hours before the time fixed for the meeting at the registered office of the company.

**BOOK POST**

**If undelivered, please return to :**



**BOBSHELL ELECTRODES LIMITED**

**CORPO. OFFICE :**

**802, SWAGAT, C. G. ROAD, ELLISBRIDGE,  
AHMEDABAD-380006.**