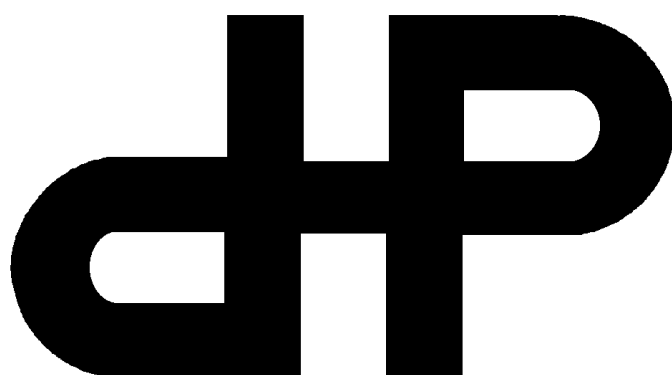


# **DHP INDIA LIMITED**

[ Company Identification Number (CIN) : L65921WB1991PLC051555 ]



**TWENTY-SECOND  
ANNUAL REPORT  
AND ACCOUNTS  
2012-2013**

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**BOARD OF DIRECTORS :**

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

**COMMITTEES OF THE BOARD :**

**Audit Committee :**

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

**Remuneration / Management Committee :**

<b>ANJUM DHANDHANIA</b>	: <i>Chairman</i>
<b>BUDDHADEB BASU</b>	: <i>Member</i>
<b>ASHEESH DABRIWAL</b>	: <i>Member</i>

**Shareholders / Investor Grievance Committee :**

<b>BUDDHADEB BASU</b>	: <i>Chairman</i>
<b>ANJUM DHANDHANIA</b>	: <i>Member</i>
<b>ASHEESH DABRIWAL</b>	: <i>Member</i>

**KEY MANAGEMENT :**

<b>ASHOK KUMAR SINGH</b>	: <i>Chief Financial Officer (C.F.O.)</i>
<b>ADINATH BANERJEE</b>	: <i>Company Secretary-cum-Compliance Officer</i>
<b>BANKER</b>	: <i>THE ROYAL BANK OF SCOTLAND N.V.</i>

**AUDITORS :**

<b>Statutory &amp; Tax Auditors</b>	: <i>M/s. NAVIN NAYAR &amp; CO., Chartered Accountants, 4E, Jain Centre, 34A, Metcalfe Street, Kolkata – 700 013.</i>
<b>Cost Auditors</b>	: <i>M/s. K. MAJUMDAR &amp; ASSOCIATES, Cost Accountants, 38/11, M. C. Garden Road, Kolkata – 700 030.</i>
<b>Internal Auditors</b>	: <i>M/s. G. L. SINGHAL &amp; CO., Chartered Accountants, 23A, Netaji Subhas Road, 4th Floor, Room No. 7A, Kolkata – 700 001.</i>
<b>Secretarial Auditors</b>	: <i>M/s. SUSHIL TIWARI &amp; ASSOCIATES, Company Secretaries, 31A, S. P. Mukherjee Road, Kolkata – 700 025.</i>

**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 :**

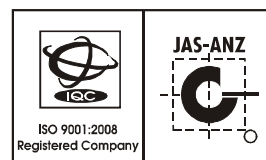
**THE CALCUTTA STOCK EXCHANGE LTD.** [Securities Code No.10014058]  
**BOMBAY STOCK EXCHANGE LTD.** [Securities Code No. 531306]

**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-Second Annual General Meeting** of the Members of DHP INDIA LIMITED (the Company) will be held on Monday, the 23<sup>rd</sup> September, 2013 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, 2013 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 declare dividend on Equity Shares.
- 3) To appoint Directors in place of Sri Vijay Swaminathan and Smt. Anjum Dhandhanian, who retire by rotation and, being eligible, offer themselves for re-appointment.
- 4) To appoint the Statutory Auditors and to fix their remuneration.

Registered Office :  
10, Middleton Row,  
Kolkata – 700 071.  
Dated : 25<sup>th</sup> July, 2013

By Order of the Board of Directors  
  
**ADINATH BANERJEE**  
Company Secretary-cum-Compliance Officer

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### 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 Vijay Swaminathan and Smt. Anjum Dhandhanian, 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 14<sup>th</sup> September, 2013 to Monday, the 23<sup>rd</sup> September, 2013 (both days inclusive). Share transfer



received in order by the Company at its Registered Office at 10, Middleton Row, Kolkata- 700 071 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 by the close of business on Friday, the 13<sup>th</sup> September, 2013, will be eligible for payment of dividend, if declared in following manner :-

- (a) To those Members whose names appear on the Register of Members of the Company after giving effect to all valid share transfer in physical form lodged with the Company on or before Friday, the 13<sup>th</sup> September, 2013, or
  - (b) In respect of shares held in electronic form, to those “Deemed members” whose names appear in the statement of beneficial ownership furnished by the National Securities Depository Ltd., (NSDL) and Central Depository Services (India) Ltd., (CDSL) as at the end of business day hours on Friday, the 13<sup>th</sup> September, 2013.
- 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 particulars are required :-
- a) Name of First/Sole Shareholder and their Folio Number.
  - b) Name of Bank, complete address of Branch & IFS Code Number.
  - c) Account Type, whether savings or current account and 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 2013-2014 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 2013-2014 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 31<sup>st</sup> March, 2006 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 31<sup>st</sup> March, 2005 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.	31/03/2006	31/08/2006	30/08/2013	29/09/2013
2.	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) Payment of dividend, if any approved by the members of ensuing Annual General Meeting will be made through ECS/NECS mandatory, and the dividend amount would be directly credited to the Member's respective bank accounts.
- 16) Shareholders are requested to give us their valuable suggestions for improvement of our investor services.
- 17) ***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 : 25th July, 2013

By Order of the Board of Directors  
  
**ADINATH BANERJEE**  
Company Secretary-cum-Compliance Officer

**ADDITIONAL INFORMATION OF DIRECTORS SEEKING RE-APPOINTMENT AT THE  
22ND ANNUAL GENERAL MEETING PURSUANT TO CLAUSE 49 OF THE LISTING AGREEMENT**  
(Annexure as referred to in the note No. 3 on notice and Item No. 3 of the notice)

<b>Name of the Director</b>	Sri Vijay Swaminathan	Smt. Anjum Dhandhanian
<b>Director Identification Number</b>	DIN – 03505029	DIN – 00058506
<b>Date of Birth</b>	28-07-1962	07-12-1970
<b>Date of First Appointment &amp; their Position thereto</b>	30-04-2011 As Non-Executive & Independent Director	31-01-2003 As Non-Executive Director
<b>Educational Qualification</b>	Graduate	L.L.B.
<b>Expertise in specific functional areas</b>	Business	Business
<b>Chairmanship/Membership of Committees in this Company</b>	Member of the Audit Committee of this Company	Chairman of the Remuneration/ Management Committee and Member of the Shareholders/ Investor Grievance Committee of this Company
<b>Present Status of directorship in this Company</b>	Non-Promoter, Non-Executive & Independent Director	Promoter & Non-Executive Director
<b>Directorship in other Public Limited Companies</b>	None	None
<b>Chairmanship/Membership of Committees in other Public Limited Companies</b>	None	None
<b>Shareholding as on 31<sup>st</sup> March, 2013</b>	Nil	20,000 Equity Shares [0.66%]
<b>Seeking re-appointment</b>	Retire by rotation & seeking re-appointment	Retire by rotation & seeking re-appointment

Except Sri Vijay Swaminathan and Smt. Anjum Dhandhanian and Sri Asheesh Dabriwal (relative of Smt. Anjum Dhandhanian), 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 : 25th July, 2013

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-Second** Annual Report and the Audited Statement of Accounts for the Financial Year ended 31st March, 2013.

### 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, 2013 is summarised below :-

	(₹ in Lacs)	
Particulars	Year ended 31.03.2013	Year ended 31.03.2012
<b>Revenue from Operations (net)</b>	<b>2538.27</b>	2497.40
<b>Other Income</b>	<b>37.53</b>	5.09
<b>Total Revenue</b>	<b>2575.80</b>	2502.49
<b>Profit Before Finance Cost, Depreciation &amp; Amortisation &amp; Tax</b>	<b>629.05</b>	681.36
Less : Finance Cost	(-) 13.50	(-) 23.39
Less : Depreciation & Amortisation	(-) 118.60	(-) 121.92
<b>Profit Before Tax {and profit before exceptional and extraordinary items}</b>	<b>496.95</b>	536.05
Less : Provision for Taxation (inclusive of adjustment of deferred tax assets/liabilities)	(-) 163.85	(-) 179.71
<b>Profit After Tax for the year of Continuing and Total Operation</b>	<b>333.10</b>	356.34
Add : Profit brought forward from previous year	3.62	4.28
<b>Profit Available for Appropriation</b>	<b>336.72</b>	360.62
<b>Appropriations</b>		
Proposed Dividend on Equity Shares ( ₹ 1 per share)	(-) 30.00	Nil
Provision for Tax on Dividend	(-) 4.87	Nil
Transfer to General Reserve	(-) 300.00	(-) 357.00
<b>Surplus Carried to Balance Sheet</b>	<b>1.85</b>	3.62
<b>Net Worth (Capital employed at the year end)</b>	<b>1951.85</b>	1653.62
<b>Book Value of Shares at the year end (Amount in ₹)</b>	<b>65.06</b>	55.12
<b>Earning per Share (Amount in ₹)</b>	<b>11.10</b>	11.88



## **OPERATIONS**

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

Your Directors have recommended a dividend of ₹ 1 per Equity Share (Previous year Nil) for the financial year ended March 31, 2013, i.e. @10% of total paid-up equity share capital. The above dividend will be payable out of current year's profit of the Company. The dividend, if approved by the shareholders, will entail an out-flow of ₹ 34.87 lacs (inclusive of tax on dividend of ₹ 4.87 lacs). The Reserves & Surplus thereafter will stand at ₹ 1651.85 lacs at a Book value of ₹ 65.06 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**

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, 2011.

## **DIRECTORS**

Shri Vijay Swaminathan and Smt. Anjum Dhandhanian, 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 31<sup>st</sup> March, 2013 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 31<sup>st</sup> March, 2013 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 31<sup>st</sup> March, 2013 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-SECOND ANNUAL GENERAL MEETING and are recommended for re-appointment. 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 25 of the Accounts. These are self explanatory and do not call for further comments.

#### **COST AUDITORS**

Consequent upon the notification of the Product or Activity Group classification published vide S.O. 1747(E) dated 7<sup>th</sup> August, 2012 and in suppression of the earlier General Circular No.15/2011 [52/5/CAB-2011] dated 11<sup>th</sup> April, 2011, the Ministry of Corporate Affairs, Cost Audit Branch, Government of India issued the Order No. F. No. 52/26/CAB-2010 dated 24<sup>th</sup> January, 2012, your Director has appointed Mr. Kishore Majumdar, Practicing Cost Accountant and Proprietor of M/s. K. MAJUMDAR & ASSOCIATES, Cost Accountants for conducting Cost Audit for the Financial Year 2012-13 and also proposed for next Financial Year 2013-14 as Cost Auditor, subject to such approvals as may be applicable.