

Board of Directors

Mr. Prabhakar Ram Tripathi	Chairman
Mr. E. Sudhir Reddy	Vice Chairman
Mr. E. Sunil Reddy	Managing Director
Mr. S. C. Sekaran	Executive Director
Mr. R. Balarami Reddy	Non-Executive Director
Mr. T.N. Chaturvedi	Non-Executive Director
Mr. M. L. Majumdar	Non-Executive Director
Mr. S. D. Kapoor	Non-Executive Director

Company Secretary

Pragya Sahal Kaul

Priya Vishwanathan (w.e.f. August 12, 2011)

Auditors

Chaturvedi & Partners

Internal Auditors

V.C.G. & Co.

Bankers

Bank of India
Andhra Bank

Registrar and Transfer Agents

M/s. Karvy Computershare Pvt. Ltd.
Karvy House 46, Avenue 4,
Street No. 1, Banjara Hills,
Hyderabad – 500 034

Registered Office

Dorr- Oliver House,
Chakala, Andheri (East)
Mumbai – 400 099

Solicitors & Advocates

Kanga & Co.
Crawford Bayley & Co.
Little & Co.

Works

5/1/2 G.I.D.C., Vatva,
Ahmedabad – 382 445

Contents	Page No.
Insights	2
From the ED's Desk	4
Financial Highlights	6
Performance Indicators.....	7
Directors' Report	8
Management Discussion and Analysis	14
Corporate Governance Report	29
Auditors' Report	38
Balance Sheet	42
Profit & Loss Account	43
Cash Flow Statement	44
Schedules to Financial Statements	46
Consolidated Financial Accounts	69
Statement pursuant to Section 212	93
Subsidiary Companies : Financial Highlights 2010-11 ..	94

Annual General Meeting will be held on Friday, September 30, 2011 at 3.00 p.m. at The Mirador, New Link Road, Chakala, Andheri (East), Mumbai - 400 099. As a measure of economy, copies of the Annual Report will not be distributed at the Annual General Meeting. Members are requested to kindly bring their copies to the meeting.

NOTICE

NOTICE is hereby given that the Thirty Sixth Annual General Meeting of the Members of Hindustan Dorr-Oliver Limited will be held on Friday, September 30, 2011 at 3.00 P.M. at The Mirador, New Link Road, Chakala, Andheri (East), Mumbai-400 099 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Balance Sheet as at March 31, 2011 and the Profit and Loss Account for the year ended on that date together with the reports of the Board of Directors and Auditors thereon.
2. To declare dividend for the financial year ended 31st March 2011.
3. To appoint a Director in place of Mr. E. Sudhir Reddy, who retires by rotation and being eligible, offers himself for reappointment.
4. To appoint a Director in place of Mr. M. L. Majumdar, who retires by rotation and being eligible, offers himself for reappointment.
5. To appoint the Statutory Auditors of the Company and in this connection to pass with or without modification(s) the following resolution as an **ORDINARY RESOLUTION**:

“RESOLVED THAT pursuant to the provisions of Section 224 and other applicable provisions, if any, of the Companies Act, 1956, M/s Chaturvedi & Partners, Chartered Accountants, Registration No. 307068E be re-appointed Statutory Auditors of the Company to hold office from the conclusion of this Meeting upto the conclusion of the next Annual General Meeting, on a remuneration to be fixed by the Board of Directors of the Company in addition to reimbursement of all out-of-pocket expenses in connection with the audit of the accounts of the Company”.

SPECIAL BUSINESS:

6. Re-appointment of Mr. S. C. Sekaran as Executive Director

To consider and if thought fit, to pass with or without modification(s), the following resolution as an **ORDINARY RESOLUTION**:

“RESOLVED THAT in accordance with the provisions of Sections 198, 269, 309, 310 and 311 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, and subject to the approval of the Members of the Company, Mr. S. C. Sekaran be and is hereby re-appointed as Executive Director of the Company effective from June 1, 2011 for a period of five years on the remuneration as stated below, with liberty to the Board of Directors (hereinafter referred to as “the Board” which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers conferred by this Resolution) to alter and vary the terms and conditions and/or remuneration as may be agreed to between the Board and Mr. S.C. Sekaran, subject however to the same not exceeding the limits specified in Schedule XIII of the Companies Act, 1956.

1. Basic Salary: Rs. 1,75,875/- per month.
2. Perquisites and Allowances:
 - (i.) House Rent Allowance: Rs. 1,05,524/- per month
 - (ii.) Special Allowances: Rs. 49,474/- per month.
 - (iii.) Ex-Gratia Payment of twenty percent of the monthly Basic Salary per annum
 - (iv.) Leave Travel Assistance for self and family not exceeding one month's Basic Salary.
 - (v.) Medical Reimbursement: Medical Benefits for self & family not exceeding one month's Basic Salary.
 - (vi.) Monthly/yearly subscription for Club Membership.
 - (vii.) Use of cellular phone.
3. Contribution towards Provident Fund, Superannuation and Gratuity benefits in accordance with the Company's rules.
4. Use of Company maintained Car.
5. Encashment of leave as per the rules of the Company.

NOTICE Contd.

RESOLVED FURTHER THAT in the event of absence or inadequacy of profits in any financial year during Mr. Sekaran's term of office as Executive Director, the remuneration and perquisites approved as above shall be the Minimum Remuneration payable to him in respect of a year or proportionately for a part thereof.

RESOLVED FURTHER THAT the Board be and is hereby authorized to take all such steps as may be necessary, proper or expedient to give effect to this Resolution".

By Order of the Board of Directors

S. C. Sekaran
Executive Director

Registered Office:

Dorr-Oliver House,
Chakala, Andheri (East),
Mumbai – 400 099.

Place: Hyderabad

Date: May 28, 2011

NOTES:

- A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote in his stead and a proxy need not be a member. Proxy in order to be valid shall be deposited at the registered office of the company at least 48 hours before the time of the meeting.**
- The Explanatory Statement, pursuant to Section 173(2) of the Companies Act, 1956 in respect of the Special Business is annexed hereto.
- The Register of Members and the Share Transfer Books of the Company will remain closed from September 28, 2011 to September 30, 2011 (both days inclusive).
- The relevant details of Directors seeking re-appointment under Item Nos. 3 & 4 above, pursuant to Clause 49 VI. A of the Listing Agreements entered into with the Stock Exchanges are as follows:

Name of Director	Mr. E. Sudhir Reddy	Mr. M. L. Majumdar
Date of Birth	April 13, 1960	December 01, 1940
Date of Appointment	September 08, 2005	July 30, 2008
Qualification	Bachelor's degree in commerce	Retd. I.A.S.
Expertise in specific functional areas	Extensive experience in construction and engineering business	Extensive experience in Mining & Energy sector
List of the Companies in which Directorship held	-IVRCL Ltd. (Formerly known as IVRCL Infrastructures & Projects Limited) -IVRCL Assets & Holdings Ltd -Soma Hotels & Resorts Ltd -Palladium Infrastructures & Projects Ltd -S.V. Equities Limited -Indus Palms Hotels & Resorts Ltd -Eragam Holdings Ltd -IVR Hotels & Resorts Limited -IVRCL MegaMalls Limited -AP Enercon Engineers Pvt Ltd	R. B. G. Minerals Industries Ltd.
Chairman/Member of the Mandatory Committees of the Board of the Companies on which he is a Director	* IVRCL Ltd. Member of the Shareholders Investor Grievance Committee	NIL
Number of shares held in the Company	122700	NIL

NOTICE Contd.

5. The Dividend on equity shares, if declared at the Meeting, will be payable to those shareholders (holding shares in physical form) whose names shall appear in the Register of Members of the Company as on September 30, 2011 and to those beneficial owner whose name appear in the beneficiary report furnished by the depositories as on that date.
6. Members are requested to furnish Bank details in order to enable the Company to print the same on dividend warrants. The Dividend will be paid through ECS in respect of shareholders having demat accounts, to the credit of respective bank accounts as furnished by the depositories.
7. The Dividend declared for the Financial Year 2003-04 and outstanding in the unpaid/unclaimed dividend account will be transferred to the Investor Education & Protection Fund (IEPF) Account. The shareholders who have not claimed dividend earlier may claim the same by writing to the Company's Registrars and Transfer Agents, M/s. Karvy Computershare Private Limited, 17-24, Vittal Rao Nagar, Madhapur, Hyderabad-500081. Ph.:040-44655178.

Members are advised that, in terms of Section 205C of the Companies Act, 1956, no claim shall lie in respect to unclaimed dividend once it is transferred by the Company to IEPF.
8. Members are requested to notify any change in their addresses specifying full address in block letters with pin code quoting their Folio No. directly to the Company's Registrar & Share Transfer Agents – M/s. Karvy Computershare Pvt. Ltd., 17-24, Vittal Rao Nagar, Madhapur, Hyderabad – 500 081. Ph.: 040-44655178.
9. Members desirous of obtaining any information pertaining to the Accounts may forward such queries in writing to the General Manager - Finance at the Registered Office of the Company at least 10 days prior to the meeting in order to keep the information ready to the extent possible.
10. Members or their Authorised Representative / Proxies are requested to bring their copies of the Annual Report to the meeting.

NOTICE Contd.**EXPLANATORY STATEMENT**

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

Item No. 6 :

Mr. S. C. Sekaran was appointed as the Executive Director by the Board in its Meeting held on June 1, 2006 and the same was approved by the members of the Company by a Resolution passed at the Annual General Meeting held on September 22, 2006 for a period of 5 years with effect from June 1, 2006.

It is now proposed that Mr. S. C. Sekaran be re-appointed as Executive Director from June 1, 2011.

The Board of Directors at its Meeting held on May 28, 2011, as approved by the Compensation Committee, decided that Mr. S. C. Sekaran be paid the following remuneration with liberty to the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers conferred by this Resolution) to alter and vary the terms and conditions and/or remuneration as may be agreed to between the Board and Mr. S.C. Sekaran, subject however to the same not exceeding the limits specified in Schedule XIII of the Companies Act, 1956:

1. Basic Salary: Rs. 1,75,875/- per month.
2. Perquisites and Allowances:
 - (i) House Rent Allowance: Rs. 1,05,524/- per month
 - (ii) Special Allowances: Rs. 49,474/- per month.
 - (iii) Ex-Gratia Payment of twenty percent of the monthly Basic Salary per annum.
 - (iv) Leave Travel Assistance for self and family not exceeding one month's Basic Salary.
 - (v) Medical Reimbursement: Medical Benefits for self & family not exceeding one month's Basic Salary.
 - (vi) Monthly/yearly subscription for Club Membership.
 - (vii) Use of cellular phone.
3. Contribution towards Provident Fund, Superannuation and Gratuity benefits in accordance with the Company's rules.
4. Use of Company maintained Car.
5. Encashment of leave as per the rules of the Company.

The Board recommends the Resolution for your approval.

Memorandum of Interest:

None of the Director of the Company except Mr. Sekaran is concerned or interested in the above Resolution.

Registered Office:

Dorr-Oliver House,
Chakala, Andheri East,
Mumbai -400 099

Hyderabad
May 28, 2011

By Order of the Board of Directors

S. C. Sekaran
Executive Director

GREEN INITIATIVE IN CORPORATE GOVERNANCE

Dear Members,

The Ministry of Corporate Affairs, Government of India has, vide its Circular nos. 17/2011 dated 21st April 2011, and 18/2011 dated 29th April 2011 introduced the concept of 'Green Initiative in Corporate Governance' by permitting paperless compliances by companies through electronic mode. By virtue of the said circulars, companies are now permitted to send their Annual Reports and other communications/documents to members electronically, to their registered e-mail addresses.

This move by the Government would contribute significantly towards a greener environment by reducing paper consumption. In addition, substantial costs towards printing and posting would be saved, thereby increasing profits.

In the light of the above benefits, henceforth, the Company plans to serve all the communications/documents in electronic form to its members to their e-mail addresses. **For making the same possible, a sincere appeal and request is made to the members to provide/update their email addresses to/with their Depository Participant in the format provided below.** The same will be deemed to be your registered e-mail address for serving any communications/documents in the future.

Please note that the communications/documents which will be sent electronically will also be hosted on the Company's website viz., www.hdo.in.

Kindly note that if you do not register your e-mail address, a physical copy of the communications/documents will be provided free of cost by the Company at your registered address, as per the current practice.

We at Hindustan Dorr-Oliver Ltd. therefore urge you to kindly cooperate and contribute to the Greener and healthier environment by according your consent to the above.

Thanking you,

Yours faithfully,

For Hindustan Dorr-Oliver Limited

S. C. Sekaran

Executive Director

E-MAIL ADDRESS REGISTRATION FORM TO BE SUBMITTED BY MEMBERS TO THEIR DEPOSITORY PARTICIPANTS

Folio No. / DP ID & Client ID: - _____

Name of the member: - _____

Name of the Joint member:-_____

Registered Address:-_____

Email id (to be registered):-_____

I/ we member(s) of Hindustan Dorr-Oliver Limited agree to receive Annual Reports and any other communications/documents from the Company in electronic mode. Please register my/our above mentioned e-mail id in your records for sending Annual Reports/communications/documents through e-mail.

Date: -

Signature(s): -

Note: - Members are requested to keep their Depository Participants informed as and when there is any change in their email address or registered address.

HINDUSTAN DORR-OLIVER LIMITED

Registered Office : Dorr-Oliver House, Chakala , Andheri (East), Mumbai – 400 099.

PROXY

Reg. Folio No.

No. of Shares held

I/ We

..... of

..... being a Member/ Members of HINDUSTAN DORR-OLIVER LIMITED

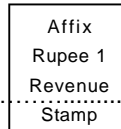
hereby appoint of or

failing him..... of as

my/ our proxy to vote for me/ us on my behalf at the THIRTY SIXTH ANNUAL GENERAL MEETING of the Company to be held on Friday, September 30, 2011 and at any adjournment thereof.

Signed this day of, 2011

Signature



Note : This form duly completed and signed must be deposited at the Registered office of the Company not less than 48 hours before the Meeting.

HINDUSTAN DORR-OLIVER LIMITED

Registered Office : Dorr-Oliver House, Chakala , Andheri (East), Mumbai – 400 099.

ATTENDANCE

(To be handed over at the entrance of the Meeting Hall)

Thirty Sixth Annual General Meeting – Friday, September 30, 2011

I hereby record my presence at the THIRTY SIXTH ANNUAL GENERAL MEETING of the Company held at The Mirador, New Link Road, Chakala, Andheri (East), Mumbai - 400 099 at 3.00 P.M. on Friday, September 30, 2011.

Full name of Member (IN BLOCK LETTERS)

.....

Reg. Folio No./ Demat ID.....

No. of shares held.....

Full name of Proxy (IN BLOCK LETTERS)

.....

.....

Member's / Proxy Signature



INSIGHTS

Prabhakar Ram Tripathi , *Chairman*

Travelling from achievement to achievement. Sustaining passion to explore, innovate and go beyond. Foraying into new business sectors have established your Company as an engineering force to reckon with. The talent pool of engineers and managers are more than fulfilling expectations as is the continued support of our trusted business associates. Your Company continues to acquire world class technology through global strategic tie-ups and acquisitions to remain a leader in its businesses.

During the last financial year we were able to step up our performance through robust processes in manufacturing plants, effective project management and improvements in the supply chain. We secured an export order from M/s. Konkola Copper Mines, Zambia. We have made a breakthrough in the Nuclear sector by bagging a couple of orders from NPCIL for manufacturing.

Recognizing that our employees are our core strength, we are focusing on developing their capabilities. In addition to the ongoing programmes, our Human Resources Team has undertaken various development initiatives to enhance the skill-sets of high potential employees to meet requirements of new business segments. Further induction of new people with expertise in Power/Hydro Carbon/Nuclear sector is a continuous process at your Company.

Beneficiation of various metals like copper, iron ore & steel, nuclear power plant, manufacture of special equipments catering to the nuclear sector, oil & gas and hydrocarbon are a few industry verticals where we see immense potential for growth. As we have the expertise in these fields, we are poised to tap the opportunity in these sectors.

We are taking a number of measures to strengthen our ability to achieve our goals. Business Processes and Operations were made more robust through implementation of Integrated Management Systems (IMS). A KRA based Performance Management Process is in place. SAP implementation has taken place across HO, project sites and factory as well and more importantly, our sincerity and hard work have enhanced our confidence to help reach anything beyond engineering.

Your Company faces some major challenges that we need to effectively deal with. The industrial investment climate across the world, including India, is not offering room for optimism in the short term. Fiscal and monetary policies are not conducive for accelerated industrial growth. Despite this ambivalence, commodity prices have not exhibited any weakening trend and this situation has brought in margin pressures on the EPC Segment. We are also facing an uneven competitive pressure from China, especially in the power segment, which may extend to other segments too in the immediate future.

Your Company has a very strong engineering, manufacturing and EPC capabilities. We also have resilient and committed employees led by a proven management team that will rise to the occasion to meet the challenges we are encountering in the market place. Backed by the confidence and trust of all our stakeholders, we are confident of navigating HDO's future journey in a sustainable and profitable manner. I am confident that the Management Team with the invaluable guidance of the Board of Directors will achieve its Goals and Objectives.

On behalf of everyone at your Company, I want to thank one and all for your support and commitment to your Company. I look forward to your continued support and best wishes to take our Company to the next level through its growth strategy.

INSIGHTS

E.Sudhir Reddy, Vice Chairman



The performance of your Company was a result of strong global economic recovery, India's consumer demand for product and services linked to a better quality of life and best-in-class manufacturing achievements at all our plants. Your Company was able to demonstrate the full potential of its manufacturing assets, management capability, high quality of products and access to Indian markets by achieving good financial results. This is attributed to volume growth and better margin in the core businesses.

Your Company remained focused on our core business and continuously focussed to tap the opportunities available in the Global Market. We continued to move ahead on growth path by penetration into new business areas through technical tie up with world market leaders and enhance our manufacturing capability. The pursuit of customer satisfaction/ organization excellence is not only a goal for everyone but it is a value that is deeply ingrained in all our employees mind set. We wish to reiterate the commitment of our team to make your Company a world class leader in creation of shareholder value in the Engineering and Manufacturing Segment.

During the year 2010-11, we stepped up our commitment to build organizational capacity, management bandwidth and ability to execute our strategic initiatives. As a result, we secured a global order from M/s. Konkola Copper Mines, Zambia for Copper Refinery Project and few orders from NPCIL for manufacturing of nuclear power plant equipments.

Each business vertical within the portfolio is continuously engaged in upgrading the strategic capability to effectively address their challenges of growth in a competitive market scenario. On engineering, procurement, construction (EPC) your company is participating in critical and high ended works pertaining to nuclear sector. Your company is also augmenting project management tools and skills to be in line with the state-of-art techniques in the world in the nuclear power sector area.

Your company is already into manufacture of high pressure feed water heater, surface condenser and air cooled condenser for thermal and nuclear power

plants. Your company has also embarked on manufacture of high pressure reactor and separator columns which form the heart of the refinery and petrochemical complex.

We are gearing up for the next phase of growth through a combination of our own initiatives and building new technological partnerships with leading global technology players. Your Company will continue to be committed to be amongst the most cost efficient engineering companies in the world while meeting its social responsibility to all stakeholders and the communities which it serves.

We sincerely thank all our customers, vendor-partners, bankers, employees and stakeholders for their confidence and unstinted support and assure you that we as a Company will always live upto your expectations.