



**VERITAS (INDIA) LIMITED**

**27<sup>th</sup> Annual Report**

**2011 - 2012**

## BOARD OF DIRECTORS

Mr. Nitin Kumar Didwania  
Ms. Alpa Parekh  
Mr. Saurabh Sanghvi  
Mr. Ratan Moondra  
Justice S. S. Parkar (Retd.)

### Chief Financial Officer:

Mr. Girish Zaveri

### Company Secretary

Mr. Hanoz Chinoy

### Registered Office

701 Embassy Centre,  
Nariman Point,  
Mumbai- 400 021  
Tel no. 022-22824444  
Fax no. 022-22824440  
E-mail: corp@veritasindia.net

### Auditors

M/s. Shabbir S. Bagasrawala,  
Chartered Accountants

### Bankers

Punjab National Bank  
State Bank of India  
ICICI Bank Ltd.  
Axis Bank Ltd.  
Federal Bank Ltd.  
South Indian Bank Ltd.

### Registrars & Share Transfer Agents

M/s. Universal Capital Securities Pvt. Ltd.  
(Formerly known as "Mondkar Computers Pvt. Ltd.")  
21, Shakil Niwas,  
Opp. Satya Saibaba Temple,  
Mahakali Caves Road,  
Andheri (E)  
Mumbai - 400 093

Tel No. 022-28207203  
Fax No. 022-28207207

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# VERITAS (INDIA) LIMITED

## NOTICE

NOTICE is hereby given that the 27<sup>th</sup> Annual General Meeting of the Members of Veritas (India) Limited will be held at Half Centrum, Centre 1, 1<sup>st</sup> floor, World Trade Centre, Cuffe Parade, Mumbai-400 005 on Thursday, 27<sup>th</sup> September, 2012 at 3:30 p.m. for the purpose of transacting the following business:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Profit and Loss Account for the financial year ended on 31<sup>st</sup> March, 2012 and the Balance Sheet as at that date together with the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Nitin Kumar Didwania, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mr. Ratan Moondra, who retires by rotation and being eligible, offers himself for re-appointment.
4. To re-appoint Messrs Shabbir S. Bagasrawala, Chartered Accountants, as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting upto the conclusion of the next Annual General Meeting on such remuneration as shall be decided by the Board of Directors of the Company.

By Order of the Board,  
For Veritas (India) Limited

Sd/-

(Hanoz B. Chinoy)  
Company Secretary

Mumbai, 27<sup>th</sup> August, 2012

**Registered Office;**  
**701, Embassy Centre,**  
**Nariman Point,**  
**Mumbai - 400 021.**

NOTES:

- a) **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE, MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**
- b) Corporate Members intending to send their authorised representatives to attend the Annual General Meeting are requested to send a duly certified copy of their Board Resolution authorising their representatives to attend and vote at the Meeting.
- c) Members are requested to bring their Attendance Slip, duly filled-in, alongwith their copy of Annual Report to the Meeting.
- d) Profile of the Directors seeking re-appointment, as required in terms of Clause 49 of the Listing Agreement is annexed to this Notice.
- e) The Register of Members and Share Transfer Books of the Company will remain closed from Monday, 24<sup>th</sup> September, 2012 to Thursday, 27<sup>th</sup> September, 2012 (both days inclusive) for the purpose of annual book closure.

(i) Details of Directors seeking Re-appointment as required under Clause 49 of the Listing Agreement.

Name of Directors	Mr. Nitin Kumar Didwania	Mr. Ratan Moondra
Date of Birth	23-06-1974	30-01-1972
Qualification	M.Com	B. Sc, C.A.
Expertise in specific functional areas	Has rich and varied experience in the field of Imports and Exports, Trading, Marketing and Procurement since last more than 16 years.	Has rich experience in the field of taxation, accountancy and is an expert consultant relating to Special Economic Zone (SEZ) Regulations
Directorship held in other Public companies	<ol style="list-style-type: none"> <li>1. Biofuels (Veritas) Ltd.</li> <li>2. Groupe Veritas Ltd.</li> <li>3. Hazel Infotech Ltd.</li> <li>4. Hazel Mercantile Ltd.</li> <li>5. Hazel Infra Ltd.</li> <li>6. India Fintrade Ltd.</li> <li>7. Veritas Infrastructure Development Ltd.</li> <li>8. Veritas Investments Ltd.</li> </ol>	Nil
Membership of Committees of Board of Directors of other Companies	Nil	Nil
No. of shares of face value of Re. 1/- each held in the Company	92,50,000	Nil

By Order of the Board,  
For Veritas (India) Limited

Sd/-

(Hanoz B. Chinoy)  
Company Secretary

Mumbai, 27<sup>th</sup> August, 2012

Registered Office;  
701, Embassy Centre,  
Nariman Point,  
Mumbai - 400 021.

DIRECTORS' REPORT

To,  
The Members,  
Veritas (India) Limited

Your Directors have pleasure in presenting the Annual Report of the Company together with the Audited Statements of Accounts for the year ended 31<sup>st</sup> March, 2012.

FINANCIAL RESULTS

The Financial Results for the year ended 31<sup>st</sup> March, 2012 are summarized below:

	(Rs. in Lacs)			
	Standalone		Consolidated	
	<u>2011-2012</u>	<u>2010-2011</u>	<u>2011-2012</u>	<u>2010-2011</u>
Turnover	30705.44	21013.45	79020.01	61573.92
Profit before Tax	736.75	375.19	1560.42	2590.72
<b>Less: Provision for Taxation</b>				
- Current Tax	148.00	76.57	148.00	78.02
- Deferred Tax	62.68	78.77	62.68	78.77
- Income Tax adjustment of earlier years	0.16	6.63	0.16	6.63
<b>Profit after Tax</b>	525.91	213.21	1349.58	2427.30
Add: Balance in Profit & Loss Account brought forward	284.86	85.77	3038.10	794.64
<b>Profit available for Appropriation</b>	810.77	298.98	4387.68	3221.94
<b>Less:</b>				
- Proposed Dividend	-	12.11	-	12.11
- Dividend Distribution Tax	-	2.01	-	2.01
<b>Balance transferred to Balance Sheet</b>	810.77	284.86	5199.95	3207.82
Earnings per Share of Re. 1/- each	2.17	0.88	5.57	10.03

### OPERATIONS

During the financial year ended 31<sup>st</sup> March, 2012 the consolidated turnover increased to Rs. 790.20 crores as compared to Rs. 615.74 crores in the previous year, an increase of about 28.33%. The Net Profit after tax has decreased from Rs. 24.27 crores in the previous year to Rs. 13.50 crores a decrease of about 44.38%.

### WINDMILL PROJECT

During the year, the revenue from generation of power through Wind Energy has substantially increased from Rs. 49.15 lacs to Rs. 80.62 lacs, an increase of 64%. We expect the revenue to rise at a steady rate from such non-conventional source of energy.

### CORPORATE GOVERNANCE

The Corporate Governance and Management Discussion and Analysis Reports form an integral part of this report and are set out as separate Annexures to this Report. The Certificate from Auditors of the Company, certifying compliance of the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement, is annexed to the Report on Corporate Governance.

### DIRECTORS

Mr. Nitin Kumar Didwania and Mr. Ratan Moondra, Directors retire by rotation at the ensuing Annual General Meeting and being eligible, offer themselves for reappointment.

**AUDITORS**

The Auditors, M/s. Shabbir S. Bagasarawala, Chartered Accountants, Mumbai, retire at the conclusion of the ensuing Annual General Meeting and being eligible, have offered themselves for re-appointment. They have furnished a certificate to the effect that their re-appointment, if made, would be within the limits prescribed under Section 224 (1B) of the Companies Act, 1956 and that they are not disqualified for reappointment under Section 226 of the said Act.

**SUBSIDIARIES**

The Annual Accounts of M/s. Veritas FZE and M/s. Veritas Global PTE Limited, Wholly Owned Subsidiaries of the Company are open for inspection at the Registered Office of the Company upto the date of the Annual General Meeting.

**CONSOLIDATED FINANCIAL STATEMENTS**

In compliance with the Accounting Standard 21 on Consolidated Financial Statements, this Annual Report also includes the audited Consolidated Financial Statements for the financial year 2011-2012.

**DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to the requirement under Section 217 (2AA), your Directors confirm that they had:-

- i) followed the applicable accounting standards in the preparation of the annual accounts.
- ii) selected such accounting policies and applied them consistently, made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as on 31<sup>st</sup> March 2012 and of the profit of the Company for the year ended 31<sup>st</sup> March 2012.



- iii) taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, for safeguarding the assets of the Company, preventing, detecting fraud and other irregularities.
- iv) prepared the annual accounts for the Financial year ended 31<sup>st</sup> March, 2012 on a going concern basis.

### DEPOSITS

The Company has not invited nor accepted any Deposits from the public under the Companies (Acceptance of Deposits) Rules, 1975 read with Section 58A of the Companies Act, 1956.

### PARTICULARS OF EMPLOYEES

The Company has no such employee as would be covered under Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975.

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

A Statement giving details of Conservation of Energy, Technology absorption and Foreign Exchange Earnings and Outgo as per Section 217(1)(e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 and forming part of this Report is annexed herewith.

**ACKNOWLEDGEMENT**

Your Directors wish to place on record their sincere appreciation for the support and co-operation received from the Government authorities, bankers, customers, employees, suppliers and Members during the year under review. Your Directors also wish to place on record their deep sense of appreciation for the dedicated efforts of the employees of the Company.

For and on Behalf of the Board of Directors

Sd/-

PLACE: Mumbai  
DATE: 27<sup>th</sup> August, 2012

(Nitin Kumar Didwania)  
CHAIRMAN

**ANNEXURE TO DIRECTORS' REPORT**

Information as required under Section 217(1) (e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 forming part of the Directors' Report for the year ended 31<sup>st</sup> March, 2012

1. Part A and B pertaining to conservation of energy and technology absorption are not applicable to the Company.
2. Foreign Exchange Earnings and Outgo

Total Foreign Exchange Earnings and Outgo for the financial year is as follows:

- a. Total Foreign Exchange earnings: NIL
- b. Total Foreign Exchange outgo: Rs. 2,35,61,308/-
- c. Activities relating to exports:

The Company has taken various initiatives for development of export markets for sale of various products in the International market to increase its foreign exchange earnings.

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

### 1. Industry Structure and Development

The Company is engaged in the business of imports, export, trading and distribution of chemicals and metals. The Company is also engaged in the generation of wind energy. India continues to be the second fastest growing economy in the Asia Pacific region. Despite the global meltdown effect of the past two years, the growth rate of Indian economy is estimated to be around 6.5%. The Chemical Industry is growing at a robust pace and it is expected that your Company will increase its turnover substantially in the financial year 2012-2013. Your Company also has a well developed and robust logistic and marketing network which affords the buyers in the multiple choice of chemical products at reasonably competitive rates. The Chemical Industry and particularly the petro-chemical industry is at an upswing due to global rehabilitation and revival of economies of developed countries. The Government's fiscal incentives for wind power generation will provide sufficient boost for wind power project.

### 2. Opportunities & Threats

#### Opportunities:

Given the tremendous growth of chemical industry and in particular the Petro- chemical industry the Management feels the Company is in good stead to further develop and enter into various global markets.

#### Threats:

The Global inflation effect on costs especially the cost attributed to the logistic and supply chain management, cheaper substitutes by mass producing countries like China on account of low labour costs and forex fluctuations are likely threats having the effect of eroding the margins to some extent.

### 3. Outlook

The management is quite positive on its outlook in terms of revenue in the coming period as economies all over the world are slowly recovering and it is expected that the global markets will respond well to the products traded by the Company. With the re-emergence of healthy economic environment, barring unforeseen circumstances, your Company is optimistic and confident to receive large demands and given the current financial performance of the Company; the Board is confident in its outlook for future that the Company shall grow substantially over and above its demonstrated growth in terms of turnover and profits.

The Company's business of power generation through wind mills, being a non-conventional source of energy, set up in the State of Maharashtra and Tamil Nadu have generated a revenue of Rs. 80.62 lakhs for the period ended 31<sup>st</sup> March, 2012 a rise of about 64 % over the previous year and the management is confident of steady growth over the coming period.

#### **4. Risk and Concerns**

- The margins could come under pressure due to increase in logistic costs and other expenses.
- Competition from mass exporting countries like China and Taiwan where manufacturing and labour costs are quite low.
- Adverse fluctuation in forex rates.
- Recession in the European countries and slow growth of United States of America's (USA) economy.

The Company evaluates and monitors all risks associated with various areas of operations such as sales, marketing, inventory management, debtor's management, insurance, supply chain management, legal and other issues having a material impact on the financial health of the Company on a regular basis with a view to mitigate the adverse impact of the risk factors.

#### **5. Internal Control Systems**

The Company has an internal control system in place which is commensurate with its size and nature of its business. The internal control system ensures that all the assets of the Company are safeguarded from loss, damage or unauthorized disposition. Checks and controls are in place to ensure that transactions are adequately authorised and recorded and reported correctly to the concerned personnel.

#### **6. Financial Performance with respect to Operational Performance:**

During the year Sales have grown by approximately 28.33% and Net Profit after Tax has decreased by around 44.38% in comparison with the previous year.

Your Company has a low debt equity ratio and is well placed to take care of its borrowings availed by way of credit facilities and Term Loan.

**7. Human Resource Management**

The Company provides suitable environment for development of leadership skills which enables it to recruit and retain quality professionals in all fields. The employer- employee relationship is cordial and mutually supporting at all levels.

**8. Cautionary Statement**

Certain statements in the Management Discussion and Analysis Report describing the Company's objectives, projections, estimates, expectations or predictions may be forward-looking statements within the meaning of applicable laws and regulations. Actual results could differ from those expressed or implied.

**For and on Behalf of the Board of Directors**

**Sd/-**

**(Nitin Kumar Didwania)  
CHAIRMAN**

**PLACE: Mumbai  
DATE: 27<sup>th</sup> August, 2012**

## REPORT ON CORPORATE GOVERNANCE

## 1. Company Philosophy on Corporate Governance

The Company's philosophy on Corporate Governance envisages the attainment of the high level of transparency and accountability in the functioning of the Company and the conduct of its business internally and externally including its interaction with employees, Shareholders, customers, institutions and other lenders and places due emphasis on regulatory compliance.

## 2. Board of Directors

i) Composition of the Board

The present strength of the Board is Five Directors and Four of them are Non- Executive Directors. The composition of the Board is in conformity with Clause 49 of Listing Agreement. The Board is headed by Mr. Nitin Kumar Didwania, Non- Executive Chairman.

(ii) Board Meeting and Attendance:

The Board of Directors met five times during the year on 30-5-2011, 12-8-2011, 15-9-2011, 11-11-2011 and 14-2-2012.

Attendance of each Director at the Board Meetings and the last Annual General Meeting and number of other Directorships and Chairmanship / Memberships of Committees of each Director was as follows:

Name of Director	No. of Board Meetings attended	Attendance at Last AGM	Outside Company Directorships	Outside Committee position held as Member / Chairman	Executive / Non Executive/ Independent
Mr. Nitin Kumar Didwania	5	Absent	8 *	NIL	Non- Executive (Promoter Group)
Ms. Alpa Parekh	5	Present	NIL	NIL	Non- Executive (Non-Promoter Group)
Mr. Saurabh Sanghvi	5	Present	NIL	NIL	Executive Director w.e.f 1-11-2011
Mr. Ratan Moondra	3	Present	NIL	NIL	Non- Executive & Independent
Mr. S. S. Parkar	2	Absent	1 *	NIL	Non- Executive & Independent

\* Directorships in Private Companies excluded.

As required by the Companies Act, 1956 and Clause 49 of the Listing Agreement, none of the Directors hold Directorships in more than 15 Public Companies or memberships of Board Committees (Audit / Shareholders Grievance Committees) and Chairmanship of more than 5 Board Committees.

**BOARD COMMITTEES****3. Audit Committee****i) Committee Composition**

Audit Committee comprises of three Directors viz. Mr. Ratan Moondra, Mr. Saurabh Sanghvi and Ms. Alpa Parekh (Mr. Nitin Kumar Didwania ceased to be a member of the Audit Committee w.e.f 14-2-2012). All the members of the Audit Committee have accounting and financial management expertise. Mr. Ratan Moondra, Chartered Accountant, is the Chairman of the Audit Committee. All the members of the Committee are Non-Executive Directors except Mr. Saurabh Sanghvi and two thirds of them are Independent Directors.

**ii) Meeting and Attendance**

The Audit Committee has been constituted pursuant to the applicability of Clause 49 of the Listing Agreement on 29<sup>th</sup> June, 2010 and the Audit Committee meetings were held on 30-5-2011, 12-8-2011, 11-11-2011 and 14-2-2012. The attendance at Audit Committee meetings is as under:

Name of Member	No. of Audit Committee Meetings attended
Mr. Ratan Moondra	3
Mr. Nitin Kumar Didwania*	3
Mr. Saurabh Sanghvi	4
Ms. Alpa Parekh**	1

\*ceased w.e.f 14-2-2012

\*\* appointed w.e.f 14-2-2012 and has attended one meeting of the audit committee

The Company Secretary acts as the Secretary to the Audit Committee.

**iii) Terms of Reference**

The terms of reference of the Audit Committee are in accordance with Clause 49 of the Listing Agreement and Section 292A of the Companies Act, 1956. The functions of the Audit Committee include the following:

- Overseeing of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- Recommending to the Board, the appointment, re-appointment and if required, the replacement or removal of the Statutory auditor and fixation of the audit fee.
- Approval of payment to Statutory auditors for any other services rendered by the Statutory auditors.



- d. Reviewing with the Management, the Annual financial statements before submission to the Board for approval, with particular reference to:
- i) Matters required to be included in the Directors' Responsibility Statement to be included in the Board's Report in terms of Clause (2AA) of section 217 of the Companies Act, 1956;
  - ii) Any changes in accounting policies and practices and the reasons for the same;
  - iii) Major accounting entries involving estimates based on the exercise of judgments by the management;
  - iv) Significant adjustments made in the financial statements arising out of audit findings;
  - v) Compliance with Accounting Standards;
  - vi) Compliance with Stock Exchange and other Legal requirements concerning the financial statements;
  - vii) disclosure of related party transactions.
- e. Also reviewing with the management, the quarterly and half yearly financial statements before submission to the Board for approval.
- f. Reviewing with the Management adequacy of the internal control systems.
- g. Reviewing with the Internal auditors any significant findings and follow-up thereon.
- h. Reviewing of area of operation of internal audit team and their performance.
- i. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- j. Reviewing with the Management performance of the Statutory Auditors and Internal Auditors.
- k. Reviewing the Management Discussion and Analysis of financial condition and results of operations.
- l. approval of appointment of Chief Financial Officer (CFO).
- m. Carrying out any other function as mentioned in the terms of reference of the Audit Committee.

#### 4. Shareholders' / Investors' Grievance Committee

- (i) Investors' Grievances Committee comprises of Mr. Nitin Kumar Didwania, a Non-Executive Director, as Chairman, Mr. Saurabh Sanghvi (ceased as Chairman w.e.f. 1-11-2011) and Mr. Ratan Moondra, as the other members of the Committee.

The Shareholders' / Investors' Grievance Committee deals with various matters relating to:

- transfer / transmission of shares.
- issue of duplicate share certificates
- redressal of shareholders and Investors' grievances.
- Non- receipt of Annual Report
- all other matters related to shares.

(ii) Mr. Hanoz Chinoy, Company Secretary is designated as Compliance Officer of the Company.

(iii) The Company has received three complaints during the year ended on 31<sup>st</sup> March, 2012 and the same were duly redressed.

**5. General Body Meetings**

The date, time and venue of the last 3 Annual General Meetings of the Company is given below:

Financial Year ended	Date	Time	Venue	Details of Special business
31 <sup>st</sup> March, 2009	25-9-2009	12.00 Noon	701 Embassy Centre, Nariman Point, Mumbai- 400 021.	---
31 <sup>st</sup> March, 2010	25-9-2010	3.45 p.m.	Kilachand Conference Room, Indian Merchants' Chamber, IMC Building, IMC Marg, Churchgate, Mumbai- 400 020.	1. Appointment of Mr. Ratan Moondra as Director. 2. Appointment of Justice S. S. Parkar (Retd.) as Director.
31 <sup>st</sup> March, 2011	23-9-2011	3.00 p.m.	Sunflower II, Centre 1, 30th floor, World Trade Centre, Cuffe Parade, Mumbai- 400 005	---

**Special business passed through Postal Ballot during the financial year ended 31<sup>st</sup> March, 2012:**

Appointment of Mr. Saurabh Sanghvi as Whole Time Director (WTD) of the Company w.e.f 1-11-2011.

**6. Disclosures**

- i) There were no transactions of material significance entered into by the Company with its Promoters, Directors or their relatives, the Management during the year that had potential conflict with interest of the Company, at large.
- ii) There was no default in compliance on any matter related to capital markets. Consequently, during the last three years neither any penalties were imposed nor strictures passed on the Company by Stock Exchanges, Securities and Exchange Board of India (SEBI) or any statutory authority.
- iii) **Board Disclosures on Risk Management:** The Board is kept informed about the risk management being followed by the Company from time to time. All the risks such as fire, marine, etc. have been adequately insured.
- iv) Mr. Nitin Kumar Didwania, Non-Executive Director holds 92,50,000 equity shares of Re. 1/- each.

7. **Means of Communication:** Quarterly, Half yearly and Annual Financial Results of the Company are sent to the Stock Exchange immediately after they have been approved by the Board. These results are published in the newspapers viz. "The Free Press Journal" and "Navshakti"

**8. Additional Shareholders Information****Annual General Meeting**

**Date:** 27<sup>th</sup> September, 2012

**Day:** Thursday

**Time:** 3.30 pm

**Venue:** Half Centrum, Centre 1, 1<sup>st</sup> Floor, World Trade Centre, Cuffe Parade, Mumbai- 400 005.

**Financial Calendar (Tentative)**

Financial year: 1<sup>st</sup> April, 2012 to 31<sup>st</sup> March, 2013

Results for the Quarter ending

- |   |   |
|---|---|
| - June 30, 2012   | : Second week of August, 2012   |
| - September 30, 2012  | : Second week of November, 2012   |
| - December 31, 2012   | : Second week of February, 2013   |
| - March 31, 2013 or Audited Results for the year ended 31 <sup>st</sup> March, 2013 | : Second week of May, 2013 or Audited Results by 30 <sup>th</sup> May, 2013 |
| - Annual General Meeting  | : August / September, 2013  |

**Book Closure**

The dates of book closure are from 24<sup>th</sup> September, 2012 to 27<sup>th</sup> September, 2012 both days inclusive.

**Listing and ISIN**

The Company's ISIN is INE379J01029 and the shares of the Company are listed and traded on Bombay Stock Exchange Limited (BSE) under the scrip code 512 229 and the name of the scrip is VERITAS.

The Annual Listing fees for the Financial year 2012 -2013 have been paid to BSE. The Company has paid custodial fees for the year 2012-2013 to National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited on the basis of number of folios of shareholders for their shares held in the electronic form.

**9. Stock Market Data:** Monthly High, Low price during each month and volume of Company's shares during the financial year 2011- 2012 on BSE

Month	Share Prices		Volume	
	High (Rs.)	Low (Rs.)	No. of shares	No. of Trades
Apr-11	273.35	215.65	1488	86
May-11	220.00	186.85	450	42
Jun-11	186.00	164.60	186	22
Jul-11	167.90	148.35	260	29
Aug-11	180.65	153.00	692	39
Sep-11	269.00	184.25	555	61
Oct-11	274.35	211.35	439	52
Nov-11	207.15	170.20	191	31
Dec-11	168.00	144.10	217	18
Jan-12	142.00	123.00	143	28
Feb-12	158.90	123.00	80	28
Mar-12	230.40	162.05	572	96

**10. a) Distribution of Shareholding as on 31<sup>st</sup> March, 2012**

Shareholding (in terms of nominal value)		Shareholders		Share Amount	
From	To	Number	% of Total	Rupees	% of Total
1	5000	368	92.000	112930.00	0.466
5001	10000	7	1.750	70000.00	0.289
10001	20000	2	0.500	35000.00	0.145
20001	30000	1	0.250	30000.00	0.124
30001	40000	4	1.000	153600.00	0.634
40001	50000	3	0.750	141000.00	0.582
50001	100000	2	0.500	125000.00	0.516
100001	And above	13	3.250	23542470.00	97.244
<b>Total</b>		<b>400</b>	<b>100.000</b>	<b>24210000.00</b>	<b>100.000</b>

b) Distribution of Shareholding according to category of shareholders as on 31<sup>st</sup> March, 2012

Categories	No. of shares	Amount (in Rs.)	% to Total
Promoters	1,62,13,100	1,62,13,100	66.97
Directors (Independent)	NIL	N.A	N.A
Financial Institutions/ Banks	NIL	N.A	N.A
Mutual Funds / UTI	NIL	N.A	N.A
NRIs / OCBs / Foreign Corporate Bodies	40,00,280	40,00,280	16.52
Other Body Corporates	14,76,621	14,76,621	6.10
Indian Public	25,19,999	25,19,999	10.41
<b>Total</b>	<b>2,42,10,000</b>	<b>2,42,10,000</b>	<b>100</b>

## 11. Dematerialization of Shares:

As on 31<sup>st</sup> March, 2012 1,74,29,330 Equity Shares representing 72 % of the total equity capital of the Company were held in dematerialized form.

## 12. Address for Correspondence:

Registered Office: 701 Embassy Centre,  
Nariman Point,  
Mumbai- 400 021.

Compliance Officer: Mr. Hanoz Chinoy is the Compliance Officer.

E-mail ID: [corp@veritasindia.net](mailto:corp@veritasindia.net)

Shareholders may contact the Company's Registrar and Share Transfer Agents at the following address:

**Universal Capital Securities Private Limited**  
(Formerly known as "Mondkar Computers Private Limited")

**Corporate Off:** 21, Shakil Niwas,  
Opp. Satya Saibaba Temple,  
Mahakali Caves Road,  
Andheri (E),  
Mumbai- 400 093.

Tel Nos. 022- 28207203 / 5      Tele fax. 022- 28207207  
Email: [ravi@unisec.in](mailto:ravi@unisec.in)

**13. Declaration by Board Members and Senior Management to the Compliance of Code of Conduct in pursuance of Clause 49 (D) (ii) of the Listing Agreement**

It is hereby declared that all the Board Members and Senior Management personnel of the Company have affirmed to the Board of Directors, their compliance with the Code of Conduct of the Company pursuant to Clause 49 (D) (ii) of the Listing Agreement. The Company has obtained a Certificate from Mr. Girish Zaveri, Chief Financial Officer (CFO) of the Company stating therein that the Company has complied with all the requirements as stipulated in Clause 49 V of the Listing Agreement executed with the Stock Exchange.

**For and on Behalf of the Board of Directors**

**Sd/-**

**PLACE: Mumbai**  
**DATE: 27<sup>th</sup> August, 2012**

**(Nitin Kumar Didwania)**  
**CHAIRMAN**

**CERTIFICATE ON CORPORATE GOVERNANCE**

To,

The Members of Veritas (India) Limited

We have examined the compliance of conditions of Corporate Governance by Veritas (India) Limited for the year ended 31<sup>st</sup> March, 2012 as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchange.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination 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 explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We state that 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 SHABBIR S. BAGASRAWALA  
CHARTERED ACCOUNTANTS**

**Sd/-**

(Shabbir S. Bagasrawala)  
**PROPRIETOR**

**Membership No. 39865**

**Place: Mumbai**

**Date: 27<sup>th</sup> August, 2012**

## AUDITORS' REPORT

To the Members

VERITAS (INDIA) LIMITED

1. We have audited the attached Balance Sheet of **VERITAS (INDIA) LIMITED** as at **31<sup>st</sup> March, 2012**, the Statement of Profit and Loss and the Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditors' Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said order.
4. Further to our comments in the Annexure referred to above, we report that:
  - a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
  - c) The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this report are in agreement with the books of account;
  - d) In our opinion, the Balance Sheet, Statement of Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub section (3C) of Section 211 of the Companies Act, 1956;



- e) On the basis of written representations received from the Directors, as on 31<sup>st</sup> March, 2012 and taken on record by the Board of Directors, we report that none of the Directors are disqualified as on 31<sup>st</sup> March, 2012 from being appointed as a director in terms of Section 274(1)(g) of the Companies Act, 1956;
- f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts, give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India;
- i) In the case of the Balance Sheet, of the state of affairs of the Company as at 31<sup>st</sup> March, 2012;
- ii) In the case of the Statement of Profit and Loss, of the Profit for the year ended on that date; and
- iii) In the case of the Cash Flow Statement, of the Cash Flow for the year ended on that date.

For **SHABBIR S BAGASRAWALA**  
**CHARTERED ACCOUNTANTS**

Sd/-

(Shabbir S Bagasrawala)

Proprietor

Membership No – 39865

Place: Mumbai

Dated: 27<sup>th</sup> August, 2012

**ANNEXURE TO THE AUDITORS' REPORT**

**(Referred to in the paragraph 3 of our report of even date to the Members of VERITAS (INDIA) LIMITED on the accounts for the year ended 31st March, 2012.)**

1. In respect of its fixed assets:
  - a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
  - b) The Fixed Assets have been physically verified by the management at reasonable intervals which in our opinion, is reasonable having regards to the size of the company. The discrepancies noticed on such verification were not material and have been properly dealt with in the books of Accounts.
  - 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 and the going concern status of the Company is not affected.
  
2. In respect of inventories:
  - a) As explained to us, the inventories were physically verified during the year by the management at reasonable intervals.
  - b) In our opinion and according to the information and explanations given to us, the procedure of physical verification of inventories followed by the management is reasonable and adequate in relation to the size of the Company and the nature of its business.
  - c) In our opinion and according to the information and explanations given to us, the Company has maintained proper records of its inventories and the discrepancies noticed on such physical verification between physical stock and book records were not material and have been adequately dealt with in the books of account.
  
3. In respect of loans, secured or unsecured, granted or taken by the Company to / from Companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956:
  - a) The company has not granted any loans, secured or unsecured, to companies, firms or other parties listed in the Register maintained under Section 301 of the Companies Act, 1956. As the Company has not granted any loans, secured or unsecured, to parties listed in the Register maintained under Section 301 of the Companies Act, 1956, paragraph (iii)(b), (c) and (d) of the Order, are not applicable.

- b) The Company has taken interest free unsecured loan of Rs.5,77,58,000/- during the year from a director. In respect of the said loans, the maximum amount outstanding at any time during the year was Rs.5,77,30,800/- and the year-end balance is Rs.3,59,390/- (P.Y.Rs.6,97,800/-).
4. 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 nature of its business with regard to purchases of inventory, fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control systems:
5. In respect of particulars of contracts or arrangements and transactions entered in the register maintained in pursuance of Section 301 of the Companies Act, 1956:
- a) To the best of our knowledge and belief and according to the information and explanations given to us, particulars of contracts or arrangements that needed to be entered into the register have been so entered.
- b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered into the register in pursuance of section 301 of the Act and exceeding the value of Rupees Five Lakhs in respect of any party during the year, have been made at prices which are reasonable having regard to the prices at which the transactions for similar goods/ services have been made with other parties.
6. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of section 58A and 58AA of the Act and the rules frame there under.
7. In our opinion the internal audit functions carried out during the year was commensurate with the size of the company and nature of its business.
8. The Central Government has not prescribed maintenance of Cost Records under Section 209 (1) (d) of the Companies Act, 1956 in respect of the activities carried out by the Company.

9. According to the information and explanations given to us in respect of statutory and other dues:
- a) The Company during the year have been generally regular in depositing with the appropriate authorities undisputed statutory dues, including Provident Fund, Employees State Insurance, Income Tax, Value Added Tax, Central Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and other material statutory dues.
  - b) According to the information and explanations given to us, no undisputed amounts payable in respect of aforesaid dues were outstanding as at 31 March 2012 for the period of six month.
10. The Company does not have any accumulated losses as at the end of the financial year. The Company has not incurred cash losses during the current financial year and in the immediately preceding financial year.
11. Based on our audit procedures and on the basis of information and explanations given by management, we are of the opinion that the Company has not defaulted in repayment of dues to financial institutions and banks.
12. According to information and explanations given to us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities and hence, the question of maintenance of adequate records for this purpose does not arrives.
13. In our opinion and according to information and explanations given to us, the company is not a chit fund / nidhi / mutual benefit fund or society. Therefore the provisions of clause (xiii) of paragraph 4 of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
14. In our opinion, and according to the information and explanations give to us, the Company is not a dealer or trader in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the order are not applicable to the Company.

15. The company has given guarantee for loans taken by Others from banks or financial institutions during the year. According to the information and explanations give to us, we are of the opinion that the terms and conditions thereof are not prima facie prejudicial to the interest of the Company.
16. To the best of our knowledge and belief and according to the information and explanations given to us in our opinion, term loans availed by the company were, prima facie, applied by the company during the year for the purpose for which the loans were obtained.
17. According to the information and explanations given to us and on an overall examination of the Balance Sheet of the company, we are of the opinion that there are no funds raised on short-term basis that have been used for long-term investment.
18. The Company has not made preferential allotment of shares to parties and companies covered in the register maintained u/s 301 of the Companies Act, 1956 during the year.
19. According to the information and explanation given to us and records examined by us, the company has not issued any debentures; therefore clause (xix) of paragraph 4 of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
20. The company has not raised any monies by way of public issues during the year.
21. In our opinion and according to the information and explanations given to us, no material fraud on or by the Company has been noticed or reported during the year.

For **SHABBIR S BAGASRAWALA**  
**CHARTERED ACCOUNTANTS**

Sd/-

(Shabbir S Bagasrawala)

Proprietor

Membership No – 39865

Place: Mumbai

Dated: 27<sup>th</sup> August, 2012

**BALANCE SHEET AS AT 31ST MARCH, 2012**

Particulars	Note	As At 31 March 2012	As At 31 March 2011
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholder's Funds</b>			
(a) Share Capital	3	24,210,000	24,210,000
(b) Reserves and Surplus	4	794,845,978	742,255,145
<b>(2) Non-Current Liabilities</b>			
(a) Long-Term Borrowings	5	38,337,000	47,545,000
(b) Deferred Tax Liabilities (Net)		23,612,257	17,343,812
<b>(3) Current Liabilities</b>			
(a) Short-Term Borrowings	6	102,683,963	65,568,184
(b) Trade Payables	7	77,759,451	89,133,000
(c) Other Current Liabilities	8	14,403,928	196,562,253
(d) Short-Term Provisions	9	-	3,446,520
<b>Total Equity &amp; Liabilities</b>		<b>1,075,852,577</b>	<b>1,186,063,914</b>
<b>II. ASSETS</b>			
<b>(1) Non-Current Assets</b>			
(a) Fixed Assets			
(i) Tangible Assets	10	78,264,200	82,311,018
(b) Non-Current Investments	11	99,145,922	99,145,922
(c) Long-term Loans & Advances	12	223,276,375	312,036,375
(d) Other Non-Current Assets	13	-	580,450
<b>(2) Current Assets</b>			
(a) Inventories		45,025,878	38,177,926
(b) Trade Receivables	14	466,308,853	473,066,173
(c) Cash and Bank Balances	15	129,403,220	143,572,047
(d) Short-term Loans and Advances	16	34,428,129	37,174,003
<b>Total Assets</b>		<b>1,075,852,577</b>	<b>1,186,063,914</b>

**NOTES TO ACCOUNTS**

Notes referred to above and notes attached there to form an integral part of Balance Sheet  
This is the Balance Sheet referred to in our Report of even date.

**FOR SHABBIR S BAGASRAWALA**  
**CHARTERED ACCOUNTANTS**

**FOR VERITAS (INDIA) LIMITED**

Sd/-

Sd/-

Sd/-

Sd/-

(CA. SHABBIR S. BAGASRAWALA)  
Membership No. : 039865

NITIN KUMAR  
Director

ALPA PAREKH  
Director

S.S PARKAR  
Director

Place : Mumbai  
Date : 27/08/2012

Sd/-  
SAURABH SANGHVI  
DIRECTOR

Sd/-  
RATAN MOONDRA  
DIRECTOR

Sd/-  
HANOZ CHINOY  
COMPANY SECRETARY

**STATEMENT OF PROFIT & LOSS FOR THE PERIOD ENDED 31 MARCH, 2012**

Sr. No	Particulars	Note	For the year ended 31 March, 2012	For the year ended 31 March, 2011
I	Revenue from Operations	17	3,070,544,288	2,097,030,370
II	Other Income	18	91,419,380	100,000
III	<b>III. Total Revenue (I + II)</b>		<b>3,161,963,668</b>	<b>2,097,130,370</b>
IV	<b>Expenses:</b>			
	Purchase of Stock-in-Trade	19	3,031,238,108	2,048,625,708
	Changes in Inventories of Stock-in-Trade	20	(6,847,953)	(37,324,458)
	Employee Benefit Expense	21	21,711,827	21,377,323
	Finance Costs	22	18,342,941	13,219,510
	Depreciation and Amortisation Expense	10	5,092,165	4,792,022
	Operation and Other Expenses	23	18,751,658	8,922,131
	<b>Total Expenses (III)</b>		<b>3,088,288,746</b>	<b>2,059,612,236</b>
V	Profit before Exceptional and Extraordinary Items and Tax	(III - IV)	<b>73,674,922</b>	<b>37,518,133</b>
VI	Exceptional Items		-	-
VII	Profit before Extraordinary Items and Tax (V - VI)		<b>73,674,922</b>	<b>37,518,133</b>
VIII	Extraordinary Items		-	-
IX	Profit before Tax (VII - VIII)		<b>73,674,922</b>	<b>37,518,133</b>
X	<b>Tax expense:</b>			
	(1) Current Tax		14,800,000	7,657,000
	(2) Current Tax Expense relating to prior years		15,642	663,526
	(3) Deferred Tax		6,268,447	7,877,013
		(IX-X)	<b>52,590,833</b>	<b>21,320,594</b>
XI	Profit(Loss) from the period from Continuing Operations		-	-
XII	Profit/(Loss) from Discontinuing Operations		-	-
XIII	Tax Expense of Discontinuing Operations		-	-
XIV	Profit/(Loss) from Discontinuing Operations (XII - XIII)		-	-
XV	Profit/(Loss) for the period (XI + XIV)		<b>52,590,833</b>	<b>21,320,594</b>
XVI	Earning Per Equity share:			
	(1) Basic		2.17	0.88
	(2) Diluted		2.17	0.88

See accompanying notes forming part of the financial statements in terms of our report attached.

**FOR SHABBIR S BAGASRAWALA  
CHARTERED ACCOUNTANTS**

**FOR VERITAS (INDIA) LIMITED**

Sd/-

Sd/-

Sd/-

Sd/-

(CA. SHABBIR S. BAGASRAWALA)  
Membership No. : 039865

NITIN KUMAR  
Director

ALPA PAREKH  
Director

S.S PARKAR  
Director

Place : Mumbai  
Date : 27/08/2012

Sd/-

Sd/-

Sd/-

SAURABH SANGHVI  
DIRECTOR

RATAN MOONDRA  
DIRECTOR

HANOZ CHINYOY  
COMPANY SECRETARY

**Cash Flow Statements for the year ended 31st March 2012**

PARTICULARS	Amount in (Rs.)	
	YEAR ENDED 31ST MARCH 2012	YEAR ENDED 31ST MARCH 2011
<b>A. CASH FLOW FROM OPERATING ACTIVITIES :</b>		
Profit before tax from continuing operations		
Profit before tax	73,674,922	37,518,133
Add/ (Less): Non Cash & Non Operating Item	73,674,922	37,518,133
Depreciation	5092165	4,792,022
Interest & Finance Charges	18342941	13,219,510
Dividend Received	-90586480	(100,000)
Preliminary Expenses written off	580450	72,556
<b>Operating Profit Before Working Capital Changes</b>	<b>(66,570,924)</b>	<b>17,984,088</b>
	<b>7,103,998</b>	<b>55,502,221</b>
<b>Adjusted for:</b>		
(Increase)/Decrease in Inventories	(6,847,952)	(37,324,458)
(Increase)/Decrease in Trade & Other Receivables	6,757,320	(29,128,915)
(Increase)/Decrease in Long Term Loans and Advances	88,760,000	(106,778,306)
(Increase)/Decrease in Short Term Loans and Advances	9,663,842	-
Increase/(Decrease) in Short Term Provisions	(2,034,970)	2,034,970
Increase/(Decrease) in Trade Payables	(11,373,549)	137,544,810
Increase/(Decrease) in Other Current Liabilities	(182,158,325)	(97,233,635)
<b>Cash Generated from Operations</b>	<b>(90,129,637)</b>	<b>(33,651,899)</b>
Direct taxes paid	(21,733,609)	21,850,322
<b>Net Cash Used In Operating Activities (A)</b>	<b>(111,863,246)</b>	<b>(7,465,534)</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES :</b>		
<b>B. Purchase of Tangible &amp; Intangible Assets</b>		
Purchase of Tangible & Intangible Assets	(1,045,347)	(2,007,071)
Dividend Received	90,586,480	100,000
<b>Net Cash Flows From Investing Activities (B)</b>	<b>89,541,133</b>	<b>(2,885,493)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES :</b>		
<b>C. Share Issue Expense</b>		
Share Issue Expense	-	(731,250)
Proceeds from Short Term Borrowings	37,454,188	62,560,342
Repayments of Long Term Borrowings	(9,208,000)	(186,166)
Proceeds of Unsecured Loan	-	264,300
Repayments of Unsecured Loan	(338,410)	-
Interest paid	(18,342,941)	(13,219,510)
Dividend paid, including Dividend Tax	(1,411,550)	8,153,287
<b>Net Cash Flows From Financing Activities (C)</b>	<b>8,153,287</b>	<b>48,695,716</b>
<b>Net Increase / (Decrease) In Cash And Cash Equivalents (A+B+C)</b>	<b>(14,168,827)</b>	<b>60,195,011</b>
Cash and cash equivalent at the beginning of the year	52,722,902	83,377,036
Other bank balances at the beginning of the year	90,849,145	-
<b>Cash &amp; Bank Balances (incl. Cash &amp; Cash Equivalents) At The End Of The Year</b>	<b>129,403,220</b>	<b>143,572,047</b>
<b>Cash and Bank Balances</b>		
<b>(A) Cash and Cash Equivalents</b>		
<b>With Banks:</b>		
- In Current Account		
Cash on Hand	35,672,796	51,356,560
<b>(B) Other bank balances</b>	<b>1,314,239</b>	<b>1,366,342</b>
- In Deposit account		
- In Earmarked Accounts	92,216,185	90,849,145
<b>Total Cash and Bank Balances (Note 15)</b>	<b>129,403,220</b>	<b>143,572,047</b>

**Summary of Significant Accounting Policies**

Notes on Financial Statements " 1 - 41 "

The accompanying notes are an integral part of the Financial Statements.

As per our report of even date

FOR SHABBIR S BAGASRAWALA  
CHARTERED ACCOUNTANTS

FOR VERITAS (INDIA) LIMITED

Sd/-

Sd/-

Sd/-

Sd/-

(CA. SHABBIR S. BAGASRAWALA)  
Membership No. : 039865

NITIN KUMAR  
Director

ALPA PAREKH  
Director

S.S PARKAR  
Director

Place : Mumbai  
Date : 27/08/2012

Sd/-  
SAURABH SANGHVI  
DIRECTOR

Sd/-  
RATAN MOONDRA  
DIRECTOR

Sd/-  
HANOZ CHINYOY  
COMPANY SECRETARY



**Notes forming part of the Financial Statements:****1. Corporate Information:**

The Company is in the business of Imports, Trading and Distribution of Chemicals, Metals and Machinery. The Company is also engaged in generation of wind energy in the state of Maharashtra and Tamil Nadu.

**2. Statement of Significant Accounting Policies****(a) Basis of Preparation of Financial Statements:**

The financial statements are prepared and presented under the historical cost conventions, on accrual basis of accounting to comply in all material respects, with all the applicable accounting principles in India, the mandatory Accounting Standards as notified by the Companies (Accounting Standards) Rules, 2006 as amended ('the Rules') and the relevant provisions of the Companies Act, 1956 ('the Act'). The accounting policies not referred to otherwise are in conformity with Indian Generally Accepted Accounting Principles ('Indian GAAP')

**(b) Use of Estimates:**

The preparation of financial statements in conformity with the 'Indian GAAP' requires management to make estimates and assumptions that may affect the reported amounts of assets and liabilities and disclosures relating to contingent liabilities as at the date of the financial statements and the reported amounts of incomes and expenses during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates. Differences between the actual results and estimates are recognized in the year in which the results are known/ materialized.

**(c) Fixed Assets**

Fixed Assets are stated at cost, less accumulated depreciation and impairment, if any. Cost includes inward freight, duties, taxes and expenses incidental to acquisition and installation or construction, net of VAT credit, where applicable and all expenditure necessary to bring the asset to its working condition for its intended use.

**(d) Depreciation:**

Depreciation is being provided on all tangible assets on "Straight Line Method" as per the rates and in the manner prescribed in Schedule XIV to the Companies Act, 1956.

**(e) Impairment of Assets:**

An asset is treated as impaired when the carrying cost of the asset exceeds its recoverable value. An impairment loss is charged to profit & loss account in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

**(f) Investment:**

Investments that are readily realizable and intended to be held for not more than a year are classified as Current Investments. All other investments are classified as Non-Current Investments / long term investments.

Current investments are carried at lower of cost and fair value determined on an individual investment basis.

Long term investments including investment in subsidiaries are carried at Cost less provision for permanent diminution in value of such investment. Cost includes any incidental costs incurred towards acquisition of said investment.

**(g) Employees Benefits:****(i) Provident Fund:**

The eligible employees of the Company are entitled to receive benefits under the provident fund, a defined contribution plan, in which both employees and the Company makes monthly contribution at a specified percentage of the covered employee's salary. The Company has no further obligation under the provident fund plan beyond its monthly contribution.

**(ii) Gratuity:**

Gratuity liability is a defined benefit obligation and is provided for on actuarial valuation made as at the balance sheet date.

**(h) Revenue Recognition:**

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

**i) Sale of Goods:**

Revenue is recognized when the significant risks and rewards in respect of ownership of products are transferred by the Company i.e when goods are dispatched / billed to the customers. Exports sales are accounted on the basis of date of bill of lading. Sales are recorded net of Returns, Sales tax/ Value added tax and applicable trade discounts and allowances.

**ii) Revenue from Energy Generation:**

Sale of power is recognised at the point of Transmission of electricity generated from windmills.

**iii) Interest:**

Interest income is recognized on time proportionate basis taking into account the amount outstanding and the rate applicable.

iv) Dividend:

Dividend income from investment is recognized when the right to receive the payment is established.

(i) Taxation :

Current income tax expense comprises taxes on income from operations in India. Income tax payable in India is determined in accordance with the provisions of the Income Tax Act, 1961.

Minimum alternative tax (MAT) paid in accordance to the tax laws, which gives rise to future economic benefits in the form of adjustment of future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax after the tax holiday period. Accordingly, MAT is recognised as an asset in the balance sheet when it is probable that the future economic benefit associated with it will flow to the Company and the asset can be measured reliably.

Deferred tax expense or benefit is recognised on timing differences being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

In the event of unabsorbed depreciation and carry forward of losses, deferred tax assets are recognised only to the extent that there is virtual certainty that sufficient future taxable income will be available to realise such assets. In other situations, deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available to realise these assets.

Advance taxes and provisions for current income taxes are presented in the balance sheet after off-setting advance taxes paid and income tax provisions arising in the same tax jurisdiction and where the Company intends to settle the asset and liability on a net basis.

The Company offsets deferred tax assets and deferred tax liabilities if it has a legally enforceable right and these relate to taxes on income levied by the same governing taxation laws.

(j) Foreign currency transactions:

(i) Initial Recognition:

Transactions in foreign currency are recorded at the original rate of exchange in force at the time, transactions are affected.

(ii) Conversion:

Foreign currency monetary assets and liabilities other than net investments in non-integral foreign operations are translated at the exchange rate prevailing on the balance sheet date.

(iii) **Exchange Difference:**

Exchange gain and loss arising on the settlement of transactions of monetary items or on reporting such monetary items at rates different from those at which they were initially recorded during the year or reported in previous financial statements, are recognized as income or expense in the year in which they arise.

(k) **Inventories:**

Stock (including in transit) of traded goods are valued at Lower of cost or Net realisable Value. Cost is determined on FIFO method. The valuations of wastage / packing materials are valued at nil.

(l) **Borrowing Cost :**

Borrowing Cost that is attributable to the acquisition, construction or production of qualifying assets is capitalized as part of the cost of such assets till such time as the asset that necessarily requires a substantial period of time to get ready for its intended use. All other borrowing cost are recognized as an expense in the period in which they are incurred.

(m) **Preliminary Expenses:**

Preliminary Expenses are written off in accordance with AS-26 as per prescribed by Institute of Chartered Accountants of India..

(n) **Provisions, Contingent Liabilities and Contingent assets:**

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognised but are disclosed in the notes to accounts when there is a present obligation or present obligation that probably will not require an outflow of resources or where a reliable estimate of the obligation cannot be made.. Contingent assets are neither recognised nor disclosed in the financial statements.

(o) **Cash Flow Statement:**

The Cash Flow Statement is prepared by the "Indirect Method" set out in Accounting Standard 3 on "Cash Flow Statement" and presents the cash flows by Operating, Investing and Financing activities of the Company. Cash and Cash Equivalents in the Cash Flow Statement comprises cash at bank and on hand and short-term investments with an original maturity of three months or less.

Notes Forming Integral Part of the Balance Sheet as at 31st March, 2012

**Note : 3 Share Capital**

The Authorised, issued, Subscribed and Fully paid-up share capital comprises of equity shares having a par value of Rs.1 each as follows:

Sr. No.	Particulars	As At 31 March 2012	As At 31 March 2011
1	<b>AUTHORISED SHARE CAPITAL</b> 10,00,00,000 EQUITY SHARES OF RS. 1/- EACH (P.Y. 10,00,00,000 EQUITY SHARES OF RS. 1/- EACH)	100,000,000	100,000,000
		100,000,000	100,000,000
2	<b>ISSUED, SUBSCRIBED &amp; PAID UP CAPITAL</b> 2,42,10,000 EQUITY SHARES OF RS. 1/- EACH (P.Y. 2,42,10,000 EQUITY SHARES OF RS. 1/- EACH)	24,210,000	24,210,000
	<b>Total in Rs.</b>	<b>24,210,000</b>	<b>24,210,000</b>

**Note 3 Share capital (contd.)**
**(i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period**

Sr.No.	Particulars	Opening Balance	Fresh issue	Closing Balance
(A)	<b>Equity shares with voting rights</b>			
	Year ended 31 March, 2012			
	- Number of shares	24,210,000	-	24,210,000
	- Amount (Rs.)	24,210,000	-	24,210,000
	Year ended 31 March, 2011			
	- Number of shares	24,210,000	-	24,210,000
	- Amount (Rs.)	24,210,000	-	24,210,000

**(ii) Details of shares held by each shareholder holding more than 5% shares:**

Sr.No.	Class of shares / Name of shareholder	As at 31 March, 2012		As at 31 March, 2011	
		Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
	<b>Equity shares of Rs.1/- each fully paid-up with voting rights</b>				
1	Mr. Nitin Kumar Didwania	9,250,000	38.21	9,250,000	38.21
2	Ms. Niti Didwania	6,713,100	27.73	6,713,100	27.73
3	Kamalasini Tradelink Pvt Ltd.	1,471,300	6.08	1,471,300	6.08
4	Onix Assets Ltd.	3,000,000	12.39	3,000,000	12.39

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Notes Forming Integral Part of the Balance Sheet as at 31st March, 2012

**Note : 4 Reserve & Surplus**

Sr. No	Particulars	As At 31 March 2012	As At 31 March 2011
1	<b>Securities Premium Account</b>		
	Opening balance	713,768,750	714,500,000
Less:	Utilised during the year for:		
	Writing off shares issue expenses	-	731,250
	Closing balance	<b>713,768,750</b>	<b>713,768,750</b>
2	<b>Surplus in Statement of Profit and Loss</b>		
	Opening balance	28,486,395	8,577,351
Add:	Profit for the year	52,590,833	21,320,594
Less:	Interim Dividend		
	Proposed Final Dividend on Equity Shares NIL per share (P.Y 0.05 per share).	-	1,210,500
	Tax on Dividend	-	201,050
	Closing balance	<b>81,077,228</b>	<b>28,486,395</b>
	<b>Total in Rs.</b>	<b>794,845,978</b>	<b>742,255,145</b>

**Note : 5 Long Term Borrowings**

Sr. No	Particulars	As At 31 March 2012	As At 31 March 2011
1	<b>Term Loans</b>		
	Secured loans		
	- From Banks	38,337,000	47,545,000
	(Refer Note 5 (i)(ii)&(iii) below)		
	<b>Total in Rs.</b>	<b>38,337,000</b>	<b>47,545,000</b>

**Note 5 Long Term Borrowings (contd.)**

(i)	<b>Primary Security</b>
	Equitable mortgage of property being the land at Survey no.21, Rameshwar Wadi Village, Khatav Taluk, Satara district in the state of Maharashtra and hypothecation of 2 nos. 600 kw Wind Electric Generator consisting each of tower, 1 set of blades, nacelle, control panel, transformer and internal cables.
(ii)	<b>Collateral</b>
	Personal gurantee of the promoter directors Mr. Nitin Kumar Didwania.
(iii)	The abvoe term loan exclude Rs.92,08,000/- (P.Y. Rs.92,08,000/-) falling due for payment within one year, which is shown as other current liabilities.

# VERITAS (INDIA) LIMITED ANNUAL REPORT 2011 – 2012

Notes Forming Integral Part of the Balance Sheet as at 31st March, 2012

## Note : 6 Short Term Borrowings

Sr. No	Particulars	As At 31 March 2012	As At 31 March 2011
1	<b>Loans Repayable on Demand</b> - From Banks ( Secured ) {Refer Note -7 (i)&(ii)}	102,324,573	64,870,384
2	<b>Loans &amp; Advances From Related Parties</b> - From Directors (Un-secured)	359,390	697,800
	<b>Total in Rs.</b>	<b>102,683,963</b>	<b>65,568,184</b>

## Note 6 Short Term Borrowings (contd.)

(i)	<b>Primary Security</b> Exclusive charge on the Current Assets of the Company.
(ii)	<b>Collateral</b> Personal Guarantee of the Promoter Director Mr. Nitin Kumar Didwania

## Note : 7 Trade Payables

Sr. No	Particulars	As At 31 March 2012	As At 31 March 2011
1	<b>Trade payables:</b> Sundry Creditors	77,759,451	89,133,000
	<b>Total in Rs.</b>	<b>77,759,451</b>	<b>89,133,000</b>

## Note : 8 Other Current Liabilities

Sr. No	Particulars	As At 31 March 2012	As At 31 March 2011
1	Current maturities of Long Term Borrowings (refer note no. 5 (iii))	9,208,000	9,394,166
2	Interest accrued but not due	623,533	652,010
3	<b>Other payables:</b> - Statutory remittances - Advances from customers - Others	1,389,533 1,086,638 2,096,224	562,127 183,373,034 2,580,916
	<b>Total in Rs.</b>	<b>14,403,928</b>	<b>196,562,253</b>

## Note : 9 Short Term Provisions

Sr. No	Particulars	As At 31 March 2012	As At 31 March 2011
1	<b>Provision - Others:</b> (i) Provision for Proposed Equity Dividend (ii) Provision for Tax on Proposed Dividend (iii) Employment Benefit Obligation	- - -	1,210,500 201,050 2,034,970
	<b>Total in Rs.</b>	-	<b>3,446,520</b>

VERITAS (INDIA) LIMITED

Notes Forming Integral Part of the Balance Sheet as at 31st March, 2012

Note : 10 Fixed Assets

(Amount in Rs.)

Sl. No.	Particulars	Rate of Depreciation	Gross Block		Provision for Depreciation		Net Block	Net Block as at 31.03.2011	Net Block as at 31.03.2012
			Opening Balance	Additions	Deductions	Closing			
1	Land at Satara		1,800,000	-	-	-	-	1,800,000	1,800,000
2	Plant & Machinery	5.28%	84,250,000	-	-	7,439,729	11,888,129	72,361,871	76,810,271
3	Computer Systems	16.21%	2,468,093	548,020	-	276,730	443,496	2,295,887	2,191,363
4	Software Licence	16.21%	-	187,693	-	-	20,283	167,410	-
4	Furniture & Fixture	6.33%	307,825	28,715	-	26,350	46,659	289,881	281,475
5	Motor Car	9.50%	1,515,480	-	-	362,491	506,461	1,009,019	1,152,989
6	Office Equipments	4.75%	82,000	280,919	-	7,080	22,786	340,133	74,920
			90,423,398	1,045,947	-	8,112,380	5,092,705	85,366,660	88,210,000



*Notes Forming Integral Part of the Balance Sheet as at 31st March, 2012*

**Note : 11 Non Current Investment**

Sr. No	Particulars	As At 31 March 2012	As At 31 March 2011
	<b>Investments (At Cost)</b>		
1	<b>Trade - Unquoted ( Equity Instruments )</b> - Of Wholly Owned Subsidiary 100 (P.Y.100) Equity Shares of 1 SGD each in Veritas Global Pte Ltd. Singapore	3,422	3,422
	50 (P.Y.50) Equity Shares of 150000 AED each in Veritas FZE Dubai	95,267,500	95,267,500
2	<b>Non-Trade - Quoted</b> DB (International ) Stock Brokers Ltd. 500000 (P.Y.100000) Equity Shares of Rs.2/- (P.Y. Rs.10/-) each fully paid up {(Market value Rs 4,85,00,000/- (P.Y.Rs.79,00,000))}	2,900,000	2,900,000
	Rander Corporation Ltd. 75000 (P.Y.75000) Equity Shares of Rs.10/- each fully paid up {(Market value Rs.46,87,500/- (P.Y.Rs.5,40,000))}	975,000	975,000
	<b>Total in Rs.</b>	<b>99,145,922</b>	<b>99,145,922</b>

**Note : 12 Long-term Loans and Advances**

Sr. No	Particulars	As At 31 March 2012	As At 31 March 2011
1	<b>Loans and advances to Related Parties</b> - To Wholly Owned Subsidiaries { Refer Note-12(i) below}	222,926,375	312,036,375
2	<b>Advances - Others</b>	350,000	-
	<b>Total in Rs.</b>	<b>223,276,375</b>	<b>312,036,375</b>

**Note 12 Long-term Loans and Advances include amounts due from:**

Sr. No	Particulars	As At 31 March 2012	As At 31 March 2011
	<b>Related parties</b>		
(i)	Veritas FZE Dubai (WOS)	222,926,375	312,036,375

**Note :13 Other Non-Current Assets**

Sr. No	Particulars	As At 31 March 2012	As At 31 March 2011
1	<b>Unamortised expenses</b> -Preliminary Expenses Opening	580,450	653,006
	Less: Written off	580,450	72,556
	<b>Total in Rs.</b>	<b>-</b>	<b>580,450</b>

*Notes Forming Integral Part of the Balance Sheet as at 31st March, 2012*

**Note : 14 Trade Receivables**

Sr. No	Particulars	As At 31 March 2012	As At 31 March 2011
1	<u>Others</u> -Unsecured, Considered Good :	466,308,853	473,066,173
	<b>Total in Rs.</b>	<b>466,308,853</b>	<b>473,066,173</b>

**Note : 15 Cash and Bank Balances**

Sr. No	Particulars	As At 31 March 2012	As At 31 March 2011
(a)	<b>Cash &amp; Cash Equivalents</b>		
	(i) Balances with Banks		
	- In current accounts	35,672,796	51,356,560
	(ii) Cash on Hand	1,314,239	1,366,342
		<b>36,987,035</b>	<b>52,722,902</b>
(b)	<b>Other bank balances</b>		
	(i) Earmarked Balances with Banks	200,000	-
	(ii) Short - Term Bank Deposits	92,216,185	90,849,145
		<b>92,416,185</b>	<b>90,849,145</b>
	<b>Total in Rs.</b>	<b>129,403,220</b>	<b>143,572,047</b>

**Note :16 Short Terms Loans and Advances**

Sr. No	Particulars	As At 31 March 2012	As At 31 March 2011
1	<u>Security deposits</u> - Unsecured, Considered Good	1,902,474	1,759,610
2	<u>Loans and Advances to Employees</u> - Unsecured, Considered Good	95,927	100,000
3	Prepaid Expenses	33,712	98,615
4	Balances with Government Authorities	3,372,683	1,135,395
5	To Wholly Owned Subsidiaries	2,271,808	
6	<u>Others</u> Advance to Suppliers	20,810,982	35,057,807
7	Advance Taxes Net of Provisions	5,940,543	(977,424)
	<b>Total in Rs.</b>	<b>34,428,129</b>	<b>37,174,003</b>

**Notes Forming Part of the Statement of Profit & Loss**
**Note : 17 Revenue from Operations**

Sr. No.	Particulars	For the year ended 31 March, 2012	For the year ended 31 March, 2011
1	Sale of products (Refer Note (i) below)	3,070,544,288	2,097,030,370
	<b>Total in Rs.</b>	<b>3,070,544,288</b>	<b>2,097,030,370</b>

Note	Particulars	For the year ended 31 March, 2012	For the year ended 31 March, 2011
(i)	Sale of products comprises:		
	Generated goods		
	Electricity	8,061,893	4,914,950
	<b>Total - Sale of Generated Goods</b>	<b>8,061,893</b>	<b>4,914,950</b>
	Traded goods	3,062,482,395	2,092,115,420
	<b>Total - Sale of Traded Goods</b>	<b>3,062,482,395</b>	<b>2,092,115,420</b>
	<b>Total - Sale of Products</b>	<b>3,070,544,288</b>	<b>2,097,030,370</b>

**Note : 18 Other Income**

Sr. No.	Particulars	For the year ended 31 March, 2012	For the year ended 31 March, 2011
(a)	Dividend income:		
	- from long-term investments	90,586,480	100,000
(b)	Other non-operating income (Refer Note (i) below)	832,900	-
	<b>Total in Rs.</b>	<b>91,419,380</b>	<b>100,000</b>

Note	Particulars	For the year ended 31 March, 2012	For the year ended 31 March, 2011
(i)	Other non-operating income comprises:		
	Commission Received (TDS Rs.107534/-)	343,590	-
	Miscellaneous Income	489,310	-
	<b>Total - Other non-operating income</b>	<b>832,900</b>	<b>-</b>

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**Notes Forming Part of the Statement of Profit & Loss**

**Note : 19 Purchase of Traded Goods**

Sr. No	Particulars	For the year ended 31 March, 2012	For the year ended 31 March, 2011
1	Traded Goods	3,031,238,108	2,048,625,708
	<b>Total in Rs.</b>	<b>3,031,238,108</b>	<b>2,048,625,708</b>

**Note : 20 Changes in Inventories of Stock-in-Trade**

Sr. No	Particulars	For the year ended 31 March, 2012	For the year ended 31 March, 2011
1	<u>Inventories at the end of the year:</u> Stock - in -Trade	45,025,878	38,177,926
2	<u>Inventories at the beginning of the year:</u> Stock - in -Trade	38,177,926	853,468
	Net (increase) / decrease	(6,847,953)	(37,324,458)
	<b>Total in Rs.</b>	<b>(6,847,953)</b>	<b>(37,324,458)</b>

**Note : 21 Employee Benefit Expenses**

Sr. No	Particulars	For the year ended 31 March, 2012	For the year ended 31 March, 2011
1	Salaries and Wages	18,634,327	16,919,542
2	Contributions to Provident Fund	1,318,274	1,168,299
3	Contributions to Gratuity Fund	892,393	3,052,454
4	Staff Welfare Expenses	266,833	237,028
5	Remuneration to Director	600,000	-
	<b>Total in Rs.</b>	<b>21,711,827</b>	<b>21,377,323</b>

**Note : 22 Finance Cost**

Sr. No	Particulars	For the year ended 31 March, 2012	For the year ended 31 March, 2011
1	<u>On Fixed Period Loan</u> -Interest on Term Loan -Interest on Car Loan	7,734,236 6,334	7,422,356 55,543
2	<u>On Working Capital Loan</u> -Bank Interest -Bank Charges & Commission	4,397,225 6,205,146	5,247,789 493,822
	<b>Total in Rs.</b>	<b>18,342,941</b>	<b>13,219,510</b>

**Notes Forming Part of the Statement of Profit & Loss**

**Note : 23 Operation and Other Expenses**

Sr. No	Particulars	For the year ended	For the year ended
		31 March, 2012	31 March, 2011
	Freight, Forwarding and Loading & Unloading Charges	1,428,087	2,582,264
	Packing & Slitting Charges	625,741	558,629
	Warehousing/ Wharfage Charges	964,646	1,121,058
	Rent Paid	2,745,000	1,524,228
	<u>Repairs &amp; Maintainance</u>		
	- Buildings	155,414	253,653
	- Others	3,269,782	558,654
	Insurance	361,607	224,261
	Rates and Taxes	830,067	57,480
	Communication Expenses	1,014,099	703,674
	Travelling and Conveyance	3,150,022	3,023,973
	Printing and Stationery	441,002	222,054
	Business Promotion	362,384	180,424
	Legal and Professional Fees	695,750	552,713
	Payments to Auditors (Refer Note 24(i) below)	220,600	220,600
	Preliminary Expenses	580,450	72,556
	Foreign Exchange Loss	514,767	4,126,169
	Electricity Charges	465,281	109,333
	Miscellaneous Expenses	926,959	1,082,746
	<b>Total in Rs.</b>	<b>18,751,658</b>	<b>8,922,131</b>

Note : 23 Operation and Other Expenses (Contd:)			
	Particulars	For the year ended	For the year ended
		31 March, 2012	31 March, 2011
(i)	<b>Payments to the auditors comprises (include of service tax):</b>		
	As auditors - Statutory Audit	145,600	145,600
	For Tax Audit	75,000	75,000
	Total	<b>220,600</b>	<b>220,600</b>

**Notes forming part of the Financial Statements:****24. Retirement benefit plans:****a) Defined contribution plans**

The Company makes Provident Fund contributions to defined contribution retirement benefit plans for qualifying employees. Under the schemes, the Company is required to contribute on monthly basis a specified percentage of the payroll costs to fund the benefits. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

**b) Defined benefit plans**

The Company makes annual contributions to the Employees' Group Gratuity-cum-Life Assurance Scheme of the Life Insurance Corporation of India, a funded defined benefit plan for qualifying employees. The scheme provides for lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount.

The present value of the defined benefit obligation and the related current service cost were measured using the Projected Unit Credit Method, with actuarial valuations being carried out at each balance sheet date.

Disclosure as required by Accounting Standard 15 (Revised) on Employee Benefits:- In respect of gratuity, a defined benefit scheme (based on actuarial valuation) are given below:-

**Summary of assumptions:**

Date of Valuation	31.03.2012
Retirement age	60
Attrition Rate	NIL
Future Salary Rise	10%
Rate of Discounting	8%
Mortality Table	As per 1994-96 LIC Mortality Table (std)

The actuarial value of gratuity as on 31.03.2012 calculated on the above assumptions works out to Rs.29,27,363/- (P.Y.20,34,970/-) and additional provision regarding the same has been made in the books.

**25. Segment Information:**

The Company has identified business segments (industry practice) as its primary segment and geographic segments as its secondary segment. Business segments are primarily Trading and Distribution & Wind Power Generation etc.

Revenues and expenses directly attributable to segments are reported under each reportable segment. Expenses which are not directly identifiable to each reporting segment have been allocated on the basis of associated revenues of the segment and manpower efforts. All other expenses which are not attributable or allocable to segments have been disclosed as unallocable expenses.

Assets and liabilities that are directly attributable or allocable to segments are disclosed under each reportable segment. All other assets and liabilities are disclosed as unallocable. Fixed assets that are used interchangeably among segments are not allocated to primary and secondary segments.

D) Business Segment:

PARTICULARS	Year ended March 31, 2012				Year ended March 31, 2011			
	Trading and Distribution	Wind Power Generation	Unallocable	Total	Trading and Distribution	Wind Power Generation	Unallocable	Total
Segment Revenue								
External Sales (Net)	3,062,482,395	8,061,893		3,070,544,288	2,092,115,421	4,914,949		2,097,030,370
Other Income			91,419,380	91,419,380			100,000	100,000
<b>Total Revenue</b>	<b>3,062,482,395</b>	<b>8,061,893</b>	<b>91,419,380</b>	<b>3,161,963,668</b>	<b>2,092,115,421</b>	<b>4,914,949</b>	<b>100,000</b>	<b>2,097,130,370</b>
Segment Result (PBIT)								
Profit Before Interest and Tax	178,451	420,032	91,419,380	92,017,863	50,237,520	400,123	100,000	50,737,643
Interest (Net)			-	18,342,941				13,219,510
Provision for Tax	-	-	-	21,084,089				16,197,539
<b>Profit after Tax</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>52,590,833</b>				<b>21,320,594</b>
Other Information								
Segment Fixed Assets	4,102,330	74,161,871		78,264,200	78,610,271	3,700,747		82,311,018
Segment Other Assets	891,885,044	6,557,411	99,145,922	997,588,377	1,000,719,786	3,887,188	99,145,922	1,103,752,896
<b>Total Assets</b>				<b>1,075,852,577</b>				<b>1,186,063,914</b>
Segment Liabilities	185,015,808	48,168,533	23,612,267	256,796,598	344,827,047	57,427,910	17,343,812	419,598,769
<b>Total Liabilities</b>				<b>256,796,598</b>				<b>419,598,769</b>
Depreciation	643,765	4,448,400		5,092,165	343,622	4,448,400		4,792,022
Other Non Cash Expenditure			580,450	580,450			72,556	72,556

- ii) **Geographical Segment:** The secondary reporting segment for the Company is geographical segment based on location of customers, which are as follows :

Information for Secondary Segments:			
Particulars	Domestic	Exports	Figures in Rs.
			Total
Revenues from external customers	3,07,05,44,288 (P.Y. 1,97,74,28,900)	- (P.Y. 119,601,470)	3,07,05,44,288 (P.Y. 2,09,70,30,370)
Segment Assets	1,07,58,52,577 (P.Y. 1,186,063,914)	-	1,07,58,52,577 (P.Y. 1,186,063,914)

26. **Related Party Disclosures :**

As per Accounting Standard 18, the disclosures of transactions with the related parties as defined in the Accounting Standard are given below:

a) **Related Parties:**

(i) **Subsidiary Company**

- Veritas Global PTE Limited
- Veritas FZE

(ii) **Key Managerial Personnel (KMP)**

- Nitin Kumar – Director
- Saurabh Sanghvi - Whole Time Director

(iii) **Enterprise over which Key Managerial Personnel are able to exercise significant influence**

- Veritas Investments Limited
- Arbitrium Fincap Private Limited

b) **Transactions with related parties for the year ended March 31, 2012:**

Particulars	( Figures in Rs.)		
	Subsidiary (Veritas FZE)	KMP & their relatives	Enterprise over which KMP exercise control
Loans & Advances given during the year	NIL (P.Y. 8,91,10,000)		
Loans & Advances refund received during the year	8,68,28,804 (P.Y. NIL)		
Rent paid			
• Veritas Investment Limited			2,40,000 (P.Y. 1,80,000)
• Arbitrium Fincap Private Limited			NIL (P.Y. 60,000)
Dividend received	9,04,48,980 (P.Y. NIL)		
Guarantees given	88,66,50,000 (P.Y. 58,125,000)		
Remuneration to Director		6,00,000 (P.Y. NIL)	



**27. Earnings Per Equity Share (EPS):**

The Company reports basic and diluted Earnings Per Share (EPS) in accordance with Accounting Standard 20 on Earnings Per Share. Basic EPS is computed by the net profit or loss for the year by the weighted average no of equity shares outstanding during the year.

Basis of calculation of Basic and Diluted Earnings per Equity share is as under:

( Figures in Rs.)

Particulars	For the year ended March 31, 2012	For the year ended March 31, 2011
Profit After Tax	5,25,90,833	2,13,20,594
Weighted average number of Equity Shares		
- Basic	2,42,10,000	2,42,10,000
- Diluted	2,42,10,000	2,42,10,000
Nominal Value of Equity Shares (Rs.)	1	1
Earning per Share (Rs.)		
- Basic	2.17	0.88
- Diluted	2.17	0.88

**28. Auditor's Remuneration:**

( Figures in Rs.)

Particulars	For the year ended March 31, 2012	For the year ended March 31, 2011
For services as Auditors, including quarterly audits	147,100	147,100
For Tax Audit	73,500	73,500
<b>Total</b>	<b>220,600</b>	<b>220,600</b>

**29. Contingent liabilities:**

Contingent liabilities in respect of outstanding corporate guarantees given to bank on behalf of subsidiaries are as under:

(Figures in Rs.)

Particulars	For the year ended March 31, 2012	For the year ended March 31, 2011
Guarantees given to banks on behalf of the Subsidiary Company (USD 1,72,50,000) P.Y (USD 1,23,90,000)	88,66,50,000	55,81,25,000
<b>Total</b>	<b>88,66,50,000</b>	<b>55,81,25,000</b>

**30. The year-end foreign currency exposures that have not been specifically hedged by a derivative instrument or otherwise are given below:**

Particulars	As at 31/03/2012		As at 31/03/2011	
	In Foreign Currency	In Rupees	In Foreign Currency	In Rupees
Loans & Advances to Subsidiary	40,816.33	22,71,808	20,00,000	8,91,10,000
Creditors	4,70,420	2,40,66,687	NIL	NIL

31. Deferred Taxes

Provision for current tax is made taking into account the provisions of Income Tax Act, 1961. Deferred Tax resulting from "Timing Difference" between book & taxable profit is accounted for using the tax rates and laws that have been enacted and subsequently enacted as on the balance sheet date. Major component of Deferred Tax arising on account of temporary timing difference is as under:-

(Figures in Rs.)

Particulars	As at March 31, 2012	As at March 31, 2011
<b>Deferred Tax Liability</b>		
Depreciation on Fixed Assets	2,36,12,257	1,73,43,812
<b>Total</b>	<b>2,36,12,257</b>	<b>1,73,43,812</b>

32. There are no specific claims from suppliers under interest on delayed payments covered under Small Scale & Ancillary Industrial undertakings Act, 1993.

33. The Company does not have any dues payable to any micro, small and medium enterprises as at the year end. The identification of the micro, small & medium enterprises is based on management's knowledge of their status. The Company has not received any intimation from the suppliers regarding their status under the MSMED Act 2006. Hence, disclosures, if any, relating to amounts unpaid as at the year end, together with interest paid / payable as required under the said act have not been given.

34. Income in Foreign Currency:

( Figures in Rs.)

Particulars	For the year ended March 31, 2012	For the year ended March 31, 2011
FOB Value of Exports	NIL	119,601,470
<b>Total</b>	<b>NIL</b>	<b>119,601,470</b>

35. Expenditure in Foreign Currency:

( Figures in Rs.)

Particulars	For the year ended March 31, 2012	For the year ended March 31, 2011
<b>a) CIF Value of Imports</b>		
Traded Goods	2,35,61,308	NIL
<b>Total</b>	<b>2,35,61,308</b>	<b>NIL</b>

36. Remittance in Foreign Currencies for Dividends:

The Company has remitted Rs. Nil (March 31, 2011: Rs. Nil) in foreign currencies on account of dividends during the year. The particulars of dividends declared and paid to non-resident shareholders for the year 2010-11 are as under:

( Figures in Rs.)

Particulars	No. of Non- resident Shareholders	No. of Equity Shares held	Gross amount of Dividend	
			2011	2010
Final Dividend for 2010-11 declared in Sept, 2011	8	40,00,233	NIL	2,00,012
<b>Total</b>	<b>8</b>	<b>40,00,233</b>	<b>NIL</b>	<b>2,00,012</b>

**37. Disclosure under Clause 32 of the Listing Agreement:**

Amount of loans and advances in nature of loans outstanding from subsidiaries as at March 31, 2012:

( Figures in Rs.)

Subsidiary	Outstanding as at March 31, 2012	Outstanding as at March 31, 2011
Veritas FZE	22,51,98,183	31,20,36,375
<b>Total</b>	<b>22,51,98,183</b>	<b>31,20,36,375</b>

38. In the opinion of the Board and to the best of their knowledge and belief, the value on realization of the current assets, loans & advances, deposits, in the ordinary course of business will not be less than the value stated in Balance Sheet.
39. Balances in respect of some of the debtors, creditors, advances and deposits are subject to confirmation.
40. The Ministry of Corporate Affairs, Government of India, vide General Circular No.2 and 3 dated 8th February 2011 and 21st February 2011 respectively has granted a general exemption from compliance with section 212 of the Companies Act, 1956, subject to fulfillment of conditions stipulated in the circular. The Company has satisfied the conditions stipulated in the circular and hence is entitled to the exemption. Necessary information relating to the subsidiaries has been included in the Consolidated Financial Statements.

**41. Previous year comparatives:**

These financial statements have been prepared in the format prescribed by the Revised Schedule VI to the Companies Act, 1956. Previous years' figures have been recast / restated.

As per our Audit Report of even date attached

**FOR SHABBIR S BAGASRAWALA  
CHARTERED ACCOUNTANTS**

Sd/-

**(CA. SHABBIR S BAGASRAWALA)  
Proprietor  
Membership No.- 039865**

Place: Mumbai  
Dated: 27/08/2012

**FOR VERITAS (INDIA) LIMITED**

Sd /-  
NITIN KUMAR  
Director

Sd/-  
ALPA PAREKH  
Director

Sd/-  
S.S. PARKAR  
Director

Sd/-  
SAURABH SANGHVI  
Director

Sd/-  
RATAN MOONDRA  
Director

Sd/-  
HANOZ CHINYOY  
Company Secretary

**Auditors' Report on Consolidated Financial Statements**

To The Board of Directors

**VERITAS (INDIA) LIMITED**

1. We have audited the attached Consolidated Balance Sheet of Veritas (India) Limited [Formerly known as Duroflex Engineering Limited "the Company"] and its subsidiaries [collectively referred to as "the Group] as at 31<sup>st</sup> March, 2012, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year ended on that date annexed thereto, which we have signed under reference to this report. These Consolidated Financial Statements are the responsibility of the Company's management and have been prepared by the Management on the basis of separate financial statements and the other financial information regarding components. Our responsibility is to express an opinion on these Consolidated Financial Statements based on our audit.
2. We have conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement are prepared, in all material respects, in accordance with an identified financial reporting framework and are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in financial statements. An audit also includes the assessing the accounting principles used and significant estimates made by management as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. We did not audit the financial statements of the subsidiary. These financial statements have been audited by other auditors whose reports have been furnished to us and in our opinion so far as it relates to the amounts included in respect of this Subsidiary, are based solely on the report of the auditor.
4. We report that the Consolidated Financial Statements have been prepared by the Company's management in accordance with the requirements of Accounting standard 21, "Consolidated Financial Statements" Notified by Companies [Accounting Standards] Rules 2006.

5. Based on our audit and on the consideration of the separate audit report on individual audited financial statements of the Company and its consolidated subsidiary, subject to our comments in Para 3 above, in our opinion and to the best of our information and according to the explanations given to us, the Consolidated Financial Statements gives a true and fair view in conformity with the accounting principles generally accepted in India:
- (a) In case of the Consolidated Balance Sheet, of the state of affairs of the Group as at 31<sup>st</sup> March, 2012
  - (b) In the case of Consolidated Statement of Profit and Loss, of the profit for year ended on that date; and
  - (c) In the case of Consolidated Cash Flow Statement, of the cash flow for the year ended on that date.

**For Shabbir S. Bagasrawala  
Chartered Accountants**

Sd/-

**Place: Mumbai  
Date: 27<sup>th</sup> August, 2012**

**Proprietor  
M.NO.39865**

**VERITAS (INDIA) LIMITED**
**ANNUAL REPORT 2011-2012**
**CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2012**

Particulars	Note	As At 31 March 2012	As At 31 March 2011
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholder's Funds</b>			
(a) Share Capital	3	24,210,000	24,210,000
(b) Reserves and Surplus	4	1,233,764,244	1,017,578,807
<b>(2) Non-Current Liabilities</b>			
(a) Long-Term Borrowings	5	38,337,000	56,753,000
(b) Deferred Tax Liabilities (Net)		23,612,258	17,343,811
<b>(3) Current Liabilities</b>			
(a) Short-Term Borrowings	6	341,699,536	98,573,529
(b) Trade Payables	7	743,383,731	947,365,184
(c) Other Current Liabilities	8	15,506,350	183,097,624
(d) Short-term Provisions	9	-	3,446,520
<b>Total Equity &amp; Liabilities</b>		<b>2,420,513,119</b>	<b>2,348,368,475</b>
<b>II. ASSETS</b>			
<b>(1) Non-Current Assets</b>			
(a) Fixed Assets			
(i) Tangible Assets	10	78,414,223	244,831,800
(b) Non-current Investments	11	3,875,000	3,875,000
(c) Long-term Loans & Advances	12	2,086,692	-
<b>(2) Current Assets</b>			
(a) Inventories	20	45,025,879	44,921,396
(b) Trade Receivables	13	2,111,563,021	1,850,161,071
(c) Cash and Cash Equivalents	14	147,391,983	166,969,744
(d) Short-term Loans and Advances	15	32,156,321	37,029,014
(e) Other Current Assets	16	-	580,450
<b>Total Assets</b>		<b>2,420,513,119</b>	<b>2,348,368,475</b>

**NOTES TO ACCOUNTS**

Schedules referred to above and notes attached there to form an integral part of Balance Sheet

This is the Balance Sheet referred to in our Report of even date.

FOR SHABBIR S BAGASRAWALA  
CHARTERED ACCOUNTANTS

FOR VERITAS (INDIA) LIMITED

Sd/-

Sd/-

Sd/-

Sd/-

(CA. SHABBIR S. BAGASRAWALA)  
Membership No. : 039865

NITIN KUMAR  
Director

ALPA PAREKH  
Director

S.S PARKAR  
Director

Place : Mumbai  
Date : 27/08/2012

Sd/-  
SAURABH SANGHVI  
DIRECTOR

Sd/-  
RATAN MOONDRA  
DIRECTOR

Sd/-  
HANOZ CHINYOY  
COMPANY SECRETARY

**CONSOLIDATED STATEMENT OF PROFIT & LOSS FOR THE PERIOD ENDED 31 MARCH, 2012**

Sr. No.	Particulars	Note	As At 31 March 2012	As At 31 March 2011
I	Revenue from operations	17	7,902,001,064	6,157,392,430
II	Other Income	18	34,660,803	100,000
III	<i>III. Total Revenue (I + II)</i>		<b>7,936,661,866</b>	<b>6,157,492,430</b>
IV	<b>Expenses:</b>			
	Purchase of Stock-in-Trade	19	7,580,309,777	5,727,095,337
	Changes in inventories of stock-in-trade	20	246,154	(44,067,928)
	Employee Benefit Expense	21	34,654,226	26,729,258
	Finance Costs	22	28,645,218	29,137,281
	Depreciation and amortisation expense	10	14,503,646	18,722,865
	Operation and other expenses	23	122,261,218	140,803,361
	<i>Total Expenses (III)</i>		<b>7,780,620,239</b>	<b>5,898,420,174</b>
V	Profit before exceptional and extraordinary items and tax	(III - IV)	<b>156,041,628</b>	<b>259,072,256</b>
VI	Exceptional Items		-	-
VII	Profit before extraordinary items and tax (V - VI)		<b>156,041,628</b>	<b>259,072,256</b>
VIII	Extraordinary Items		-	-
IX	Profit before tax (VII - VIII)		<b>156,041,628</b>	<b>259,072,256</b>
X	<b>Tax expense:</b>			
	(1) Current tax		14,800,000	7,801,990
	(2) Current Tax expense relating to prior years		15,642	663,526
	(3) Deferred tax		6,268,447	7,877,013
XI	Profit(Loss) from the period from continuing operations	(IX-X)	<b>134,957,539</b>	<b>242,729,727</b>
XII	Profit/(Loss) from discontinuing operations		-	-
XIII	Tax expense of discounting operations		-	-
XIV	Profit/(Loss) from Discontinuing operations (XII - XIII)		-	-
XV	Profit/(Loss) for the period (XI + XIV)		<b>134,957,539</b>	<b>242,729,727</b>
XVI	<b>Earning per equity share:</b>			
	(1) Basic		5.57	10.03
	(2) Diluted		5.57	10.03

See accompanying notes forming part of the financial statements in terms of our report attached.

**FOR SHABBIR S BAGASRAWALA  
CHARTERED ACCOUNTANTS**

**FOR VERITAS (INDIA) LIMITED**

Sd/-

Sd/-

Sd/-

Sd/-

(CA. SHABBIR S. BAGASRAWALA)  
Membership No. : 039865

NITIN KUM  
Director

ALPA PAREKH  
Director

S.S PARKAR  
Director

Place : Mumbai  
Date : 27/08/2012

Sd/-  
SAURABH SANGHVI  
DIRECTOR

Sd/-  
RATAN MOONDRA  
DIRECTOR

Sd/-  
HANOZ CHINYOY  
COMPANY SECRETARY

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2012

PARTICULARS	Amount in (Rs.)	
	YEAR ENDED 31ST MARCH 2012	YEAR ENDED 31ST MARCH 2011
<b>A. CASH FLOW FROM OPERATING ACTIVITIES :</b>		
Profit before tax from continuing operations	156,041,628	259,072,256
Profit before tax	156,041,628	259,072,256
<b>Add/ (Less): Non Cash &amp; Non Operating Item</b>		
Depreciation	14,503,646	18,722,865
Interest & finance Charges	28,645,218	29,137,281
Dividend received	-	(100,000)
Profit on Sale of Fixed Assets	(33,827,903)	-
Preliminary expenses written off	580,450	72,556
<b>Operating Profit Before Working Capital Changes</b>	<b>165,943,038</b>	<b>306,904,958</b>
<b>Adjusted for:</b>		
(Increase)/Decrease in Inventories	(104,483)	(44,067,928)
(Increase)/Decrease in Trade & Other Receivables	(261,401,950)	(1,223,557,563)
(Increase)/Decrease in Long term loans and advances	(2,086,692)	201,248,151
(Increase)/Decrease in Short term loans and advances	11,790,660	-
Increase/(Decrease) in Short term provisions	(2,034,970)	-
Increase/(Decrease) in Trade Payables	(203,981,453)	971,886,835
Increase/(Decrease) in Other current liabilities	(167,591,274)	-
<b>Cash Generated from Operations</b>	<b>(459,467,123)</b>	<b>212,414,453</b>
Direct taxes paid	(21,733,609)	(7,465,534)
<b>Net Cash Used in Operating Activities (A)</b>	<b>(481,200,732)</b>	<b>204,948,919</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES :</b>		
Purchase of Tangible & Intangible Assets	(40,714,580)	(178,383,873)
Sale of Tangible & Intangible Assets	226,456,413	-
Purchase of non-current investments	-	(975,000)
Foreign Exchange Translation Reserve	81,227,898	(8,569,453)
Dividend Received	-	100,000
<b>Net Cash Flows From Investing Activities (B)</b>	<b>266,969,731</b>	<b>(187,828,326)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES :</b>		
Share Issue Expenses	-	(731,250)
Change in short term borrowings	243,126,007	95,465,656
Change in long term borrowings	(18,416,000)	-
Interest paid	(28,545,218)	(29,137,281)
Dividend paid, including dividend tax	(1,411,550)	-
<b>Net Cash Flows From Financing Activities (C)</b>	<b>194,653,239</b>	<b>65,597,125</b>
<b>Net Increase / (Decrease) in Cash And Cash Equivalents (A+B+C)</b>	<b>(19,577,761)</b>	<b>82,717,718</b>
Cash and cash equivalent at the beginning of the year	166,969,744	84,252,026
<b>Cash and Cash Equivalent At The End Of The Year</b>	<b>147,391,983</b>	<b>166,969,744</b>
<b>Components Of Cash and Cash Equivalents</b>		
Cash on Hand	1,377,204	1,600,486
<b>With Banks:</b>		
- In Current Account	53,598,594	62,183,318
- In Deposit account	92,216,185	103,185,940
- In earmarked accounts	200,000	-
<b>Total Cash and Cash Equivalents (Note 14)</b>	<b>147,391,983</b>	<b>166,969,744</b>

Summary of Significant Accounting Policies

Notes on Financial Statements " 1 - 32 "

The accompanying notes are an integral part of the Financial Statements.

As per our report of even date

FOR SHABBI S BAGASRAWALA  
CHARTERED ACCOUNTANTS

Sd/-

(CA. SHABBI S. BAGASRAWALA)  
Membership No. : 039865

Place : Mumbai  
Date : 27/08/2012

FOR VERITAS (INDIA) LIMITED

Sd/- Sd/- Sd/-

NITIN KUMAR ALPA PAREKH S.S PARKAR  
Director Director Director

Sd/- Sd/- Sd/-  
SAURABH SANGHVI RATAN MOONDRA HANZO CHINYO  
DIRECTOR DIRECTOR COMPANY SECRETARY



## Statement pursuant to Section 212 of the Companies Act, 1956 relating to Subsidiary Company.

1.	Name of the Subsidiary	Veritas FZE	Veritas Global Pte. Ltd.
2.	Financial year Ended	31 <sup>st</sup> March, 2012	31 <sup>st</sup> March, 2012
3.	Holding Company's Interest	50 Equity Shares of AED 1,50,000 each.	100 Equity Shares of SGD 1 each.
4.	Extent of holding Company's Interest	100% in Equity Share Capital	100% in Equity Share Capital
5.	Net aggregate amount of Profit / (Loss) of the subsidiary so far as it concerns the members of the holding Company and is dealt with in the holding Company's accounts:  a) For financial year ended 31 <sup>st</sup> March, 2012 b) For the previous year	NA	NA
6.	Net aggregate amount of Profit / (Loss) of the subsidiary so far as it concerns the members of the holding Company and is not dealt with in the holding Company's accounts:  a) For financial year ended 31 <sup>st</sup> March, 2012 b) For the previous year	Rs 173,053,881  219,683,925	Rs (100,695)  1,870,198
7.	Changes in the Holding Company's Interest in the subsidiary between the end of the financial year of the subsidiary and the end of the Holding Company's financial year	NA	NA

**Notes forming part of the Financial Statements:****1. Corporate information:**

The Company is in the business of Imports, Trading and Distribution of Chemicals, Metals Natural rubber etc . The Company is also engaged in generation of wind energy in the state of Maharashtra and Tamil Nadu.

**2. Statement of Significant Accounting Policies****(a) Principles of Consolidation:**

(i) The Consolidated Financial Statements are prepared in accordance with Accounting Standards 21 (AS-21) "Consolidated Financial Statements" issued by The Institute of Chartered Accountants of India (ICAI). These financial statements relate to VERITAS (INDIA) LIMITED (Parent Company) and its majority owned & controlled subsidiaries VERITAS FZE & VERITAS GLOBAL PTE LIMITED (Together refer to as "The Group).

(ii) The financial statements of the Parent Company and its subsidiary are combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating the intra -group balances and intra -group transactions in accordance with Accounting Standard (AS) 21 - "Consolidated Financial Statements".

(iii) In case of foreign subsidiaries, being non-integral foreign operations, revenue items are consolidated at the average rate prevailing during the year. All assets and liabilities are converted at rates prevailing at the end of the year. Any exchange difference arising on consolidation is recognised in the Foreign Exchange Translation Reserve.

(b) The audited financial statements of foreign subsidiaries have been prepared in accordance with the Generally Accepted Accounting Principles of its country of incorporation or International Financial Reporting Standards. The differences in accounting policies of the Company and its subsidiaries are not material.

(c) Investments other than in subsidiaries and associates have been accounted as per Accounting Standard (AS) 13 on "Accounting for Investments".

**(d) Other significant accounting policies:**

These are set out under "Significant Accounting Policies" as given in the Company's separate financial statements.

## Notes Forming Integral Part of the Consolidated Balance Sheet as at 31st March, 2012

## Note : 3 Share Capital

Sr. No	Particulars	As At 31 March 2012	As At 31 March 2011
1	<b>AUTHORISED SHARE CAPITAL</b> 10,00,00,000 EQUITY SHARES OF RS. 1/- EACH (P.Y. 10,00,00,000 EQUITY SHARES OF RS. 1/- EACH)	100,000,000	100,000,000
		100,000,000	100,000,000
2	<b>ISSUED, SUBSCRIBED &amp; PAID UP CAPITAL</b> 2,42,10,000 EQUITY SHARES OF RS. 1/- EACH (P.Y. 2,42,10,000 EQUITY SHARES OF RS. 1/- EACH)	24,210,000	24,210,000
	<b>Total in Rs.</b>	<b>24,210,000</b>	<b>24,210,000</b>

## Note 3 Share capital (contd.)

(i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

Sr.No.	Particulars	Opening Balance	Fresh issue	Closing Balance
(A)	<b>Equity shares with voting rights</b>			
	Year ended 31 March, 2012			
	- Number of shares	24,210,000		24,210,000
	- Amount (Rs.)	24,210,000		24,210,000
	Year ended 31 March, 2011			
	- Number of shares	24,210,000		24,210,000
	- Amount (Rs.)	24,210,000		24,210,000

(ii) Details of shares held by each shareholder holding more than 5% shares:

Sr.No.	Class of shares / Name of shareholder	As at 31 March, 2012		As at 31 March, 2011	
		Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
	<b>Equity shares of Rs.1/- each fully paid-up with voting rights</b>				
1	Mr. Nitin Kumar Didwania	9250000	38.21	9250000	38.21
2	Ms. Niti Didwania	6713100	27.73	6713100	27.73
3	Kamalasini Tradelink Pvt Ltd.	1471300	6.08	1471300	6.08
4	Onix Assets Ltd.	3000000	12.39	3000000	12.39

Notes Forming Integral Part of the Consolidated Balance Sheet as at 31st March, 2012

**Note : 4 Reserve & Surplus**

Sr. No	Particulars	As At 31 March 2012	As At 31 March 2011
1	<b>Securities Premium Account</b>		
	Opening balance	713,768,750	714,500,000
Less:	Utilised during the year for:		
	Writing off shares issue expenses	-	731,250
	Closing balance	<b>713,768,750</b>	<b>713,768,750</b>
2	<b>Surplus in Statement of Profit and Loss</b>		
	Opening balance	303,810,057	79,464,455
Add:	Profit for the year	134,957,539	242,729,727
	Foreign exchange translation reserve	81,227,898	(16972575)
Less:	Dividend		
	Dividends proposed to be distributed to equity shareholders nil (P.Y. 0.05 per share)	-	1,210,500
	Tax on dividend	-	201,050
	Closing balance	<b>519,995,494</b>	<b>303,810,057</b>
	<b>Total in Rs.</b>	<b>1,233,764,244</b>	<b>1,017,578,807</b>

**Note : 5 Long Term Borrowings**

Sr. No	Particulars	As At 31 March 2012	As At 31 March 2011
1	<b>Term Loans</b>		
	Secured loans		
	- From Banks	38,337,000	56,753,000
	{Refer Note 5 (i)(ii)&(iii) below}		
	<b>Total in Rs.</b>	<b>38,337,000</b>	<b>56,753,000</b>

**Note 5 Long Term Borrowings (Contd.)**

(i)	<b>Primary Security</b>
	Equitable mortgage of property being the land at Survey no.21, Rameshwar Wadi Village, Khatav Taluka, Satara district in the state of Maharashtra and hypothecation of 2 nos. 600 kw Wind Electric Generator consisting each of tower, 1 set of blades, nacelle, control panel, transformer and internal cables.
(ii)	<b>Collateral</b>
	Personal gurantee of the promoter directors Mr. Nitin Kumar Didwania
(iii)	The above term loan exclude Rs. 92,08,000/- (P.Y. Rs. 92,08,000/-) falling due for payment within one year, which is shown as other current liabilities

Notes Forming Integral Part of the Consolidated Balance Sheet as at 31st March, 2012

**Note : 6 Short Term Borrowings**

Sr. No	Particulars	As At 31 March 2012	As At 31 March 2011
1	<b>Loans repayable on demand</b> - From Banks ( Secured ) (Refer Note - 5 (i) & (ii))	341,340,146	97,875,729
2	<b>Loans &amp; Advances From Related Parties</b> - From Directors (Un-secured)	359,390	697,800
	<b>Total in Rs.</b>	<b>341,699,536</b>	<b>98,573,529</b>

**Note 6 Short Term Borrowings (Contd.)**

(i)	<b>Primary Security</b> Exclusive Charge on the current assets of the Company
(ii)	<b>Collateral</b> Personal guarantee of the promoter directors Mr. Nitin Kumar Didwania

**Note : 7 Trade Payables**

Sr. No	Particulars	As At 31 March 2012	As At 31 March 2011
1	<b>Trade payables:</b> - Sundry Creditors	743,383,731	947,365,184
	<b>Total in Rs.</b>	<b>743,383,731</b>	<b>947,365,184</b>

**Note : 8 Other Current Liabilities**

Sr. No	Particulars	As At 31 March 2012	As At 31 March 2011
1	Current maturities of long term borrowings (refer note no. 5 (iii))	9,208,000	690,472
2	Interest accrued but not due	623,533	652,010
3	<b>Other payables:</b> - Statutory remittances - Advances from customers - Others	1,389,533 1,086,638 3,198,645	562,127 180,222,782 970,233
	<b>Total in Rs.</b>	<b>15,506,349</b>	<b>183,097,624</b>

**Note : 9 Short Term Provisions**

Sr. No	Particulars	As At 31 March 2012	As At 31 March 2011
2	<b>Provision - Others:</b> (i) Provision for proposed equity dividend (ii) Provision for tax on proposed dividend (iii) Funded Post - Employment benefit obligation	- - -	1,210,500 201,050 2,034,970
	<b>Total in Rs.</b>	<b>-</b>	<b>3,446,520</b>

# VERITAS (INDIA) LIMITED

Notes Forming Integral Part of the Balance Sheet as at 31st March, 2012

Sl. No.	Nature of Assets	Rate	Opening Balance		Additions		Deductions		Closing		Opening Balance		Additions		Deductions		Closing		Net Block as at 31.03.2011
			Rs.	%	Rs.	%	Rs.	%	Rs.	%	Rs.	%	Rs.	%	Rs.	%	Rs.	%	
1	Freehold Land		1,800,000																1,800,000
2	Plant & Machinery	5.28%	84,250,000				7,439,729	4,448,400											76,810,271
3	Computer Systems	16.21%	2,468,093		548,020		276,730	443,496											2,191,363
4	Software licence	16.21%			187,693			20,283											167,410
4	Furniture & Fixture	6.33%	307,825		28,715		26,350	20,309											281,475
5	Motor Car	9.50%	1,515,480				362,491	143,971											1,152,989
6	Office Equipments	4.75%	82,000		280,919		7,080	15,706											74,920
7	FZE Fixed Assets	20.00%	176,471,177		39,669,233		13,950,395	9,411,481											162,520,782
			1,800,000		1,800,000		13,950,395	9,411,481											1,800,000
			84,250,000		84,250,000		7,439,729	4,448,400											76,810,271
			2,468,093		2,468,093		276,730	443,496											2,191,363
					187,693			20,283											167,410
			307,825		307,825		26,350	20,309											281,475
			1,515,480		1,515,480		362,491	143,971											1,152,989
			82,000		82,000		7,080	15,706											74,920
			176,471,177		176,471,177		13,950,395	9,411,481											162,520,782
			1,800,000		1,800,000		13,950,395	9,411,481											1,800,000
			84,250,000		84,250,000		7,439,729	4,448,400											76,810,271
			2,468,093		2,468,093		276,730	443,496											2,191,363
					187,693			20,283											167,410
			307,825		307,825		26,350	20,309											281,475
			1,515,480		1,515,480		362,491	143,971											1,152,989
			82,000		82,000		7,080	15,706											74,920
			176,471,177		176,471,177		13,950,395	9,411,481											162,520,782
			1,800,000		1,800,000		13,950,395	9,411,481											1,800,000
			84,250,000		84,250,000		7,439,729	4,448,400											76,810,271
			2,468,093		2,468,093		276,730	443,496											2,191,363
					187,693			20,283											167,410
			307,825		307,825		26,350	20,309											281,475
			1,515,480		1,515,480		362,491	143,971											1,152,989
			82,000		82,000		7,080	15,706											74,920
			176,471,177		176,471,177		13,950,395	9,411,481											162,520,782
			1,800,000		1,800,000		13,950,395	9,411,481											1,800,000
			84,250,000		84,250,000		7,439,729	4,448,400											76,810,271
			2,468,093		2,468,093		276,730	443,496											2,191,363
					187,693			20,283											167,410
			307,825		307,825		26,350	20,309											281,475
			1,515,480		1,515,480		362,491	143,971											1,152,989
			82,000		82,000		7,080	15,706											74,920
			176,471,177		176,471,177		13,950,395	9,411,481											162,520,782

Notes Forming Integral Part of the Consolidated Balance Sheet as at 31st March, 2012

**Note : 11 Non Current Investment**

Sr. No	Particulars	As At 31 March 2012	As At 31 March 2011
1	<b>Investments (At Cost)</b>		
	<b>Non-Trade - Quoted</b>		
	DB (International ) Stock Brokers Ltd. 500000 (P.Y.100000) equity shares of Rs. 2/- (P.Y. Rs. 10/-)each fully paid up {(Market value Rs. 4,85,00,000/- (P.Y.Rs.79,00,000))}	2,900,000	2,900,000
	Rander Corporation Ltd. 75000 (P.Y.75000) equity shares of Rs.10/- (P.Y. Rs. 10/-)each fully paid up {(Market value Rs. 46,87,500 (P.Y.Rs.5,40,000))}	975,000	975,000
	<b>Total in Rs.</b>	<b>3,875,000</b>	<b>3,875,000</b>

**Note : 12 Long-term loans and advances**

Sr. No	Particulars	As At 31 March 2012	As At 31 March 2011
1	Advances - Others	2,086,692	-
	<b>Total in Rs.</b>	<b>2,086,692</b>	<b>-</b>

**Note : 13 Trade Recievables**

Sr. No	Particulars	As At 31 March 2012	As At 31 March 2011
1	<b>Others</b> -Unsecured, Considered Good :	2,111,563,021	1,850,161,071
	<b>Total in Rs.</b>	<b>2,111,563,021</b>	<b>1,850,161,071</b>

**Note : 14 Cash & Cash Equivalents**

Sr. No	Particulars	As At 31 March 2012	As At 31 March 2011
a)	<b>Cash &amp; Cash equivalents</b>		
	(i) Balances with Bank	53,598,594	62,183,318
	- In current accounts	1,377,204	1,600,486
	(ii) Cash on Hand		
b)	<b>Other Bank Balances</b>		
	(i) Earmarked balances with banks	200,000	-
	(ii) Short - term bank deposits	92,216,185	103,185,940
	<b>Total in Rs.</b>	<b>147,391,983</b>	<b>166,969,744</b>

Notes Forming Integral Part of the Consolidated Balance Sheet as at 31st March, 2012

**Note :15 Short Terms Loans and Advances**

Sr. No	Particulars	As At 31 March 2012	As At 31 March 2011
1	<u>Security deposits</u> - Unsecured, considered good	1,902,474	1,759,610
2	<u>Loans and advances to employees</u> - Unsecured, considered good	95,927	100,000
3	<u>Prepaid expenses</u> - Unsecured, considered good	33,712	98,615
4	Balances with government authorities	3,372,683	1,135,395
5	<u>Others</u> Advance to suppliers	20,810,982	35,057,807
	Advance Taxes net of Provisions	5,940,543	(1,122,414)
	<b>Total in Rs.</b>	<b>32,156,321</b>	<b>37,029,013</b>

**Note :16 Other Current Assets**

Sr. No	Particulars	As At 31 March 2012	As At 31 March 2011
1	<u>Unamortised expenses</u> -Preliminary Expenses	-	580,450
	<b>Total in Rs.</b>	-	<b>580,450</b>



*Notes Forming Part of the Consolidated Statement of Profit & Loss*

**Note : 17 Revenue from Operations**

Sr. No	Particulars	As At 31 March 2012	As At 31 March 2011
1	Sale of products @ (Refer Note (i) below)	7,902,001,064	6,157,392,430
	<b>Total in Rs.</b>	<b>7,902,001,064</b>	<b>6,157,392,430</b>

Note	Particulars	As At 31 March 2012	As At 31 March 2011
(i)	Sale of products comprises :		
	<u>Generation of Electricity</u>	8,061,893	4,914,950
		8,061,893	4,914,950
	<u>Traded goods</u>	7,893,939,171	6,152,477,480
	<b>Total - Sale of traded goods</b>	<b>7,893,939,171</b>	<b>6,152,477,480</b>
	<b>Total - Sale of products</b>	<b>7,902,001,064</b>	<b>6,157,392,430</b>

**Note : 18 Other Income**

Sr. No	Particulars	As At 31 March 2012	As At 31 March 2011
(a)	Dividend income: - from long-term investments	-	100,000
(b)	Other non-operating income (Refer Note (i) below)	34,660,803	-
	<b>Total</b>	<b>34,660,803</b>	<b>100,000</b>

Note	Particulars	As At 31 March 2012	As At 31 March 2011
(i)	Other non-operating income comprises:		
	- Commission Received (TDS Rs. 107534/-)	343,590	
	- Miscellaneous Income	489,310	
	- Profit on sale of Fixed Assets	33,827,903	
	<b>Total - Other non-operating income</b>	<b>34,660,803</b>	<b>-</b>

**Notes Forming Part of the Consolidated Statement of Profit & Loss**
**Note : 19 Purchase of Traded goods**

Sr. No.	Particulars	As At 31 March 2012	As At 31 March 2011
1	Traded goods	7,580,309,777	5,727,095,337
	<b>Total in Rs.</b>	<b>7,580,309,777</b>	<b>5,727,095,337</b>

**Note : 20 Changes in inventories of stock-in-trade**

Sr. No.	Particulars	As At 31 March 2012	As At 31 March 2011
1	Inventories at the end of the year: Stock - in -Trade	45,025,879	44,921,396
2	Inventories at the beginning of the year: Stock - in -Trade	45,272,033	853,468
	Net (increase) / decrease	246,154	(44,067,928)
	<b>Total in Rs.</b>	<b>246,154</b>	<b>(44,067,928)</b>

**Note : 21 Employee Benefit Expenses**

Sr. No.	Particulars	As At 31 March 2012	As At 31 March 2011
1	Salaries and wages	31,576,726	22,271,477
	Contributions to Provident Fund	1,318,274	1,168,299
	Contributions to Gratuity Fund	892,393	3,052,454
	Staff welfare expenses	266,833	237,028
2	Remuneration to Director	600,000	-
	<b>Total in Rs.</b>	<b>34,654,226</b>	<b>26,729,258</b>

**Note : 22 Finance Cost**

Sr. No.	Particulars	As At 31 March 2012	As At 31 March 2011
1	<u>On Fixed Period Loan</u> - Interest On Term Loan	7,734,236	7,477,899
	- Interest On Car Loan	6,334	-
2	<u>On Working Capital Loan</u> - Bank Charges & Commission	8,546,706	2,155,321
	- Bank Interest	12,357,942	19,504,061
	<b>Total in Rs.</b>	<b>28,645,218</b>	<b>29,137,281</b>

Notes Forming Part of the Consolidated Statement of Profit & Loss

Note : 23 Operation and other expenses

Sr. No	Particulars	As At 31 March 2012	As At 31 March 2011
	Freight and forwarding	5,523,876	2,077,460
	Packing & Slitting Charges	625,741	1,028,568
	Warehousing/ Wharfage Charges	84,401,858	73,635,354
	Rent paid	2,745,000	3,534,920
	<u>Repairs &amp; Maintainance</u>		
	- Buildings	155,414	253,653
	- Others	3,348,068	671,373
	Insurance	961,902	3,669,086
	Rates and taxes	3,360,052	-
	Communication expenses	2,468,611	1,404,148
	Travelling and conveyance	4,343,031	3,065,633
	Printing and stationery	505,196	296,768
	Membership Fees & Subscription	-	142,233
	Business promotion	5,716,911	11,279,093
	Legal and professional fees	2,386,787	1,369,773
	Payments to auditors (Refer Note (i) below)	558,346	220,600
	Preliminary expenses	580,450	72,556
	Distribution expenses	663,332	30,875,495
	foreign exchange loss	702,557	(4,126,169)
	Electricity Charges	465,281	68,420
	Miscellaneous expenses	2,602,485	10,559,484
	Advertising Expenses	146,319	704,913
	<b>Total in Rs.</b>	<b>122,261,218</b>	<b>140,803,361</b>

Notes:			
	Particulars	As At 31 March 2012	As At 31 March 2011
(i)	<u>Payments to the auditors comprises (net of service tax input credit):</u>		
	As auditors - statutory audit	483,346	145,600
	For Tax Audit	75,000	75,000
	Total	<b>558,346</b>	<b>220,600</b>

**Notes forming part of the Financial Statements:****24. The Subsidiary Companies Considered in Consolidated Financial Statements are;**

Name of the Subsidiary	Incorporated in	Ownership
Veritas FZE	UAE	100%
Veritas Global PTE Limited	Singapore	100%

**25. Retirement benefit plans:****a) Defined contribution plans**

The Company makes Provident Fund contributions to defined contribution retirement benefit plans for qualifying employees. Under the schemes, the Company is required to contribute on monthly basis a specified percentage of the payroll costs to fund the benefits. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

**b) Defined benefit plans**

The Company makes annual contributions to the Employees' Group Gratuity-cum-Life Assurance Scheme of the Life Insurance Corporation of India, a funded defined benefit plan for qualifying employees. The scheme provides for lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount.

The present value of the defined benefit obligation and the related current service cost were measured using the Projected Unit Credit Method, with actuarial valuations being carried out at each balance sheet date.

Disclosure as required by Accounting Standard 15 (Revised) on Employee Benefits:- In respect of gratuity, a defined benefit scheme (based on actuarial valuation) are given below:-

**Summary of assumptions:**

Date of Valuation	31.03.2012
Retirement age	60
Attrition Rate	NIL
Future Salary Rise	10%
Rate of Discounting	8%
Mortality Table	As per 1994-96 LIC Mortality Table (std)

The actuarial value of gratuity as on 31.03.2012 calculated on the above assumptions works out to Rs.29,27,363/- (P.Y.20,34,970/-) and additional provision regarding the same has been made in the books.

**26. Deferred Taxes**

Provision for current tax is made taking into account the provisions of Income Tax Act, 1961. Deferred Tax resulting from "Timing Difference" between book & taxable profit is accounted for using the tax rates and laws that have been enacted and subsequently enacted as on the balance sheet date. Major component of Deferred Tax arising on account of temporary timing difference is as under:-

(Figures in Rs.)

	2012	2011
<b>Deferred Tax Liability</b>		
Depreciation on Fixed Assets	2,36,12,258	1,73,43,812
<b>Total</b>	<b>2,36,12,258</b>	<b>1,73,43,812</b>

**27. Earnings Per Equity Share (EPS):**

The Company reports basic and diluted Earnings Per Share (EPS) in accordance with AS 20 on Earnings Per Share. Basic EPS is computed by the net profit or loss for the year by the weighted average no of equity shares outstanding during the year.

Basis of calculation of Basic and Diluted earnings per Equity share is as under:

(Figures in Rs.)

Particulars	For the year ended March 31, 2012	For the year ended March 31, 2011
Profit After Tax	134,957,539	24,27,29,727
Weighted average number of Equity Shares		
- Basic	2,42,10,000	2,42,10,000
- Diluted	2,42,10,000	2,42,10,000
Nominal Value of Equity Shares (Rs.)	1	1
Earnings per Share (Rs.)		
- Basic	5.57	10.03
- Diluted	5.57	10.03

**28. Segment Information:**

The Company has identified business segments (industry practice) as its primary segment and geographic segments as its secondary segment. Business segments are primarily Trading and Distribution & Wind Power Generation etc.

Revenues and expenses directly attributable to segments are reported under each reportable segment. Expenses which are not directly identifiable to each reporting segment have been allocated on the basis of associated revenues of the segment and manpower efforts. All other expenses which are not attributable or allocable to segments have been disclosed as unallocable expenses.

Assets and liabilities that are directly attributable or allocable to segments are disclosed under each reportable segment. All other assets and liabilities are disclosed as unallocable. Fixed assets that are used interchangeably among segments are not allocated to primary and secondary segments.

VERITAS (INDIA) LIMITED

i) Business Segment:

PARTICULARS	Year ended March 31, 2012			Year ended March 31, 2011				
	Trading and Distribution	Wind Power Generation	Unallocable	Total	Trading and Distribution	Wind Power Generation	Unallocable	Total
<b>Segment Revenue</b>								
External Sales (Net)	7,893,939,171	8,061,893	34,660,803	7,902,001,064	6,152,477,480	4,914,950	100,000	6,157,392,430
Other Income							100,000	100,000
<b>Total Revenue</b>	<b>7,893,939,171</b>	<b>8,061,893</b>	<b>34,660,803</b>	<b>7,936,661,866</b>	<b>6,152,477,480</b>	<b>4,914,950</b>	<b>100,000</b>	<b>6,157,492,430</b>
<b>Segment Result (PBIT)</b>								
Profit Before Interest and Tax	92,847,434	420,032	91,419,380	184,686,845	287,709,414	400,123	100,000	288,209,537
Interest (Net)				28,645,218				29,137,281
Provision for Tax	-	-	-	21,084,089				16,342,529
Profit after Tax	-	-	-	134,957,539				242,729,727
<b>Other Information</b>								
Segment Fixed Assets	4,252,353	74,161,871		78,414,223	241,131,053	3,700,747		244,831,800
Segment Other Assets	2,331,666,485	6,557,411	3,875,000	2,342,098,896	1,000,719,786	3,887,188	3,875,000	1,008,481,974
<b>Total Assets</b>				<b>2,420,513,119</b>				<b>1,253,313,774</b>
Segment Liabilities	1,090,758,084	48,168,533	23,612,258	1,162,538,875	1,231,807,947	57,427,910	17,343,811	1,306,579,668
<b>Total Liabilities</b>				<b>1,162,538,875</b>				<b>1,306,579,668</b>
Depreciation	24,196,818	4,448,400		28,645,218	24,688,881	4,448,400		29,137,281
Other Non Cash Expenditure			580,450	580,450			72,566	72,566

- ii) **Geographical Segment:** The secondary reporting segment for the Company is geographical segment based on location of customers, which are as follows :

Information for Secondary Segments:			
Particulars	Figures in Rs.		
	Domestic	Exports	Total
Revenues from external customers	3,118,539,416 (P.Y. 2,177,735,257)	4,783,461,648- (P.Y. 3,979,657,173)	7,902,001,064 (P.Y. 6,157,392,430)
Segment Assets	784,268,723 (P.Y. 971,518,882)	1,636,244,397 (P.Y. 1,376,849,593)	2,420,513,119 (P.Y. 2,348,368,475)

29. **Related Party Disclosures :**

As per Accounting Standard 18, the disclosures of transactions with the related parties as defined in the Accounting Standard are given below:

a) **Related Parties:**

(i) **Key Managerial Personnel (KMP)**

- Nitin Kumar – Director
- Saurabh Sanghvi – Whole Time Director

(ii) **Enterprise over which Key Managerial Personnel are able to exercise significant influence**

- Veritas Investment Limited
- Arbitrium Fincap Private Limited

b) **Transactions with related parties for the year ended March 31, 2012:**

( Figures in Rs.)

Particulars	KMP & their relatives	Enterprise over which KMP exercise control
<b>Rent paid</b>		
Veritas Investment Limited		2,40,000 (P.Y. 1,80,000)
Arbitrium Fincap Private Limited		NIL (P.Y. 60,000)
<b>Remuneration to Director</b>	6,00,000 (P.Y. NIL)	

**30. Contingent liabilities:**

Contingent liabilities in respect of outstanding corporate guarantees given to bank on behalf of subsidiaries are as under:

(Figures in Rs.)

Particulars	For the year ended March 31, 2012	For the year ended March 31, 2011
Guarantees given to banks on behalf of the Subsidiary Company (USD 1,72,50,000) P.Y (USD 1,23,90,000)	88,66,50,000	55,81,25,000
<b>Total</b>	<b>88,66,50,000</b>	<b>55,81,25,000</b>

31. Balances in respect of some of the debtors, creditors, advances and deposits are subject to confirmation.
32. Previous year's figures have been reworked, regrouped, rearranged and reclassified wherever necessary.

As per our Audit Report of even date attached

**FOR SHABBIR S BAGASRAWALA  
CHARTERED ACCOUNTANTS**

**FOR VERITAS (INDIA) LIMITED**

Sd/-

**(CA. SHABBIR S BAGASRAWALA)**  
Proprietor  
Membership No.- 039865

Sd/-  
**NITIN KUMAR**  
Director

Sd/-  
**ALPA PAREKH**  
Director

Sd/-  
**S.S. PARKAR**  
Director

Place: Mumbai  
Dated: 27/08/2012

Sd/-                      Sd/-                      Sd/-  
**SAURABH SANGHVI**   **RATAN MOONDRA**   **HANOZ CHINYOY**  
Director                      Director                      Company Secretary





# VERITAS (INDIA) LIMITED

Regd Office: 701, Embassy Centre, Nariman Point, Mumbai-400 021

## PROXY FORM

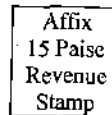
Regd. Folio No..... DP ID No.\*..... Client ID No.\*.....

\* Applicable for Member holding shares in electronic form.

I/ We.....  
.....of.....being a  
Member/Members of Veritas (India) Limited hereby  
appoint.....of.....  
..... or failing  
him.....of.....  
..... as  
my/ our proxy to vote for me/us on my/our behalf at the 27<sup>th</sup> Annual General Meeting of  
the Company to be held on 27<sup>th</sup> September, 2012 and at any adjournment thereof.

Signed this ..... Day of.....2012.

Signature



### Notes:

1. A Proxy need not be a member of the Company.
2. The Proxy Form in order to be effective should be duly completed, stamped and signed and must be deposited at the registered office of the Company, not less than 48 hours before the commencement of the meeting.



**VERITAS (INDIA) LIMITED**  
Regd Office: 701, Embassy Centre, Nariman Point, Mumbai-400 021

**ATTENDANCE SLIP**  
27<sup>th</sup> ANNUAL GENERAL MEETING, 27<sup>th</sup> September, 2012

Regd. Folio No..... No. of Shares held.....

DP. ID No.\* ..... Client ID No.\* .....

No. of shares held.....

\* Applicable for Member holding shares in electronic form.

I certify that I am a registered member/ proxy for the registered member of the Company.

I hereby record my presence at the 27<sup>th</sup> Annual General Meeting of the Company at Half  
Centrum, Centre I, 1<sup>st</sup> Floor, World Trade Centre, Cuffe Parade, Mumbai- 400 005 at  
3.30 p.m. on Thursday, 27<sup>th</sup> September, 2012.

.....  
Member's/Proxy's name in Block Letters

.....  
Member's/Proxy's Signature

**Note:**

Please fill up this attendance slip and hand over at the entrance of the meeting hall.

## **BOOK - POST**

*If undelivered, please return to:*

Universal Capital Securities Pvt. Ltd.  
(Formerly known as "Mondkar Computers Pvt. Ltd.")  
UNIT: VERITAS (INDIA) LIMITED  
21, Shakil Niwas,  
Opp. Satya Saibaba Temple,  
Mahakali Caves Road,  
Andheri (E), Mumbai- 400 093