



ANNUAL REPORT
2012 – 2013

WEBFIL LIMITED



A Member of the Andrew Yule Group

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COMPANY INFORMATION

BOARD OF DIRECTORS

Jayanta Ray – Chairman
Sujit Chakravorti
Kallol Datta
Asoke K. Dutt
Soumen Das
Debasis Konar
Sunil Munshi
Amitava Dhar
Ashis Chakraborty

CHIEF EXECUTIVE

A. N. Bhattacharyya

COMPANY SECRETARY

Ayan Dutta

AUDITORS

SARAF & CHANDRA
Chartered Accountants
Kolkata

BANKERS

Bank of Baroda
United Bank of India
State Bank of India

REGISTERED OFFICE

"Yule House"
8, Dr. Rajendra Prasad Sarani,
Kolkata- 700 001

FACTORY

Gayeshpur, P.S. Kalyani
Dist. Nadia
West Bengal
PIN- 741234

Website

www.webfilindia.com

E-mail Address

[webfil@webfilindia .com](mailto:webfil@webfilindia.com)

NOTICE TO MEMBERS

NOTICE is hereby given that the 33rd Annual General Meeting of the members of WEBFIL LIMITED will be held at "Yule House", 8, Dr. Rajendra Prasad Sarani, Kolkata -700 001 on Wednesday, the 25th day of September, 2013 at 4.00 p.m. to transact the following business:

1. To consider and adopt the Profit & Loss Account for the year ended 31st March, 2013, the Balance Sheet as at that date and the Reports of the Board of Directors and the Auditors thereon.
2. To appoint a Director in place of Shri Jayanta Ray, who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint a Director in place of Shri Asoke K. Dutt, who retires by rotation and being eligible offers himself for re-appointment.
4. To fix the remuneration payable to the Statutory Auditors of the Company for the financial year ended 31st March, 2014.

SPECIAL BUSINESS:

To consider and if thought fit, to pass with or without modification the following resolution:

As Ordinary Resolution:

5. RESOLVED THAT pursuant to Sections 198, 269, 387 read with Schedule XIII and all other applicable provisions, if any, of the Companies Act, 1956 (Act) and subject to all such approvals, consents, permissions and sanctions of appropriate/concerned authorities, and subject to such other conditions or modifications, as may be prescribed/imposed by any such appropriate/concerned authorities while granting such approvals, consents, permissions and sanctions, and as may be agreed to by the Board of Directors, consent of the members in general meeting be and is hereby accorded to the re-appointment of Shri Amiya Narayan Bhattacharyya, Chief Executive as the 'Manager' of the Company, with effect from 1st July, 2013, for a period of five years or till the date of his superannuation from the services of the Company, whichever is earlier and to the payment of such remuneration to Shri Bhattacharyya during the tenure of his appointment as set out in the Agreement to be entered into between the Company and Shri Amiya Narayan Bhattacharyya.

RESOLVED FURTHER THAT the remuneration by way of salary, perquisites and other allowances payable to Shri Bhattacharyya, in the event of loss or

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inadequacy of profits, in any financial year during the tenure shall be subject to the provisions of Part II of Schedule XIII of the Companies Act, 1956 and the Board of Directors shall have the powers/authority to vary/alter/modify the terms of re-appointment including remuneration and perquisites/allowances of Shri Bhattacharyya from time to time within the limits prescribed under the Companies Act, 1956 read with Schedule XIII of the said Act as may be prevailing for the time being in force.

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.

The Registers of the Members and the Transfer Registers of the Company will remain closed from Thursday, 19th September, 2013 to Wednesday, 25th September, 2013, both days inclusive.

By Order of the Board,

Registered Office:
"Yule House",
8, Dr. Rajendra Prasad Sarani,
Kolkata-700 001.
Dated: 12th August, 2013

Ayan Dutta
Company Secretary

Notes :

- 1) A member entitled to attend and vote at this Meeting may appoint a Proxy to attend and vote in his/her stead. A Proxy need not be a member of the Company. Proxies, in order to be effective, must be received at the Company's Registered Office not less than forty-eight hours before the commencement of the Meeting.
- 2) Members holding shares in more than one account are requested to intimate the Share Department of the Company the Ledger Folios to enable the Company to consolidate the same into one account.
- 3) In terms of clause (aa) to sub-section (8) of Section 224 of the Companies Act, 1956 (Act) the remuneration payable to the auditor(s) appointed under Section 619 of the Act by the Comptroller & Auditor General of India shall be fixed by the Company in General Meeting or in such manner as the Company in General Meeting may determine.
- 4) Pursuant to Clause 49(IV)(G)(i) & (ia) of the Listing Agreement, the Directors seeking appointment / re-appointment at the forthcoming Annual General Meeting are provided as under:

Name of Director	Shri Jayanta Ray	Shri Asoke K. Dutt
Date of Birth	9th May, 1935	22nd October, 1939
Date of Appointment	1st July, 1982	29th June, 2006
Expertise in specific functional area	Finance, Administration & Management	Administration & Management
Qualification	B.Sc., ACMA (London)	M.A.
Shareholding in the Company	100 Shares	100 Shares
List of other Public Limited Companies in which Directorship held	1. Centre Point Estates Pvt. Ltd. 2. Precision Lithographers (Pvt.) Ltd. 3. A-One Paper Marketing Pvt. Ltd. 4. New Town Telecom Infrastructure Development Company Ltd.	NIL
Chairman / Member of the Committees of the Board across all public Companies in which he is a Director	NIL	NIL
Chairman / Member of the Committees of the Board of Directors of the Company	Chairman- Committee of the Board of Directors	Member - Audit Committee
Disclosure of relationships between Directors inter-se	No relationship shared between Directors inter-se	No relationship shared between Directors inter-se

5) KINDLY BRING YOUR COPY OF THE ANNUAL REPORT TO THE MEETING.

**EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2)
OF THE COMPANIES ACT, 1956**

Item No. 5 :

The Board of Directors at its meeting held on 12th August, 2013, had subject to the approval of the members in a General Meeting re-appointed Shri Amiya Narayan Bhattacharyya as 'Manager' of the Company, with effect from 1st July, 2013, for a period of five years or till the date of his superannuation from the services of the Company, whichever is earlier.

Shri Amiya Narayan Bhattacharyya, aged about 57 years is a B.E. (Mech.), 1st Class Hons. from Jadavpur University, Kolkata and has been with the Company for last 11 (eleven) years. He has over 35 years of experience in the area of engineering, supply chain management, production, marketing and administration.

The remuneration and other terms relating to Shri Amiya Narayan Bhattacharyya's re-appointment are contained in an Agreement to be entered into between the Company and Shri Bhattacharyya.

An abstract of the terms of Shri Bhattacharyya's appointment are set out below. This notice and explanatory statement may be treated as the Abstract of the terms of appointment and remuneration payable, if approved, to Shri Bhattacharyya is required to be circulated to the members in terms of Section 302 of the Act.

Salient terms and conditions of the Agreement to be entered into between Shri Amiya Narayan Bhattacharyya and the Company are as follows:

1. Period:

Five years or till the date of his superannuation from the services of the Company, whichever is earlier, with effect from 1st July, 2013.

2. Emoluments:

Subject to the overall limits approved by the members and as laid down in Sections 198 and 309 of the Act.

A. Salary and Allowances:

Basic Salary	Rs. 25,000/- per month
Special Pay	Rs. 50,500/- per month
House Rent Allowance	Rs. 7,500/- per month
Personal Pay	Rs. 7,500/- per month
CCA	Rs. 300/- per month.

The Board may review and determine from time to time and make necessary changes in the Salary and/or allowances during the tenure of his appointment.

B. Perquisites & others:

As per rules of the Company and guided by the Indian Laws.

C. Termination:

The Agreement may be terminated by either party by giving 3 (three) calendar month's notice in writing, to the other.

D. Duties and Obligations:

The duties and various obligations of Shri Amiya Narayan Bhattacharyya as 'Manager' have been fully set out in the draft Agreement to be entered into between the Company and Shri Bhattacharyya which will be available for inspection at the Registered Office of the Company on any working day between 11-00 a.m. to 01.00 p.m. upto 24th September, 2013.

The Board recommends the Resolution set forth in Item No. 5 of the Notice for approval of the members.

None of the Directors of the Company is, in any way, concerned or interested in the resolution.

DIRECTORS' REPORT AND MANAGEMENT DISCUSSION & ANALYSIS

Dear Shareholders,

Your Directors have pleasure in presenting the Annual Report on the operations of the Company together with the Audited Statement of Accounts for the year ended 31st March, 2013.

	Amount (Rupees in Lakhs)	
1. FINANCIAL RESULTS	Year ended 31st March, 2013	Year ended 31st March, 2012
Profit before Depreciation, Interest & Tax	212.12	7.76
Less: Depreciation	17.24	18.91
Interest	<u>179.80</u>	<u>179.07</u>
Profit before Tax	15.08	(190.22)
Provision for Taxation:		
Current Tax	—	—
Deferred Tax	<u>(30.46)</u>	<u>(37.80)</u>
Profit after Tax	45.54	(152.42)
Loss brought forward from last Accounts	<u>1190.49</u>	<u>1038.07</u>
Loss carried forward to the Balance Sheet	<u>1144.95</u>	<u>1190.49</u>

2. DIVIDEND

In view of the accumulated loss of earlier years, your Directors regret their inability to recommend payment of any dividend.

3. PERFORMANCE

The overall performance of the Company has been satisfactory in spite of several constraints faced during the year under review. The Turnover (net) has increased by over 19% from Rs.1712.70 lakhs to Rs.2043.84 lakhs. The Company had earned a Profit (before Tax) of Rs.15.08 lakhs as compared to a Loss (before Tax) of Rs.190.22 as incurred in the previous year.

The turnover of the Filament Division had decreased from Rs.651.51 lakhs to Rs.636.90 lakhs during the year 2012-13. This alongwith other input cost resulted in increase in loss (before tax) from Rs.170.29 lakhs to Rs.247.51 lakhs during the year under review.

However, the turnover of the Digital Division increased from Rs.1061.19 lakhs to Rs.1406.94 lakhs i.e. increased by 33% (approx). The Digital Division had earned a profit (before tax) of Rs.252.30 lakhs during the year 2012-13 as compared to a loss (before tax) of Rs.30.22 lakhs during the previous year 2011-12.

4. PROSPECTS

4.1 FILAMENT DIVISION

The Filament Division remains a major cause of concern for your Directors. Your Company has been able to maintain a reasonably good level of capacity utilization during the year.

4.2 DIGITAL DIVISION

Your Directors are happy to report that the division has made a significant in Special Projects in Networking, Security & Surveillance. Your Company has executed orders worth about Rs.170 lakhs in Special Projects and the revenue from this initiative is likely to grow during the year under review.

The development and commercialization process for Block Proving by Axle Counter (BPAC) is continuing. However the product being part of signaling system having direct bearing on safety, its deployment and approval process is taking much longer time than expected.

The demand for your Company's multiplexer remained stable during the year despite an all round slow down in the economy.

The Division's revenue grew by 33% which is reasonable under the circumstances.

5. FUTURE GROWTH

As reported earlier, your Company expects demand for it's multiplexer to remain stable and also expects deployment and commercialization of BPAC in immediate future. The addition of BPAC is likely to help the Company to achieve higher revenue from the Digital Division.

The prospect with the Company's foray into Project Integration under Special Projects remains bright .

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NTTIDCO

The Directors in their earlier reports informed that your Company in participation with West Bengal Housing Infrastructure Development Corporation Ltd. (WBHIDCO), a Government of West Bengal Undertaking, had promoted a new joint venture Company viz. New Town Telecom Infrastructure Development Co. Ltd. (NTTIDCO), on 12th May, 2006 on the basis of Equity partnership between WBHIDCO and your Company (51:49) for building the underground infrastructure of Fibre Optic Cable Network for Telecommunication in New Town, Rajarhat, Kolkata. In terms of the agreement, your Company has invested Rs.51.45 lakhs towards its contribution in the paid-up share capital of NTTIDCO.

NTTIDCO has already established business connections with well-known renowned telecommunication service providers.

As on date the Underground Infrastructure has already covered about 608 Duct Kilometers spread over Action Area-I, Action Area-II and Action Area-III. The connectivity had now reached all the buildings, which are either already constructed or nearing completion. Particular emphasis has been given towards connectivity for IT Park with the Ring Formation, which ensures greater availability and alternate routing.

NTTIDCO is performing well within available resources. NTTIDCO declared 20% dividend in the previous year.

6. ISO ACCREDITATION

Digital Division of the Company received certificate on Management system as per ISO 9001:2008 for the scope of Design, Manufacture and Servicing of Equipments related to Digital Communications, Power Supply, Signalling, Display and Protection of Power Supply Distribution Systems from TUV NORD CERT GmbH Certification Body, Mumbai. The Certificate is valid upto 3rd May, 2016. Initial Certification was on 4th March, 2004.

7. AUDITORS' REPORT

In respect of the comments made by the Statutory Auditors in their report, your Directors have to state as under:

7.1 Item no. 7(i)

Disclosure of Financial Reporting of interest in respect of Joint Venture Company for the year ended 31st March, 2013 could not be made due to non availability of the same at the time of finalisation of Company's Accounts, which, however, have since been received. The matter has been suitably explained in Note no. 34 to the statement of Profit & Loss.

7.2 Item No. 7(ii)

Indian Railways, the main customer of the Company had declined to confirm to the Statement of balances. Besides, most of the balance confirmations from /to various parties had been received by the Company.

8. COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA ON THE ACCOUNTS

The Comptroller & Auditor General of India (CAG) have decided not to review the reports of the Statutory Auditors on the Accounts of the Company for the year ended 31st March, 2013 and as such they have no comment to make under Section 619(4) of the Companies Act, 1956.

9. PERSONNEL

The management accords a high priority in developing the skills of employees through training wherever necessary. The Company is striving to build-up high quality organizational culture and harmonious employee relation through training & work culture.

There was no employee in the Company who received remuneration in excess of the limit prescribed under Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975, as amended.

10. SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies of the Company are annexed to the Accounts.

11. CORPORATE GOVERNANCE

Pursuant to clause 49 of the Listing Agreement with the Stock Exchange, Management Discussion and Analysis, Corporate Governance Report and Certificate by Chief Executive Officer (CEO) confirming compliance by all the Board Members and Senior Management Personnel with Company's Code of Conduct and Auditor's Certificate regarding compliance of conditions of Corporate Governance are made a part of this Annual Report.

12. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956, with respect to Directors' Responsibility Statement, your Directors have:

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- (a) followed in the preparation of the Annual Accounts for the financial year ended 31st March, 2013, the applicable Accounting Standards with proper explanations relating to material departures;
- (b) selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of your Company at the end of the financial year and of the profit or loss of your Company for the year under review;
- (c) 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 your Company and for preventing and detecting fraud and other irregularities;
- (d) prepared the Annual Accounts for the year ended 31st March, 2013 on a 'going concern' basis.

13. AUDITORS

The Comptroller & Auditor General of India had appointed M/S. Saraf & Chandra, Chartered Accountants, as Statutory Auditors of the Company for the year ended 31st March, 2013 under Section 619(2) of the Companies Act, 1956.

The Statutory Auditors for the year ending 31st March, 2014 will be appointed by the Comptroller and Auditor General of India in due course.

14. DIRECTORS

Shri Ashis Chakraborty, as nominated by West Bengal Industrial Development Corporation Limited (WBIDC), has been appointed as Director of the Company with effect from 13th February, 2013.

In accordance with the provisions of the Companies Act, 1956 and your Company's Articles of Association, Shri Jayanta Ray and Shri Asoke K. Dutt retire by rotation at the ensuing Annual General Meeting and being eligible, have offered themselves for re-appointment.

The brief resume / details relating to Shri Jayanta Ray and Shri Asoke K. Dutt are furnished in the notes annexed to the Notice of the ensuing Annual General Meeting of the Company.

Pursuant to Clause 49(IV)(G)(ia) it is disclosed that no Director share any relationship inter se.

15. CONSERVATION OF ENERGY

Your Company accords great importance to conservation of energy by close monitoring of consumption of electricity, LPG, diesel and water. Since the Company is a low energy consuming unit, no significant proposal for additional investment in the near future is envisaged for further reduction of consumption of energy.

16. RESEARCH AND DEVELOPMENT ACTIVITY AND ABSORPTION OF TECHNOLOGY

Information relating to Research and Development activity, absorption of technology and other related matters pursuant to Section 217(1)(e) of the Companies Act, 1956 are given in a statement annexed to this report.

17. ACKNOWLEDGEMENT

The Directors record their hearty appreciation for the co-operation and support extended by the employees at all the levels of the Company. The Directors thank the shareholders, customers, suppliers, bankers, government authorities, local bodies around the plant area and all other business associates for their support to the Company and its Management.

On behalf of the Board

Place : Kolkata
Dated: 12th August, 2013

JAYANTA RAY
Chairman

ANNEXURE TO DIRECTORS' REPORT

Information pursuant to Section 217(1)(e) of the Companies Act, 1956.

A. RESEARCH AND DEVELOPMENT (R&D)

Your Company is engaged in R&D on an ongoing basis with the object of developing various signalling and Telecommunication equipment and Filaments with the emphasis on minimizing the cost and improving the quality of its products.

i) Various products developed by the Company through R&D:

- a) Automatic Message Switching System.
- b) Low speed data Module (upto 19.2 K Band) for PCM Multiplexer.
- c) RF Surge Protector.
- d) Universal Fail Safe Block Interface
- e) Drop Insert type Programmable Primary Multiplexer.
- f) 2/8 Mbps Optical Line Terminating Equipment.
- g) Drop/Insert type Programmable Primary Multiplexer with modified specifications & new features.
- h) High Speed Data Interfaces for D/I Mux
- i) LED Video Board and LED Based Train Information Board.
- j) Microprocessor based Over Current Earth Fault Relay.
- k) Microprocessor based Over Current Earth Fault Relay with instantaneous high set.
- l) Block Proving by Axle Counter using UFSBI for double line.

ii) Expenditure on R&D:

- a) Capital : NIL
- b) Recurring : Rs.48.45 lakhs
- c) Total : Rs.48.45 lakh
- d) Total R&D expenditure as a percentage of total turnover : 2.37%

B. TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION : NIL**C. FOREIGN EXCHANGE EARNING AND OUTGO :**

- i) Foreign Exchange is being earned from export of Filaments.
- ii) Total Foreign exchange earned and used:

Foreign Exchange earnings were Rs.339.25 lakhs compared to Rs.295.31 lakhs in the previous year. Foreign Exchange outflow was Rs.344.03 lakhs compared to Rs.286.75 lakhs in the previous year.

On behalf of the Board

Place : Kolkata
Date : 12th August, 2013

JAYANTA RAY
Chairman

REPORT ON CORPORATE GOVERNANCE

1. CORPORATE GOVERNANCE PHILOSOPHY

WEBFIL Limited is a Joint Venture Company of Andrew Yule Group and West Bengal Industrial Development Corporation Limited.

The Company promotes a work culture based on the principles of good Corporate Governance—integrity, equity, fairness, individual accountability and commitment to values. The Company emphasizes the need for highest level of transparency and accountability in all its transactions in order to protect the interests of all its stakeholders. The Board considers itself as a trustee of its shareholders and acknowledges its responsibilities towards them for creation and safeguarding their wealth on sustainable basis. They abide by the policies, procedures, applicable laws, rules and regulations to comply, create and maintain a culture of high ethical standards and maintain a work environment that encourages not only the staff but the stakeholders too to raise their faith in the management of the Company.

2. BOARD OF DIRECTORS

In terms of Company's Corporate Governance Policy, all statutory and all significant and material information are placed before the Board of Directors to enable it to discharge its responsibilities of strategic supervision of the Company and as trustees of the Shareholders.

2.1 COMPOSITION

The composition of the Board of Directors of the Company consists of eminently qualified Non-Executive Directors. The number of Directors as on 31st March, 2013 was 9 (nine).

The composition of the Board of Directors and the number of other Directorship and Membership / Chairmanship held by each Director in various Companies are as under :

Name of the Directors	Category	No. of Directorships held in other Companies*	No. of Committee Positions held in other Companies**	
			As Member	As Chairman
Shri Jayanta Ray	Chairman Non-Executive	1	NIL	NIL
Shri Sujit Chakravorti	Independent Non- Executive	5	2	3
Shri Kallol Datta	Non-Executive	12	NIL	NIL
Shri Asoke K. Dutt	Independent Non-Executive	NIL	NIL	NIL
Shri Debasis Konar	Non-Executive	NIL	NIL	NIL
Shri Soumen Das	Independent Non-executive	2	NIL	NIL
Shri Sunil Munshi	Non-Executive	9	NIL	NIL
Shri Amitava Dhar #	Non-Executive	9	NIL	NIL
Shri Ashis Chakraborty ##	Non-Executive	NIL	NIL	NIL

* Excluding Directorships in Private Limited Companies, Foreign Companies, Government Bodies and Companies registered under Section 25 of the Companies Act, 1956.

** In accordance with Clause 49, Membership / Chairmanship of only the Audit Committee, Shareholder/Investors' Grievance Committee and Remuneration Committee has been considered.

Shri Amitava Dhar was appointed as Director of the Company with effect from 1st July, 2012.

Shri Ashis Chakraborty was appointed as Director of the Company with effect from 13th February, 2013.

None of the Directors of your Company is a member of more than 10 (ten) committees or is the Chairman of more than 5 (five) committees across all the companies in which they are Directors.

2.2 MEETINGS AND ATTENDANCE

During the last financial year ended 31st March, 2013, 5 (five) meetings of the Board of Directors were held on 28th May, 2012, 25th June, 2012, 30th August, 2012 , 12th November, 2012 and 13th February, 2013.

Attendance of Directors at the Board Meetings and at the Annual General Meeting is as under :-

Name of the Directors	No. of Board Meetings Attended	Attendance in the last Annual General Meeting held on 28th September, 2012
Shri Jayanta Ray	5	YES
Shri Sujit Chakravorti	4	YES
Shri Kallol Datta	2	NO
Shri Asoke K. Dutt	4	YES
Shri Indrajit Sengupta	2	NO
Shri Debasis Konar	3	NO
Shri Soumen Das	5	YES
Shri Sunil Munshi	2	YES
Shri Amitava Dhar	3	YES
Shri Ashis Chakraborty	1	N. A.

Notes :

- Shri Indrajit Sengupta resigned from the Board of Directors with effect from the close of business on 30th June, 2012.
- Shri Amitava Dhar was appointed as Director of the Company with effect from 1st July, 2012.
- Shri Ashis Chakraborty was appointed as Director of the Company with effect from 13th February, 2013.

3. COMMITTEE OF THE BOARD OF DIRECTORS

The Company is having a Committee of the Board of Directors, duly constituted by the Board of Directors to supervise and ensure smooth functioning of the day-to-day operations of the Company. Meetings of such Committee are held as and when necessary.

The composition of Committee of the Board of Directors and the details of meetings attended by the Directors are given below :

Name of the Directors	Status in the Committee	Number of Meetings attended
Shri Jayanta Ray	Chairman	7
Shri Kallol Datta	Member	7
Shri Indrajit Sengupta	Member	1
Shri Sunil Munshi	Member	3
Shri Amitava Dhar	Member	5

Notes :

- Shri Indrajit Sengupta resigned with effect from the close of business on 30th June, 2012 and Shri Amitava Dhar joined with effect from 1st July, 2012.
- During the year 2012-13, 7 (seven) meetings of the Committee of the Board of Directors were held.
- The minutes of the meetings of the Committee of the Board of Directors are placed before the Board for perusal and noting. The Committee also discharges the functions of Shareholders Grievance Redressal Committee.

4. AUDIT COMMITTEE

a) TERMS OF REFERENCE:

The role and terms of reference of the Audit Committee cover the matters specified under clause 49 of the Listing Agreement with The Calcutta Stock Exchange Limited and Section 292 of the Companies Act, 1956 besides other terms as may be referred to it by the Board of Directors.

b) COMPOSITION OF THE AUDIT COMMITTEE:

The composition of the Audit Committee as on 31st March, 2013 and the attendance of the members at the meeting(s) thereof during the year 2012-13 were as follows:

Name of Directors	Designation	Category of Director	No. of Meetings attended
Shri Sujit Chakravorti	Chairman	Independent, Non- Executive	5
Shri Asoke K. Dutt	Member	Independent, Non- Executive	4
Shri Indrajit Sengupta	Member	Non-Independent, Non- Executive	1
Shri Soumen Das	Member	Independent, Non- Executive	5
Shri Amitava Dhar	Member	Non-Independent, Non- Executive	2

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Notes :

- i. Shri Indrajit Sengupta resigned with effect from the close of business on 30th June, 2012 and Shri Amitava Dhar joined with effect from 1st July, 2012.
 - ii. Shri Sujit Chakravorti, Shri Soumen Das and Shri Amitava Dhar possess requisite financial and accounting expertise whereas the other Directors are financially literate.
 - iii. Shri A.N.Bhattacharyya, Chief Executive and Shri Utpal Kanti Ray, Dy. General Manager (Finance & Accounts) are the permanent invitees, to the Audit Committee Meetings. The Company Secretary acts as the Secretary of the Audit Committee.
 - iv. The Audit Committee invites the Statutory Auditors and the Internal Auditors of the Company to be present at the meetings, as and when it considers appropriate.
- c) During the financial year ended 31st March, 2013, 5 (five) meetings of the Audit Committee were held on 28th May, 2012, 22nd June, 2012, 10th August, 2012, 12th November, 2012 and 13th February, 2013.
- d) The necessary quorum was present at the meetings. Shri Sujit Chakravorti, Chairman of the Audit Committee was present at the Annual General Meeting held on 28th September, 2012.

5. REMUNERATION COMMITTEE

The need of constitution for Remuneration Committee is not felt by the Company in view of the fact that all the Directors are Non-Executive Part time Directors. During the year following remuneration was paid to Non-Executive Directors for attending the Board, Committee of the Board and Audit Committee Meetings as Sitting Fees:

Details of Remuneration for 2012-13

Name of Director	Sitting fees paid (Rs.)
Shri Jayanta Ray	8,500/-
Shri Sujit Chakravorti	9,000 /-
Shri Kallol Datta	5,500 /-
Shri Asoke K. Dutt	8,000 /-
Shri Indrajit Sengupta	3,500 /-
Shri Debasis Konar	3,000 /-
Shri Soumen Das	10,000 /-
Shri Sunil Munshi	3,500 /-
Shri Amitava Dhar	7,500 /-
Shri Ashis Chakraborty	1,000 /-
TOTAL	<u>59,500/-</u>

Notes :

Remuneration of Directors is approved by the Board of Directors and paid as per directions given by the concerned Directors and recorded in the minutes of the Meetings. Apart from above, the Directors have no pecuniary relationship with the Company in their personal capacity.

6. SHAREHOLDERS' GRIEVANCE REDRESSAL COMMITTEE

The matters relating to redressal of shareholders and investors complaints like transfer of shares, non-receipt of Annual Reports, etc. are being looked after by the Committee of the Board of Directors as mentioned under Paragraph 3 of this Report.

Number of shares pending transfer as on 31st March, 2013 : NIL

Shri Ayan Dutta, being the Company Secretary with effect from 1st June, 2012, is the Compliance Officer of the Company.

7. GENERAL BODY MEETINGS

Particulars of last three Annual General Meetings are given below :

<u>Financial Year</u>	<u>Date</u>	<u>Time</u>	<u>Venue</u>
2009-2010	27.08.2010	4.00 P.M.	{ " YULE HOUSE" 8, Dr. Rajendra Prasad Sarani, Kolkata-700001
2010-2011	28.09.2011	4.00 P.M	
2011-2012	28.09.2012	4.00 P.M	

No Special Resolution was passed in the last three Annual General Meetings of the Company.

No Special Resolution requiring a postal ballot was placed before the last Annual General Meeting of the Company.

No Special Resolution requiring a postal ballot is being proposed at the ensuing Annual General Meeting of the Company.

8. DISCLOSURES

There was no transaction of material nature with its Promoters, Directors or their relatives, etc. that may have potential conflict with the interest of the Company at large.

WEBFIL LIMITED

The details of the transactions with the related parties (which include payments for certain Common Services on terms considered relevant by the Management) as required under Accounting Standard (AS)-18 "Related Party Disclosures" issued by the ICAI are given under Note No. 33 of the Annual Audited Accounts as at 31st March, 2013.

There was neither any instance of non-compliance by the Company nor any penalty, stricture imposed on the Company by The Calcutta Stock Exchange Limited or SEBI or any statutory authority or any matter related to Capital Market during the last three years.

9. CODE OF CONDUCT

The Board of Directors has formulated a Code of Conduct for all its members and Senior Management Officers of the Company which has been posted on the website of the Company.

The above mentioned Code of Conduct has been complied by all the Directors and Senior Management Personnel who have submitted confirmation, affirming compliance of the code. The certificate regarding compliance with the Code of Conduct is given separately.

10. GENERAL INFORMATION FOR SHAREHOLDERS

CIN of the Company – L36900WB1979PLC032046 Registration No. 021-032046

- | | | | |
|------|--|---|--|
| 10.1 | Annual General Meeting (AGM)
Date, Time and Venue | : | 25th September, 2013 at 4.00 p.m.
"Yule House"
8, Dr.Rajendra Prasad Sarani,
Kolkata-700001. |
| 10.2 | Financial Year | : | 1st April to 31st March |
| 10.3 | Dates of Book Closure | : | From 19th September, 2013
to 25th September, 2013
(both days inclusive) |
| 10.4 | Listing on Stock Exchange(s) | : | The Calcutta Stock Exchange Limited
7, Lyons Range, Kolkata - 700 001
(Stock Code: 33030)
The Listing fee for the year 2012-13 has
been paid to the above Stock Exchange |

- 10.5 Market Price Data : As the shares of the Company were not traded in the Calcutta Stock Exchange during the year 2012-13, quoted price is not available.
- 10.6 Registrar and Transfer Agent : MCS Share Transfer Agent Limited
12/1/5, Manoharpukur Road,
Ground Floor, Kolkata-700 026
Phone : (033) 4072-4051/4052/4053
Fax : (033) 4072-4050
Email: mcskol@rediffmail.com
- 10.7 Share Transfer System : Transfer of Shares in physical form are registered and dispatched within 15 days from the date of their receipt in case documents are complete in all respect. The Committee of the Board of Directors is empowered to approve transfers.
- 10.8 Shares Transferred during the year : Total number of shares transferred in physical form during the year was : NIL (Previous year: 50)

WEBFIL LIMITED

10.9 Distribution of Shareholding as on 31st March, 2013

Shareholding Range	Shares		Shareholders	
	No.	% of Total	No.	% of Total
0 - 500	18107	0.21	237	95.18
501 - 1000	1800	0.02	2	0.80
1001 - 2000	0	0.00	0	0.00
2001 - 5000	0	0.00	0	0.00
5001 - 10000	0	0.00	0	0.00
10001 & Above	8512593	99.77	10	4.02
Total	8532500	100.00	249	100.00

10.10 Shareholding Pattern as on 31st March, 2013

CATEGORY	NO. OF SHARES HELD	PERCENTAGE OF SHAREHOLDING
1. GOVERNMENT		
a) Central	--	--
b) State	--	--
2. FINANCIAL INSTITUTIONS		
a. Industrial Finance Corporation of India	295080	3.46
b. Industrial Development Bank of India	603340	7.07
c. West Bengal Industrial Development Corporation Limited	4220296	49.46
d. General Insurance & its subsidiaries	--	--
e. Nationalised Banks	--	--

CATEGORY	NO. OF SHARES HELD	PERCENTAGE OF SHAREHOLDING
3. MUTUAL FUNDS	--	--
4. ANDREW YULE & GROUP		
a. Andrew Yule & Co. Ltd.	145000	1.70
b. Yule Financing & Leasing Co. Ltd.	269997	3.16
c. Tide water Oil Co. (India) Ltd.	410000	4.81
d. The Bengal Coal Co. Ltd.	200000	2.34
e. The New Beerbhoom Coal Co. Ltd.	70000	0.82
5. DIRECTORS	250	0.00
6. NON RESIDENTS	-	-
7. OTHERS		
a. Bodies Corporate	2298980	26.94
b. Indian Public	19554	0.23
TOTAL	8532500	100.00

10.11 Dematerialization of shares

Company's shares are yet to be dematerialized.

10.12 Plant Location

Plot No. 62, 63 and 68 in Mouza Kulia,
Gayeshpur, P.S. Kalyani,
Dist: Nadia, West Bengal - 741234

10.13 Address for correspondence
(Corporate & Registered Office)

WEBFIL LIMITED
"Yule House"
8, Dr.Rajendra Prasad Sarani,
Kolkata-700 001.
Tel: 2242-8210/8550
Fax: 91-33-2242 1335
Email: webfil@webfilindia.com
Website: www.webfilindia.com

WEBFIL LIMITED

11. RISK MANAGEMENT

The Company has an integrated approach to managing risks inherent in various aspects of business.

12. CEO/CFO CERTIFICATION

The necessary certificate under clause 49 (V) of the Listing Agreement has been placed before the Board of Directors.

13. NON-MANDATORY REQUIREMENTS

The Company has not adopted the non-mandatory requirements given under clause 49 of the Listing Agreement.

14. AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

As required under clause 49 of the Listing Agreement, the Auditors' Certificate on compliance of conditions of Corporate Governance is attached.

Place : Kolkata
Date : 12th August, 2013

On behalf of the Board

JAYANTA RAY
CHAIRMAN

DECLARATION OF CEO

CEO CERTIFICATION

As required under Clause 49 (I) (D) of the Listing Agreement entered into by the Company with The Calcutta Stock Exchange Limited, it is confirmed that all the members of the Board of Directors and Senior Management Personnel have affirmed compliance of the Code of Conduct during the year 2012-2013.

Place : Kolkata
Date : 12th August, 2013

A. N. BHATTACHARYYA
Chief Executive

AUDITOR'S REPORT

CERTIFICATE OF COMPLIANCE FROM AUDITORS AS STIPULATED UNDER CLAUSE 49 OF THE LISTING AGREEMENT OF THE STOCK EXCHANGES IN INDIA

To the Members of
WEBFIL LIMITED

We have reviewed the compliance of conditions of Corporate Governance by Webfil Limited for the year ended 31st March, 2013 as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchange in India. We have conducted our review on the basis of the relevant records and documents maintained by the Company for the year ended 31st March, 2013 and furnished to us for the purpose of the review and the information and explanation given to us by the Company during the course of such review.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our review was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanation given to us, we certify that the Company has complied with the condition of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We further state such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For SARAF & CHANDRA
Chartered Accountants
(Registration No. 315096E)

(Minu Choudhary)
Partner
Membership No. 066553

Place : Kolkata
Date : 28.05.2013

INDEPENDENT AUDITORS' REPORT To the Members of WEBFIL LIMITED

Report on the Financial Statements

1. We have audited the accompanying financial statements of **WEBFIL LIMITED** (the "Company"), which comprise the Balance Sheet as at 31st March, 2013, the Statement of Profit and Loss and Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information, which we have signed under reference to this report.

Management's Responsibility for the Financial Statements

2. The Company's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India including Accounting Standards referred to in Section 211 (3C) of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

3. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements.
4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

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

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

Emphasis of Matter

- 7. We would like to draw attention in respect of the following matters :
 - i) Attention is specially invited to **Accounting Standard (AS) 27 Financial Reporting of Interest in Joint Venture** which mandates that a venture should disclose, in its separate financial statements, the aggregate amount of each of assets, liabilities, income and expenses related to its interest in the jointly controlled entities. However for the period under reporting the same has been reported as at 31st March, 2012.
 - ii) Balance confirmations from/to various parties in respect of transactions entered during the reporting period and in respect of carry forwards of the previous periods not available with the Company. However the company has initiated the process and necessary follow up is being made to collect the same from the parties.

Report on Other Legal and Regulatory Requirements

- 8. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of Section 227 (4A) of the Act, we give in the **Annexure** a statement on the matters specified in paragraphs 4 and 5 of the Order.
- 9. As required by Section 227 (3) of the Act, 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 purpose of our audit;
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books subject to our comment given below and mentioned elsewhere in this report at appropriate places;
 - c) The Company has regularly followed up for Balance Confirmation from various parties in respect of transaction entered during the reporting period (including Loan Confirmation). However the same has not yet been received by the company.
 - d) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - e) In our opinion, the Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement comply with the Accounting Standards referred to in section 211 (3C) of the Act;
 - f) On the basis of the written representations received from the directors as on 31st March, 2013, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of Section 274 (1) (g) of the Act.

For SARAF & CHANDRA
Chartered Accountants
FRN : 315096E

Place : Kolkata
Date : 28th May, 2013

CA Minu Choudhary
Partner
Membership No. 066553

ANNEXURE TO AUDITORS' REPORT

Referred to in Paragraph 8 of the Auditors' Report of even date to the Members of WEBFIL LIMITED on the financial statements for the year ended 31st March, 2013.

- i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) As explained to us, the Company has a phased programme of physical verification of its fixed assets which is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this programme all the fixed assets were physically verified by management & Internal Auditor during the year and no material discrepancies were identified during such verification.
- (c) In our opinion and according to the information and explanations given to us, the Company has not made any substantial disposal of fixed assets during the year.
- ii. a) As per the explanations provided to us, physical verification of the Inventory of the Company has been carried out by the Management & Internal Auditor during the reporting period.
- (b) As per the explanations provided to us, the procedures of physical verification of inventory generally followed by the Management are reasonable and adequate in relation to the size of the company and the nature of its business.
- (c) As per the explanations provided to us, the company is maintaining proper records of Inventory and material discrepancies, noticed in Internal Audit Report has been adjusted.
- iii. Based on the explanations provided to us, the Company has not granted / taken any loans, secured or unsecured to / from Companies, firms, or other parties covered in the register maintained under section 301 of The Companies Act, 1956, accordingly Clause 4 (iii) (a) to (d) of the Companies (Auditor's Report) order, 2003 are not applicable to the Company.

- iv. In our opinion and according to the information and explanations 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 purchase of Inventory and fixed assets and for the sale of goods. Further on the basis of our examination and according to the information and explanations given to us, we have neither come across nor have we been informed of any instances of major weakness in the aforesaid internal control system.
- v. As per the information and explanations provided to us, there were no contracts or arrangements referred to in Section 301 of the Act during the reporting period to be entered in the Register required to be maintained under that section.
- vi. As per the information and explanations provided to us, the Company has not accepted any Deposit from public falling under the provision of Section 58A and 58AA of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rule 1975, accordingly the provisions of clause (vi) of paragraph 4 of the Companies (Auditor's Report) order, 2003 are not applicable to the Company.
- vii. In our opinion and as per the information and explanation given to us, the Company has an internal audit system commensurate with its size and nature of its business. It is however suggested that the scope needs to be enlarged.
- viii. As per the information and explanations provided to us, the provisions of clause (viii) of paragraph 4 of the Companies (Auditor's Report) order, 2003 are not applicable to the Company.
- ix. (a) According to the information & explanations given to us, Wealth Tax is not applicable to the Company for the period under reporting. In other cases the Company has been generally regular in depositing undisputed statutory dues and any other material statutory dues with the appropriate authorities during the period to the extent applicable. The company as explained to us is in the process of securing compliances with the revised Service Tax regime.

- (b) According to the information & explanations given to us, the details of statutory dues which have not been deposited on account of dispute are given below:

Name of the Statute	Nature of Dues	Amount Rs.	Forum where Dispute	Date of intimation / Order
West Bengal VAT Act, 2003	Sales Tax	10,94,066.00	Additional Commissioner (2009-10)	Date of hearing not yet received
Central Sales Tax Act, 1956	Sales Tax	7,21,633.00	Additional Commissioner (2009-10)	Date of hearing not yet received
West Bengal VAT Act, 2003	Sales Tax	1,96,801.00	West Bengal Commercial Tax Appellate (2007-08)	Date of hearing not yet received
Central Sales Tax Act, 1956	Sales Tax	4,15,365.00	West Bengal Commercial Tax Appellate (2007-08)	Date of hearing not yet received
Central Sales Tax Act, 1956	Sales Tax	4,59,222.00	West Bengal Commercial Tax Appellate (2008-09)	Date of hearing not yet received
West Bengal VAT Act, 2003	Sales Tax	32,40,322.00	West Bengal Commercial Tax Appellate & Revision Board (2005 - 06)	Date of hearing not yet received

Name of the Statute	Nature of Dues	Amount Rs.	Forum where Dispute	Date of intimation / Order
Central Sales Tax Act, 1956	Sales Tax	1,65,216.00	West Bengal Commercial Tax Appellate & Revision Board (2005 – 06)	Date of hearing not yet received
Central Sales Tax Act, 1956	Sales Tax	4,84,386.00	West Bengal Commercial Tax Appellate & Revision Board (2006 – 07)	Date of hearing not yet received
Income Tax Act, 1961	Income Tax	3,80,050.00	CIT Appeal (A.Y. 2009-10)	Date of hearing not yet received
Income Tax Act, 1961	Income Tax	15,39,780.00	CIT Appeal (A.Y. 2010-11)	Date of hearing not yet received

- x. For the year of reporting under review, the accumulated loss as at 31st March, 2013 of the company are more than fifty percent of its net worth. The company has incurred cash losses only during the financial year (2011-12) i.e. the year preceding the current financial year but not incurred any cash loss during the current financial year (2012-13)

WEBFIL LIMITED

- xi. According to the information and explanations given to us, the company has defaulted in repayment of dues to financial institutions/government authorities. The details of the same are enclosed below :

Nature of Borrowing	From where loan taken	Principal Amount (Rs.)	Due onward	Interest Amount (Rs.)	Due onward
Term Loan	WBIDC-long term	1,50,00,000	30.09.2005	2,23,83,903	30.11.2005
Sales Tax Loan	Govt. of West Bengal	6,63,60,049	26.02.2007	6,62,84,295	26.02.2004
Sales Tax Loan	WBIDC	53,49,600	31.03.2010	1,35,00,983	31.03.2000
Term Loan	WBIDC-short term	84,00,000	30.06.2011	21,92,633	30.06.2011

- xii. According to the information and explanations 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 and as such clause (xii) of paragraph 4 of the Companies (Auditor's Report) order, 2003 are not applicable to the Company.
- xiii. According to the information and explanations given to us, the company is neither a Chit Fund Company nor a Nidhi / Mutual Benefit Fund Society, therefore, the provisions of clause (xiii) of paragraph 4 of the Companies (Auditor's Report) order, 2003 are not applicable to the Company.
- xiv. According to the information and explanations given to us, the company is not dealing or trading in Shares, Securities debentures and other investments hence the provisions of clause (xiv) of paragraph 4 of the Companies (Auditor's Report) order, 2003 are not applicable to the Company.
- xv. According to the information and explanations given to us, the company has not given any guarantees against loans taken by other, from bank and financial institution during the year under reference and as such the provisions of clause (xv) of paragraph 4 of the Companies (Auditor's Report) order, 2003 are not applicable to the Company.

- xvi. According to the information and explanations given to us, on an overall basis the term loans taken by the company have been applied for the purpose for which the loans were obtained.
- xvii. According to the information and explanations given to us, on an overall basis we report that no funds raised on short term basis have been used for long term investment for the period under review.
- xviii. According to the information and explanations given to us, for the year under reporting the company has not made any preferential allotment of shares to parties or companies covered in the Register maintained under Section 301 of the Companies Act, 1956.
- xix. The company has not issued any debenture during the year under reference.
- xx. The company has not made a public issue during the year under reference.
- xxi. According to the information and explanations given to us and on the basis of the records of the Company examined by us, no fraud on or by the company has been noticed or reported during the year, nor we have been informed of any such case by the Management.
- xxii. In our opinion and according to the information and explanations provided to us, all the applicable clauses given in the Companies (Auditors' Report) Order, 2003 (the Order) as amended, have been reported and other clauses are not applicable to the Company.

For SARAF & CHANDRA
Chartered Accountants
FRN : 315096E

CA Minu Choudhary
Partner
Membership No. 066553

Place : Kolkata
Date : 28th May, 2013

WEBFIL LIMITED



कार्यालय महालेखाकार
(आर्थिक एवं राजस्व क्षेत्र लेखापरीक्षा)
पश्चिम बंगाल
**OFFICE OF THE
ACCOUNTANT GENERAL**
(Economic and Revenue Sector Audit)
West Bengal

To
The Managing Director,
WEBFIL Limited,
"YULE HOUSE"
8, Dr. Rajendra Prasad Sarani,
Kolkata- 700 001

No. : OA (ESA-II) / Accts / WEBFIL/2012-13/718
Date : 03.07.2013

**Sub. : Comments of the Comptroller and Auditor
General of India under Section 619 (4) of the
Companies Act., 1956 on the accounts of WEBFIL
Limited for the year ended 31 March 2013.**

Sir,

I am to forward herewith the Non-review certificate under Section 619 (4) of the Companies Act, 1956 on the accounts of WEBFIL Limited for the year ended 31 March 2013.

Yours faithfully,

Encl : As stated

(S. K. De)
Deputy Accountant General (ESA-II)
West Bengal

सी. जी. ओ. कम्प्लेक्स, डी. एफ. ब्लॉक, साल्ट लेक, कोलकाता-700 064
3rd MSO Building, 5th Floor, CGO Complex, DF Block, Salt Lake, Kolkata-700 064
Phone : (033) 2337-4916 ; FAX : (033) 2337-6966, e-mail : aglbaWestbengal@cag.gov.in

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 619 (4) OF THE COMPANIES ACT, 1956 ON THE ACCOUNTS OF WEBFIL LIMITED FOR THE YEAR ENDED 31 MARCH 2013.

The preparation of financial statements of WEBFIL Limited for the year ended 31 March 2013 in accordance with the financial reporting framework prescribed under the Companies Act, 1956 is the responsibility of the management of the company. The statutory auditor appointed by the Comptroller and Auditor General of India under Section 619 (2) of the Companies Act, 1956 is responsible for expressing opinion on these financial statements under section 227 of the Companies Act, 1956 based on independent audit in accordance with the auditing and assurance standards prescribed by their professional body, the Institute of Chartered Accountants of India. This is stated to have been done by them vide their Audit Report dated 28.05.2013.

I, on behalf of the Comptroller and Auditor General of India have decided not to review the report of the Statutory Auditors on the accounts of WEBFIL Limited for the year ended 31 March 2013 and as such have no comments to make under Section 619 (4) of the Companies Act, 1956.

**For and on behalf of the
Comptroller & Auditor General of India**

**(M. Ray Bhattacharyya)
Accountant General (E & RSA)
West Bengal.**

**Dated at Kolkata
The 03 July 2013**

WEBFIL LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2013

	Note	2012 - 2013		2011 - 2012	
		Rs.	Rs.	Rs.	Rs.
EQUITY AND LIABILITIES					
Shareholders' Funds					
Share Capital	2	105765000		105765000	
Reserves and Surplus	3	-114486225	-8721225	-118980178	-13215178
Non-Current Liabilities					
Long-term Borrowings	4	30500000		39980006	
Long-term Provisions	5	49425719	79925719	38541821	78521827
Current Liabilities					
Short-term Borrowings	6	26131621		29032499	
Trade Payables	7	34083761		44867075	
Other Current Liabilities	8	218824164		189152384	
Short-term Provisions	9	5350108	284389654	7464329	270516287
Total			355594148		335822936
ASSETS					
Non-current assets					
Fixed Assets					
Tangible Assets	10	12529541		13768981	
Capital Work-inProgress		19254			
		12548795		13768981	
Non-current Investments	11	5465000		5465000	
Deferred Tax Assets	12	20982471		17936216	
Long term Loans and Advances	13	48849766	87846032	40739341	77909538
Current Assets					
Inventories	14	191462594		170427984	
Trade Receivables	15	58377023		71973893	
Cash and cash equivalents	16	7552313		8402544	
Short-term Loans and Advances	17	10186213		6998029	
Other Current Assets	18	169973	267748116	110948	257913398
Total			355594148		335822936

Significant Accounting Policies 1

The accompanying Notes 1 to 36 are an integral part of the Financial Statements.

In terms of our Report of even date.

For Saraf & Chandra
Chartered Accountants
(Regn. No. 315096E)

Minu Choudhary
Partner
(M. No. 066553)
Dated : Kolkata, 28th May, 2013

A. N. Bhattacharyya
Chief Executive

Ayan Dutta
Company Secretary

On behalf of the Board

Jayanta Ray
Chairman

Sujit Chakravorti
Director

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

	Note	2012 - 2013 Rs.	2011 - 2012 Rs.
INCOME			
Revenue from Operations			
Gross Revenue from Sale of Products and Services		210971055	177314612
Less : Excise Duty		6586909	6044999
Net Revenue from Operations	19	204384146	171269613
Other Income	20	6971022	5408401
Total Revenue		211355168	176678014
EXPENDITURE			
Cost of Materials Consumed	21	58548880	74791370
Purchases of Stock-in-Trade		18518944	16823905
Changes in inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	22	- 9933586	- 25073165
Employee Benefits Expense	23	78050974	62381659
Finance Costs	24	17979738	17906855
Depreciation and Amortization Expense	10	1723670	1891166
Other Expenses	25	44958089	46978039
Total Expenses		209846709	195699829
Profit/(Loss) Before Tax		1508459	-19021815
Tax Expenses			
Current Tax		-	-
Deferred Tax	12	-3046255	-3780105
Profit/(Loss) for the Year		4554714	-15241710
Earning per equity share of face value of Rs.10 each Basic and Diluted (in Rs.)	26	0.39	-1.93

Significant Accounting Policies 1

The accompanying Notes 1 to 36 are an integral part of the Financial Statements.

In terms of our Report of even date.

For Saraf & Chandra
Chartered Accountants
(Regn. No. 315096E)

Minu Choudhary
Partner
(M. No. 066553)
Dated : Kolkata, 28th May, 2013

A. N. Bhattacharyya
Chief Executive

Ayan Dutta
Company Secretary

On behalf of the Board

Jayanta Ray
Chairman

Sujit Chakravorti
Director

1. **SIGNIFICANT ACCOUNTING POLICIES**

(I) **Basis of Preparation of Financial Statements**

The financial statements have been prepared to comply in all material respects with the applicable Accounting Standards notified under Section 211(3c) of the Companies Act, 1956. The financial statements have been prepared under the historical cost convention on an accrual basis. The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

(II) **Use of Estimates**

The preparation of financial statements requires estimates assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known / materialized.

(III) **Reserves**

- (a) Government Subsidies are retained in Special Reserve until the conditions stipulated in the respective schemes are complied with and depending upon the nature of the subsidy, are written back to the credit of Profit and Loss Account or transferred to Capital Reserve after the expiry of the specified period.

(IV) **Fixed Assets**

- (a) Fixed assets are stated at cost net of tax/duty credits availed, if any. Cost includes incidental expenses related to acquisition and installation of the concerned assets.
- (b) Depreciation is provided on straight line method in accordance with the provisions of Section 205(2)(b) read with Schedule XIV of the Companies Act, 1956. Depreciation on Assets acquired prior to April 1987 has been provided at the appropriate rate adopted in earlier years.
- (c) Amortisation of cost of long-term leasehold land is done over the period of lease.

(V) **Investments**

Long term Investments are stated at cost. Provision for diminution in the carrying value is made only if such decline is other than temporary.

WEBFIL LIMITED

(VI) Inventories

- (a) Stocks of stores, spares, raw materials etc. are valued (net of CENVAT) at weighted average cost.
- (b) Work-in-Progress(WIP) lying in Works is valued at Works cost. WIP at Project site is valued at contract price on the basis of Job done but not certified by the customer. Stocks of Finished Goods are valued at works cost or net realisable value whichever is lower.
- (c) Excise Duty on finished goods lying at works is provided and as such, the valuation of finished goods includes Excise Duty.
- (d) Imported materials lying in bonded warehouse and at port are valued at cost including Customs Duty and other charges.
- (e) Stock of scrap as per stock records is valued on the basis of estimated realisable value.
- (f) Export benefits against Advance Licences are considered at the time of actual consumption of the imported materials. Advance Licences in hand at the close of the year are not accounted for.

(VII) Revenue Recognition

- (a) (i) Sales against Ex-Works/FOR Contracts are booked on the basis of deliveries to transport carriers upto 31st March, irrespective of whether the goods have been received by the customer by the close of the accounting year or not. Sales in respect of transactions against FOR destination contracts are booked for the goods actually received by customers by the close of the accounting year.
- (ii) Despatches against FOR destination contracts not reaching the customers within the close of the year, are shown as Finished Goods-in-Transit.
- (b) Partial deliveries are accounted for in accordance with the billing schedule as per the terms of Sales Contract.
- (c) Sales returns, if any, upto the cut-off date i.e. one month from the close of the accounting year are accounted for.
- (d) Excise Duty recoverable under the terms of the sale contracts is included in sales.
- (e) Except in disputed cases, escalation/de-escalation claim bill are accounted for on the basis of the terms of the relevant contracts.
- (f) Export sales are accounted for on the basis of date of Bills of Lading.

- (g) Bills for Annual Maintenance Contracts are raised and accounted for on the basis of acceptance by the parties.

(VIII) Other Income

- (i). The following items are accounted for in the books on actual receipt basis;
 - (a) Interest on late retirement of bills by customers.
 - (b) Interest on loans to employees as per approved Scheme, other than House Building Loans Scheme, is recovered and accounted for after repayment of the principal amount.
- (ii).
 - (a) Insurance, Excise Duty, Customs Duty and other claims which are reasonably certain, are accounted for on the basis of claims lodged.
 - (b) Sales Tax and Income Tax Refunds are accounted for on the basis of assessment/ refund orders received.
 - (c) Central/State Subsidies from Government are accounted for on the receipt of intimation of grant.

(IX) Borrowing Cost

Borrowing cost directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur. Borrowing cost consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

(X) Purchases

- (a) Insurance Charges incurred in relation to the incoming goods where materials are directly relatable, are accounted for in respect of individual items; otherwise, such insurance premium is charged to Profit and Loss Account.
- b) In case of goods purchased from overseas, the shipment is treated as goods-in-transit (Import) :
 - (i) in case of both CIF and C&F Contracts, from the date of intimation received from bank.
 - (ii) in case of FOB Contract, from the date of actual shipment as per Bill of Lading. Customs Duty is charged on the basis of the date of arrival in port.

WEBFIL LIMITED

(XI) Other Expenses

- (a) Issue of materials/components as free replacements during the guarantee period which could not be provided being unknown, is accounted for on actual despatches.
- (b) Liability in respect of rectification work/replacement as at the close of the accounting year is booked as per claims received from the customers and accepted by the Company.
- (c) Liabilities in respect of Liquidated Damages, if any, are provided to the extent not disputed by the Company. Liquidated Damages disputed by the Company are treated as contingent liability. The amount of liability/contingent liability is estimated on the basis of contracted terms and the facts of each case to the extent of revenue recognised.
- (d) Liability in respect of commission is provided in proportion to sales.
- (e) Interest on delayed payments of Income Tax is accounted for on the basis of assessment orders of the Tax Authorities, if not disputed by the Company or actual payment effected, as the case may be.

(XII) Provision for Current Tax and Deferred Tax

Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income Tax Act, 1961. Deferred tax resulting from "timing differences" between the taxable and accounting income is accounted for using the tax rates and laws that are enacted or substantively enacted as on the balance sheet date. Deferred tax asset is recognized and carried forward only to the extent that there is a virtual certainty that asset will be realized in future.

(XIII) Earnings per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders after deducting preference dividends and attributable taxes by the weighted average number of equity shares outstanding during the period.

(XIV) Contingent Liabilities/Capital Losses & Contingent Assets

Disputed liabilities and claims against the Company pending in appeal are treated as Contingent liabilities. Contingent assets are not accounted for.

(XV) Booking/Writing Back of Liabilities

- (a) Liabilities which are not likely to materialise are written back. In case of extraordinary items only, separate disclosure is given in the accounts.

(XVI) Foreign Currency Transaction

- (a) Transactions denominated in foreign currencies are recorded at the exchange rate prevailing on the date of the transaction.
- (b) Monetary items denominated in foreign currencies, if any at the year end are restated at year end rates.
- (c) Non monetary foreign currency items are carried at cost.
- (d) Any income or expense on account of exchange difference either on settlement or on translation is recognized in the Profit and Loss Account.

(XVII) Research & Development Expenditure

As per Accounting Standard-26 Intangible Assets , expenditure incurred during the financial year on account of in-house Research & Development are fully charged to Profit & Loss Account.

(XVIII) Employee Benefits

As per Accounting Standard-15 following liabilities are considered

- (a) Retirement benefit in the form of Provident Fund is Defined Contribution Scheme and the contribution is charged to Profit & Loss Account of the year when the contribution to the fund becomes due.
- (b) Liability under defined benefit obligation with regard to gratuity and leave encashment benefits are provided on the basis of Actuarial valuation made on projected unit credit method.
- (c) Liability in respect of post retiral medical benefit for retired employees have been provided for On the basis of Acturial Valuabtion.

On behalf of the Board

A. N. Bhattacharyya
Chief Executive

Jayanta Ray
Chairman

Ayan Dutta
Company Secretary

Sujit Chakravorti
Director

Dated : Kolkata, 28th May, 2013

WEBFIL LIMITED

Notes on Financial Statement for the Year ended 31st March, 2013

2. SHARE CAPITAL

Authorised

95,00,000 Equity Shares of Rs. 10 each
4,00,000 10% Cumulative Redeemable
Preference Shares of Rs. 100 each
25,00,000 6% Cumulative Redeemable
Preference Shares of Rs. 10 each

Issued, Subscribed and Paid-up

85,32,500 Equity Shares of Rs. 10 each fully paid up in cash
20,44,000 6% Cumulative Redeemable
Preference Shares of Rs. 10 each
allotted as fully paid up pursuant to a contract
without payments being received in cash

2012-2013		2011-2012	
Rs.	Rs.	Rs.	Rs.
95000000		95000000	
40000000		40000000	
25000000		25000000	
	160000000		160000000
	85325000		85325000
	20440000		20440000
	105765000		105765000

2.1 Reconciliation of Number of Shares outstanding is set out below :

Particulars	As at 31.03.2013		As at 31.03.2012	
	Equity	Preference	Equity	Preference
Shares at the beginning of the year	85,32,500	20,44,000	85,32,500	20,44,000
Add : Shares issued during the year	Nil	Nil	Nil	Nil
Less : Shares cancelled on buy back/ redeemed during the year	Nil	Nil	Nil	Nil
Shares at the end of the year	85,32,500	20,44,000	85,32,500	20,44,000

2.2 Details of Shareholders holding more than 5% :

Name of Share Holder	As at 31.03.2013		As at 31.03.2012	
	No. of Shares	% held	No. of Shares	% held
West Bengal Industrial Development Corporation Ltd. (Equity Shares)	4220296	49.46	4220296	49.46
DPSC Ltd. (Equity Shares)	2003800	23.49	2003800	23.49
Industrial Development Bank of India Ltd. (Equity Shares)	603340	7.07	603340	7.07
Andrew Yule & Co. Ltd (6% Redeemable Preference Shares)	2044000	100	2044000	100

2.3 Rights, preferences and restrictions attached to the Shares :

- (i) The Equity Shares of the Company, having par value of Rs. 10 per share, rank pari passu in all respects including voting rights and entitlement of dividend.

- (ii) The Company had issued 20,44,000 nos. 6% Cumulative Redeemable Preference Shares of Rs.10 each fully paid up at par equivalent to Rs. 204.40 lakhs to Andrew Yule & Co. Ltd on 25th January, 2008 with terms of redemption in 5 equal Installment commencing from April, 2009. Subsequently on 29.06.2012 Andrew Yule & Co. Ltd. decided moratorium on redemption on the said Preference Shares till 1st April, 2014 and they also desired to explore the possibility of converting this into secured debenture. Due to inadequate profit in the current year and loss / inadequacy of profit in earlier years, no provision for dividend on the said shares amounting to Rs. 63,57,120 for the period from 25-01.2008 to 31.03.2013 has been made and shown as Contingent Liability.

3. RESERVES AND SURPLUS

RESERVES :

Capital Reserve

Share Forfeiture

As per last account

8250

8250

Special Reserve

(State Government Subsidies) *

As per last account

60761

149111

Less: Written back during the year

60761

88350

60761

SURPLUS :

Balance of Profit & Loss Account

Debit Balance As per last account

-119049189

-103807479

Add : Profit / Loss during the year

4554714 -114494475

-15241710 -119049189

- 114486225

- 118980178

(*) State Capital Investment Subsidy of Rs. 23.35 lakhs was disbursed under the 1989 Scheme by WBIDC in its capacity as the disbursing agent of the Government of West Bengal. As per stipulation in the Agreement, on expiry of the prescribed year and pursuant to the provisions of the relevant Accounting Standard, the subsidy is treated as deferred income which is recognised in the Profit and Loss Account on a systematic and rational basis over the useful life of the assets, specified in the Agreement. This allocation to Income is being made over the years and in the proportion in which depreciation on related assets is charged. The residual amount of Rs. 0.61 lakhs lying on this account has been recognised as Income for the current year (previous year Rs. 0.88 lakhs)

4. LONG-TERM BORROWINGS - SECURED

Term Loans

West Bengal Industrial Development Corporation Ltd.(WBIDC) (Ref. Note- 4.1)

15000000

15000000

Govt. of West Bengal -

Sales Tax Loan (Ref. Note - 4.2)

0 75840055

9480006 66360049

0 90840055

9480006 81360049

LONG-TERM BORROWINGS- UNSECURED

Term Loans

West Bengal Industrial Development Corporation Ltd.(WBIDC)-Sales Tax Loan

5349600

5349600

Bonds

0% Redeemable Non-convertible

Bonds (Ref. Note - 4.3)

30500000

30500000

30500000 5349600

30500000 5349600

30500000 96189655

39980006 86709649

WEBFIL LIMITED

- 4.1 The above Term Loans are secured by way of pari-passu charge through joint equitable mortgage by deposit of the title deeds of the Company's immovable properties at Kalyani, District Nadia and the hypothecation of the company's entire movable properties, both present and future, in favour of WBIDC, subject to the first charge created for the Working Capital Loan from Bank of Baroda by way of hypothecation of the Company's raw materials, work-in-progress, consumable stores, spares, finished goods, book debts and dies in favour of the Company's banker. The Banker has become entitled to the second charge on the properties of the Company on which WBIDC enjoys the first charge. The Sales Tax Loan is secured by a residuary charge ranking next to the WBIDC and Bank of Baroda, on the Fixed Assets of the Company.
- 4.2 The Sales Tax Loan of Rs. 7,58,40,055 was availed from Government of West Bengal vide order No.940-IR/O/IM-1/99 dated 26-02-2003 repayable with interest for a period of 11 years with 3 years moratorium (i.e. starting from 26.02.2007), carrying interest @ 8.75% per annum with a rebate of 2% for timely repayment. As the timely repayment could not be made, interest @ 8.75% has been considered since the year of loan disbursed.
- 4.3 The bonds were issued to Andrew Yule & Co. Ltd. on 20.12.2006 and are redeemable in suitable instalments after 8 years from the date of issue.
- 4.4 Details of continuing defaults of Principal and Interest are as follows :

Nature of borrowings	Amount of Principal (Rs.)	Due onwards	Amount of Interest (Rs.)	Due onwards
Term Loans from WBIDC	15000000	30/09/2005	22383903	30/11/2005
Sales Tax Loan from Govt. of W.B	66360049	26/02/2007	66284295	26/02/2004
Sales Tax Loan from WBIDC	5349600	31/03/2010	13500983	31/03/2000
Total :	86709649		102169181	

5. LONG-TERM PROVISIONS

For Employee Benefits :

Gratuity	37355748	29354354
Leave Encashment & Medical Benefits (Previous year's figure does not include Medical Benefits)	12069971	9187467

	49425719	38541821
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6. SHORT-TERM BORROWINGS-SECURED

Working Capital Loan-Bank of Baroda (Ref. Note - 4.1)	17731621	20632499
Short Term Loan - (West Bengal Industrial Development Corporation Ltd.(WBIDC) (Ref. Note - 4.1)	8400000	8400000
	26131621	29032499

6.1 Details of continuing defaults of Principal and Interest are as follows :

Nature of borrowings	Amount of Principal (Rs.)	Due onwards	Amount of Interest (Rs.)	Due onwards
Short Term Loans from WBIDC	8400000	30/06/2011	2192633	30/06/2011
Total :	8400000		2192633	

7. TRADE PAYABLES

Micro, Small and Medium Enterprises
Other Payables - for Goods & Services

2012-2013 Rs.	2011-2012 Rs.
—	—
34083761	44867075
<u>34083761</u>	<u>44867075</u>

7.1 The Company has not received information from vendors regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosure relating to amount unpaid as at the year end together with interest payable under this Act have not been given.

8. OTHER CURRENT LIABILITIES

Current maturities of long-term debt (Ref. Note - 4)
Interest accrued but not due on borrowings
Interest accrued and due on borrowings
Advance from Customers
Sales Tax Liabilities
Deposit from Contractor and others
Liabilities for Expenses on Employees
Liabilities in respect of goods purchased
Other Liabilities

96189655	86709649	
994546	981340	
104361814	91214139	
10841808	1139207	
204698	310153	
268600	319841	
4903171	4702152	
524204	3439647	
535668	336256	
<u>218824164</u>	<u>189152384</u>	
9. SHORT-TERM PROVISIONS		
For Employee Benefits :		
Gratuity	3111772	4368918
Leave Encashment & Medical Benefits	892035	1920080
For Excise Duty & Cess on Closing Stock	1346301	1175331
<u>5350108</u>	<u>7464329</u>	

10. FIXED ASSETS

DESCRIPTION	GROSS BLOCK			
	Cost/Book Value as at 31.03.12	Additions/ Adjustments during the year	Sales/ Adjustments during the year	Cost/Book Value as at 31.03.13
	Rs.	Rs.	Rs.	Rs.
Tangible Assets :				
1. Land (Leasehold)	388815			388815
2. Buildings	16528434	82825		16611259
3. Plant & Equipment	116066508	21591		116088099
4. Furniture & Fixtures	2430706	7832		2438538
5. Vehicles	499933			499933
6. Office Equipment	4469095	31300		4500395
7. Dies & Mould	4450815	340682	57684	4733813
	144834306	484230	57684	145260852
8. Capital Work-in-Progress		19254		19254
TOTAL	144834306	503484	57684	145280106
Previous Year	144583689	465141	214524	144834306

Notes :

- i) Sales/Adjustments of Dies of Rs.57,684 (Previous year Rs.1,31,595) represent the amount of Dies broken due to continuous use in process. As these could not be re-used, the cost and accumulated depreciation have been written off/adjusted as per the usual practice.
- ii) Capital Work-in-Progress for Rs. 19,254 (Previous year- Nil) represents the value of Dies in transit.

DEPRECIATION				NET BLOCK	
Upto 31.03.12	For the Year	Sales/ Adjustments during the year	Upto 31.03.13	As at 31.03.13	As at 31.03.12
Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
117813	3927		121740	267075	271002
12380164	498003		12878167	3733092	4148270
107974605	726875		108701480	7386619	8091903
2082454	28754		2111208	327330	348252
245276	47494		292770	207163	254657
4075129	52922		4128051	372344	393966
4189884	365695	57684	4497895	235918	260931
131065325	1723670	57684	132731311	12529541	13768981
				19254	0
131065325	1723670	57684	132731311	12548795	13768981
129337089	1891166	162930	131065325	13768981	

WEBFIL LIMITED

	2012-2013		2011-2012	
	Rs.	Rs.	Rs.	Rs.
11. NON-CURRENT INVESTMENTS				
Non-trade (Unquoted - at cost)				
Yule Agro Industries Ltd.				
(Associate Company)				
3000 8% Preference Shares of Rs.100 each	300000		300000	
2000 Equity Shares of Rs.10 each	<u>20000</u>	320000	<u>20000</u>	320000
 New Town Telecom Infrastructure Development Co. Ltd.				
(A Joint Venture Company with West Bengal Housing Infrastructure Development Corpn.Ltd.)				
51450 Equity Shares of Rs. 100 each	<u>5145000</u>		<u>5145000</u>	
	<u>5465000</u>		<u>5465000</u>	
 12. DEFERRED TAX ASSETS				
Deferred Tax Asset - Opening		17936216		14156111
Add : Deferred Tax Asset on Current year's Timing difference				
On Depreciation	939738		911098	
On Disallowance under Income Tax Act, 1961	<u>8918692</u>		<u>11322253</u>	
Timing Difference generated during the year	<u>9858430</u>		<u>12233351</u>	
Tax on above	<u>3046255</u>		<u>3780105</u>	
Deferred Tax Asset - Closing	<u>20982471</u>		<u>17936216</u>	
 13. LONG TERM LOANS AND ADVANCES				
(Unsecured considered good)				
Capital Advances		965000		965000
Security Deposits with Customers		10479090		4406911
Deposit With Government Authorities (including Rs. 1000 in National Savings Certificate)		37797		37797
Other Deposit		5857580		5335823
Advance Income Tax (Net of Provision)	8708488		7191999	
Less : Provision made during the year, for advances doubtful of recovery	<u>1907468</u>	6801020	<u>1907468</u>	5284531
Other Advances (Sales Tax Authority)	<u>24709279</u>		<u>24709279</u>	
	<u>48849766</u>		<u>40739341</u>	

14. INVENTORIES

Raw Materials (Filament) at cost	
Consumable stores (Filament) at cost	
Stores, Spares Parts (Filament) at cost	
Loose Tools (Filament) at cost	
Raw Materials & Components (Digital Systems) at cost	
Raw Materials & Components (Microwave Radio & Multiplexer) at cost including in-transit Rs.4,82,340 (Previous Year Rs. 34,38,572)	
Work in Progress (Filament) at cost	
Work in Progress (Digital System) at cost	
Work in Progress (Microwave Radio & Multiplexer) at cost	
Finished Goods (Filament) at cost including in-transit (*)	
– Nil Previous year - Rs.122864)	
Finished Goods (Microwave Radio & Multiplexer) at cost	
Stock-in-Trade at cost	

2012-2013 Rs.	
1245736	
1872664	
3499191	
105467	
2301981	
67998696	
1653955	
53394	
104990390	
12157486	
1148029	
197026989	
5564395	
<u>191462594</u>	

2011-2012 Rs.	
1352188	
1756300	
3635797	
168711	
2301981	
56526449	
2135780	
53394	
94750559	
9636273	
3266017	
227645	
175811094	
5383110	
<u>170427984</u>	

Less : Provision Stock obsolescence

(*) Include stock of scrap for Rs. 3,97,065 (Previous year- Rs. 14,25,196) at net realisable value.

15. TRADE RECEIVABLES

(Unsecured- Considered Good unless otherwise stated)	
Debts outstanding for a period exceeding six months	
Considered Doubtful	
Other Debts	

29534480	
22725857	
28842543	
81102880	
22725857	
<u>58377023</u>	

24267024	
21157334	
47706869	
93131227	
21157334	
<u>71973893</u>	

Less: Provision for Doubtful Debts

16. CASH AND CASH EQUIVALENTS

Balance with Scheduled Banks	
On Current Accounts	
On Margin Deposit Accounts	
Cash on hand	

165218	
7373016	7538234
	14079
<u>7552313</u>	

352036	
8039467	8391503
	11041
	<u>8402544</u>

WEBFIL LIMITED

	2012-2013		2011-2012	
	Rs.	Rs.	Rs.	Rs.
17. SHORT TERM LOANS AND ADVANCES				
(Unsecured considered good)				
Advance to Suppliers		265898		178717
Advance to Staff against Expenses		239902		214616
Pre-paid Expenses		604342		654262
Recoverable from Taxation Authorities -				
Sales Tax	5863803		4211178	
Central Excise	2803392	8667195	1356808	5567986
Others		408876		382448
		<u>10186213</u>		<u>6998029</u>
18. OTHER CURRENT ASSETS				
Accrued Interest on Deposits		169973		110948
		<u>169973</u>		<u>110948</u>
19. REVENUE FROM OPERATIONS				
Sale of Products [Ref. Note 29(b) & (c)]	183211908		159730249	
Income from Services	27759147	210971055	17584363	177314612
Less : Excise Duty recovered		6586909		6044999
		<u>204384146</u>		<u>171269613</u>
20. OTHER INCOME				
Miscellaneous Income(*)		4619817		2853438
Interest on Deposit etc.		550420		734565
Subsidies from State Government (Ref. Note-3)		60761		88350
Dividend from Joint Venture Company		1029000		1029000
Net Gain on Foreign Exchange Fluctuation		324024		703048
Provision for Post Retiral Medical Benifits written back		387000		0
		<u>6971022</u>		<u>5408401</u>

(*) Miscellaneous Income includes Sale of Spent Acid of Rs. 23,74,124 (Previous year- Rs. 28,10,955). and Sale of Scrap for Rs. 22,31,099 (Previous year- Nil)

21. COST OF MATERIALS CONSUMED
Stock as at 1st April, 2012

Raw Materials & Consumable

(Filament) [including Packing Materials]

3108488

3196720

Raw Materials, Components (Digital Systems)

2301981

2301981

Raw Materials and Components

(Microwave Radio & Multiplexer)

56526449 61936918

57092653 62591354

Add: Purchase during the year

Raw Materials & Consumable (Filament)

[including Packing Materials]

33113982

32437329

Raw Materials, Components

(Digital Systems)

0

0

Raw Materials and Components

(Microwave Radio & Multiplexer)

36917057 70031039
41699605 74136934

131967957

136728288

Less: Stock as at 31st March, 2013

Raw Materials & Consumable (Filament)

[including Packing Materials]

3118400

3108488

Raw Materials, Components

(Digital Systems)

2301981

2301981

Raw Materials and Components

(Microwave Radio & Multiplexer)

67998696 73419077
56526449 61936918

58548880
74791370

21.1 Disclosure regarding major product-wise and Imported & Indigenous consumption in Note 29(a) & 29(f) respectively.

22. CHANGES IN FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE

Opening Stock

Finished Goods (Filaments)

Work in Progress (Filaments)

Work in Progress (Radio & Digital System)

Finished Goods (Radio)

Stock-in-Trade

2012-2013
Rs. Rs.

2011-2012
Rs. Rs.

9636273

2135780

94803953

3266017

227645 110069668

7387809

2176504

74438575

669745

323870 84996503

Closing Stock

Finished Goods (Filaments)

Work in Progress (Filaments)

Work in Progress (Radio & Digital System)

Finished Goods (Radio)

Stock-in-Trade

12157486

1653955

105043784

1148029

0 120003254

9636273

2135780

94803953

3266017

227645 110069668

-9933586

-25073165

23. EMPLOYEE BENEFIT EXPENSES

Salaries, Wages and Bonus

Contribution to Provident and other Funds

Employees' Welfare Expenses

66803538

5774432

5473004

78050974

52144738

5412527

4824394

62381659

23.1 Detail disclosure under AS-15 Refer Note - 30

24. FINANCE COST

INTEREST EXPENSES

On Borrowings other than Banks

On Borrowings from Banks

Suppliers' Interest

Interest paid to Sales Tax Authority

13160881

4259639

542248

16970

17979738

13712588

3884765

272857

36645

17906855

25. OTHER EXPENSES

	2012-2013		2011-2012	
	Rs.	Rs.	Rs.	Rs.
Stores & Spares Consumed		1429328		1504473
Rent		1906346		1714252
Rates & Taxes		436599		132069
Power and Fuel		9268337		7409434
Travelling Expenses and Upkeep of Vehicles		4736852		5143255
Printing and Stationery		74523		88051
Telephone, Telex & Postage		1217920		692453
Advertisements		30828		10250
Bank Charges		1763904		1828312
Directors' Fees		59500		61000
Miscellaneous Expenses		2902104		3107189
Insurance		317215		261585
Repairs & Maintenance				
Building	372547		1196791	
Plant and Machinery	439574		612054	
Others	<u>899119</u>	1711240	<u>689866</u>	2498711
Selling Expenses		2221881		1771364
Excise Duty (Changes in Excise Duty on Finished Stock)		170970		521015
Payment to Auditors as :				
Audit Fees	60000		38000	
Certification	<u>42000</u>	102000	<u>17000</u>	55000
Tax Audit Fees		8000		8000
Factory Security Services		1327392		1035203
Provision for Doubtful Debts & Advances		1568523		6734534
Provision for Stock Obsolescence		181285		1614800
Expenses on Execution of Contract Job		8677850		6743167
Research & Development Expenses				
(Refer Note - 35)		<u>4845492</u>		<u>4043922</u>
		<u>44958089</u>		<u>46978039</u>

WEBFIL LIMITED

26. EARNINGS PER SHARE (EPS)

- (i) Net Profit after tax as per Statement of Profit and Loss attributable Equity Shareholders (Rs. in lakhs)
- (ii) Number of equity shares used as denominator for calculating EPS
- (iii) Basic and Diluted Earnings per share (Rs.)
- (iv) Face Value per equity share (Rs.)

2012-2013 Rs.	2011-2012 Rs.
33.28	- 164.68
8532500	8532500
0.39	- 1.93
10	10

27. The Accounts have been prepared on a "Going Concern" basis.

28. Contingent liabilities and Commitments

(Rs. in lakhs)		
	As at 31st March, 2013	As at 31st March, 2012
I. Contingent liabilities :		
(a) Claims not acknowledged as debts -		
In respect of Sales tax matters	67.77	49.00
In respect of Income tax matters	19.19	3.80
(b) Net amount of guarantees outstanding	303.91	342.67
(c) Indemnities under export obligation (*)	240.25	197.29
(d) Dividend payable on 2044000 Nos. 6% Cumulative Redeemable Preference Shares.	63.57	51.30
II. Commitments :		
(a) Estimated amount of contracts remaining to be executed on Capital account not provided for	15.56	15.56
(b) Letters of Credit opened by the Company for import and remaining outstanding (Net)	156.91	158.09

- (*) In respect of Export obligation amounting to Rs. 588.16 lakhs (Previous year Rs. 588.16 Lakhs) the Company has fulfilled the requisite formalities and does not consider the same as contingent liability. The Company is awaiting the confirmation of the same from the appropriate authority.

29.(a) Details of raw materials, consumable and packing materials consumed in respect of goods manufactured :-

	(Rs. in lakhs)	
	<u>2012-13</u>	<u>2011-12</u>
Filament Division :		
(i) Raw Materials :		
Tungsten wires	137.16	126.36
(ii) Consumables :		
Molybdenum Wires	128.31	128.05
Chemicals	34.40	46.66
Gases - LPG Cyln.	7.71	6.79
Others	19.31	13.09
(iii) Stores & Spares	14.29	15.04
(iv) Packing Materials	4.17	4.30
	<u>345.35</u>	<u>340.29</u>
Digital Division :		
Computer Systems, Card Sets, Monitors, Key Boards,		
Disk Drives etc. Electronic Components viz. Diode, IC,	254.44	422.66
Transistor etc. PCB & Mechanical items.		
Total	599.79	762.95

WEBFIL LIMITED

- (b) Particulars of Purchases, Turnover and Stock of Goods (other than those manufactured by the Company)

<u>Description</u>	(Rs. in lakhs)		<u>Turnover</u>
	<u>Purchases</u>	<u>Closing Stock</u>	
STM, Battery, Battery Charger, and other materials required for execution of Optic Fibre Communication systems.	185.19 (168.24)	— (2.28)	363.27 (303.48)

Figures in brackets relate to the previous year.

- (c) Particulars of Gross Turnover in respect of goods manufactured.

<u>Class of Goods</u>	(Rs. in lakhs)	
	<u>2012-13</u>	<u>2011-12</u>
(i) Filaments	674.37	686.11
Drawn Wire	1.71	3.06
(ii) Drop/Insert Digital Multiplexer with Accessories	785.47	576.70
(iii) Programmable Over Current and Earth Fault Relays	—	1.44
(iv) UFSBI	7.30	26.51
Total	1468.85	1293.82

- (d) Stock of Finished Goods (excluding the stock of scrap)

	(Rs. in lakhs)	
	<u>Opening Stock</u>	<u>Closing Stock</u>
(i) Filament	82.11 (73.21)	117.60 (82.11)
(ii) Digital Systems	32.66 (6.70)	11.48 (32.66)

Note: (i) Figures in brackets relate to the previous year.

(e) Foreign Currency Transactions:

(Rs. in lakhs)

	<u>2012-13</u>	<u>2011-12</u>
(i) Value of imports on C.I.F. basis [including freight and insurance Rs. 0.84 (Previous year Rs. 0.75) paid in Rupees]		
Raw Materials [including consumable Rs. 147.23 (previous year Rs. 127.84)]	339.87	280.48
Stores, Spares and components	—	0.91
	<u>339.87</u>	<u>281.39</u>
(ii) Expenditure in foreign currencies :		
Travelling	1.12	1.85
Foreign Bank charges	3.04	3.51
	<u>4.16</u>	<u>5.36</u>
(iii) Earnings in Foreign Exchange :		
Exports on FOB basis	339.25	295.31

(f) Value of imported and indigenous Raw Materials, Consumable , Stores, Spares and Components consumed :

(Rs. in lakhs)								
Raw Materials and Consumables					Stores, Spares and Components			
	2012-13	%	2011-12	%	2012-13	%	2011-12	%
Imported (including Customs Duty and other charges paid in Rupees)	320.47	54.74	291.81	39.02	—	—	0.66	4.39
Indigenous	265.03	45.26	456.10	60.98	14.29	100.00	14.38	95.61
	585.50	100.00	747.91	100.00	14.29	100.00	15.04	100.00

WEBFIL LIMITED

30. The Company has recognized the provision for the employee benefits as per Accounting Standard 15 "Employee Benefits" notified by the Companies (Accounting Standard) Rules, 2006. Independent Actuarial Valuation of all employee benefit schemes was made on 31st March, 2013. The Actuaries have used the "Projected Unit Credit" actuarial method other than Medical Benefit to assess the Plan's liabilities including those to death-in-service and incapacity benefits.

The following tables set out the details of amount recognized in the financial statements in respect of employee benefit schemes.

(Rs. in Lakhs)

Employee Benefits		Gratuity		Leave encashment		Medical	
		2012-13	2011-12	2012-13	2011-12	2012-13	2011-12
A	Components of employer expenses						
1	Current Service Cost	16.27	13.89	5.85	3.26		
2	Interest Cost	26.98	27.09	8.46	8.25	0.11	
3	Expected return on plan assets	-	-	-	-		
4	Curtailment cost / (Credit)	-	-	-	-		
5	Settlement cost / (Credit)	-	-	-	-		
6	Past Service Cost	-	-	-	-		
7	Actuarial Losses / (Gains)	80.06	0.49	34.02	7.11	(0.09)	
8	Total expenses recognized in the Statement of Profit & Loss Account	123.30	41.47	48.34	18.62	0.02	
B	Actual Contribution and Benefit Payments for the year ended 31st March, 2013						
1	Actual benefit payments	55.86	22.97	25.92	9.89	0.06	
2	Actual Contributions	55.86	22.97	25.92	9.89	0.06	
	Funded Status						
A	Present value of Defined						
1	Benefit Obligation	404.67	337.23	128.23	105.81	1.39	
2	Fair value of plan assets	0.00	0.00	0.00	0.00	0.00	

(Rs. in Lakhs)

		Gratuity		Leave encashment		Medical	
		2012-13	2011-12	2012-13	2011-12	2012-13	2011-12
3	Funded status [Surplus/(Deficit)]	(404.67)	(337.23)	(128.23)	(105.81)	(1.39)	
4	Effect of balance sheet asset limit	0.00	0.00	0.00	0.00	0.00	
5	Unrecognized past service cost	0.00	0.00	0.00	0.00	0.00	
6	Net asset/(liability) recognized in balance sheet	(404.67)	(337.23)	(128.23)	(105.81)	(1.39)	
1	Net asset/(liability) recognized in balance sheet at beginning of period	(337.23)	(318.73)	(105.81)	(97.09)	(1.43)	
2	Employer Expense	123.30	41.47	48.34	18.62	0.02	
3	Employer contributions	55.86	22.97	25.92	9.89	0.06	
4	Net asset/(liability) recognized in balance sheet at end of the period	(404.67)	(337.23)	(128.23)	(105.81)	(1.39)	
A	Change in Defined Benefit Obligations						
1	Present Value of DBO at beginning of period	337.23	318.73	105.81	97.09	1.43	
2	Current Service Cost	16.27	13.88	5.85	3.26	0.00	
3	Interest cost	26.98	27.09	8.46	8.25	0.11	
4	Curtailment cost / (credit)	0.00	0.00	0.00	0.00	0.00	
5	Settlement cost / (credit)	0.00	0.00	0.00	0.00	0.00	
6	Employee Contribution	0.00	0.00	0.00	0.00	0.00	
7	Plan amendments	0.00	0.00	0.00	0.00	0.00	
8	Acquisitions	0.00	0.00	0.00	0.00	0.00	
9	Actuarial (Gains) / Losses	80.06	0.49	34.02	7.11	(0.09)	
10	Benefits paid	(55.86)	(22.97)	(25.92)	(9.89)	(0.06)	
11	Present value of DBO at the end of period	404.67	337.23	128.23	105.81	1.39	

WEBFIL LIMITED

(Rs. in Lakhs)

		Gratuity		Leave encashment		Medical	
		2012-13	2011-12	2012-13	2011-12	2012-13	2011-12
B	Change in Fair value of Assets						
1	Plan assets at beginning of period	0.00	0.00	0.00	0.00	0.00	
2	Expected return on plan assets	0.00	0.00	0.00	0.00	0.00	
3	Actual company contributions	55.86	22.97	25.92	9.89	0.06	
4	Employee Contribution	0.00	0.00	0.00	0.00	0.00	
5	Actual gain/(losses)	0.00	0.00	0.00	0.00	0.00	
6	Benefits paid	(55.86)	(22.97)	(25.92)	(9.89)	(0.06)	
7	Plan assets at the end of period	0.00	0.00	0.00	0.00	0.00	
C	Actual return on plan assets	0.00	0.00	0.00	0.00	0.00	
	Discount Rate Assumptions	8.00%	8.50%	8.00%	8.50%	8.00%	

31. As per Management perception, there is no indication that any Fixed Asset of the corporate assesses as on 31-03-2013 may be impaired and hence no provision for loss is required as per AS-28 regarding Impairment of Asset.

32. Segment Reporting:

The Company has disclosed Division wise segment as the primary segments. Segments have been identified taking into account the Division wise products & services and the differing risks and returns.

Segment-wise Revenue, Results, Assets, Liabilities and Capital Expenditure include the respective amounts identifiable to each of the segments as also amounts allocated on a reasonable basis.

SEGMENT INFORMATION FOR THE YEAR ENDED 31ST MARCH, 2013

INFORMATION ABOUT DIVISION WISE SEGMENTS :

(Rs. in lakhs.)

	2012-13				2011-12			
	FILAMENT DIVISION	DIGITAL DIVISION	UNALLO- CATED	TOTAL	FILAMENT DIVISION	DIGITAL DIVISION	UNALLO- CATED	TOTAL
REVENUE								
Sales (Net of Excise) :								
Domestic	316.98	1386.48		1703.46	361.81	1061.19		1423.00
Export	319.92	20.46		340.38	289.70			289.70
Total Sales	636.90	1406.94		2043.84	651.51	1061.19		1712.70
Other Income	56.01	3.41	10.29	69.71	36.55	7.24	10.29	54.08
Total Segment Revenue	692.91	1410.35	10.29	2113.55	688.06	1068.43	10.29	1766.78
SEGMENT RESULT (before Interest, Depreciation & Tax)	(189.13)	390.96	10.29	212.12	(103.29)	100.76	10.29	7.76
Depreciation	8.34	8.90		17.24	8.37	10.54		18.91
Interest	50.04	129.76		179.80	58.63	120.44		179.07
Profit/(Loss) from Ordinary activities (PBT)	(247.51)	252.30	10.29	15.08	(170.29)	(30.22)	10.29	(190.22)
Provision for Taxation			(30.46)	(30.46)			(37.80)	(37.80)
Net Profit				45.54				(152.42)
SEGMENT ASSETS	374.14	2323.62	858.18	3555.94	390.82	2254.92	712.49	3358.23
SEGMENT LIABILITIES	1016.29	2249.10	377.76	3643.15	911.04	2160.27	419.76	3491.07
CAPITAL EXPENDITURE	4.78	0.25		5.03	4.30	0.35		4.65

Segment Assets include Rs.38.45 (Previous Year - Rs.32.48) on account of debts outstanding against export sales.

WEBFIL LIMITED

33. Related Parties Disclosures:

Associate Companies :

Andrew Yule & Company Limited (AYCL);
Tide Water Oil Company (India) Limited (TWO);
Yule Agro Industries Limited (YAIL)

Joint Venture Company :

New Town Telecom Infrastructure Development Co. Ltd (NTTIDCO)

Key Management Personnel :

Mr.A.N.Bhattacharyya - Chief Executive

Transactions during the year :

(Rs. in lakhs)

Sl. No.	Description	2012-13			2011-12		
		Associate Companies	Joint Venture Company	Key Management Personnel	Associate Companies	Joint Venture Company	Key Management Personnel
1	Administrative Expenses	33.72			54.04		
2	Directors' Sitting Fees	0.20			0.27		
3	Purchase	1.89			2.22		
4	Sales /Service	5.17	186.10		17.13	121.13	
5	Remuneration			13.68			10.92
	Total	40.98	186.10	13.68	73.66	121.13	10.92

34. Disclosure relating to Joint Venture :

- Name of the Joint Venture Company : New Town Telecom Infrastructure Development Co.Ltd (Incorporated in India)
- Discipline of job/interest : Telecom Infrastructure
- Proportion of ownership interest : 49% holding
- The Company's financial interest in the Joint Venture (not incorporated in the books of the Company other than Investment made)

(Rs. in lakhs)

	31st March 2012	
	Share in Joint Venture	
Equity and Liabilities		
Shareholders' Funds		
Share Capital	51.45	
Reserve and Surplus	189.88	241.33
Non-Current Liabilities		523.81
Current Liabilities		120.28
Assets		
Non-Current Assets		
Fixed Assets (Net Block)	433.24	
Long term Loans and Advances	141.88	575.12
Current Assets		310.30
Income		
Revenue from Operations	107.66	
Other Income	29.10	136.76
Expenditure		56.28
Profit Before Tax		80.48
Provision for Tax & Adjustments		26.30
Profit After Tax		54.18

Note : Figures for the year ended 31st March 2013 are not available as their accounts are yet to be finalised.

35. Details of Research and Development Expenditure :

Particulars	2012-13 Rs.	2011-12 Rs.
Raw Materials & Components	50,091	1,18,934
Employee Benefits Expenses	47,95,401	39,24,988
Total	48,45,492	40,43,922

36. Previous year's figures have been regrouped / reclassified wherever necessary.

On behalf of the Board

A. N. Bhattacharyya
Chief Executive

Jayanta Ray
Chairman

Ayan Dutta
Company Secretary

Sujit Chakravorti
Director

Dated : Kolkata, 28th May, 2013

PROXY
WEBFIL LIMITED
8, Dr. Rajendra Prasad Sarani,
Kolkata- 700 001

I / We
of
in the district of
being a member / members of WEBFIL LIMITED hereby appoint
.....
of
in the district of
or failing him
of
or failing him
of
in the district of
as my / our proxy in my / our absence to attend and to vote for me / us, and on my / our
behalf, at the Thirty Second Annual General Meeting of the Company to be held on
Wednesday, the 25th day of September, 2013 at 4.00 p.m. and at any adjournment thereof.
As Witness my / our hand(s) this _____ day of _____ 2013

Signed by the said _____

Folio No. _____



BOOK - POST

If undelivered please return to :

WEBFIL LIMITED

"Yule House"

8, Dr. R. P. Sarani, Kolkata- 700 001

WEBFIL LIMITED

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

	2012-2013 Rs.	2011-2012 Rs.
A) CASH FLOW FROM OPERATING ACTIVITIES		
Net profit before tax and extraordinary items	1508459	(19021815)
Adjustment for:-		
Depreciation	1723670	1891166
Interest (net)	17488343	17906855
(Profit)Loss on sale / write off Fixed Assets	(58548)	50095
Prov.for doubtful debt & adv.	1568523	6734534
Prov.for stock obsolescence	181285	1614800
Dividend received	(1029000)	(1029000)
Capital Subsidy	(60761)	(88350)
Operating Profit before Working Capital Changes	21321971	8058285
Adjustment for:-		
Trade Receivables	12028347	(15460485)
Inventories	(21215895)	(25097988)
Short Term Loans and Advances	(3247209)	(60587)
Long Term Loans and Advances	(6593936)	370258
Long Term Borrowing	(9480006)	(9480007)
Trade Payables	(10783314)	26794404
Other current liabilities	16510899	13518598
Long term provisions	10883898	(970117)
Other Short term provisions	(2114221)	4214198
Cash generated from operations	7310534	1886559
Direct tax paid	(1516489)	(776499)
Net Cash Flow from Operating Activities	5794045	1110060
B) CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(444936)	(465142)
Proceeds from sale of Fixed Assets	0	1500
Interest Received	491395	691507
Dividend Received- Joint ventures	1029000	1029000
Net Cash flow from Investing activities	1075459	1256865
C) CASH FLOW FROM FINANCING ACTIVITIES		
Net Increase/ (decrease) in Bank Borrowing	(2900878)	5230994
Interest Paid	(4818857)	(4932742)
NET CASH USED IN FINANCING ACTIVITIES	(7719735)	298252
NET CHANGES IN CASH AND CASH EQUIVALENTS (A+B+C)	(850231)	2665177
CASH & CASH EQUIVALENTS - AT THE BEGINNING	8402544	5737367
CASH & CASH EQUIVALENTS - AT THE CLOSING	7552313	8402544

In terms of our Report of even date.

For Saraf & Chandra
Chartered Accountants
(Regn. No. 315096E)

Minu Choudhary
Partner
(M. No. 066553)
Dated : Kolkata, 28th May, 2013

A. N. Bhattacharyya
Chief Executive

Ayan Dutta
Company Secretary

On behalf of the Board

Jayanta Ray
Chairman

Sujit Chakravorti
Director