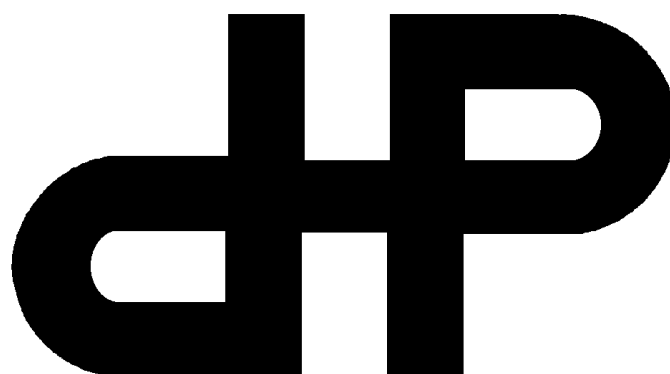


DHP INDIA LIMITED

[Company Identification Number (CIN) : L65921WB1991PLC051555]



TWENTY-FIRST
ANNUAL REPORT
AND ACCOUNTS
2011-2012

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BOARD OF DIRECTORS :

ASHEESH DABRIWAL	: Managing Director & Chief Executive Officer (DIN – 00044783)
JANAK BHARDWAJ	: Executive Director & Chief Operating Officer (DIN – 00047641)
ANJUM DHANDHANIA	: Non-Executive Director (DIN – 00058506)
BUDDHADEB BASU	: Non-Executive & Independent Director (DIN – 00061771)
DR. SUBRATA HALDAR	: Non-Executive & Independent Director (DIN – 00089655)
VIJAY SWAMINATHAN	: Non-Executive & Independent Director (DIN – 03505029)

COMMITTEES OF THE BOARD :

Audit Committee :

BUDDHADEB BASU	: Chairman
DR. SUBRATA HALDAR	: Member
VIJAY SWAMINATHAN	: Member
ASHOK KUMAR SINGH	: C.F.O. as Permanent invitee

Remuneration / Management Committee :

ANJUM DHANDHANIA	: Chairman
BUDDHADEB BASU	: Member
ASHEESH DABRIWAL	: Member

Shareholders / Investor Grievance Committee :

BUDDHADEB BASU	: Chairman
ANJUM DHANDHANIA	: Member
ASHEESH DABRIWAL	: Member

KEY MANAGEMENT :

ASHOK KUMAR SINGH	: Chief Financial Officer (C.F.O.)
ADINATH BANERJEE	: Company Secretary-cum-Compliance Officer

BANKER	: THE ROYAL BANK OF SCOTLAND N.V. {Formerly known as ABN Amro Bank N.V.}
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AUDITORS :

Statutory & Tax Auditors	: M/s. NAVIN NAYAR & CO., Chartered Accountants, 4E, Jain Centre, 34A, Metcalfe Street, Kolkata – 700 013.
Internal Auditors	: M/s. G. L. SINGHAL & CO., Chartered Accountants, 23A, Netaji Subhas Road, 4th Floor, Room No. 7A, Kolkata – 700 001.
Secretarial Auditors	: M/s. SUSHIL TIWARI & ASSOCIATES, Company Secretaries, 31A, S. P. Mukherjee Road, Kolkata – 700 025.

REGISTRARS & SHARE TRANSFER AGENTS :

M/s. NICHE TECHNOLOGIES PRIVATE LIMITED
D-511, Bagree Market, 71, Biplabi Rash Behari Bose Road,
Kolkata – 700 001.

SHARES LISTED WITH :

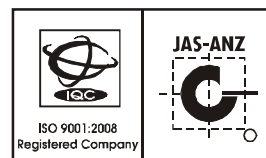
THE CALCUTTA STOCK EXCHANGE LTD. [Securities Code No.10014058]
BOMBAY STOCK EXCHANGE LTD. [Securities Code No.531306]

REGISTERED OFFICE :

10, Middleton Row, Kolkata - 700 071, WEST BENGAL

FACTORY :

“Dhulagarh Industrial Park” P.O. - Kanduah, P. S. - Sankrail,
N. H. – 6, Howrah – 711 302, West Bengal.



NOTICE

NOTICE IS HEREBY GIVEN THAT the **Twenty-First Annual General Meeting** of the Members of DHP INDIA LIMITED (the Company) will be held on Friday, the 7th September, 2012 at 11.00 A.M. at CALCUTTA CHAMBER OF COMMERCE, 18H, Park Street, Stephen Court, Kolkata – 700 071, to transact the following business:-

ORDINARY BUSINESS

- 1) To receive, consider and adopt the Audited Balance Sheet as at March 31, 2012 and the Statement of Profit and Loss and Cash Flow Statement for the financial year ended on that date together with the Reports of the Board of Directors and Auditors thereon.
- 2) To appoint Directors in place of Sri Janak Bhardwaj and Dr. Subrata Haldar, who retire by rotation and, being eligible, offer themselves for re-appointment.
- 3) To appoint the Statutory Auditors and to fix their remuneration.

Registered Office :
10, Middleton Row,
Kolkata – 700 071.
Dated : 18th July, 2012

By Order of the Board of Directors

ADINATH BANERJEE
Company Secretary-cum-Compliance Officer

NOTES :

- 1) **A Member entitled to attend and vote at this Annual General Meeting may appoint a proxy to attend and vote on a poll on his behalf. A Proxy need not be a member of the Company. Proxies, in order to be effective, must be received at its Registered Office at 10, Middleton Row, Kolkata - 700 071, not less than forty-eight hours before the Annual General Meeting.**
- 2) In terms of Articles 126 of the Articles of Association of the Company, read with Section 256 of the Companies Act, 1956, Sri Janak Bhardwaj and Dr. Subrata Haldar, retire by rotation at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment. The Board of Directors of the Company commends their respective re-appointments.
- 3) Brief resume of Directors proposed to be appointed as per item No.2 as above, pursuant to Clause 49 of the Listing Agreement are annexed hereto.
- 4) The Register of Members and Share Transfer Books of the Company will remain closed from Saturday, the 1st September, 2012 to Friday, the 7th September, 2012 (both days inclusive).



- 5) Members are requested to bring their copies of the Reports and Accounts to the Meeting. Members seeking any information or clarification on the Accounts are requested to send, in writing, queries to the Company, at least one week before the date of the meeting. Replies will be provided, in respect of such written queries, only at the meeting.
- 6) Members/Proxies should fill the Attendance Slip for attending the meeting. Members who hold shares in dematerialised form are requested to write their Client ID and DP ID numbers and those who hold shares in physical form are requested to write their Folio Number in the attendance slip for attending the meeting.
- 7) In case of Joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
- 8) Corporate Members intending to send their authorised representatives are requested to send a duly certified copy of the Board Resolution authorising their representatives to attend and vote at the Annual General Meeting.
- 9) Members holding shares in physical form are requested to notify any change in their address and particulars of their bank account immediately to the Company at its Registered office or its Registrar & Share Transfer Agents Office M/s. Niche Technologies Pvt. Ltd., D-511, Bagree Market, 71, B.R.B.B. Road, Kolkata – 700 001. The following bank particulars are required:-
 - a) Name of First/Sole Shareholder and their Folio Number.
 - b) Name of Bank & their complete address of Branch
 - c) Account Type, whether Savings or Current account and their account number allotted by Bank.
- 10) Members holding shares in electronic form may please note that their bank details as furnished by the respective Depositories to the Company as per applicable regulations of the Depositories and the Company will not entertain any direct request from such members for change/deletion in such bank details. Further, instructions if any, given by them in respect of shares held in physical form will not be automatically applicable on shares held in electronic form. Members may, therefore, give instruction regarding bank account to their Depository participants.
- 11) At present the Company's equity shares are listed on the Stock Exchanges at Kolkata and Mumbai and listing fees for the current financial year 2012-2013 have been paid to all the aforesaid Stock Exchanges. Members are informed that the scripts of the Company have been activated both in Central Depositories Services Limited (CDSL) and National Securities & Depository Limited (NSDL) and may be dematerialised under the ISIN – INE 590D 01016. The custodian fees for the current financial year 2012-2013 have been paid to all the aforesaid Depositories.
- 12) All documents referred to in accompanying Notice are open for inspection at the Registered Office of the Company on all working days between 11.00 A.M. to 1.00 P.M. up to the date of the Annual General Meeting.
- 13) The Ministry of Corporate Affairs (MCA) has come out with a circular Nos. 17/2011 dated 21/04/2011 & 18/2011 dated 29/04/2011 propagating "Green Initiative" encouraging Corporate to serve documents through electronic mode. In order to above, those shareholders, who want the Annual Report in electronic mode, are requested to send their e-mail address.

- 14) Pursuant to the provision of Section 205A(5) and 205C of the Companies Act, 1956, dividend for the financial year ended 31st March, 2005 and thereafter, which remain unclaimed for a period of 7 years will be transferred by the Company to the **Investor Education and Protection Fund (IEP Fund)** established by the Central Government pursuant to Section 205C of the Companies Act, 1956. The Company has already transferred the unclaimed dividend for the year ended 31st March, 2004 to the Investor Education and Protection Fund (IEP Fund).

Information in respect of such unclaimed dividend when due for transfer to the said Fund is given below:-

Serial No.	Financial Year Ended	Date of declaration of dividend	Last date for claiming unpaid dividend	Due date for transfer to IEP Fund
1.	31/03/2005	31/08/2005	30/08/2012	29/09/2012
2.	31/03/2006	31/08/2006	30/08/2013	29/09/2013
3.	31/03/2010	31/08/2010	30/08/2017	29/09/2017

Shareholders are requested to note that no claim shall lie against the Company or the said Fund in respect of any amounts which were unclaimed and unpaid for a period of seven years from the dates that they first became due for payment and no payment shall be made in respect of any such claims.

- 15) Shareholders are requested to give us their valuable suggestions for improvement of our investor services.
- 16) ***As per proposed Section 205(10) of the Companies (Amendment) bill, 2003, no Company shall give, or no shareholders (including any proxy given by him) shall demand or accept, any gift at any general meeting. Shareholders may, kindly note that no gift/coupon will be distributed at the Annual General Meeting.***

Registered Office :
10, Middleton Row,
Kolkata – 700 071.
Dated : 18th July, 2012

By Order of the Board of Directors

ADINATH BANERJEE
Company Secretary-cum-Compliance Officer

**INFORMATION PURSUANT TO CLAUSE 49 OF THE LISTING AGREEMENT REGARDING
APPOINTMENT OF NEW DIRECTOR OR RE-APPOINTMENT OF DIRECTORS**
(Annexure as referred to in the note No. 3 on notice and Item No. 2 of the notice)

Name of the Director	Sri Janak Bhardwaj	Dr. Subrata Haldar
Director Identification Number	DIN – 00047641	DIN – 00089655
Date of Birth	05-07-1963	25-04-1962
Date of First Appointment & their Position thereto	25-06-1998 As Executive Director cum Works Manager	31-01-2003 As Non-Executive & Independent Director
Educational Qualification	D.M.E.	M.B.B.S.
Expertise in specific functional areas	Service	Profession
Chairmanship/Membership of Committees in this Company	None	Member of the Audit Committee of this Company
Present Status of directorship in this Company	Non-Promoter & Executive Director	Non-Promoter & Non-Executive & Independent Director
Directorship in other Public Limited Companies	None	None
Chairmanship/Membership of Committees in other Public Limited Companies	None	None
Shareholding as on 31st March, 2012	Nil	Nil
Seeking re-appointment	Retire by rotation & seeking re-appointment	Retire by rotation & seeking re-appointment

Except Sri Janak Bhardwaj and Dr. Subrata Haldar, none of the directors are interested in the above appointment. Hence, your Board of Directors recommends the above appointment.

Registered Office :
10, Middleton Row,
Kolkata – 700 071.
Dated : 18th July, 2012

By Order of the Board of Directors

ADINATH BANERJEE
Company Secretary-cum-Compliance Officer

DIRECTORS' REPORT

TO THE MEMBERS

Your Directors are pleased to present the **Twenty-First** Annual Report and the Audited Statement of Accounts for the Financial Year ended 31st March, 2012.

CORPORATE OVERVIEW :

DHP India Limited is a Manufacturing Company of LP Gas Regulator (Liquified Petroleum Gas Regulator), its accessories and parts thereof. The Registered Office of the Company is situated in Kolkata & its Factory is situated in Howrah District, West Bengal.

The Company prepares its financial statements in compliance with the requirement of the Companies Act, 1956, and the Generally Accepted Accounting Principles (GAAP) in India. Overall the financial statements have been prepared on the historical cost basis.

FINANCIAL RESULTS :

The performance of the Company for the financial year ended March 31, 2012 is summarised below :-

Particulars	(₹ in Lacs)	
	Year ended 31.03.2012	Year ended 31.03.2011
Revenue from Operations (net)	2497.40	2344.74
Other Income	5.75	8.49
Total Revenue	2503.15	2353.23
Profit Before Finance Cost, Depreciation & Amortisation & Tax	681.36	539.06
Less : Finance Cost	(-) 23.39	(-) 40.16
Less : Depreciation & Amortisation	(-) 121.92	(-) 101.75
Profit Before Tax {and profit before exceptional and extraordinary items}	536.05	397.15
Less : Provision for Taxation (inclusive of adjustment of deferred tax assets/liabilities)	(-) 179.71	(-) 136.76
Profit After Tax for the year of Continuing and Total Operation	356.34	260.39
Add : Profit brought forward from previous year	4.28	3.89
Profit Available for Appropriation	360.62	264.28
Appropriations		
Transfer to General Reserve	(-) 357.00	(-) 260.00
Surplus Carried to Balance Sheet	3.62	4.28
Net Worth (Capital employed at the year end)	1653.62	1297.28
Book Value of Shares at the year end (Amount in ₹)	55.12	43.24
Earning per Share (Amount in ₹)	11.88	8.68

OPERATIONS

Your Company's operation during the year was satisfactory. The revenue from operations, total revenue, profit before tax and profit after tax all are increased from its previous year.

FUTURE PROSPECTS

There is strong competition in the market. Your Directors continue to be of the opinion that high quality of products and innovations in products as well as improvement in technology along with cost cutting efforts will help your company to face this competition. The company is expected to continue to do well and improve further in the coming years .

DIVIDEND AND RESERVES

In view of the business strategies, there being a need to conserve resource, no dividend is recommended during the year under review. The Reserves & Surplus thereafter will stand at ₹ 1353.62 lacs at a Book value of ₹ 55.12 per Equity Share.

PUBLIC DEPOSITS

The Company did not invite or accept any deposits from public under Section 58A of the Companies Act, 1956 and the Rules made there under.

COMPLIANCE

The Company has not defaulted by SEBI / Depositories / Stock Exchanges / Any Financial Institution / Any Government & Semi-Government authorities for any compliances.

PROMOTER GROUP COMPANIES

Pursuant to an intimation from Promoters, the names of the Promoters and entities comprising "group" as defined under Monopolies and Restrictive Trade Practices Act, 1969, have been disclosed in the Annual Report of the Company for the purpose of Regulation 3(1)(e) of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 & 2011.

DIRECTORS

Shri Janak Bhardwaj and Dr. Subrata Haldar, Directors of the Company, retire from office by rotation in accordance with the requirements of the Companies Act, 1956, and the provision of Article 126 of the Articles of Association of the company and being eligible offer themselves for re-appointment.

None of the Directors of the Company are disqualified as per section 274(1)(g) of the Companies Act, 1956. The Directors have made necessary disclosures as required under various provisions of the Act and Clause 49 of the Listing Agreement.

Brief particulars and expertise of these Directors have been given in this Report on the Corporate Governance and in the Notice of the ensuing Annual General meeting of the Company.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956 with respect to Directors' Responsibility Statement, it is hereby confirmed;

- (i) that in the preparation of the Annual Accounts for the financial year ended 31st March, 2012 the applicable accounting standards had been followed along with proper explanation relating to material departures;

- (ii) that the directors had selected such accounting policies and applied them consistently and made judgements and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2012 and the profit of the Company for the year ended on that date under review;
- (iii) that the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) that the directors had prepared the accounts for the financial year ended 31st March, 2012 on a 'going concern' basis.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Particulars in respect of the conservation of energy, technology absorption and foreign exchange earnings and outgo as required under Section 217(1)(e) of the Companies Act, 1956 are given in a separate **Annexure –I** attached hereto and form part of the Report.

CORPORATE GOVERNANCE REPORT

The Company is committed to maintain the highest standards of Corporate Governance. The Directors adhere to the requirements set out by the Securities and Exchange Board of India's Corporate Governance practices and have implemented all the stipulations prescribed. The Company has implemented several best corporate governance practices as prevalent globally.

The Report on Corporate Governance as stipulated under Clause 49 of the Listing Agreements forms part of the Annual Report and which has been set out in **Annexure –II**.

The requisite Certificate from the Statutory Auditors of the Company, M/s. Navin Nayar & Co., Chartered Accountants, confirming compliance with the conditions of Corporate Governance as stipulated under the aforesaid Clause 49, is annexed to this Report.

MANAGEMENT DISCUSSION & ANALYSIS REPORT

Management Discussion and Analysis Report for the year under review, as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges, is presented in a separate section forming part of the Annual Report marked **Annexure –III**.

AUDITORS AND AUDITORS' REPORT

M/s. Navin Nayar & Co., Chartered Accountants, Statutory Auditors of your Company, hold office until the conclusion of the TWENTY-FIRST ANNUAL GENERAL MEETING and are recommended for reappointment. As required under section 224 of the Companies Act, 1956, the Company has obtained a written certificate from them to the effect that their re-appointment as Auditors, if made, would be in conformity with the limits prescribed in the said section.

The observations made in the Auditors' Report to the Members of the Company have been dealt with in the Notes to the Statement of Profit and Loss and the Balance Sheet in Notes No. 1 to 24 of the Accounts. These are self explanatory and do not call for further comments.

SECRETARIAL AUDIT REPORT

Your Company voluntarily appointed M/s. Sushil Tiwari & Associates, Practicing Company Secretary, to conduct Secretarial Audit of the Company for the financial year ended March 31, 2012. The Secretarial Audit Report addressed to the Board of Directors of the Company is attached to this Annual Report. The Secretarial Audit Report confirms that the Company has complied with all the applicable provisions of the