

शांति का आधार अस्त्र - बल The Force Behind Peace



43वाँ वार्षिक विवरण 2012-13
43rd Annual Report 2012-13



भारत डायनामिक्स लिमिटेड
Bharat Dynamics Limited

कंचनबाग, हैदराबाद - 500 058.
Kanchanbagh, Hyderabad - 500 058.



बी डी एल के भूतपूर्व कार्यपालक Former Chief Executives

क्र.सं. SLNo.	नाम Name	अवधि Period	
		से From	तक To
1.	एअर वाइस मार्शल एस जे दस्तूर (नि.) Air Vice Marshal SJ Dastur (Retd)	22-09-1970	10-04-1974
2.	ब्रिगेडियर जे पी एंथोनी (नि.) Brig J P Anthony (Retd)	11-04-1974	31-08-1977
3.	विंग कमांडर वी एम चितले (नि.) Wg Cdr V M Chitale (Retd)	01-09-1977	30-09-1980
4.	श्री जेड पी मार्शल Shri Z P Marshall	01-10-1980	07-11-1988
5.	एअर कमांडोर आर गोपालस्वामी, अविसेमे, विसेमे (नि.) Air Cmde R Gopalaswami, AVSM, VSM (Retd)	08-11-1988	30-06-1994
6.	कमांडोर एस राव, विसेमे (नि.) Cmde S Rao, VSM (Retd)	01-07-1994	08-01-2000
7.	श्री एस गोविंदराजन Shri S Govindarajan	09-01-2000	31-08-2000
8.	श्री वी वी गंगाधर राव Shri V V Gangadhara Rao	01-09-2000	30-06-2002
9.	मेजर जनरल पी मोहन दास, विसेमे (नि.) Maj Gen P Mohandas, VSM (Retd)	24-07-2002	27-04-2005
10.	मेजर जनरल राजनीश गोसाईं (नि.) Maj Gen Raajnish Gossain, (Retd)	28-04-2005	30-04-2008
11.	कमांडोर पी सामंता, विसेमे (नि.) Cmde P K Samanta, VSM (Retd)	01-05-2008	30-06-2008
12.	मेजर जनरल रवि खेतारपाल, विसेमे (नि.) Maj Gen Ravi Khetarpal, VSM (Retd)	01-07-2008	31-03-2012



प्रो. आर के मिश्र, अध्यक्ष
श्री के एल मेहरोत्रा, सदस्य
श्री ए के कपूर, सदस्य
श्री एम लक्ष्मी नारायण, सचिव

श्री एम ईश्वर, आई टी एस
मुख्य सतर्कता अधिकारी
श्री पी माधव राव
अधिसासी निदेशक (सैम)
श्री एल धनंजय
अधिसासी निदेशक (डी अण्ड ई)
डॉ. एन के राजू
अधिसासी निदेशक (मानव संसाधन विकास)
श्री पी आर वी प्रसाद
अधिसासी निदेशक (मानूर इकाई)
श्री अशोक अपर्तिगीकर
महाप्रबंधक (निगम गुणता नियंत्रण)
(दि. 31 अक्टूबर, 2012 तक)
श्री के लक्ष्मी राजम
महाप्रबंधक (अन्य परियोजनाएँ)
(दि. 31 अक्टूबर, 2012 तक)
श्री बी शिव राम प्रसाद
महाप्रबंधक (सं.वि एवं विपणन तथा सी सी और सिविल)
श्री पी के दिवाकरन
महाप्रबंधक (अग्नि) बड़ामाफी
श्री आर बालकृष्णन
महाप्रबंधक (सी सी एवं सी पी)
(दि. 31 मई, 2013 तक)
श्री जी जयराम रेड्डी
महाप्रबंधक (आकाश - जी एस एवं पी एम जी)
श्री ई एस मोहन रेड्डी
महाप्रबंधक (वित्त)
श्री पी नरसिंग राव
महाप्रबंधक (आकाश - एम)
(वि. 05 फरवरी, 2013 तक)
श्री बी एन रेड्डी
महाप्रबंधक (एम एन आर)
श्री जी वल्लु कुमार
महाप्रबंधक (जी एस डी)
श्री बी गुरुदत्त प्रसाद
महाप्रबंधक (मिलान)
श्री एन पी दिवाकर
महाप्रबंधक (आकाश)

मेसर्स डी वी रमण राव अण्ड कंपनी,
चार्टर्ड अकाउण्टेंट्स
हैदराबाद

PROF RK MISHRA, Chairman
SHRI KL MEHROTRA, Member
SHRI AK KAPOOR, Member
SHRI M LAKSHMI NARAYANA, Secretary

SHRI M ESHWAR, ITS
Chief Vigilance Officer
SHRI P MADHAVA RAO
Executive Director (SAM)
SHRI L DHANANJAYA
Executive Director (D&E)
DR NK RAJU
Executive Director (HRD)
SHRI PRV PRASAD
Executive Director (BU)
SHRI ASHOK APSINGIKAR
General Manager (Corporate QC) (Upto 31 Oct 2012)
SHRI K LAXMI RAJAM
General Manager (OPs) (Upto 31 Oct 2012)
SHRI B SIVA RAMA PRASAD
General Manager (BD & Mktg., CC and Civil)
SHRI PK DIVAKARAN
General Manager (Agni) Badamafi
SHRI R BALAKRISHNAN
General Manager (CC & CP) (Upto 31 May 2013)
SHRI G JAI RAM REDDY
General Manager (Akash-GS & PMG)
SHRI ES MOHAN REDDY
General Manager (Finance)
SHRI P NARSINGA RAO
GM (AKASH-M) (Upto 05 Feb 2013)
SHRI VN REDDY
General Manager (MNR)
SHRI G DATTU KUMAR
General Manager (GSD)
SHRI V GURUDATTA PRASAD
General Manager (Milan)
SHRI NP DIWAKAR
General Manager (Akash)

M/s. DV RAMANA RAO & CO.
Chartered Accountants
Hyderabad



मेसर्स उमामहेश्वर राव अण्ड कंपनी, चार्टर्ड अकाउण्टण्ट्स
मेसर्स कुंभत अण्ड कंपनी, चार्टर्ड अकाउण्टण्ट्स
मेसर्स नरसिंह राव अण्ड असोसिएट्स, चार्टर्ड अकाउण्टण्ट्स
मेसर्स राव अण्ड नारायण, चार्टर्ड अकाउण्टण्ट्स

M/s. UMAMAHESWARA RAO & CO., Chartered Accountants
M/s. KUMBHAT & CO., Chartered Accountants
M/s. NARASIMHA RAO&ASSOCIATES., Chartered Accountants
M/s. RAO & NARAYAN, Chartered Accountants

बन्सल अण्ड दवे, चार्टर्ड अकाउण्टण्ट्स

BANSAL & DAVE, Chartered Accountants

श्री के श्रीनिवास मूर्ति
श्री डी रविशंकर राव

SHRI K SRINIVASA MURTHY
SHRI D RAVISHANKAR RAO

आंध्र बैंक
भारतीय स्टेट बैंक
कार्पोरेशन बैंक
केनरा बैंक

ANDHRA BANK
STATE BANK OF INDIA
CORPORATION BANK
CANARA BANK

कंचनबाग पोस्ट
हैदराबाद-500058
आंध्र प्रदेश, भारत
ईपीएबीएक्स : 040-24587466 एवं 040 24587777
फैक्स : 040-24340464

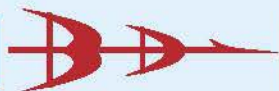
Kanchanbagh Post
Hyderabad - 500 058
Andhra Pradesh, India
Epabx 040-24587466 & 040-24587777
Fax 040-24340464

bdlitd@ap.nic.in

bdlitd@ap.nic.in

<http://bdl.ap.nic.in>

<http://bdl.ap.nic.in>



दस वर्षों पर दृष्टिपात Ten Years At A Glance

(₹ करोड़ Crore)

विवरण Particulars	इकाई Units	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13
बिक्री Sales	₹ करोड़ ₹ Cr.	524.80	450.98	531.53	433.51	454.38	464.82	627.23	939.16	959.12	1074.71
निर्माणधीन कार्य / संयन्त्रद्वाराधीन भण्डार में परिवर्तन Changes In WIP/SIT	₹ करोड़ ₹ Cr.	(2.33)	14.81	2.75	(47.67)	51.47	58.24	4.38	(28.18)	33.82	100.81
उत्पादन मूल्य Value of Production	₹ करोड़ ₹ Cr.	522.47	465.79	534.28	385.84	505.85	523.06	631.61	910.98	992.94	1175.52
सामग्री की खपत Material Consumption	₹ करोड़ ₹ Cr.	333.51	313.47	329.01	239.89	351.99	364.84	438.01	580.14	633.53	779.57
परिवर्द्धित मूल्य Value Added	₹ करोड़ ₹ Cr.	188.96	152.32	205.27	145.95	153.86	158.22	193.60	330.84	359.41	395.95
कर पूर्व लाभ Profit Before Tax	₹ करोड़ ₹ Cr.	79.24	52.28	118.81	50.80	72.49	74.23	50.63	79.17	348.19	419.06
कराधान के बाद लाभ Profit After Tax	₹ करोड़ ₹ Cr.	50.56	30.66	76.72	32.74	47.65	47.67	33.77	51.70	234.96	288.40
ईक्विटी Equity	₹ करोड़ ₹ Cr.	115.00	115.00	115.00	115.00	115.00	115.00	115.00	115.00	115.00	115.00
प्रारक्षित एवं अधिशिष्ट निधि Reserves & Surplus	₹ करोड़ ₹ Cr.	302.78	307.22	357.79	363.62	384.37	405.13	412.08	437.05	617.38	838.30
सकल निरुद्ध (पूँजीगत नि. का. छोड़ कर) Gross Block (Excl.Cap.WIP)	₹ करोड़ ₹ Cr.	325.11	330.28	333.51	359.09*	376.49	403.42	461.20	488.08	604.24	711.55
सामग्री-सूची Inventory	₹ करोड़ ₹ Cr.	358.27	384.62	454.53	338.92	434.25	623.11	570.26	502.19	602.57	1006.53
ग्राह्य व्यापार Trade Receivables	₹ करोड़ ₹ Cr.	14.93	24.17	13.87	19.51	21.54	8.95	33.58	45.15	88.39	281.55
कार्यगत पूँजी Working Capital	₹ करोड़ ₹ Cr.	312.20	316.21	361.94	371.79	384.96	404.86	360.44	370.66#	458.97	614.58
नियोजित पूँजी Capital Employed	₹ करोड़ ₹ Cr.	395.86	396.03	437.84	458.15*	478.59	508.81	503.66	511.79#	670.64	892.59
निवल मालियत Net Worth	₹ करोड़ ₹ Cr.	398.66	407.99	457.09	470.86*	495.55	519.93	526.88	551.85	732.19	953.08
कर्मचारियों की संख्या Number of Employees	संख्या Nos.	2917	2909	2814	2742	2715	2788	2894	2897	3142@	3300
कर्मचारी पर लागत Employee Costs	₹ करोड़ ₹ Cr.	80.74	81.99	84.71	94.71	149.63	151.16	178.84	234.53	240.32	258.99
पारिवर्षिक प्रति ₹ पर परिवर्द्धित मूल्य Value Added per ₹ of Wage	₹	2.34	1.86	2.42	1.54	1.03	1.05	1.08	1.41	1.50	1.53
परिवर्द्धित मूल्य प्रति कर्मचारी Value Added per Employee	₹ लाख ₹ Lakh	6.48	5.24	7.29	5.32	5.67	5.67	6.69	11.42	11.44@	12.00
प्रति शेयर अर्जन (ई पी एस) Earnings per Share (EPS)	₹	440	267	667	285	414	415	294	450	2043	2508

* 2006-07 की स्थायी परिसंपत्तियों की अनुसूची के पुनर्संयोजन के कारण वर्ष 2007-08 में पुनर्व्यवस्थीकरण किया गया. # वर्ष परिवर्द्धित अनुसूची VI के अनुसार लेखा प्रस्तुत करने के कारण वर्ष 2011-12 से पुनः सत्यापित. @ अस्थायी कर्मचारियों को सत्यापित करने के लिए पुनर्व्यवस्थीकरण किया गया.

* Re-adjusted due to regrouping of Fixed Assets Schedule of 2006-07 in the year 2007-08. # Re-adjusted due to Presentation of Accounts as per Revised Schedule VI from 2011-12 onwards.

@ Re-adjusted to include temporary Employees



Contents

S.No.	Particulars	Page No.
1.	BOARD OF DIRECTORS	2
2.	CHAIRMAN'S STATEMENT	3
3.	NOTICE	7
4.	DIRECTORS' REPORT	8
5.	ACCOUNTING POLICIES	41
6.	BALANCE SHEET	46
7.	STATEMENT OF PROFIT AND LOSS	47
8.	NOTES FORMING PART OF FINANCIAL STATEMENTS	48
9.	CASH FLOW STATEMENT	61
10.	INDEPENDENT AUDITOR'S REPORT	62
11.	ANNEXURE TO AUDITORS' REPORT	64
12.	OBSERVATION OF STATUTORY AUDITORS AND REPLY BY THE COMPANY	66
13.	COMMENTS OF THE COMPTROLLER & AUDITOR GENERAL OF INDIA	67



Board of Directors

CHAIRMAN & MANAGING DIRECTOR



Shri SN Mantha

GOVERNMENT DIRECTORS



Shri PK Mishra
Joint Secretary, DDP MoD
(Up to 09 Dec 12 & From 11 Sep 2013)



Shri RG Viswanathan
Addl FA (R&D), DRDO
Joint Secretary, Ministry of Defence

INDEPENDENT DIRECTORS



Prof RK Mishra
Senior Professor and Director
Institute of Public Enterprise



Shri KL Mehrotra
Former CMD, Manganese Ore (I) Ltd.



Shri AK Kapoor
Emeritus Scientist DRDO
Ministry of Defence

WHOLE TIME DIRECTORS



SV Subba Rao
Director (Finance)



Shri V Udaya Bhaskar
Director (Production)
(From 01 Aug 13)

PERMANENT SPECIAL INVITEES



Vice Admiral R K Dhowan
PVSM, AVSM, YSM
Vice Chief of Naval Staff (Ex-Officio)



Lt Gen Narendra Singh, SM, VSM
Dy Chief of Army Staff (P&S) (Ex-Officio)



Air Mshl Arup Raha,
PVSM, AVSM, VM, ADC
Vice Chief of Air Staff (Ex-Officio)
(From 01 Jul 13)



Shri S Som, ScM
Director, DRDL, Hyderabad.
(From 27 Feb 13)

COMPANY SECRETARY



Shri M Lakshmi Narayana

FORMER DIRECTORS / PERMANENT SPECIAL INVITEES



Shri AK Chakrabarti,
Director, DRDL
DRDO Nominee (Up to 31 Jan 13)



Shri G Raghavendra Rao
Director (Technical)
(From 30 Nov 12 to 26 Jun 13)



Air Mshl DC Kumaria
PVSM, AVSM, VM, VSM, ADC
Vice Chief of Air Staff (Ex-Officio)
(Up to 30 Jun 13)



Air Vice Mshl Pk Srivastava,
VSM (Retd)
Director (Production)
(Up to 31 Jul 13)



Shri Ravikant
Joint Secretary, (Missile Systems)
DDP MoD
(Up to 10 Sep 13)



Chairman's Statement



Dear Members,

It is a pleasure for me to present the 43rd Annual Report of the Company for the year 2012-13 and also share with you the future plans.

Performance During The Past Year

The Company has achieved a Sales turnover of ₹1074.71 Crore for 2012-13 as against ₹959.12 Crore in 2011-12 registering an increase of about 12% over the previous year. Value of Production (VoP) for 2012-13 stood at ₹1175.52 Crore registering an increase of about 18% over previous year. Gross Block of Assets of the Company stood at ₹711.55 Crore representing an increase of ₹107.31 Crore over 2011-12.

Directors recommended payment of a dividend of ₹57.684 Crore at 50.16% on the paid up capital of ₹115.00 Crore.

Environmental Initiatives

Company continues to be environmental friendly and has been maintaining a clean and green environment at all its manufacturing units. Energy conservation measures are being adopted at possible areas. Systematic management and disposal of hazardous and other forms of wastes and several other endeavors have become part of the well established environmental management system. The Company is committed to meet all the stipulated standards for maintaining and protecting the environment.

Regular Interaction With Customers

Company is organizing periodic meetings with users for monitoring the progress, supply status of the indents placed on the Company by the Forces. At times, the meetings are held under the aegis of MoD also. The Company is maintaining total transparency in all its actions while supplying the items to the armed forces.



AVM RK Dhir, AVSM, VM, Technical Manager (Air), Acquisition Wing, MoD, interacting with CMD and Directors on his visit to the Company on 20 Dec 2012.

Vendor Development

Vendor meets are being organized on need basis. e-Procurement is being implemented and details of orders are being placed on the Website of the Company. During the year under report the Company organized a vendor meet jointly with MSME at MSME-DI, Balanagar, Hyderabad on 13 Oct 2012. The Company also participated in the Vendor Meet organized by MSME on 14 & 15 Dec 2012 at Visakhapatnam, on 05 Jan 2013 at Vijayawada, on 06 Jan 2013 at Machilipatnam, on 02 & 03 Feb 2013 at Rajahmundry and in the Vendor Meet organized by NSIC, Women Entrepreneurs, Hyderabad on 08 Mar 2013.



BDL participated in a two day National Vendor Development Programme organized by MSME held at Rajahmundry on 02 & 03 Feb 2013.

Corporate Social Responsibility (CSR)

CSR is an integral part of the Company's Corporate philosophy, integrating business process with social processes.

Company is committed and taking all steps to comply with the Guidelines on CSR issued by the Department of Public Enterprises (DPE).

Company has been taking up various initiatives and projects essentially for the benefit of different segments of the society especially deprived, underprivileged and differently-abled persons. The Company would continue to provide thrust to CSR projects during the coming years and would include additional activities in line with Govt. of India guidelines.

Raksha Mantri Award

The Company received "Raksha Mantri's Award for Excellence 2010-11" for the work carried out in "Establishment of Ballistic Evaluation Method for Throwing Device Charge" in the category of "Innovation".



The award was received by Bhanur Unit nominees viz., Shri V Udaya Bhaskar, GM (Invar & Indgn.) and Shri G Sreenivasa Rao, DGM (SEG & Indg) from Honorable

Raksha Mantri in the presentation ceremony held on 05 Oct 2012 at New Delhi.



“Raksha Mantri’s Award for Excellence 2010-11” received by Shri V Udaya Bhaskar, GM (Invar & Indgn.) and Shri G Sreenivasa Rao, DGM (SEG & Indg) from Shri AK Antony, Honorable Raksha Mantri on 05 Oct 2012.

Implementation of Integrity Pact (IP)

Integrity Pact is being implemented in BDL from 01 Nov 2011 onwards for Capital, Civil and Service Contracts. Revenue items are covered under IP from 04 May 2012 onwards. The threshold limit for Capital Items is ₹5 Crore and above, Civil Works ₹10 Crore and above, Service Contrats ₹2 Crore and above and Revenue Items ₹20 Crore and above. The IP coverage for these threshold values during 2012-13 is above 90% by value.

Corporate Governance

The Company has a well established, transparent and fair administrative set up to provide for professionalism and accountability. The Philosophy of the Company in respect of Corporate Governance is to ensure transparency in all its operations, make appropriate disclosures, comply with laws, maintain ethical standards and take care of the interest of all the stakeholders.

Management Discussion and Analysis Report and a Report on Corporate Governance based on guidelines issued by DPE, Govt. of India to Public Sector Enterprises along with compliance certificate from Practicing Company Secretary is annexed to Directors' Report.

Quarterly and Yearly compliance reports on Corporate Governance are being forwarded to MoD in the prescribed format as per DPE Guidelines.

The Company's activities are monitored by several external agencies like Statutory Auditors, Comptroller and Auditor General of India, Central Vigilance Commission, Ministry of Defence (Department of Defence Production), etc.



On Line Electronic Filing With Registrar of Companies (RoC) / Ministry of Corporate Affairs (MCA)

The Company is compliant with the MCA-21 regime. The Company has been filing online electronic filing with digital signature, all forms and returns under the Companies Act, 1956 and the Rules made there under. The Company 'CIN' number is U24292AP1970GOI001353.

Implementation of Right to Information Act 2005

The Company is complying with the provisions of the Right to Information Act 2005. All the information sought by the applicants under the Act have been furnished as per the provisions of the RTI Act, 2005.

New Production Facilities

The Land acquisition process at Amravathi, Maharashtra and Ibrahimpatnam, Ranga Reddy District, Andhra Pradesh is in progress and possession of the land is taken for the upcoming new projects of the Company.

Conclusion

I highly appreciate the support extended by our customers, business associates and various Ministries of Government of India, particularly Ministry of Defence, Department of Defence Production and the three Services. I wish to thank M/s. DV Ramana Rao & Co., Statutory Auditors of the Company and Principal Director of Commercial Audit and Ex-Officio Member, Audit Board for the valuable advice and cooperation extended by them. The dedication and commitment of our employees and officers at all levels continues to be the major strength of the Company. My sincere thanks are due to my colleagues on the Board for their support and valuable advice in all areas of the Management. We shall make continuous efforts to build on these strengths to face future challenges and sustain the momentum in growth. In conclusion, I would like to state that your Company is gearing up to meet the challenges and we can look forward to a bright future.

With best wishes,

Place: Hyderabad.
Date: 02 Aug 2013.

SN Mantha
Chairman and Managing Director



Notice

BHARAT DYNAMICS LIMITED

Registered Office
Kanchanbagh Post
Hyderabad - 500 058.

NOTICE is hereby given that the 43rd Annual General Meeting of **BHARAT DYNAMICS LIMITED** will be held on Monday, the 30 Sep 2013 at 10:30 hours at the Registered Office of the Company at Kanchanbagh Post, Hyderabad – 500 058 to transact the following business:

ORDINARY BUSINESS

- (1) To consider and adopt the Balance Sheet as at 31 Mar 2013, the Statement of Profit and Loss and Cash Flow Statement for the year ended as on that date and the Report of Directors and Auditors thereon.
- (2) To declare a dividend on the Equity Shares, if any.

By order of The Board of Directors

Place: Hyderabad.
Date: 04 Sep 2013.

(M. LAKSHMI NARAYANA)
Company Secretary

Notes: A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and such Proxy need not be a member of the Company.



Directors' Report

Dear Members,

Your Directors have pleasure in presenting the 43rd Annual Report together with the Audited Accounts of the Company for the year ended 31 Mar 2013.

2 Highlights of Operations

2.1 Invar Indent was totally executed in 2012-13 and indigenization was achieved to an extent of 65%.

2.2 Execution of 2 Squadron (IAF) order of Akash Missile Air Force version was also completed in 2012-13.

2.3 Konkurs-M Missiles were supplied more than the customer delivery schedule requirement of 2012-13.

3 Performance

3.1 Performance of the Company in financial terms is summarized below:

Value of Sales	959.12	1074.71	12%
Value of Production	992.94	1175.52	18%
Profit Before Tax	348.19	419.06	20%
Profit After Tax	234.96	288.40	23%
Value Added	359.41	395.95	10%

3.2 Following data reflects the financial position of the Company:

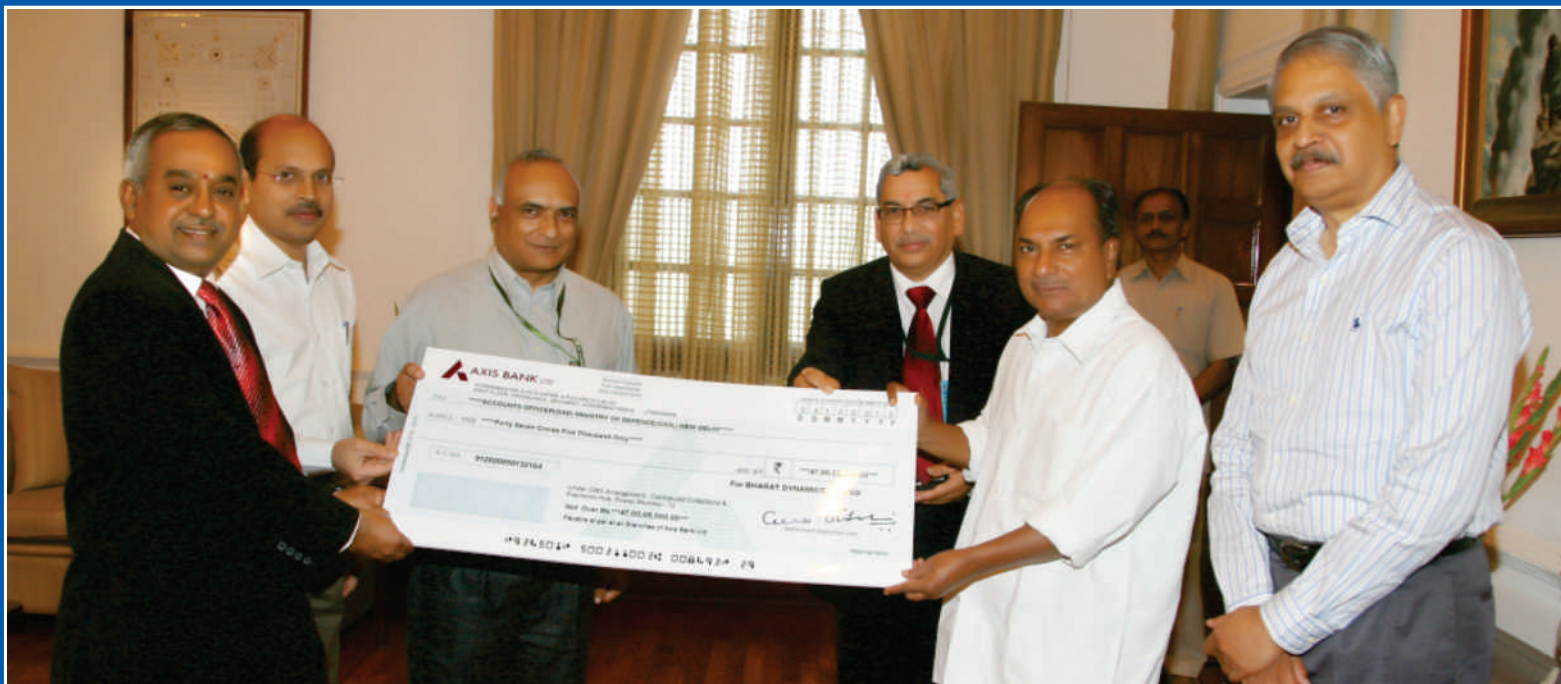
Gross Block	604.24	711.55	18%
Depreciation Reserve	392.57	433.55	10%
Net Block	211.67	278.00	31%
Working Capital	458.97	614.58	34%
Capital Employed	670.64	892.58	33%
Net Worth	732.19	953.08	30%



4 Dividend & Transfer To General Reserve

Your Directors have pleasure in recommending payment of a dividend of ₹57.684 Crore at 50.16%

on the paid up capital of ₹115.00 Crore. The Directors also recommend that a sum of ₹221.00 Crore be transferred to General Reserve.



Shri SN Mantha, CMD and Shri SV Subba Rao, Director (Finance) presenting Dividend Cheque of ₹47 Crore for the year 2011-12 to Shri AK Antony, Hon'ble Raksha Mantri at New Delhi on 25 Oct 2012. Shri RK Mathur, Secretary (Defence Production), Shri AK Gupta, Addl.Secretary (Defence Production) and Shri PK Mishra, JS (MS), MoD were present on the occasion.

5 Finance

Total paid up capital remained at ₹115.00 Crore. Gross Block of fixed assets of the Company (including special tools and equipment) stood at ₹711.55 Crore representing an increase of ₹107.31 Crore over 2011-12.

6 Performance Against MoUs

During the year 2011-12, the Company achieved a rating of "Very Good". The MoU performance for the year 2012-13 is also likely to be "Very Good".

7 Cost Reduction

7.1 e-Reverse auction is implemented wherever possible which resulted in more competitive prices and reduction in material cost.

7.2 Continuous efforts are being made for increase in vendor base for various projects thereby considerable reduction in material cost is expected.

7.3 As a part of energy audit, power saving devices are introduced which resulted in less electricity consumption and resulted in a saving of ₹19.66 Lakh per annum approximately.

8 Economy Measures

Energy consumption, fixed and variable overheads and contingency expenditure are being constantly reviewed and pruned to optimum level.



9 Modernization and Upgradation

- 9.1 Enterprise Resource Planning (ERP) is under implementation across all the Divisions and is expected to be completed by the end of 2014.
- 9.2 Akash Quality Management Information System has been implemented resulting in substantial benefits to the Organization. The Organization is planning to extend the system to Akash Vendors through dedicated Leased Line to enable Vendors to feed the Data online.
- 9.3 The IT infrastructure was upgraded to meet the changing requirements. On the security front, modernization to mitigate different threats is being planned continuously.

10 Foreign Exchange Earnings and Outgo

Earnings of foreign exchange for the year was ₹ 0.03 Crore and the outgo was ₹ 586.75 Crore.

11 Exhibitions

- 11.1 BDL has participated in following exhibitions during the year 2012-13 :
 - AAD - 2012 exhibition held at South Africa from 19-23 Sep 2012.
 - India International Trade Fair held at New Delhi from 14-27 Nov 2012.
 - Aero India-2013 held at Bengaluru from 06-10 Feb 2013.



Shri Ravikant, JS (MS), MoD being briefed by Shri SN Mantha, CMD and AVM PK Srivastava, VSM (Retd), Director (Production) about exhibits at BDL stall during Aero India - 2013.



- 11.2 BDL has also participated in exhibitions held as a part of following events:
- International Seminar on Maintenance, Repair and Overhaul for Land Systems: A 21st Century Perspective for the Army held at New Delhi on 03 and 04 Dec 2012.
 - NAVARMS held at New Delhi on 31 Jan and 01 Feb 2013.
 - 2nd International Seminar on "Army Air Defence in 21st Century" held at New Delhi on 20 Feb 2013.



Gen. Bikram Singh, Chief of Army Staff being briefed by AVM PK Srivastava, VSM (Retd), Director (Production) about BDL products during the exhibition held on 03-04 Dec 2012 as a part of 'International Seminar on Maintenance, Repair and Overhaul for Land Systems - A 21st Century Perspective for the Army'.

12 Board of Directors

- 12.1 During the year under report, six meetings of the Board of Directors were held and the Annual General Meeting of the Company for the year 2011-12 was held on 24 Sep 2012.
- 12.2 Shri G.Raghavendra Rao was appointed as Director (Technical) of the Company w.e.f 30 Nov 2012 and Shri Ravikant, Joint Secretary (MS), Department of Defence Production was appointed as Government Director in place of Shri PK Mishra, JS(MS) w.e.f 10 Dec 2012.
- 12.3 Shri G.Raghavendra Rao, Director (Technical) resigned and was relieved from services of the Company on 26 Jun 2013.
- 12.4 Shri AVM PK Srivastava, VSM (Retd), Director (Production) retired on attaining the age of superannuation on 31 Jul 2013 and in his place Shri V Udaya Bhaskar, reported as Director (Production) w.e.f 01 Aug 2013.

13 Human Resource Development

- 13.1 The Company, through its in-house Institute of System, Technology & Management (ISTM) during the financial year 2012-13 conducted various Skill/Knowledge/Attitude development oriented, planned and need based, In-House and External Training Programmes covering 795 Executives and 703 Non-Executives.
- 13.2 39 Senior Executives were trained through Management Development Programmes on various topics i.e. Mentorship & Coaching, Strategic Thinking & Management, Decision Making in Teams, Team Building, Change Management and

Leadership Development at premier institutions in India like IIM Indore, IIM Lucknow and XLRI Jamshedpur.

- 13.3 It is planned to train and certify 30 Executives as Project Management Professionals (PMP) certified from PMI USA.
- 13.4 As a part of induction programme, around 98 newly recruited Executives were trained and oriented with organizational Values, Mission and Products by internal and prominent external faculty. Industrial visit to other CPSUs were also conducted.



A six week "Advanced Training Programme for Electronics Engineers" at Defence Institute of Advanced Technology (DIAT), Pune was organized from 05 Nov to 14 Dec 2012 for the new recruits.

13.5 For the well being of Employees, a "Wellness Center" (Yoga Kendra) has been established at ISTM on 22 Nov 2012 to conduct daily one hour Yoga

class. An expert Yoga Guru is teaching the Yoga and Meditation.



Shri SV Subba Rao, Director (Finance) Inaugurated Wellness Center (Yoga Kendra) at ISTM on 22 Nov 2012

13.6 Assessment Development Centre (ADC) has been established in BDL to assess Competency and Behavioral traits of Executives in Grade VI and VII. The assessment went through a series of activities and simulations comprising Case Study Analysis, Role Plays, In-Box Simulation, Management Interview, Group Discussion, Group Business Simulation. All AGMs and DGMs of BDL have undergone the Assessment Process on 17 - 20 Dec 2012 (AGMs) and 15-30 Apr 2013 (DGMs). The whole Assessment process was carried out by the Experts from M/s.Thomas Assessment Pvt. Ltd. (TAPL), Bangalore.

to understand the feedback from employees on how they experience the organization in its various facets and dimensions. M/s.Randstand India, a HR consulting firm conducted the Survey.

13.7 In an effort to make BDL a great place to work, 'Employees Satisfaction Survey - 2013' was conducted across all units of BDL with an objective



Dr. NK Raju, Executive Director (P&A) received "30 Most Talented HR Leaders in PSUs" award conferred by IPE and World HRD Congress on 16 Feb 2013 at Mumbai.



14 Industrial Relations And Employee Welfare

- 14.1 Cordial and harmonious industrial relations were maintained with cooperation from all sections of Employees viz., recognized union, other registered Trade Unions and Associations throughout the year. Statutory Committees such as Works Committee, Safety Committee and Canteen Committee and Shop Level and Plant Level Committees contributed to workplace discipline at all levels.
- 14.2 Compliance on Statutory Welfare provisions is followed meticulously. Management continues to extend non-statutory welfare facilities such as School, canteen allowance, uniform, shoe, etc. The Company has been taking care of medical needs of employees and their family members as per BDL Medical Rules. Retired Employees and their spouses are covered under Retired Employee's Medical Insurance Scheme.

15 Directors' Responsibility Statement

- 15.1 As per Section 217(2AA) of Companies Act, 1956 as amended, the Directors state:
- (i) that in the preparation of the annual accounts, the applicable Accounting Standards have been followed along with proper explanation relating to material departures therefrom.
 - (ii) that the selected accounting policies have been applied consistently and judgments and estimates made are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the Profit or Loss of the company for the year ended 31 Mar 2013.
 - (iii) that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 as amended for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

- (iv) that the annual accounts have been prepared on a going concern basis.

16 Foreign Visits

The Company incurred an expenditure of ₹6.75 Lakh during the year towards foreign travel for training of personnel and on business trips.

17 Security

- 17.1 Central Industrial Security Force (CISF) is providing security and Fire services coverage both at Kanchanbagh and Bhanur. Management is planning to induct CISF in Vizag Unit also for Security and Fire services requirement. Plant Security Council is in place to review the security arrangements and implementation of IB guidelines. Regular security reviews are conducted both by the Management and CISF to beef up security. Periodical security coordination meetings are held with local police and civil authorities to update on security measures. The Company was crime-free during the year 2012-13.
- 17.2 Security awareness programmes were conducted during Security Week/Fire Week and employees are sensitized on the security threats and actions to be taken in case of fire.
- 17.3 Biometric Access Control System is put up in place to avert unauthorized entries. Computer photo passes and various other physical security measures are taken to strengthen security.

18 Safety

Safety, Health and Environment are well maintained at BDL. Two corporate committees i.e. Industrial Safety Committee which is also statutory and Explosive Safety Committee are functioning to cater to the needs of the Company. Safety Committee Meetings are held at regular intervals for monitoring safety, health and environment as per statutory requisites. The works are carried out in compliance with the Factories Act, 1948 and strictly adhere to STEC (Storage and Transport of



Explosive Committee) regulations for explosives safety. Regular medical checkup is conducted for employees working in hazardous zones by qualified Medical Officers. Approvals have been obtained for Akash Process Buildings and Magazines from CFEES, New Delhi and construction is under progress. Training programmes are organized by HRD through National Safety Council, Mumbai, Central Labour Institute, Mumbai, Regional Labour Institute, Chennai and Centre for Fire, Explosive and Environment Safety, Ministry of Defence, New Delhi to inculcate safety

consciousness and to establish safe working environment in the premises. Safety Week /Month is celebrated during the month of March with enthusiasm. Various competitions and programmes are conducted by the Safety Engineering Department and employees are awarded to boost their interest in safety. Safety Department is in continuous interaction with the Inspector of Factories (A.P.), A.P. Pollution Control Board and CFEES, New Delhi to update their guidelines for compliance. Fire “Mock Drill” is conducted to ensure fire-fighting preparedness.



Shri V Udaya Bhaskar, General Manager (Production) addressing on the occasion of 42nd National Safety Day at Bhanur Unit on 04 Mar 2013.

19 Reservation of Posts For SCs/STs and Total Manpower

- 19.1 The Company has been following Presidential Directives of the Government with regard to reservation of posts for SCs / STs.
- 19.2 The strength of the personnel as on 31 Mar 2013 is 3085 permanent employees indicating an increase of 216 persons compared with that of the

previous year. Of the total 3085 permanent employees, 83 are Ex-Servicemen, 577 belong to Scheduled Castes and 200 belong to Scheduled Tribes. The existing percentage of Scheduled Castes and Scheduled Tribes in respect of Non-executives is 19.56% and 5.35% and in respect of Executives, it is 16.34% and 9.56% respectively.



19.3 There are 215 temporary employees as on 31 Mar 2013 appointed in Group-C on temporary basis. Out of 215 temporary employees 45 belong to SC category, 15 belong to ST category and 7 are Ex-servicemen.

19.4 The representation of Scheduled Castes and Scheduled Tribes in various categories of posts in the Company as on 31 Mar 2013 is as follows:

Category	Number of Employees					
	Total Strength		Scheduled Castes		Scheduled Tribes	
	31 Mar 2012	31 Mar 2013	31 Mar 2012	31 Mar 2013	31 Mar 2012	31 Mar 2013
Group-A	570	625	95	101	56	61
Group-B	228	201	31	34	17	18
Group-C	1724 273*	1917 215*	299 67*	351 45*	83 19*	100 15*
Group-D	347	342	91	91	21	21
Total	3142	3300	583	622	196	215

* Appointed on temporary basis.

19.5 Recruitment of Scheduled Castes and Scheduled Tribes during the year 2012-13.

Classification of Posts (1)	Total Vacancies Released (2)	Total Recruitment (3)	Reservation of Posts (out of Col.2) (4)		Recruitment Made during the Year 2012-13 (5)	
			SCs	STs	SCs	STs
Group-A	24	24	02	-	03	01
Group-B	30	30	09	03	09	03
Group-C	243 185*	243 185*	43 31*	16 10*	58 36*	17 14*
Group-D	04	04	01	-	01	-
Total	486	486	86	29	107	35

* Appointed on temporary basis.

20 Employment of Women

As per the recommendation No.51, para (ii) (a) of the National Commission for Women (NCW) in its Annual Report for the year 1995-96, the

employment situation of Women (percentage) is given below as directed by Ministry of Defence vide their letter No.39(6)/99/D(B&C), dated 27 Aug 1999.

I. Executives

Grade	Total	Women	Percentage
I	201	29	14.42%
II	160	27	16.87%
III	67	08	11.94%
IV	70	13	18.57%
V	173	08	4.62%
VI	101	0	0%
VII	35	1	2.85%
VIII	10	0	0%
IX	4	0	0%
CVO on deputation	1	0	0%
Schedule-'C'	3	0	0%
Schedule-'B'	1	0	0%
Total	826	86	10.41%

II. Non - Executives

Grade	Total	Women	Percentage
WG-1	127	15	11.81%
WG-2	296	21	7.09%
WG-3	214	47	21.96%
WG-4	255	30	11.76%
WG-5	74	9	12.16%
WG-6	53	7	13.21%
WG-7	125	5	4.00%
WG-8	22	0	0%
WG-9	239	8	3.35%
WG-10	91	21	23.08%
WG-11	763	54	7.08%
Total	2259	217	9.61%

Note: 215 employees appointed on temporary basis (including 24 women employees)



International Women's Day was celebrated at BDL. Shri SV Subba Rao, Director (Fin), Smt. Prasanna Panicker, GM, Andhra Bank, Smt. Mallu Swarajyam, Freedom Fighter and Shri G. Raghavendra Rao, Director (Tech) were on the Dais.

21 Physically Challenged (PC) Employees

There are 21 Executives and 93 Non-executives who are physically challenged. Further, 15 physically challenged persons were appointed on temporary basis during 2012-13. The percentage of total Physically Challenged Employees works out to 3.61% (Including temporary employees) as on 31 Mar 2013.

22 Particulars of Employees

The list of particulars of employees to be furnished as per Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of employees) Rules, 1975 is attached to this report (Annexure I):



23 Environment and Pollution Control

The Company contributes in all aspects of the environment by maintaining a clean and green environment. Effluent water treatment, waste management, water conservation, tree plantation, planting of flower bearing trees, and landscaping utilizing treated effluent water, was carried out.

24 Quality

24.1 The Company accords due importance to achieving high degree of Quality in all the products delivered. BDL's Product range includes missiles which are single shot in nature. In pursuit of this objective, the company has instituted quality systems to match International standards i.e., ISO 9001:2008 in all important manufacturing divisions.



Air Marshal DC Kumaria PVSM, AVSM, VM, VSM, ADC, Vice Chief of Air Staff evincing keen interest in the manufacturing process at a workshop during his visit on 05 Apr 2013.

24.2 Six divisions of BDL, namely, MNR, Bhanur, CP-IGMP, D&E, ITD, ED have been certified to current version of ISO 9001 standard. The surveillance audits of all above divisions have been conducted by certifying bodies to ensure compliance to ISO 9001 Quality requirements for continuation of ISO certification.

24.3 During this year, renewal cum transfer certification audits have been conducted for Electronics Division, Bhanur, MNR, D&E and CP-IGMP divisions and certified to ISO 9001:2008 by M/s.IRQS for a period of 3 more years.



ISO 9001:2008 Certificate of D&E Division (Re-certification) was received by Shri PN Gyaneshwar Rao, AGM (D&E) from Shri Nagaraju, Head-IRQS, Hyderabad in presence of D&E and Corporate QC Executives.



ISO 9001:2008 Certificate of Bhanur Unit (Re-certification) was received by Shri PRV Prasad, Executive Director (Bhanur Unit) from Shri Nagaraju, Head-IRQS, Hyderabad in presence of Shri G Raghavendra Rao, Director (Technical), Bhanur Unit and Corporate QC Executives on 05 Mar 2013.

24.4 The Company is planning for Aerospace Quality Management System certification i.e., AS 9100 C for BDL. The activity has been started and AS 9100 C certification is expected to be received next year.

24.5 The Company's thrust in quality areas have resulted in reduced rejections and reworks, improved quality of products and services and also enhanced customer satisfaction.

24.6 ISO 14001 (Environmental Management System): In this context, BDL has decided to obtain ISO 14001 (EMS) certification for all the three units i.e., Kanchanbagh, Bhanur and Vizag. Presently, actions on preparatory activities are taken up and ISO 14001 certification is likely to be obtained in near future.

25 Exports

BDL has executed Export orders worth ₹5.20 Lakh during the year 2012-13.

26 Future Plans

The order book position is healthy with confirmed orders to the tune of ₹ 17,000 Crore approximately as on 01 Jul 2013.

27 Internal Control Systems and their Adequacy

27.1 The Company had put in place all required internal



Agni Quality Circle was inaugurated by Maj Gen Susheel Kumar, Addl. Director General, SSQAG at RCI on 28 Nov 2012. BDL Quality Circle Logo was released on the occasion.



controls and systems to meet the canons of financial propriety. External audit firms have been appointed to ensure their adequacy and report thereon. A detailed analysis of the reports of Internal Audit Firms as well as reports of Internal Audit Department of BDL are being placed before the Audit Committee for review and advice. The adequacy of internal control procedures are reviewed and reported by the Statutory Auditors in their Audit Report. BDL being a Government Company is subject to Government Audit also.

28 Official Language (OL) Implementation

- 28.1 The Provisions of OL Act-1963 (as amended in 1967) & Rules thereunder, guidelines of Department of Official Languages, Govt. of India, etc., are properly implemented. Quarterly OLIC Meetings are held regularly under the Chairmanship of CMD and Directors, and Quarterly Progress Reports on use of OL are sent in time to authorities concerned.
- 28.2 11th Meeting of Hindi Salahkar Samithi of Department of Defence Production, MoD was held under the Chairmanship of Honorable Raksha Mantri. The Meeting held in Jul 2012 was attended by CMD and SM (OL).
- 28.3 During the Study tour of Parliamentary Standing Committee on Defense, on 06 Feb 2013, presentation and other documentary arrangements were made in Hindi for the convenience of the Members of the Committee.
- 28.4 93 employees of the Organization got qualified in Prabodh, Praveen and Pragya exams. Four Hindi Workshops of two day duration each and one Hindi workshop of five days were organized for

Executives & Non-Executives of the Company, and three basic training programs for 66 officers on Hindi IT tools of five day duration each were organized in the Company by Hindi Teaching Scheme, DOL, Government of India.

- 28.5 Hindi Fortnight was celebrated from 01 to 14 Sep 2012 and on this occasion, in compliance to the assurance given to the Parliamentary Committee on OL, value based films were shown. Hindi Diwas was celebrated on 14 Sep 2012 at Kanchanbagh and on 10 Jan 2013 at Bhanur Unit. On the eve of Vigilance Awareness Week and National Safety week, various competitions were conducted in Hindi, English and Telugu.
- 28.6 The House Journal 'Dynamic Samachar' of the Company is being released in trilingual form and static data of payslips of employees, MoU, Website of the Company etc., was made in bilingual form.

29 Sustainable Development, Technological Conservation & Renewable Energy Developments.

- 29.1 Sustainable Development has become the National Priority to channelize the development process in an environment friendly way with the Optimum utilization of available natural resources.
- 29.2 BDL has embarked on adoption of new technologies and processes to conserve energy, thus contributing for the reduction in carbon emissions.
- 29.3 By implementing the energy audit recommendations, there is a net saving of 3.71 Lakh Units of electrical energy per annum, which works out to ₹19.66 Lakh per annum approximately and the same is equivalent to 3.71 tons of CO₂ emission. The installation of solar based



LED street lights has resulted in reduction of CO₂ emission by 10.74 tons.

29.4 The recycling of waste water and Sewage Treatment Facility is generating water @ 2 Lakh liters per day which is being utilized for non-potable purposes, enabling the reduction of CO₂ emission to the tune of 6798 tonnes. 10,000 trees were planted in and around BDL Campus at Kanchanbagh and Bhanur Units, resulting in reduction in ambient temperature, preventing soil erosion, providing shade and enabling the recycling of more Carbon dioxide through plants.

29.5 BDL will strive towards the implementation of the technologies and processes to ensure Sustainable Development, on a continuous basis.

30 Corporate Social Responsibility (CSR)

30.1 BDL signed MoU with The Akshaya Patra Foundation (TAPF) on 30 Jul 2012 to sponsor Mid-day meal to 15 schools of Patancheru Mandal having a total strength of 2453 students. An amount of ₹28.14 Lakh was paid to TAPF during the year 2012-13.

30.2 During the current year activity of running a Mobile Medicare Unit (MMU) to give treatment to senior citizens along with medicines distribution free of cost for elderly population in the selected thandas of Narayanpur and Choutuppal mandals of

Nalgonda District of Andhra Pradesh for three financial years starting from 2012-13. An amount of ₹15.42 Lakh was incurred during the current year towards this activity.

30.3 BDL signed an MoU with Action for Food Production (AFPRO) on 22 Aug 2012 to improve access to safe hygienic sanitation practices among tribal communities and construction of Eco-San toilets in the selected thandas of Narayanpur and Choutuppal mandals of Nalgonda District and an amount of ₹38.91 Lakh was incurred towards this activity during 2012-13.

30.4 An amount of ₹27.13 Lakh was paid during the year 2012-13 to Naandi Foundation for setting up of three safe drinking water community centers in Narayanpur, Peepal Pahad and Jangaon of Nalgonda District of Andhra Pradesh. Work on this CSR activity is in progress.

30.5 An amount of ₹15.00 Lakh was paid during the year 2012-13 to Society for Energy, Environment and Development (SEED), an NGO to establish facility to train prospective entrepreneurs in the field of solar food processing products.

30.6 An amount of ₹7.39 Lakh was incurred for conducting various training programmes on CSR.

31 Vigilance

31.1 On 29 Oct 2012, Chairman and Managing Director administered the "Pledge" from the CMD's Conference Hall and Shri S Anwar, IAS (Retd.), former Special Chief Secretary, Govt. of A.P. inaugurated Vigilance awareness Week as Chief Guest. The theme / this year was "Transparency in Public Procurement". He spoke about the importance of Transparency in Public Procurement which involves Public Money.



Dr N K Raju Executive Director (P&A) inaugurating Help Age India Mobile Medicare Unit on 26 Sep 2012.



Shri M. Eshwar, CVO Delivering inaugural address on the eve of vigilance awareness week of 29 Oct to 03 Nov 2012.

- 31.2 During the Vigilance Awareness Week, interactive sessions were held by CVO with all the divisions and departments in Kanchanbagh and Bhanur. CVO highlighted the role of Vigilance in BDL, especially Preventive vigilance and pointed out the importance of leveraging technology. He expressed happiness on implementation of e-procurement and amendment of Recruitment Rules.
- 31.3 The Vigilance Awareness week Celebrations at Bhanur Group was inaugurated by Sri R.K. Shekhawat, Director (Vigilance / DDP), MoD, New Delhi on 30 Oct 2012, followed by Guest lecture. He spoke about the need for transparency in Public procurement and also emphasized that corruption should be eradicated.
- 31.4 Shri B. Prasada Rao, IPS, Director General, Anti-Corruption Bureau of Andhra Pradesh was the Chief Guest for Valedictory Function held on 02 Dec 2012. He had delivered a guest lecture by giving examples, narrations with regard to Corruption, Transparency and honesty.
- 31.5 During the year a report on Irregularities in Tenders for Civil Works with recommendations and system improvements was submitted to CMD and a report on procurement of Containers for a Project was submitted to the Management wherein it is suggested to procure containers for a product from alternative process which are cheaper and qualitative and from advance technology. Accordingly, Management constituted a Committee. The committee visited the concerned Manufacturer and submitted a report to the Management and consequently the procurement of Containers was expedited.
- 31.6 System improvement suggestions were provided to the management in respect of engagement of retired employees on contract basis, merit awards,



foreign visits, security aspects, departmental promotions, transfers, etc., and vigilance clearance procedures in respect of confirmation on first appointment, retirement on superannuation, resignation, etc.

- 31.7 Steps were initiated to increase transparency for overall benefit of the Organisation by Leveraging of Technology which include, providing details of vendor's payment, details and status of tenders, list of approved vendors list, details of single tenders and high value orders, etc., on the website of the Company. IMM Manual and Personnel manual are also made available on the website of the Company. Implementation of online submission of applications for recruitment of executives and vendor registration. Implementation of e-procurement and e-reverse auctions, computerization of Annual Property Returns of employees. For locating the movement of various proposals/files for approval, a new software package 'File Tracking System (FTS)' is developed.

32 Audit Committee

An Audit Committee had been constituted for better Corporate Governance. Five meetings have been held during the year to review the internal control systems and their adequacy, including coverage of Audit Functions. Details of composition, terms of reference etc., are covered in Report on Corporate Governance attached to this report (Annexure-II).

33 CEO / CFO Certification

As per the requirements of DPE Guidelines, the CEO/ CFO certificate has been obtained and placed before the Audit Committee and the Board.

34 Corporate Governance

- 34.1 Corporate Governance is about the application of best management practices, compliance of laws and adherence to ethical standards to achieve the Company's objective of enhancing shareholders' value and discharge of social responsibility.
- 34.2 The Company has a well established, transparent and fair administrative set up to provide for professionalism and accountability.
- 34.3 As per the guidelines on Corporate Governance for CPSEs issued by DPE vide its OM No. 18 (8)/2005-GM, dated 14 May 2010, the Management Discussion and Analysis Report (Annexure-II), Report on Corporate Governance (Annexure-III) along with Certificate on compliance of conditions on Corporate Governance from a Practicing Company Secretary (Annexure-IV) as required under the said guidelines are attached to this report.
- 34.4 Quarterly and Yearly compliance reports on Corporate Governance are being forwarded to MoD in the prescribed format.

35 Auditors

M/s.DV Ramana Rao & Co., Chartered Accountants, Hyderabad were re-appointed as Auditors of the Company for the financial Year 2012-13 by the Comptroller & Auditor General of India.

36 Comments of Comptroller & Auditor General of India

Comments of Comptroller and Auditor General of India (C&AG) under Section 619 (4) of the Companies Act, 1956 on the accounts of the Company for the period ending 31 Mar 2013 are placed next to the Statutory Auditors' Report.



Shri VK Girijavallabhan, IAAS, Principal Director of Commercial Audit and Ex-officio Member Audit Board in the Demo Room during his visit to BDL on 03 Jul 2013.

37 Acknowledgements

37.1 The Directors wish to place on record their appreciation of the efforts put in by the employees of the Company during the year and also Ministry of Defence, Department of Defence Production, other Central Government Departments, AP State Government, DRDO Laboratories, Quality Assurance Agencies of Government of India, other PSUs and Licensors for the help extended from time to time.

37.2 The Directors wish to thank M/s.DV Ramana Rao & Co., the Statutory Auditors of the Company and the

Principal Director of Commercial Audit and ex-officio Member, Audit Board, Bangalore for their valuable advice and co-operation extended by them.

37.3 The Directors wish to thank Shri PK Mishra, JS(MS) for his valuable guidance during his association with the Company, Shri G Raghavendra Rao, Director (Technical) who resigned on 26 Jun 2013 and AVM PK Srivastava, VSM (Retd), Director (Production) who retired on superannuation on 31 Jul 2013 for their valuable services rendered during their tenure with the Company.

For and on behalf of the Board

Place: Hyderabad.
Date: 02 Aug 2013.

SN Mantha
Chairman and Managing Director



Annexure-I

Particulars of The Employees As Per Section 217 (2A) of The Companies Act, 1956 for The Year Ended 31 Mar 2013.

Sl. No.	Name of the Employee	Designation / Nature of Duty	Age (Years)	Previous Employment / position held	Qualification	Date of Joining	Experience (Years)	Gross Remuneration (₹)
(A) Statement showing the particulars of employees who were in receipt of remuneration of not less than ₹60,00,000 per annum during the financial year 2012-13:								
NIL								
(B) Statement showing the particulars of employees who were in receipt of remuneration of not less than ₹5,00,000 per month during the part of the financial year 2012-13:								
1.	Sri L.Raman	Jr.Engineer (TMM)CPED	60	(i) As Supervisor in M/s.Nataraj Industries, Balanagar, Hyderabad from 01 Apr 1972 to 31 Mar 1975. (ii) As Foreman in M/s.Preto India, Balanagar, Hyderabad from 01 Apr 1975 to 19 Nov 1977.	SSLC & LME	28 Nov 1977	34	6,63,321
2.	Sri S.Yadagiri	CMT	60	--	ITI Fitter	11 Nov 1974	38	6,37,404
3.	Sri K.Basava Rao	CMT	60	-	ITI Fitter	26 Apr 1975	37	6,36,341



Annexure-II

Management Discussion And Analysis Report

1. Industry Structure And Developments

- 1.1 The Company is a Public Sector Undertaking under the Administrative Control of Department of Defence Production, Ministry of Defence, Govt. of India, incorporated in the year 1970. The main object of the Company is to manufacture sophisticated Defence equipment required by the Armed Forces.
- 1.2 It also develops new products with in-house R&D apart from manufacturing Defence equipment with Transfer of Technology from world renowned collaborators and DRDO.
- 1.3 The Company is the Prime Production Agency for 2nd and 3rd Generation Anti Tank Guided Missiles. It is also the Prime Production Agency for all classes of Surface-to-Air Missiles (SAM) required by the Indian Armed Forces. The Company is a Lead Integrator for some of the SAM systems. The Company has taken up refurbishment of vintage missile held by the Armed Forces. The products developed by in-house R&D are finding wide acceptance and are being inducted by all wings of the Armed Forces.
- 1.4 The Company's order book stands at ₹17,300 Crore approximately as on 31 Mar 2013. This is expected to increase further, soon after the receipt of the contracts for which negotiations have been concluded. The company will be taking a major leap by joining a major joint development program of Short Range Surface-to Air Missile required by IAF and IN, and underwater weapons.

2. Strengths And Weaknesses

2.1 Strengths

- 2.1.1 Skilled and Trained Manpower with Missile, Explosive Systems knowledge.
- 2.1.2 Experience of over 40 years in manufacturing and integration of Missiles.
- 2.1.3 Possesses adequate land and ready to create new production lines with necessary infrastructure.

2.1.4 Access to DRDO and other labs.

2.1.5 Holds modern manufacturing and test facilities.

2.2 Weaknesses

- 2.2.1 Narrow vendor base in respect of DRDO developed projects.
- 2.2.2 Long lead time of DRDO Projects.
- 2.2.3 Restrictions on Export Sales.
- 2.2.4 High average age of employee.
- 2.2.5 Dependence on OEM for key technologies.

3. Opportunities and Threats

3.1 Opportunities

- 3.1.1 Thrust on modernization plans of the Armed Forces.
- 3.1.2 DPP 2013 stresses to increase the indigenous share and prioritize in indigenous production in Defence acquisitions.
- 3.1.3 Offsets.
- 3.1.4 Increase in Defense budget and weapons demand.

3.2 Threats

- 3.2.1 Government policy of encouraging private Enterprises in weapon production.
- 3.2.2 Losing skilled/trained Manpower to private sector.
- 3.2.3 ToT is not complete on any OEM products resulting in continued dependence on OEM.

4. Product-wise Performance

The turnover of major products during 2012-13 is as follows:

(₹Crore)		
i)	Konkurs-M ATGM	247.41
ii)	Invar ATGM	100.46
iii)	Milan-2T ATGM	232.47
iv)	Akash SAM	255.12
v)	Others	239.25
	Total	1074.71



5 Outlook

Modernization with state-of-the-art equipment is currently the mantra of the Indian Armed Forces. This has given rise to tremendous increase in the business potential for BDL. This is also throwing up challenge to shift to manufacture and supply of more advanced and complex weapon systems and adherence to quality and delivery commitments.

6 Risks and Concerns

- Long Lead Time of DRDO Projects.
- Dependence on single source vendor developed by the designer.
- Restrictions on Export sales.
- Continued dependence on OEMs in respect of certain projects.
- Long gestation time in concluding contracts and getting orders.
- Lengthy acquisition periods for the weapon systems by Armed forces are throwing challenges to the company's cost control measures.

7 Internal Control Systems and their Adequacy

The Company has put in place all required internal controls and systems to meet the canons of financial propriety. External audit firms have been appointed to ensure their adequacy and report thereon. A detailed analysis of the reports of internal audit firms as well as reports of internal audit department of BDL are placed before the Audit Committee for review and advice.

8 Discussion on Financial Performance with respect to Operational Performance

- 8.1 Performance of the Company in financial terms is summarized below:

Particulars	₹ Crore		% of Increase
	2011-12	2012-13	
Value of Sales	959.12	1074.71	12%
Value of Production	992.94	1175.52	18%
Value Added	359.41	395.95	10%
Value Added Per Employee (₹ Lakh)	11.44	12.00	5%
Profit Before Tax	348.19	419.06	20%
Profit After Tax	234.96	288.40	23%

- 8.2 Following data reflects the financial position of the Company:

Particulars	₹ Crore		% of Increase
	2011-12	2012-13	
Gross Block	604.24	711.55	18%
Depreciation	392.57	433.55	10%
Net Block	211.67	278.00	31%
Working Capital	458.97	614.58	34%
Capital Employed	670.64	892.58	33%
Net Worth	732.19	953.08	30%

9 Material developments in Human Resources, Industrial Relations front, including number of people employed.

- 9.1.1 Total manpower strength of BDL as on 31 Mar 2013 is as under:

Particulars	Non-Executives	Executives	Total
Male	2257	740	2997
Female	217	86	303
Total	2474	826	3300
Previous Year	2344	798	3142

- 9.1.2 HRD has initiated an ambitious project to create a pool of Project Management Professionals (PMP) in BDL. As a way forward, it is planned to train and certify 30 Executives as PMP certified from PMI USA, with the help of BEQI Bangalore. These 30 PMP certified professionals will in turn train all the executives internally on Project Management.

9.2 Industrial Relations:

- 9.2.1 Cordial and harmonious industrial relations were maintained with cooperation from all sections of Employees viz., recognized union, other registered Trade Unions and Associations throughout the year. Statutory Committees such as Works Committee, Safety Committee and Canteen Committee and Shop Level and Plant Level Committees contributed to workplace discipline at all levels.



10 Environmental Protection and Conservation, Technological conservation and Renewable energy developments

- 10.1 BDL has embarked on adoption of new technologies and processes to conserve energy, thus contributing for the reduction in the carbon emissions.
- 10.2 The recycling of waste water and Sewage Treatment Facility is generating water @2 Lakh liters per day which is being utilized for non-potable purposes, enabling the reduction of CO₂ emission to the tune of 6798 tones. 10000 trees were planted in and around BDL Campuses at Kanchanbagh and Bhanur Units, resulting in reduction in ambient temperature, preventing soil erosion, providing shade and enabling the recycling of more Carbon dioxide through plants.

11 Foreign Exchange Conservation

The Company is striving constantly to conserve foreign exchange by reducing import of components and sub-systems from OEMs by increasing indigenous contents in the assembly of final products.

12 Corporate Social Responsibility

- 12.1 BDL signed an MoU with The Akshaya Patra Foundation (TAPF) on 30 Jul 2012 to sponsor Mid-day meal to 15 schools of Patancheru Mandal having a total strength of 2453 students. An amount of ₹ 28.14 Lakh was paid to TAPF during the year 2012-13.

- 12.2 During the current year activity of running a Mobile Medicare Unit (MMU) to give treatment to senior citizens along with medicines distribution free of cost for elderly population in the selected thandas of Narayanpur and Choutuppal mandals of Nalgonda District of Andhra Pradesh for three financial years starting from 2012-13. An amount of ₹15.42 Lakh was incurred during the current year towards this activity.
- 12.3 BDL signed an MoU with Action for Food Production (AFPRO) on 22 Aug 2012 to improve access to safe hygienic sanitation practices among tribal communities and construction of Eco-San toilets in the selected thandas of Narayanpur and Choutuppal mandals of Nalgonda District and an amount of ₹38.91 Lakh was incurred towards this activity during 2012-13.
- 12.4 An amount of ₹27.13 Lakh was paid during the year 2012-13 to Naandi Foundation for setting up of three safe drinking water community centers in Narayanpur, Peepal Pahad and Jangaon of Nalgonda District of Andhra Pradesh. Work on this CSR activity is in progress.
- 12.5 An amount of ₹15.00 Lakh was paid during the year 2012-13 to Society for Energy, Environment and Development (SEED), an NGO to establish facility to train prospective entrepreneurs in the field of solar food processing products.
- 12.6 An amount of ₹7.39 Lakh was incurred for conducting various training programmes on CSR.





Annexure-III

Report on Corporate Governance

1 Company's Philosophy on Corporate Governance

- 1.1 Philosophy of the Company in respect of Corporate Governance is to ensure transparency in all its operations, make appropriate disclosures, comply with the laws, maintain ethical standards and take care of the interest of all the stakeholders.
- 1.2 In keeping with its professional approach, the Company is implementing the precepts of Corporate Governance in letter and spirit.
- 1.3 The Company's activities are monitored by several external agencies like Statutory Auditors, Comptroller and Auditor General of India, Central Vigilance Commission, Ministry of Defence (Department of Defence Production), etc.

2. Board of Directors

2.1 Composition and Category of Directors:-

- 2.1.1 The strength of the Board of BDL shall not be less than 2 and not more than 15 under the provisions of Articles of Association of the Company as amended from time to time. The Directors shall not be required to hold any qualification shares.
- 2.1.2 The composition of the Board of Directors of the Company had been restructured by the Government of India with nine members viz. four Whole time Directors, including Chairman and Managing Director, two Part-time Government Directors and three Part-time Non-official Directors (Independent Directors). Further, as per directives of MoD, there are four Permanent Special Invitees to the Board viz., Vice Chief of Air Staff, Vice Chief of Naval Staff, Dy. Chief of Army Staff and Nominee of DRDO.

2.1.3 Details of the members of the Board as on 31 Mar 2013 are as follows:

(a) Functional / Whole time Directors

- (i) **Shri SN Mantha**
Chairman and Managing Director
- (ii) **AVM PK Srivastava, VSM (Retd)**
Director (Production)
- (iii) **SV Subba Rao**
Director (Finance)
- (iv) **Shri G Raghavendra Rao**
Director (Technical)

(b) Part-time Government Directors

- (i) **Shri Ravikant**
Joint Secretary (Missile Systems)
Department of Defence Production
Ministry of Defence.
- (ii) **Shri R G Viswanathan**
Addl FA (R&D), DRDO
Joint Secretary
Ministry of Defence.

(c) Part-time Non-Official Directors

- (i) **Prof RK Mishra**
Senior Professor and Director
Institute of Public Enterprise.
- (ii) **Shri KL Mehrotra**
Former CMD, Manganese Ore (I) Ltd.
- (iii) **Shri AK Kapoor**
Emeritus Scientist
DRDO, Ministry of Defence.

2.1.4 Details of permanent Special Invitees to Board Meetings as on 31 Mar 2013 are as follows:

- (i) **Air Marshal DC Kumaria**, PVSM, AVSM, VM, VSM, ADC
Vice Chief of Air Staff
- (ii) **Lt Gen Narendra Singh**, SM, VSM
Dy Chief of Army Staff (P&S)
- (iii) **Vice Admiral R K Dhowan**, PVSM, AVSM, YSM
Vice Chief of Naval Staff
- (iv) **Shri S Som, Sc"H"**,
Director, DRDL, Hyderabad.



2.2 Meetings of the Board and Attendance thereof; Number of other Boards or Board Committees in which Director is a Member or Chairperson

2.2.1 During the year 2012-13, six (6) Board Meetings were held on 04 May 2012, 13 Jul 2012, 29 Aug 2012, 24 Sep 2012, 12 Dec 2012, 01 Mar 2013. The Board meets at least once in every three months and at least four such meetings shall be held every year. Required information is made available to the Board for its information/ decision.

2.2.2 Details of attendance of the Directors at the Board Meetings, Annual General Meeting and the number of other directorship / committee membership held by them during 2012-13 etc., are furnished below:

Directors	Board Meetings		Attendance At last AGM held on 24 Sep 2012	No. of other directorships held	Number of committee membership across all companies	
	No.of Board Meetings held during respective tenure of Directors	No.of meetings attended			As Chairman	As Member
Functional Directors						
Shri S N Mantha, CMD	6	6	Yes	-	2	-
Air Vice Marshal PKSrivastava, VSM (Retd), D(P)	6	4	-	-	-	2
Shri SV Subba Rao,D(F)	6	6	Yes	-	-	4
Shri G Raghavendra Rao, D(T) (w.e.f 30 Nov 2012 and upto 26 Jun 2013)	2	2	-	-	-	2
Part time Government Directors						
Shri P K Mishra JS (MS) (Upto 09 Dec 2012)	4	3	-	-	-	1
Shri R G Viswanathan, Addl. FA (DRDO) & JS	6	4	-	1	-	-
Shri Ravikant Srikant, JS (MS) (w.e.f 10 Dec 2012)	2	2	-	-	-	2
Part time Non-Official Directors						
Prof R K Mishra	6	4	YES	-	2	2
Shri K L Mehrotra	6	5	YES	3	2	3
Shri A K Kapoor	6	6	YES	-	-	2



2.2.3 Leave of absence was granted to Directors in case of their inability to attend a meeting due to unavoidable reasons.

2.2.4 No Director is a member in more than ten Committees or Chairman of more than five Committees across all companies in which he is a Director as per the guidelines of DPE in this regard.

2.3 Appointment of New Directors

2.3.1 The Articles of Association of the Company provides for appointment of all Directors by the President of India. During the year 2012-13, three presidential orders were received conveying the appointment of Shri SN Mantha, Director (Technical) as Chairman and Managing Director of the Company, Shri G Raghavendra Rao as Director (Technical) and Shri Ravikant, Joint Secretary, Department of Defence Production as Government Director in place of Shri PK Mishra. Required information about these Directors appointed on the Board is given below:

2.3.1 Shri SN Mantha

Shri SN Mantha was appointed and assumed charge as Chairman & Managing Director of the Company w.e.f. 01 Apr 2012.

He is a Graduate in Mechanical Engineering from Banaras Hindu University, Varanasi. He did his Master of Business Administration (MBA) from IGNOU, New Delhi. The Officer has a brilliant academic record, he passed his Engineering with Distinction and MBA in First Class.

Shri SN Mantha initially worked in M/s. Indian Telephone Industries Limited, Rae Bareilly from 1977 to 1987. He joined Bharat Dynamics Limited in March 1987. He has a rich experience in the Missile Industry, as he worked in all most all the departments.

During the project stage in Bhanur group (1987 to 1994), he was instrumental in establishing the Component Production and Tool Room Departments. Thereafter he served as I/C of Component Production, Tool Room and Tool Planning Department and contributed in indigenization of Konkurs Missile Components and unified launcher successfully. Since then there was no looking back for him on manufacturing of indigenous Konkurs Missiles, thus saving a lot of foreign exchange.

Shri SN Mantha is involved in productionization of indigenous Konkur Missile as Head of Component Production and Assembly Departments during the period 1994 to 1998. With his rich experience on the Missile technology, Management has recognized his contributions in Missile failure analysis from time to time.

As head of Quality Control of Bhanur Group during 1998-2000 he enhanced product reliability, customer confidence and satisfaction and reduction of quality costs.

Shri SN Mantha is known for his sincerity high standards of professionalism. He was instrumental in implementing first ever incentive scheme in BDL, Bhanur, contributed effectively for Manpower Planning. Keeping his outstanding contribution and services beyond the call of duty, he was promoted as General Manager and posted to Bhanur Group in 2006 as unit Head to take the challenge of indigenization of Konkur-M and Invar Missiles.

Keeping his excellent track record in Bhanur Group he was posted as Head of SFD Division at KBC in 2000, Head of CP-IGMP Division in 2001, thereafter on promotion as Addl. General Manager in 2003 he was posted as Head of Prithvi Division. He has handled all the divisions professionally and gained



latest knowledge in Missile technology, which gave him an edge over others. Considering his technical knowledge and professional skills he has been made Director (Technical) of the company from 01 Oct 2008.

The officer has attended a number of training programmes to enhance his skills and technical knowledge. He visited Switzerland and Russia on a number of occasions officially in connection with Konkurs, Konkurs-M missiles. He has completed more than 25 years of service in BDL.

In view of his vast experience in Missile Industry, Technical knowledge, Management Skills professional abilities, he was appointed as Chairman & Managing Director of the Company.

2.3.2 Shri G Raghavendra Rao

Shri G Raghavendra Rao, on his appointment as Director (Technical) on the Board of Bharat Dynamics Limited has assumed charge on 30 Nov 2012.

Shri Raghavendra Rao, born on 23 Jun 1956 in Pune, graduated in Mechanical Engineering from Osmania University, Hyderabad and joined the D&E Division of Sonar Systems, BEL, Bangalore, in Oct 1979, as a Probationary Engineer.

He was part of Core Team that was formed in 1984 for establishing the new Unit of the Company at Hyderabad for manufacturing Electronic Warfare Equipment. He has been closely associated with the growth of the Unit and in establishing all the modern facilities at Hyderabad Unit. He is a key contributor in the Unit becoming the single largest SBU in terms of business and turnover.

He has rich experience in cross-functional areas like D&E, Production Control, Material Control & Stores, Assembly and Program Management during his tenure at Hyderabad. He has been part of all the success stories created by BEL- Hyderabad

in supply of Rw Rs, ESM and integrated EW Systems for land based, ship-borne & air-borne platforms.

He evinces keen interest in Quality Management and Environment Management activities and was Management Representative for ISO 14001. He has been the active member in the Hyderabad Unit bagging the "CII EXIM Strong Commitment to Excellence" award in 2007 and 2012. He himself is a Qualified Assessor for CII Business Excellence Model.

Prior to his present appointment, he has served as General Manager/Head of Electronic Warfare & Avionics SBU at BEL- Bangalore, from May 2008 to Jan 2010. Subsequently, he was posted as GM, BEL- Hyd (in Feb 2010) and was Head of the Unit till 29 Nov 2012.

A constant learner that he is, he has acquired an MBA degree in 1989 from the Institute of Public Enterprise, Hyderabad with distinction and that too with a Gold Medal.

2.3.3 Shri Ravikant

Shri Ravikant, was appointed as Government Director on the Board of Bharat Dynamics Limited w.e.f 10 Dec 2012.

Shri Ravikant is a senior officer of the Indian Administrative Service (IAS) and is presently posted as Joint Secretary in Department of Defence Production, Ministry of Defence. He is looking after the work relating to Missile Systems, Land Systems and Licencing of defence related industries, etc. Shri Ravikant belongs to the Bihar Cadre and has held important positions in the State of Bihar. He was District Magistrate of two important districts. Apart from that, he was Secretary in the Department of Home, Personnel & Administrative Reforms, Energy, Cooperation and Science & Technology.

Earlier, he served as Deputy Secretary and Director in the Ministry of Food Processing Industries at New Delhi in the Government of India. He has a



long experience in the fields of Personnel Management, Functioning of Cooperative Societies and Technical Education.

He graduated in Physics from Indian Institute of Technology (IIT) at Kharagpur (West Bengal) and has post graduated in Physics from Delhi University. In 1999, he had taken a sabbatical to obtain a Master of Science (MS) degree in Computer Science from Michigan State University, USA.

Shri Ravikant is married and has two children.

3. Committees of the Board

3.1 BDL has six (6) Committees of the Board functioning as on 31 Mar 2013:

- (i) Audit Committee
- (ii) Remuneration Committee
- (iii) Procurement Committee
- (iv) HR Committee
- (v) Committee on Sustainable Development
- (vi) Committee for Monitoring CSR Plan of the Company

3.2 Minutes of the meetings of the Committees are being placed before the Board Meetings held immediately after the Committee meetings for noting by the Board. Decisions are being taken by the committees by majority / unanimity.

4 Audit Committee

4.1 Brief Description of Terms of Reference

4.1.1 The Role, Powers, areas of review of information etc., of the Audit Committee were revised as per the Guidelines on Corporate Governance for CPSEs issued by DPE vide OM No. 18(8)/2005-GM, dated 14 May 2010. The terms of reference to the Audit Committee, inter alia, include the following:-

- i) Oversight 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.
- ii) Recommending to the Board, the fixation of audit fees.

- iii) Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
- iv) Reviewing the annual financial statements before submission to the Board for approval.
- v) Reviewing performance of internal auditors, and adequacy of the internal control systems.
- vi) Discussion with internal auditors and/or auditors any significant findings and follow up thereon.
- vii) 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.
- viii) To review the follow up action on the audit observations of the C&AG audit.

4.1.2 Three Chartered Accountant firms have been appointed to conduct internal Audit of Specific areas of operation of the company. These are in addition to the in-house Internal Audit department. Audit Reports given by Internal Auditors were reviewed by Audit Committee.

4.2 Composition, Name of Members and Chairman

4.2.1 The Board at its Meeting held on 04 May 2012 re-constituted the Audit Committee of the Company. Audit Committee consisted of following Directors as on 31 Mar 2013:-

- 1. Prof RK Mishra - Chairman
- 2. Shri KL Mehrotra - Member
- 3. Shri AK Kapoor - Member

4.2.2 For Audit Committee Meetings, Functional Directors are invited as Permanent Invitees and representatives of Statutory Auditor and external Chartered Accountant firms doing Internal Audit work may attend by invitation. Company Secretary acts as Secretary of the Audit Committee.

4.3 Meetings and Attendance of Audit Committee during the year:

4.3.1 During the year 2012-13, five (5) meetings of the Audit Committee were held on 13 Jul 2012,



29 Aug 2012, 24 Sep 2012, 10 Dec 2012 and 23 Feb 2013. The details of attendance of members in such Meetings are as follows:

Sl. No.	Name of the Director S/Shri	No. of Meetings held during the tenure of the respective member	No. of Meetings Attended
1.	Prof RK Mishra	5	5
2.	Shri KL Mehrotra	5	5
3.	Shri AK Kapoor	5	5

5. Remuneration Committee

5.1 A Remuneration Committee was constituted by the Board in its meeting held on 30 Jan 2009 with an Independent Director being the Chairman, in line with the Guidelines issued by DPE vide OM No. 2(70)/08/DPE(WC), dated 26 Nov 2008. The terms of reference of the Committee, include, deciding the annual bonus/variable pay pool and policy for its distribution to the Executives, recommending yearly Performance Related Pay and recommending suitable Performance Management System, etc.

5.2 Remuneration Committee is reconstituted from time to time in line with Guidelines on Corporate Governance issued by DPE in this regard and the committee last re-constituted on 12 Dec 2012 and following is the Composition of the Committee as at 31 Mar 2013:

1. Shri KL Mehrotra, - Chairperson
2. Prof RK Mishra, - Member
3. Shri AK Kapoor - Member
4. Shri Ravikant, JS (MS) - Member

5.2.1 Head (P&A) is the Secretary of the Remuneration Committee.

5.3 During the year 2012-13, one (1) meeting of the Remuneration Committee was held on 04 May 2012. The details of attendance of members in the Meeting are as follows:

Sl. No.	Name of the Director S/Shri	No. of Meetings held during the tenure of the respective member	No. of Meetings Attended
1.	Shri K L Mehrotra	1	1
2.	Prof R K Mishra	1	1
3.	Shri PK Mishra	1	-

5.4 Remuneration Policy / Details of remuneration to all Directors:

5.4.1 Being a Central Government Public Sector Enterprise, the appointment, tenure and remuneration of Directors are decided by the Government of India. The Government letter appointing the Chairman and Managing Director and other functional directors indicate the detailed terms and conditions of their appointment including the period of appointment, basic pay, scale of pay, dearness allowance, city compensatory allowance, etc., and it also indicates that in respect of other terms and conditions not covered in the letter, the relevant rules of the Company shall apply.

5.4.2 Chairman and Managing Director and other Functional Directors are appointed by the Government initially for a period of 5 years from the date of appointment or upto the date of superannuation of the individual or until further orders of the Government, whichever is the earliest. Depending on the age and performance and on meeting other stipulated conditions the initial period is extendable for a further period upto 5 years or upto the date of superannuation, whichever is earlier. The part-time Government Directors are generally from the Administrative Ministry and their term is co-terminus with the term of respective position held by them in Government at the time of appointment on the Company's Board. The Part-time Non-executive Directors (Independent Directors) are appointed for a period of 3 years.

5.4.3 Details of remuneration of Whole-time Directors during the year 2012-13 are given below:



(in ₹)

Name of Director S/Shri	Salary including arrears *(a)	Benefits *(b)	Company contribution of PF, pension & Gratuity	Incentive *(c)	Leased Accommodation	Total
SN Mantha, Chairman & Managing Director	14,78,250	4,85,727	2,07,791	4,32,540	4,58,148	30,62,456
AVM PK Srivastava, VSM (Retd) Director (Production)	15,36,507	5,02,873	1,83,445	4,78,667	4,50,000	31,51,492
Shri SV Subba Rao Director (Finance)	13,20,975	4,31,495	1,95,847	1,51,554	4,50,000	25,49,871
Shri G Raghavendra Rao, Director (Technical) w.e.f 30 Nov 2012	5,28,470	1,39,548	53,615	-	-	7,21,633
Maj Gen Ravi Khetarpal, VSM (Retd) Chairman & Managing Director Upto 30 Mar 2012	-	-	-	6,76,483	-	6,76,483
N.Vinod Kumar, Director (Finance) Upto 30 Jun 2011	-	-	-	4,77,005	-	4,77,005

*(a) Salary includes Basic pay, DA, HRA, PP and Special Incentive for the year 2012-13.

*(b) Benefits includes VL Encashment and perks.

*(c) Incentive means Performance Related Pay (PRP) paid for the FY 2010-11.

5.4.4 Part-time Government Directors (Non-executive Directors) are not paid any remuneration. They are also not paid sitting fee for attending Board/Committee meetings.

5.4.5 Part-time Non-official Directors (Independent Directors) are paid a sitting fee of ₹10,000 per meeting of the Board/Committee of the Board attended w.e.f 29 Jul 2011. Details of sitting fee paid to the Independent Directors during year 2012-13 are given below:

(Sitting fee in ₹)

Sl.No.	Name	Total
1.	Shri KL Mehrotra	1,90,000
2.	Profi RK Mishra	1,60,000
3.	Shri A K Kapoor	1,10,000

6. Procurement Committee

6.1 The Committee was constituted by the Board on 29 Jul 2011 to review and sanction new Projects (including R&D Projects) beyond the

powers of CMD and upto a maximum limit of ₹25.00 Crore in each case and shall also approve procurement proposals which are beyond the powers of CMD but within the powers of Board.

6.2 Following is the composition of the Committee as at 31 Mar 2013:

- SN Mantha,** - Chairman
Chairman and Managing Director
- Shri KL Mehrotra,** - Member
Part-time Non-official Director
- Prof RK Mishra,** - Member
Part-time Non-official Director
- Air Vice Marshal** - Member
PK Srivastava, VSM (Retd)
Director (Production)
- Shri SV Subba Rao,** - Member
Director (Finance)
- Shri G Raghavendra Rao,** - Member
Director (Technical)

6.3 Company Secretary acts as Secretary to the Committee and Head Corporate Commercial Department will be invited to assist the Committee.

6.4 During the year under report, four (4) meetings were held on 04 May 2012, 29 Aug 2012, 10 Dec 2012 and 23 Feb 2013. The details of attendance of members in such Meetings are as follows:



Sl.No.	Name of the Director S/Shri	No. of Meetings held during the tenure of the respective member	No. of Meetings Attended
1.	Shri SN Mantha	4	3
2.	Shri KL Mehrotra	4	4
3.	Prof R K Mishra	4	4
4.	Air Vice Mshl PK Srivastava, VSM (Retd)	4	4
5.	Shri SV Subba Rao	4	4
6.	Shri G Raghavendra Rao	2	2

7. HR Committee

7.1 The Committee was constituted by the Board on 29 Jul 2011 to review and approve all proposals relating to HR matters.

7.2 The committee was re-constituted by the Board on 12 Dec 2012. Following is the composition of the Committee as at 31 Mar 2013:

1. **Shri SN Mantha,** - Chairman
Chairman and Managing Director
2. **Shri Ravikant, JS (MS)** - Member
Government Director
3. **Shri KL Mehrotra,** - Member
Part-time Non-official Director
4. **Air Vice Marshal PK Srivastava,**
VSM (Retd) - Member
Director (Production)
5. **Shri SV Subba Rao,** - Member
Director (Finance)
6. **Shri G Raghavendra Rao,** -Member
Director (Technical)

7.3 Company Secretary acts as Secretary to the Committee and Head Personnel and Administration Department will be invited to assist the Committee.

7.4 During the year under report, one (1) meeting was held on 04 May 2012, The details of attendance of members in such Meetings are as follows:

Sl.No.	Name of the Director S/Shri	No. of Meetings held during the tenure of the respective member	No. of Meetings Attended
1.	Shri SN Mantha	1	1
2.	Shri PK Mishra (Upto 09 Dec 2012)	1	1
3.	Shri Ravikant (w.e.f 12 Dec 2012)	-	-
4.	Shri KL Mehrotra	1	1
5.	Air Vice Mshl PK Srivastava, VSM (Retd)	1	1
6.	Shri SV Subba Rao	1	1
7.	Shri G Raghavendra Rao (w.e.f 30 Nov 2012)	-	-

8. Committee on Sustainable Development

8.1 The Committee was constituted by the Board on 25 Nov 2011 as per the DPE Guidelines on Sustainable Development for CPSEs, headed by an Independent Director as its Chairman, to approve Sustainable Development Plan and oversee the Sustainable Development performance of the Company.

8.2 Following is the composition of the Committee as at 31 Mar 2013:

1. **Shri KL Mehrotra,** - Chairman
Part-time Non-official
Director (Independent Director)
2. **Shri SV Subba Rao,** - Member
Director (Finance)
3. **L.Dhananjaya** - Member
Executive Director (D&E)
4. **Dr.NK Raju,** - Secretary
Executive Director (P&A)

8.3 During the year under report, three (3) meetings of the Committee were held on 14 May 2012, 29 Aug 2012 and 10 Dec 2012 and all the members were present at the meetings.

9. Committee for Monitoring CSR Plan of the Company

9.1 The Committee was constituted by the Board on 25 Nov 2011 as per the DPE Guidelines, headed by



an Independent Director to monitor the projects under Corporate Social Responsibility (CSR) plan of the Company.

9.2 Following is the composition of the Committee as at 31 Mar 2013:

1. **Prof RK Mishra,** - Chairman
Part-time Non-official Director
(Independent Director)
2. **Shri SV Subba Rao,** - Member
Director (Finance)
3. **Dr.NK Raju,** - Member
Executive Director (P&A) Secretary

9.3 During the year under report, two meetings of the Committee were held on 27 Jun 2012 and 10 Dec 2012 and all the members were present.

10 General Body Meetings

10.1 All the Annual General Meetings of the Company were held at the Registered Office of the Company. The details of such meetings for the last three years period is as under:

AGM No.	Financial Year	Date of the Meeting	Time of the Meeting	Venue of the Meeting
40	2009-10	03 Sep 2010	1430 Hrs	Registered Office, Kanchanbagh, Hyderabad
41	2010-11	19 Sep 2011	1700 Hrs	
42	2011-12	24 Sep 2012	1530 Hrs	

10.2 List of Special Resolutions

10.2.1 No special resolutions were placed before the last three AGMs.

11. Disclosures

11.1 During the year 2012-13 the Company has not entered into any transaction with the Directors that may have potential conflict with the interest of the Company at large. The members of the Board, apart from receiving Remuneration (wherever applicable), do not have any material

pecuniary relationship or transaction with the Company which, in the judgment of the Board, may affect independence of judgment of the Directors.

11.2 No Penalties and Strictures were imposed on the Company by any statutory authority on any matter related to any guidelines issued by Government during the last three years.

11.3 Whistle Blower Mechanism

The guidelines of Corporate Governance for CPSEs 2010 issued by DPE have been complied with. The Whistle Blower Policy of the Company, inter alia, contains a provision enabling any person to approach the Chairman of the Audit Committee. However, during the year under report, no personnel have been denied access to the members of the Audit Committee or its Chairman.

11.4 The Company is complying with all the Guidelines on Corporate Governance for CPSEs 2010 issued by DPE except guidelines on Risk Management and segment-wise reporting. The Company is in the process of formulating overall Risk Management Policy to identify various risks and advise on the risk mitigation measures associated with different areas of its operation. The Company is also in the process of promulgating Fraud Prevention Policy. A Risk Management Committee of the Company is already constituted. All applicable Accounting Standards are followed except AS-17 relating to segment reporting keeping in view the nature of business and the sensitive nature of disclosure. However, such non disclosure does not have any financial effect on the Accounts of the Company. Necessary disclosure is being made in 'Notes forming part of Accounts'. Present Strength of the Board is 9 members which is equal to the sanctioned strength.

11.5 Presidential Directives received and their implementation: presidential Directives, OMs from DPE/Ministry received are being implemented. The Company received a Presidential Directive No.H-62030/1/0227-D(BDL), dated 27 Apr 2009



according sanction for implementation of revised pay scales to the Board level and below Board level executives as per DPE guidelines issued thereon. Accordingly, the Company has implemented the pay revision in compliance with the Presidential Directive.

- 11.6 There were no items of expenditure debited in books of account, which are not for the purpose of the business.
- 11.7 The Company has not incurred any expenditure which is personal in nature for the Board of Directors and Top management.
- 11.8 Details of Administrative and Office Expenses as a percentage of total expenses vis-a-vis financial expenses are furnished below:

(₹ in Crore)

Sl.No.	Particulars	2012-13	2011-12
1.	Total Expenditure (other than Materials)	499.51	473.94
2.	Administrative & Office Expenses	11.62	7.46
3.	Percentage of (2) on (1)	2.33%	1.57%

12. Means of Communication

The Company's communication system with its Shareholders, Directors and other stakeholders is through all means of communication channels including correspondence and the official website (<http://bdl.ap.nic.in>) of the Company. The Company website provides information about BDL like Company's profile, Milestones, Mission & Vision, Objectives, achievements, etc., BDL Management, Annual Report information, products, details of Tenders, RTI Act 2005 information, Careers,

hE-procurement, Tenders, etc. The performance of the Company is communicated to the Administrative Ministry every month.

13. The Company is striving to ensure unqualified financial statements.
14. Need-based Training Programmes are formulated from time to time.
- 15. Code of Conduct for Directors and Senior Executives**
- 15.1 A Code of Conduct and Business Ethics as suggested by DPE in its Guidelines on Corporate Governance for CPSEs 2010 has been adopted by the Company in respect of its Directors and Senior Level Executives.
- 15.2 The Code has also been posted on the Company's website. The Directors and the Senior Executives have given declarations affirming the compliance with the code of conduct during the year 2012-13.
- 15.3 A declaration to this effect by the Chairman and Managing Director is given below.
16. Declaration by Chairman & Managing Director:

As provided under the Guidelines on Corporate Governance for CPSEs as contained in the DPE OM No. 18(8)/2005-GM, dated 14 May 2010, issued by Department of Public Enterprises (DPE), it is hereby declared that all Board Members and Senior Management Personnel affirmed compliance with "The Code of Business Conduct & Ethics for Board Members and Senior Management of Bharat Dynamics Limited" for the year ended 31 Mar 2013.

for Bharat Dynamics Limited

Place: Hyderabad.
Date: 02 Aug 2013.

SN MANTHA
Chairman and Managing Director



Annexure-IV

Y. Ramesh M.Com., LLB, CAIIB, ACS.
Company Secretary in Practice
Mobile : 9849045347



Certificate on compliance of conditions on CORPORATE GOVERNANCE

To
The Members
Bharat Dynamics Limited
Hyderabad

I have examined the compliance of conditions of Corporate Governance by Bharat Dynamics Limited, for the year ended on March 31, 2013 as per the Guidelines on Corporate Governance for Central Public Sector Enterprises – 2010.


The compliance of conditions of Corporate Governance is the responsibility of the Management. My examination has been limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the certificate of Corporate Governance as stipulated in the said Guidelines. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In my opinion and according to the information and explanations given to me, I certify that the Company has adopted a Code of Business Conduct and Ethics for Board Members and Senior Management Personnel as per the “Guidelines on Corporate Governance for Central Public Sector Enterprises - 2010”, issued by Dept. of Public Enterprises, as per which it is the responsibility of the Directors and Senior Management Personnel to familiarize themselves with the Code and comply with its standards and also affirmed compliance with the Code of Conduct for the financial year ended March 31, 2013.

I further certify that the Company has complied with the Guidelines on Corporate Governance issued by Department of Public Enterprises under “Guidelines on Corporate Governance for Central Public Sector Enterprises - 2010”, except the guidelines on Risk Management.

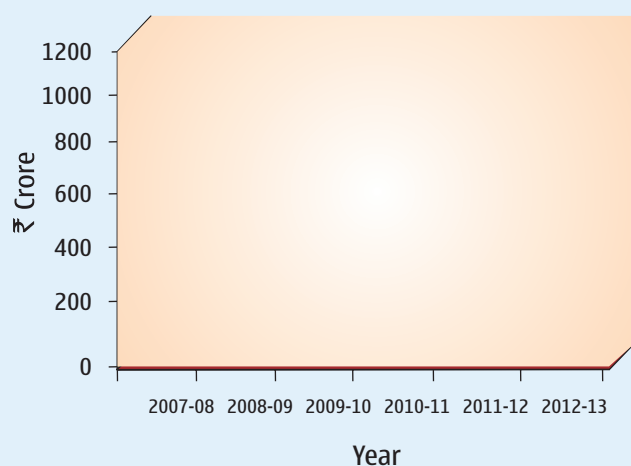
Place: Hyderabad.
Date: 2nd September, 2013.



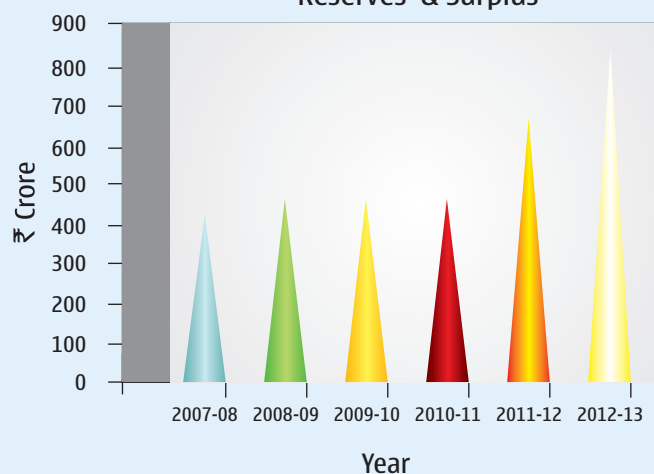

(Y.RAMESH)
Company Secretary in Practice
CP No.: 7929



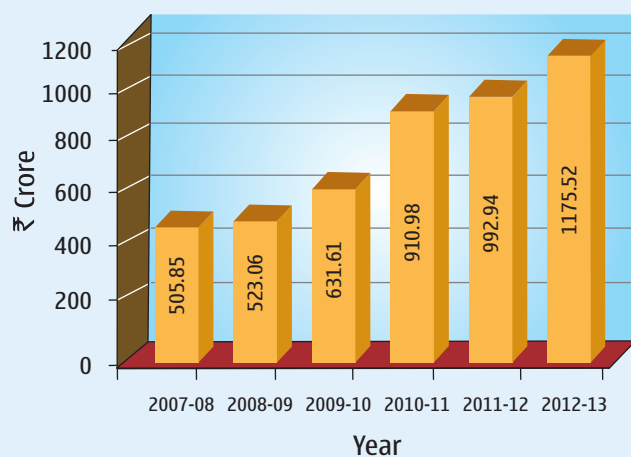
Sales



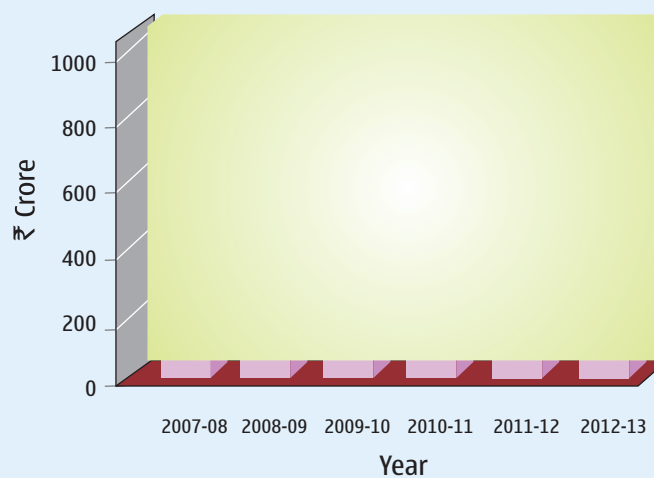
Reserves & Surplus



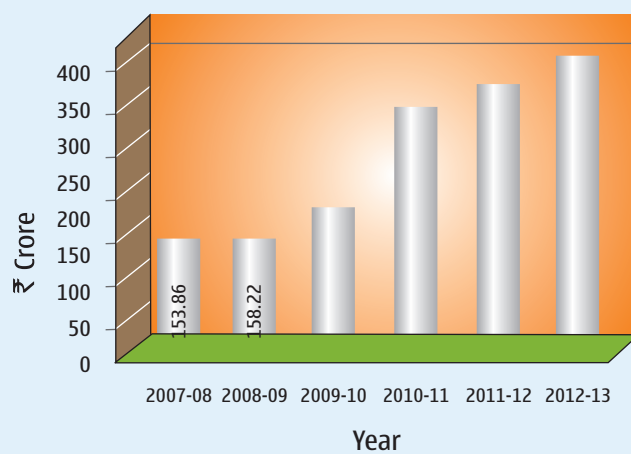
Value of Production



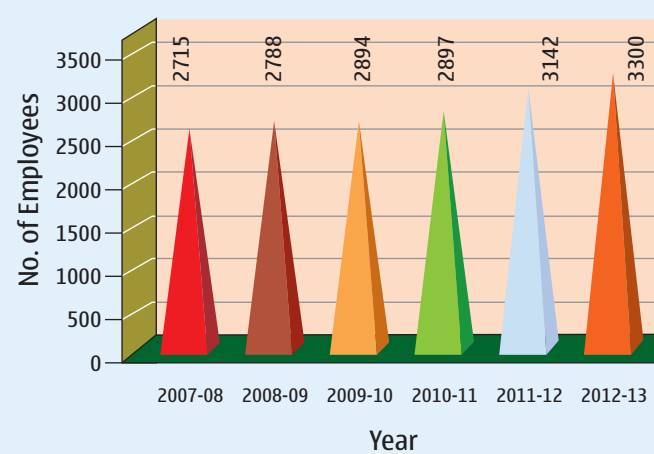
Net Worth



Value Added



Manpower





Accounting Policies

1. Basis of Preparation of Financial Statements

The Financial Statements are prepared under the accrual basis and at historical cost unless otherwise stated and in accordance with the Generally Accepted Accounting Principles (GAAP) in India and the provisions of the Companies Act, 1956.

2. Fixed Assets

2.1 Land is capitalized at cost to the Company. Development of land such as levelling, clearing and grading is capitalized along with the cost of Building in proportion to the land utilized for construction of Buildings and rest of the development expenditure is capitalized along with cost of land. Development expenditure incurred for the purpose of landscaping or for any other purpose not connected with construction of any building is treated as the cost of land.

2.2 Fixed Assets acquired with financial assistance/subsidy from outside agencies either wholly or partly are taken in the books at net cost to the Company. Assets transferred free of cost by Government are taken at nominal value.

2.3 Plant, Machinery & Equipment, Fixtures & Office Furniture and Equipment costing individually ₹5,000/- and below are depreciated fully in the year of purchase. Minor civil works including additions, alterations, etc., costing individually ₹50,000/- and below, not resulting in additional floor space and internal partitions costing individually ₹50,000/- and below are charged to Revenue. Where the cost of such partitions exceeds ₹50,000/-, they are depreciated within a period of 5 years or the lease period of the premises, whichever is less.

2.4 Material items retired from active use are retained in the books at the lower of their net book value and net realizable value till they are disposed off.

They are eliminated from the books on disposal. The entire excess of sale proceeds over the net book value of Fixed Assets is credited to the Statement of Profit and Loss.

2.5 Expenditure on re-conditioning, re-siting and re-layout of Machinery and Equipment is not capitalised.

2.6 Cost of the initial pack of spares obtained along with the procurement of Plant, Machinery and Equipment is capitalised and depreciated in the same manner as Plant & Machinery.

3. Intangible Assets

3.1 The expenditure incurred on General Research and Development is charged to revenue in the year of incurrence. Development Expenditure financed by the Company and expenses incurred thereon on specific projects where the technical feasibility of the products has been demonstrated and the Company intends to produce and market the products are capitalised for amortisation over production in future years. In the event of the Company financed project(s) being foreclosed/ abandoned, the expenditure incurred up to the stage of foreclosure/ abandonment is charged off to revenue in the year of foreclosure/ abandonment.

3.2 Expenditure on training personnel/ foreign technicians' fees and expenses and other pre-production expenses, etc., specific to projects/products in the nature of Development Expenditure is amortised over production/ sales and to the extent not amortised, is carried forward.

3.3 Software internally developed/ acquired from an outside source for internal use, costing individually ₹1.00 Lakh and above and which is not an integral part of the related hardware, is recognized as an intangible asset in the Books of Account and is amortised over a period of three years, on straight



line method. Amortisation commences when the asset is available for use.

4. Tools and equipment

Expenditure on special purpose tools, jigs and fixtures including specific to projects/ products is initially capitalised for amortisation over production/ sales and to the extent not amortised is carried forward as an Asset. In-house Manufactured tools are capitalized at cost or realizable value whichever is less. Expenditure on maintenance, re-work, re-conditioning, periodical inspection, referencing of tooling, replenishing of cutting tools and work of similar nature is charged to revenue.

5. Impairment of Assets

The carrying amount of assets on the date of Balance Sheet is assessed and if the estimated recoverable amount is found less than the carrying amount, the impairment loss is recognized and provided.

6. Investments

6.1 Current investments are carried in the financial statements at the lower of cost and fair value determined on an individual investment basis.

6.2 Long-term investments are carried in the financial statements at cost. However, provision is made for diminution of permanent nature in the value of investment.

7. Deferred Debts

Unpaid installment payments together with interest thereon under deferred payment terms for the cost of imported material and tooling content/ DRE of the equipment/products sold are accounted as Deferred Debts from the customer and are recovered as and when the installments and interest thereon are paid.

8. Inventories

8.1 Inventories are valued at lower of cost and net realizable value. The cost of raw material,

components and stores are assigned by using the actual weighted average cost formula and those in transit at cost to date. In the case of stock-in-trade and work-in-progress, cost includes material, labour and related production overheads.

8.2 Miscellaneous Stores is valued at estimated realizable value.

8.3 Stationery, uniforms, welfare consumables, medical and canteen stores are charged off to revenue at the time of receipt.

8.4 Raw-materials, Components, Construction Materials, Loose Tools and Stores and Spare Parts declared surplus / unserviceable / redundant are charged to revenue.

8.5 Materials issued from main stores and lying unused at the end of the year are not brought back to stores.

8.6 Provision for redundancy is made in respect of closing inventory of Raw materials and Components, Stores and Spare parts, Construction Materials and Loose Tools non-moving for more than 5 years. Besides, where necessary, adequate provision is made for redundancy of such inventory in respect of completed/ specific projects and other surplus/ redundant materials pending transfer to salvage stores.

9. Trade Receivables

Disputed/time-barred debts from the Government departments are not treated as Doubtful Debts.

10. Claims on Suppliers / Underwriters / Carriers / Others

Claims on Suppliers / Customers / Underwriters / Carriers / others towards loss/ damages are accounted when claims are preferred. Disputed / time barred claims due from the Government Departments are not treated as doubtful claims.

11. Conversion of Foreign Currency

Liability for deferred payments including interest thereon, on supplies / services from the USSR



(erstwhile) is set up at the rate of exchange notified by the Reserve Bank of India, for deferred payments including interest thereon under the protocol arrangements between the Government of India and Government of Russia. In the case of other currencies, liability is set up at the ruling rate of exchange as on the date of Balance Sheet. The differences due to fluctuations in the rate of exchange are charged to revenue. In case of capital items, adjustments are made to the cost of the asset.

12. Provision for Current and Deferred Tax

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

13. Provisions, Contingent Liabilities And Contingent Assets

A provision is recognized when the company has a present obligation as a result of past event, and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect current best estimates. Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the Financial Statements.

14. Warranty

Warranty on goods sold, wherever applicable, commences on setting up of sales and accordingly

provision for such warranty is made. The period and terms conditions of warranty shall be as per the relevant contract.

15. Sales

- 15.1 In the case of products requiring proof tests, sale is accounted for, on the basis of quantity accepted after Proof Tests.
- 15.2 In the case of all other products, sale is accounted for, on the basis of acceptance/ actual despatch.
- 15.3 Where Sale Prices are not established, sales are set up on provisional basis at prices likely to be realized.
- 15.4 Sale value excludes Sales Tax/ VAT but includes Excise Duty and Service Tax.

16. Employee Benefits

Short term Employee Benefits:

- 16.1 Short-term employee benefits such as salaries, wages and short-term compensated absences are recognised as an expense at the undiscounted amount in the Statement of Profit and Loss of the year in which the related service is rendered.

Defined Contribution Plans:

- 16.2 The Company's contribution paid/ payable to company approved Retired Employee Medical Scheme (REMI), Death Relief Fund (DRF), Employee State Insurance Scheme (ESI), contribution towards Provident Fund under the PF Act and Pension Scheme are charged to revenue.

Defined Benefit Plans

- 16.3 The Company's Gratuity, Leave Salary Schemes are Defined Benefit Plans. The present value of the obligation towards Gratuity is determined based on actuarial valuation using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each estimated future cash flows. Actuarial gains and



losses are recognized in Statement of Profit and Loss.

16.4 The present value of obligation towards Leave Salary is provided on Actuarial basis. Actuarial gains and losses are recognized in Statement of Profit and Loss.

16.5 Compensation paid to Employees under Voluntary Retirement Scheme (VRS) is charged to Statement of Profit and Loss in the year of retirement.

17. Depreciation

Depreciation on Fixed Assets is charged on 'Straight Line' method. The rate of depreciation is derived by spreading the cost of the asset over its

expected life, except in the case of township buildings, where the rate adopted is as per the guidelines issued by the Department of Public Enterprises. Depreciation is calculated on and from 01 Apr 1991 on all additions made from the date the asset is put to use/brought on charge. Rates of depreciation prescribed in Schedule XIV of the Companies Act, 1956, are not adopted. The rates adopted are not less than those prescribed in the said Schedule.

18. Under / Over Absorption of Costs

Adjustment is not made for under / over absorption of labour and overhead costs on jobs, if the extent of under / over recovery in a year does not exceed 0.5% of such costs.

Note 1 to 28 and Accounting Policies attached form part of accounts.

As per our report of even date.

For D.V. RAMANA RAO & CO.,

Chartered Accountants
Registration No.0029185

For and on behalf of the Board

P NAGESH (M. NO. 203162)

Partner

SV SUBBA RAO

Director (Finance)

S.N. MANTHA

Chairman and Managing Director

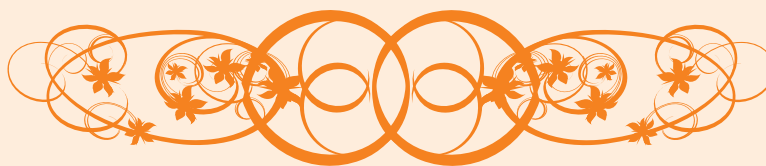
Place: Hyderabad
Date: 02 Aug 2013

Place: Hyderabad
Date : 02 Aug 2013

M. LAKSHMI NARAYANA
Company Secretary



Annual Accounts ➡ 2012-13



**BALANCE SHEET AS AT 31 MAR 2013**

(₹ Lakh)

Particulars	Note No.	As at 31 Mar 2013		As at 31 Mar 2012	
EQUITY AND LIABILITIES					
Shareholders' Funds					
(a) Share Capital	1	11500.00		11500.00	
(b) Reserves and Surplus	2	83829.86	95329.86	61738.30	73238.30
Non-Current Liabilities					
(a) Long Term Liabilities	3	4694.28		4889.88	
(b) Long-term provisions	4	6273.34	10967.62	4966.51	9856.39
Current Liabilities					
(a) Trade Payables	5	31944.23		16285.73	
(b) Other Current Liabilities	6	572405.31		522295.59	
(c) Short Term Provisions	7	16468.95		20041.03	
			620818.49		558622.35
TOTAL			727115.97		641717.04
ASSETS					
Non-Current Assets					
(a) Fixed Assets					
(i) Tangible Assets	8	26733.09		19495.16	
(ii) Intangible Assets	8	1067.38		1672.10	
(iii) Capital Work-in-progress	9	6326.42		3924.98	
(iv) Intangible Assets under development	9	626.16		622.16	
(b) Non-Current Investments	10	53.60		53.60	
(c) Deferred Tax Assets (Net)	11	4129.21		5444.73	
(d) Long Term Loans and Advances	12	1338.76		1230.42	
(e) Other Non-current assets	13	4564.59		4754.79	
			44839.21		37197.94
Current Assets					
(a) Inventories	14	100653.35		60257.12	
(b) Trade Receivables	15	28154.73		8839.19	
(c) Cash and cash equivalents	16	396225.56		429507.98	
(d) Short Term Loans and Advances	17	144684.46		95013.06	
(e) Other Current Assets	18	12558.66		10901.75	
			682276.76		604519.10
TOTAL			727115.97		641717.04

Accounting Policies and Notes attached form part of Financial Statements.

As per our report of even date.
for D.V. RAMANA RAO & CO.,
Chartered Accountants
Firm's Registration No.0029185

For and on behalf of the Board.

P. NAGESH (M.No.203162)
Partner

SV SUBBA RAO
Director (Finance)

SN MANTHA
Chairman and Managing Director

Place: Hyderabad
Date: 02 Aug 2013

Place: Hyderabad
Date: 02 Aug 2013

M LAKSHMI NARAYANA
Company Secretary

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MAR 2013**

(₹ Lakh)

Particulars	Note No.	Current Year		Previous Year	
I Revenue from Operations	19		107471.01		95912.17
Less: Excise Duty			(43.65)		74.69
Service Tax			313.39		267.34
Net Revenue from Operations			107201.27		95570.14
II Other Income	20		52262.19		46271.77
III Total Revenue			159463.46		141841.91
IV Expenses:					
Cost of materials consumed	21		77957.20		63353.03
Direct Expenses			90.69		65.17
Changes in inventories of Finished Goods, Work-in-progress, Stock-in-Trade	22		(10080.86)		(3381.98)
Employee Benefits Expense	23		25898.50		24032.12
Finance Costs			36.11		19.92
Depreciation and Amortisation expense	8		4119.79		5024.65
Other Expenses	24		16970.65		10686.16
Provisions	25		3476.07		8441.65
Total Expenses (Gross)			118468.15		108240.72
Less: Expenses relating to Capital Accounts	26		911.03		1218.03
Total Expenses (Net)			117557.12		107022.69
V Profit Before Tax (III-IV)			41906.34		34819.22
VI Tax Expense					
Current Tax - Earlier years		(90.46)		32.02	
Current year		11840.98		13887.96	
Deferred Tax		1315.52		(2596.64)	
			13066.04		11323.34
VII Profit (Loss) for the period (V-VI)			28840.30		23495.8
VIII Earnings Per Equity Share of Face Value					
₹1000/- each:					
Basic and Diluted	27		2507.85		2043.12

Accounting Policies and Notes attached form part of Financial Statements.

As per our report of even date.
for D.V. RAMANA RAO & CO.,
Chartered Accountants
Firm's Registration No.0029185

For and on behalf of the Board.

P. NAGESH (M.No.203162)
Partner

SV SUBBA RAO
Director (Finance)

SN MANTHA
Chairman and Managing Director

Place: Hyderabad
Date: 02 Aug 2013

Place: Hyderabad
Date: 02 Aug 2013

M LAKSHMI NARAYANA
Company Secretary



Notes forming part of Financial Statements as at 31 Mar 2013

(₹ Lakh)

Note No.	Particulars	As at 31 Mar 2013	As at 31 Mar 2012
1	SHARE CAPITAL		
	Authorised		
	12,50,000 Equity Shares of ₹1,000/- each	12500.00	12500.00
	Issued, Subscribed and paid up		
	11,50,000 Equity Shares of ₹1,000/- each fully paid	11500.00	11500.00
		11500.00	11500.00
	Details of Shareholders holding more than 5 % shares	100% shares are held by Government of India	100% shares are held by Government of India
2	RESERVES AND SURPLUS		
	Capital Reserve		
	As per last Balance Sheet	19.56	19.53
	Add: Additions during the year	2.04	0.03
	Closing Balance as on the date of Balance Sheet	21.60	19.56
	General Reserve		
	As per last Balance Sheet	61641.66	43641.66
	Add: Transfer from Statement of Profit and Loss	22100.00	18000.00
	Closing Balance as on the date of Balance Sheet	83741.66	61641.66
	Surplus		
	As per last Balance Sheet	77.08	43.75
	Add: Transfer from Statement of Profit and Loss	28840.30	23495.88
		28917.38	23539.63
	Less: Appropriations		
	Proposed Dividend	5768.40	4700.05
	Tax on Proposed Dividend	980.34	762.47
	Transfer to Capital Reserve	2.04	0.03
	Transfer to General Reserve	22100.00	18000.00
	Closing Balance as on the date of Balance Sheet	66.60	77.08
		83829.86	61738.30
2.1	Capital Reserve includes value of Assets transferred free of cost by customers during the year taken at nominal value (in ₹)	71	1
3	LONG-TERM LIABILITIES		
	Trade Payables - Deferred Credit towards 45 years Component	4694.28	4889.88
		4694.28	4889.88
4	LONG-TERM PROVISIONS		
	Provision for Employees' Benefits		
	Post Superannuation Medical Benefits	937.05	414.76
	Accrued Leave	5336.29	4551.75
		6273.34	4966.51



Notes forming part of Financial Statements as at 31 Mar 2013

(₹ Lakh)

Note No.	Particulars	As at 31 Mar 2013		As at 31 Mar 2012	
5	TRADE PAYABLES				
	Micro, Small and Medium Enterprises		669.40		210.14
	Current maturity of Deferred Liabilities		262.78		262.78
	Other Trade Payables		31012.05		15812.81
			31944.23		16285.73
5.1	Information under Micro, Small & Medium Enterprises Development Act:				
(i)	Principal Amount and interest due thereon remaining unpaid to suppliers at the end of the year.		669.40		210.14
(ii)	Amount of Interest paid during the year along with the amount of payment made to the suppliers beyond the appointed date during the accounting year.		-		-
(iii)	Amount of Interest due and payable for the period of delay in making payment. (Payments which have been made beyond the appointed date without adding the interest specified in the Act.)		2.41		2.35
6	OTHER CURRENT LIABILITIES				
	Advances from Government of India		489906.08		441754.27
	Other Advances		63399.82		65511.14
	Deposits		1051.25		699.02
	Other Liabilities		18048.16		14331.16
			572405.31		522295.59
7	SHORT TERM PROVISIONS.				
	Provision for Employee Benefits				
	Provision for Accrued Leave		316.41		302.89
	Other Provisions				
	Warranty		2494.89		1616.15
	Liquidated Damages		6430.94		12519.43
	Proposed Dividend		5768.40		4700.05
	Tax on proposed dividend		980.34		762.47
	Corporate Social Responsibility		477.97		140.04
			16468.95		20041.03



Notes forming part of Financial Statements as at 31 Mar 2013

8. FIXED ASSETS

(₹ Lakh)

Particulars	Gross Block			Depreciation / Amortisation				Net Block		
	Cost as at the beginning of the year	Additions/ adjustments during the year	Deductions/ adjustments during the year	Total Cost as at the end of the year	Accumulated Depreciation/ Amortisation as at the beginning of the year	Depreciation/ Amortisation for the year \$	Deductions/ Adjustments during the year	Accumulated Depreciation/ Amortisation as at the end of the year	As at 31 Mar 2013	As at 31 Mar 2012
Tangible Assets										
Land - Free Hold@	3167.08	1136.13	-0.07	4303.14					4303.14	3167.08
- Lease Hold\$	3776.60	145.87	0.00	3922.47					3922.47	3776.60
Buildings *	8663.49	190.20	0.00	8853.69	4215.11	249.97	0.00	4465.08	4388.61	4448.38
Fencing and										
Compound Walls	591.97	330.22	0.00	922.19	331.54	33.01	0.00	364.55	557.64	260.43
Roads and Drains	748.11	205.82	0.00	953.93	454.20	33.94	0.00	488.14	465.79	293.91
Water Supply										
Installations	603.24	40.87	0.00	644.11	560.48	11.94	0.00	572.42	71.69	42.76
Plant, Machinery and Equipment #	22373.81	3796.78	-2846.92	23323.67	16644.81	1157.15	-1759.85	16042.11	7281.56	5729.00
Furniture and Equipment	1388.98	239.97	2552.48	4181.43	1009.92	264.70	1759.71	3034.33	1147.10	379.06
Transport Vehicles										
Vehicles	470.29	56.15	-21.88	504.56	275.59	42.95	-21.88	296.66	207.90	194.70
Special Tools & Equipment	10813.50	4284.88	-0.16	15098.22	9610.27	532.64	568.12	10711.03	4387.19	1203.23
Total	52597.07	10426.89	-316.55	62707.41	33101.92	2326.30	546.10	35974.32	26733.09	19495.15
Previous Year										
Intangible Assets										
Development Expenditure	41851.13	11211.47	-465.53	52597.07	31881.92	1682.95	-462.96	33101.91	19495.16	9969.21
Computer Software										
	7641.92	549.26	0.00	8191.18	6053.85	1722.44	-568.12	7208.17	983.01	1588.07
	185.20	71.39	0.00	256.59	101.17	71.05	0.00	172.22	84.37	84.03
Total	7827.12	620.65	0.00	8447.77	6155.02	1793.49	-568.12	7380.39	1067.38	1672.10
Previous Year	6957.17	869.95	0.00	7827.12	2813.32	3341.70	0.00	6155.02	1672.10	4143.86
Grand Total	60424.19	11047.54	-316.55	71155.18	39256.94	4119.79	-22.02	43354.71	27800.47	21167.25
Previous Year	48808.30	12081.42	-465.53	60424.19	34695.24	5024.65	-462.96	39256.93	21167.26	14113.07

@ (i) Includes 5 Acres and 01 Gunta of land given on lease to a Government of India Organisation and is in their possession and also Includes 2 Acres and 08 Guntas of land given on permissive possession to a Government of India Organisation and is in their possession.

(ii) Pending receipt of instruments of transfer in respect of 244 Acres and 37 Guntas of land (previous year 356 Acres and 24 Guntas), including 151 Acres 33 Guntas received free of cost from State Government, land has been capitalised for an amount of ₹397.79 Lakh (previous year ₹443.41 Lakh) as the amount has already been paid/ provided by the Company.

(iii) ₹3857.95 Lakh is paid for Acres 632-18 Guntas of land at Ibrahimpatnam. Pending receipt of instruments of transfer in respect of Acres 590-22.50 Guntas of land for which possession is taken and the proportionate value of ₹3602.43 Lakh is capitalised.

\$ (i) ₹3922.47 Lakh towards 553.85 Acres of Leasehold land at Amravathi from MIDC is capitalised after taking possession of land pending execution of lease agreement. No Amortisation is made pending execution of Lease Agreement.

* Includes ₹111.01 Lakh (Previous Year ₹111.01 Lakh) being the value of buildings constructed on land not belonging to the Company.

Includes material items of Gross Value ₹93.93 Lakh (Previous Year ₹70.18 Lakh) retired from active use.

Assets transferred free of cost by Government taken at nominal value Current Year ₹71 (Previous Year ₹1)

BDL has taken 3.63 Acres of land at Vizag on lease agreement with Navy (INS-Dega).



Notes forming part of Financial Statements as at 31 Mar 2013

(₹ Lakh)

Note No.	Particulars	As at 31 Mar 2013	As at 31 Mar 2012
8.1	Rates of depreciation specified in Schedule XIV of the Companies Act, 1956 have not been followed as the rates followed by the Company are higher. However the effect on profit due to this is not ascertainable. The percentage of depreciation adopted other than Schedule XIV rates are as under: (a) Buildings: 3.50/8.00/2.00/4.00/13.00 (b) Plant & Machinery: 13.00/15.00/17.00 (c) Furniture, Fixtures and other equipment: 6.50/13.00/15.00		
9	CAPITAL WIP AND INTANGIBLE ASSETS UNDER DEVELOPMENT Capital WIP Intangible Assets under development	6326.42 626.16 6952.58	3924.98 622.16 4547.14
9.1	Capital Work-in-Progress includes ₹40.09 Lakh (previous year ₹40.09 Lakh) of buildings kept in abeyance. Subsequent to the report of the Dy. Collector and Tahasildar, the Company has obtained Survey report from Asst. Director, Survey Settlement and Land Records, R.R District. In order to proceed further, the company is in the process of obtaining clearances from environmental authorities. Necessary adjustments would be carried out in the books on receipt of clearance from environmental and other authorities.		
10	NON-CURRENT INVESTMENTS AT COST (NON-TRADE/UN-QUOTED) 9,21,920 (Including 3,85,920 Bonus Shares) fully paid-up Equity Shares of ₹10/- each of A.P. Gas Power Corporation Limited	53.60 53.60	53.60 53.60
11	DEFERRED TAX ASSETS (NET) Break-up of Deferred Tax Assets and Deferred Tax Liabilities (As per Accounting Standard 22) is as given below: <u>Deferred Tax Assets</u> a) Provisions b) Sec.43B Disallowances c) Depreciation & related items <u>Deferred Tax Liabilities</u> a) Depreciation & related items b) Development Expenditure Net Deferred Tax Asset/(Liability)	3887.19 1493.91 22.55 5403.65 0.00 1274.44 1274.44 4129.21	5267.83 1274.01 62.85 6604.69 0.00 1159.96 1159.96 5444.73
12	LONG TERM LOANS AND ADVANCES a) Secured, Considered Good Loans and advances-Employees b) Unsecured, Considered Good Capital Advances Loans and advances-Employees	304.44 915.81 118.51 1338.76	214.97 924.98 90.47 1230.42



Notes forming part of Financial Statements as at 31 Mar 2013

(₹ Lakh)

Note No.	Particulars	As at 31 Mar 2013		As at 31 Mar 2012	
13	OTHER NON-CURRENT ASSETS Unsecured, considered Good Deferred Debts		4564.59		4754.79
			4564.59		4754.79
14	INVENTORIES* (As Certified by Management)				
	Raw Materials and Components	54151.81		35193.30	
	Less: Provision for Redundancy	655.26		545.63	
	GIT of Raw Materials and Components	14550.58		2951.22	
			68047.13		37598.89
	Work-in-progress	31275.72		21244.00	
	Less: Provision for Redundancy	84.21		53.66	
			31191.51		21190.34
	Finished Goods	202.43		153.29	
	Less: Provision for Redundancy	16.23		15.09	
			186.20		138.20
	Stores and Spare Parts	686.93		801.84	
	Less: Provision for Redundancy	162.03		152.41	
	GIT of Stores and Spare Parts	13.27		16.00	
			538.17		665.43
	Loose Tools	751.42		805.11	
	Less: Provision for Redundancy	137.26		193.97	
	GIT of Loose Tools	30.62		8.21	
			644.78		619.35
	Others				
	Construction Materials	20.69		21.95	
	Less: Provision for Redundancy	1.26		1.26	
	GIT of Construction Materials	3.26		-	
			22.69		20.69
	Stores & Equipment - Welfare	226.93		204.56	
	Less: Amortisation	223.90		199.14	
			3.03		5.42
	Miscellaneous Stores		19.84		18.80
			100653.35		60257.12
	* Includes Material issued to Sub-contractors/Others		9183.85		3523.39
15	TRADE RECEIVABLES Unsecured - Considered good Debts outstanding for a period exceeding six months		5140.87		1980.51
	Other Debts				
	Customers		22958.21		6603.16
	Current maturities of Deferred Debts		55.65		255.52
			28154.73		8839.19
15.1	The practice of adjustment of trade receivables against the available advances from the same customers hitherto followed is dispensed with for better presentation. The effect of this change on trade receivables and advances from customers is ₹181.26 Crore (increase) as on 31 Mar 2013.				



Notes forming part of Financial Statements as at 31 Mar 2013

(₹ Lakh)

Note No.	Particulars	As at 31 Mar 2013		As at 31 Mar 2012	
16	CASH AND CASH EQUIVALENTS				
	Balances with Banks in:				
	Current Accounts	4025.52		2200.46	
	Short Term Deposits	392198.40		427300.90	
			396223.92		429501.36
	Cash on hand		0.84		5.77
	Cash with Imprest Holders		0.80		0.85
			396225.56		429507.98
17	SHORT-TERM LOANS AND ADVANCES				
	a) Secured, considered good				
	Loans and advances to related parties		-		-
	Goods and Services		18947.83		11785.0
	b) Unsecured, considered good				
	Loans and Advances to related parties		-		-
	Goods and Services	120409.74		79460.26	
	Less: Provision for doubtful advances	0.41		0.41	
			120409.33		79459.85
	Employees		53.59		66.90
	Claims receivable	1891.41		2151.00	
	Less: Provision for doubtful claims	21.47		61.77	
			1869.94		2089.23
	Prepaid expenses		55.86		53.15
	Deposits		338.46		202.49
	Advance Income Tax (Net)		1445.77		156.81
	Advance Service Tax		1563.35		1199.55
	Service Tax Receivable		0.33		-
			144684.46		95013.06
18	OTHER CURRENT ASSETS				
	Interest Accrued but not due				
	- Short term deposits		12529.30		10848.16
	- Others		29.36		53.59
			12558.66		10901.75



Notes forming part of Financial Statements for the year ended 31 Mar 2013

(₹ Lakh)

Note No.	Particulars	As at 31 Mar 2013		As at 31 Mar 2012	
19	REVENUE FROM OPERATIONS				
	Sale of Products				
	Finished Goods	100033.20		86626.92	
	Spares	2781.98		3751.81	
	Miscellaneous	1902.61		2106.84	
			104717.79		92485.57
	Sale of Services				
	Repairs and Overhauls	451.15		918.06	
	Training	-		10.80	
	Job Works	1926.65		2497.74	
			2377.80		3426.60
	Other Operating Revenues				
	Sale of Scrap		16.98		-
	Others		499.20		-
	Prior Period Items		(140.76)		-
	Gross Revenue from Operations		107471.01		95912.17
20	OTHER INCOME				
	Interest on :				
	Short Term Deposits		41654.35		40281.93
	Sundry Advances - Employees and Others		48.16		60.86
	Other Deposits		55.54		6.53
	Transportation - Employees		15.95		15.68
	Disposal of Surplus / unserviceable stores		0.07		31.42
	Township		141.93		140.24
	Profit on sale of Assets (Net)		10.17		47.48
	Provision no longer required written back		0.00		0.00
	Liquidated Damages Provision	6246.59		1,989.09	
	Warranty Provision	821.57		869.33	
	Redundancy Provision	531.22		428.69	
	CSR Provision	131.99		-	
	Others	40.30		0.88	
			7771.67		3287.99
	Liability Written back		139.16		65.96
	Liquidated Damages recovered from suppliers		1908.79		2181.69
	Net gain on foreign currency transactions		293.97		60.11
	Miscellaneous		222.43		91.88
			52262.19		46271.77
21	COST OF MATERIALS CONSUMED				
	Opening Stock		36822.21		30913.08
	Add: Purchases		115069.78		74618.22
			151891.99		105531.30
	Less: Closing Stock		55610.85		36822.21
			96281.14		68709.09
	Less:				
	Stores consumed on		24.68		63.57
	Deferred Revenue Expenditure		3.58		14.94
	Tools and Jigs		-		1.36
	Capital Works		18295.68		5276.19
	Expenses Accounts and Other Assets		18323.94		5356.06
			77957.20		63353.03
22	Changes in inventories of finished goods and Work-in-progress (Increase) / Decrease				
	Opening Balance				
	(i) Work-in-progress		21244.00		17864.70
	(ii) Finished goods		153.29		150.61
			21397.29		18015.31
	Closing Balance				
	(i) Work-in-progress		31275.72		21244.00
	(ii) Finished goods		202.43		153.29
			31478.15		21397.29
	(Increase)/Decrease		(10080.86)		(3381.98)



Notes forming part of Financial Statements for the year ended 31 Mar 2013

(₹ Lakh)

Note No.	Particulars	Current Year		Previous Year	
23	EMPLOYEE BENEFIT EXPENSES				
	Salaries and Wages				
	Salaries and Wages		22656.77		20867.72
	Contribution to Provident and Other Funds		2162.64		2200.95
	Staff welfare expenses		1079.09		963.45
			25898.50		24032.12
23.1	Remuneration paid to whole time Directors		135.02		97.38
23.2	As per the provisions of Revised Accounting Standard 15 the following information is disclosed in respect of Gratuity		31 Mar 2013		31 Mar 2012
1	Assumptions				
a)	Discount Rate (per annum)		8.00%		8.00%
b)	Salary Escalation (per annum)		6.00%		6.00%
2	Table Showing the Changes in the present value of the Obligation				
a)	Present value of Obligation at the beginning of the year		8807.24		8004.54
b)	Interest Cost		704.58		640.36
c)	Current Service Cost		267.72		294.36
d)	Benefits Paid - Actuals		621.73		687.42
e)	Expected Liability at the year end		9157.81		8251.84
f)	Present value of Obligation at the end of the year		9507.50		8807.24
g)	Actuarial gain / (loss)		(349.69)		(555.40)
3	Changes in fair value of the Plan Assets				
a)	Fair value of plan assets at the beginning of the year		8714.34		7002.92
b)	Expected return on plan assets		789.88		748.49
c)	Contributions		625.00		1650.35
d)	Benefits Paid		621.73		687.42
e)	Actuarial gain / (loss) on plan assets		-		0.00
f)	Fair value of plan assets at the end of the year		9507.49		8714.34
4	Table showing fair value of Plan Assets				
a)	Fair value of plan assets at the beginning of the year		8714.34		7002.92
b)	Actual return on plan assets		789.88		748.49
c)	Contributions		625.00		1650.35
d)	Benefits Paid		621.73		687.42
e)	Fair value of plan assets at the end of the year		9507.49		8714.34
f)	Funded Status		(0.01)		(92.90)
g)	Excess of Actual over estimated return on plan assets		-		-
5	Actuarial Loss or Gain recognised				
a)	Actuarial Loss for the year - Obligation		(349.69)		(555.40)
b)	Actuarial Loss for the year - Plan Assets		-		0.00
c)	Total Loss for the year		(349.69)		(555.40)
d)	Actuarial Loss recognised		(349.69)		(555.40)
6	Amount to be recognised in the Balance Sheet				
a)	Present value of the Obligations at the end of the year		9507.50		8807.24
b)	Fair value of plan assets at the end of the year		9507.49		8714.34
c)	Funded Status		(0.01)		(92.90)
d)	Net Liability / Asset recognised in the Balance Sheet		(0.01)		(92.90)
7	Expenses recognised in the statement of P&L				
a)	Current Service Cost		267.72		294.36
b)	Interest Cost		704.58		640.36
c)	Expected return on Plan Assets		789.88		748.49
d)	Net actuarial gain / (loss) recognised in the year		(349.69)		(555.40)
e)	Expenses recognised in P&L a/c		532.11		741.63



Notes forming part of Financial Statements for the year ended 31 Mar 2013

(₹ Lakh)

Note No.	Particulars	Current Year		Previous Year	
23.3	Compensated Absences The Actuarial Liability of Accumulated absences of the employees of the Company		5,652.70		4,854.64
	Discounting Rate		8.00%		8.00%
	Salary escalation Rate		6.00%		6.00%
	Retirement Age		60 years		60 years
23.4	Post Retirement Medical Scheme Contributions made during the year		10.13		11.02
23.5	Contribution to Post Superannuation Medical benefits pending finalisation of the improvements to the existing Scheme included in Long Term Provisions (Note 4) and Provisions (Note 25)		522.29		118.75
24	OTHER EXPENSES				
	Shop Supplies		499.53		568.68
	Power and Fuel		1273.31		906.49
	Water Charges		362.19		222.77
	Travelling #		800.73		698.44
	Repairs:				
	Buildings		958.18		830.32
	Plant, Machinery and Equipment		766.46		615.51
	Furniture and Equipment		5.26		9.53
	Vehicles		15.81		15.74
	Others		159.40		1.87
	Vehicle Expenses - Petrol and Diesel		57.44		61.43
	Loose Tools and Equipment		323.99		174.55
	Insurance		111.75		104.29
	Rates and Taxes		86.24		87.23
	Postage, Telegrams, Telex and Telephones		132.81		115.25
	Printing and Stationery		92.76		87.43
	Publicity		256.13		114.55
	Advertisement		256.55		132.29
	Bank Charges		93.51		99.20
	Legal Expenses		2.46		3.37
	Donations		-		0.10
	Write offs:				
	Stores		38.31		-
	Bad and Doubtful Debts		4.12		-
	Others		45.82		2.28
	Auditors' Remuneration:				
	Statutory Audit fees		3.50		3.50
	Tax Audit fees		0.20		0.20
	Service Tax		0.46		0.46
	Documentation fees and expenses		0.00		0.22
	Loss on Sale of Assets (Net)		-		-
	Security Arrangements		2086.27		1769.23
	Liquidated Damages		6358.06		2009.20
	Computer Software and Development		1.04		2.45
	Entertainment		1.05		0.39
	Courtesy		79.00		96.61
	Sitting Fee paid to Directors		4.60		3.55
	Sitting Fee paid to Independent External Monitors		2.36		1.50
	CSR Expenditure		131.99		-
	Miscellaneous Operating Expenses		1912.23		1941.91
	Prior Period Items		47.13		5.62
			16970.65		10686.16
# 24.1	Includes Directors' Travelling Expenses		74.18		113.51



Notes forming part of Financial Statements for the year ended 31 Mar 2013

(₹ Lakh)

Note No.	Particulars	Current Year		Previous Year	
25	PROVISIONS Replacement and other charges, Warranty and Batch Rejections Redundancy Provision Liquidated Damages Post-Superannuation Medical Benefits Corporate Social Responsibility		1700.30 625.45 158.11 522.29 469.92 3476.07		820.14 548.54 6814.18 118.75 140.04 8441.65
26	EXPENSES RELATING TO CAPITAL AND OTHER ACCOUNTS Deferred Revenue Expenditure Tools and Jigs Others		370.93 440.23 99.87 911.03		402.05 510.64 305.34 1218.03
27	Earnings Per Share : Earnings per Share (Basic) calculated as per AS-20 Net Profit After Tax Number of Equity Shares of Face Value of ₹1000/- each fully paid up Basic and Diluted Earnings Per Share (₹) There are no dilutive potential Equity Shares		28840.30 1150000 2507.85		23495.88 1150000 2043.12
28	Mandatory Disclosures				
28.01	Contingent Liabilities Not Provided for: Outstanding Letters of Credit and Guarantees: (i) Letters of Credit (ii) Guarantees and Counter Guarantees		11235.39 11.89		22367.88 11.89
	Total		11247.28		22379.77
28.02	Claims / Demands against the Company not acknowledged as Debt: (i) Sales Tax (ii) Service Tax (iii) Others		14449.88 89.89 3389.04		14449.88 89.89 380.19
	Total		17928.81		14919.96
28.03	Estimated amount of contracts remaining to be executed on Capital Account and not provided for, is		5382.04		8209.41
28.04	General Exemption has been granted by the Government vide Notification No S.O.301 (E) dated 08 Feb 2011 from compliance with the provisions contained in para 3(i)(a), 3(ii)(a), 3(ii)((d), 4-C, 4-D(a) to (e) except (d) of Part-II of Schedule VI to the Companies Act,1956.				
28.05	Disclosures as per Accounting Standards: Prior Period Transactions (AS-5) which are over ₹1.00 Lakh in each case are considered as such and disclosed in the Accounts. The effect of such transactions on the profit for the year is ₹99.82 Lakh Decrease (Previous Year ₹5.62 Lakh decrease) as detailed :				

SI No.	Particulars	Note No.	Current Year		Previous Year	
			Debit	Credit	Debit	Credit
1	Sales	19	-	-140.76	-	-
2	Depreciation	9	-49.46	-	-	-
3	Direct Expenses		-38.61	-	-	-
4	Other Expense	24	47.13	-	5.62	-
	Total		(40.94)	(140.76)	5.62	0.00
	Net effect on Profit--> Increase/(decrease)			(99.82)		(5.62)



Notes forming part of Financial Statements for the year ended 31 Mar 2013

(₹ Lakh)

[illegible]



Notes forming part of Financial Statements for the year ended 31 Mar 2013

(₹ Lakh)

28.11	Provisions and Contingent Liabilities - disclosure as required by AS 29 is furnished below:					
	Current Year					
Sl. No.	Nature of Provision	Opening Balance	Provision made during the year	Utilisation during the year	Reversal during the year	Closing Balance
1.	Warranty	1616.16	1700.30	0.00	821.57	2494.89
2.	Liquidated Damages	12519.43	158.11	3822.04	2424.55	6430.94
3.	Post-Superannuation Medical Benefits	414.76	522.29	0.00		937.05
4.	Redundancy	962.02	625.45	38.31	492.91	1056.25
5.	Doubtful Advances/Claims	62.18		40.30		21.88
6.	Corporate Social Responsibility	140.04	469.92	131.99		477.97
		15714.59	3476.07	4032.64	3739.03	11418.98
	Previous Year					
Sl. No.	Nature of Provision	Opening Balance	Provision made during the year	Utilisation during the year	Reversal during the year	Closing Balance
1.	Warranty	1669.23	820.15	-	873.22	1616.16
2.	Liquidated Damages	7690.45	6814.18	1868.00	117.20	12519.43
3.	Post-Superannuation Medical Benefits	296.02	118.74	-	-	414.76
4.	Redundancy	839.02	548.54	0.00	425.54	962.02
5.	Doubtful Advances/Claims	66.21	-	-	4.03	62.18
6.	Corporate Social Responsibility	0.00	155.11	15.07	-	140.04
		10560.93	8456.72	1883.07	1419.99	15714.59
28.12(a)	Contingent Liabilities referred to in Note 28.01 and 28.02 are dependent upon terms of contractual obligations, devolvement, raising of demand by concerned parties and the outcome of court/arbitration/ out of court settlement / disposal of appeals.					
	Other Disclosures					
	In case of a supplier, the Company initiated legal action for recovery of advance amount of ₹17.19 lakh with interest etc., as the Contract was not executed. Though District Court issued a decree for an amount of ₹48.10 Lakh together with interest etc., in favour of the Company, the decretal amount has not been recognised as claims receivable / income since the supplier was granted stay of operation of the decree by Hon'ble High Court and the matter is sub-judice as on date.					
(b)	In case of another supplier, the Company has initiated legal action for recovery of advance amount of ₹4.45 lakh with interest, being amount paid towards material purchases, which were subsequently rejected and taken back by the supplier but failed to supply the correct material. The case is pending in City Civil Court, Hyderabad and the matter is sub-judice as on date.					
28.13	Letters requesting Confirmation of Balances have been sent in respect of Debtors, Creditors, Claims Receivable, Materials with Contractors / Sub-Contractors, Advances, Deposits and others. Based on the replies wherever received, reconciliations / provisions / adjustments are made as considered necessary.					
28.14	Out of the advances of ₹42454.91 Lakh (previous year ₹42454.91 Lakh) received from the customers, in respect of three contracts which are shortclosed, the Company has made payments to suppliers for procurement of Special Tools					



Notes forming part of Financial Statements for the year ended 31 Mar 2013

(₹ Lakh)

	and Equipment and inventory. Against these payments, Special Tools and Equipment (Note 8) include an amount of ₹114.05 Lakh (previous year ₹114.05 Lakh), Current Assets, Loans and Advances (Notes 14 to 18) include an amount of ₹11014.16 Lakh (previous year ₹11014.16 Lakh) in suppliers account and ₹8269.07 Lakh (previous year ₹8574.88 Lakh) in inventory account, total amounting to ₹19397.28 Lakh (previous year ₹19703.09 Lakh). As these assets had been acquired/expenditure had been incurred by the company based on firm orders and out of the funds provided by the customer, no loss devolves on the company on account of long outstanding advances and non-moving Special Tools and Inventory. Hence, no provision is considered necessary. Further, in respect of these shortclosed contracts, the company approached the customers for compensation of ₹2,787.00 Lakh (Prev. Year ₹8,664.00 lakh) being the net amount of expenditure after adjustment of the available advance. Hence, for want of finalisation of the amount from the Government/ Customers, no claim/ impact on profit has been accounted in the books.
28.15	During the current financial year some of the accounting policies which were framed long back were changed/ deleted as some of them were in the nature of accounting instruction, a few were more detailed than required, a few required amplification. The net effect of such changes on the profit for the year is ₹3.90 lakh.
28.16	Previous year figures have been regrouped or rearranged wherever necessary. Negative figures are indicated in parenthesis.

Note Nos. 1 to 28 and Accounting Policies attached form part of Financial Statements

For D.V. RAMANA RAO & CO.,

Chartered Accountants
Registration No.0029185

For and on behalf of the Board

P NAGESH (M. NO. 203162)

Partner

SV SUBBA RAO

Director (Finance)

SN MANTHA

Chairman and Managing Director

Place: Hyderabad
Date: 02 Aug 2013

Place: Hyderabad
Date : 02 Aug 2013

M LAKSHMI NARAYANA
Company Secretary

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MAR 2013**

(₹ Lakh)

Particulars	31 MAR 2013		31 MAR 2012	
A. CASH FLOW FROM OPERATING ACTIVITIES:				
Net Profit Before Tax and Extraordinary items		41906.34		34819.22
Adjustments for:				
Depreciation and amortisation	4097.77		4561.69	
Interest income	(41758.05)		(40349.32)	
Interest expense	36.11		19.92	
Operating Profit Before Working Capital Changes	4282.17		(948.49)	
(Increase)/Decrease in trade receivables	(19315.54)		(4324.60)	
(Increase)/Decrease in inventories	(40396.23)		(10038.00)	
(Increase)/Decrease in loans and advances				
(excluding advance tax and interest accrued)	(48300.57)		(70867.37)	
Increase/(Decrease) in sundry creditors, liabilities & provisions	62021.15		109874.57	
Cash generated from operations		(41709.02)		23696.11
Income taxes paid		(13801.95)		(13907.57)
Cash flow before extraordinary item	-	(55510.97)		9788.54
Proceeds from extra-ordinary items	-		-	
Net cash from operating activities (A)		(55510.97)		9788.54
B. CASH FLOWS FROM INVESTING ACTIVITIES:				
Purchase of fixed assets	(13485.17)		(14002.94)	
Proceeds from sale of assets	348.74		50.05	
Interest received	40101.14		33908.89	
Net cash from investing activities (B)		26964.71		19956.00
C. CASH FLOWS FROM FINANCING ACTIVITIES				
Repayment of deferred liabilities				
Decrease in deferred debts				
Interest paid	(36.11)		(19.92)	
Dividends paid	(4700.05)		(2300.00)	
Net cash used in financing activities (C)		(4736.16)		(2319.92)
Net increase/(decrease) in cash and cash equivalents		(33282.42)		27424.62
Cash and cash equivalents as at the beginning of the year		429507.98		402083.36
Cash and cash equivalents as at end of the year		396225.56		429507.98

As per our report of even date.
for D.V. RAMANA RAO & CO.,
Chartered Accountants
Firm's Registration No.0029185

For and on behalf of the Board.

P. NAGESH (M.No.203162)
Partner

SV SUBBA RAO
Director (Finance)

SN MANTHA
Chairman and Managing Director

Place: Hyderabad.
Date: 02 Aug 2013.

Place: Hyderabad.
Date: 02 Aug 2013.

M LAKSHMI NARAYANA
Company Secretary



Independent Auditor's Report

To
The Members,
Bharat Dynamics Limited,
Hyderabad.

1. Report on the Financial Statements

We have audited the attached financial statements of BHARAT DYNAMICS LIMITED which comprises of Balance Sheet as at 31st March 2013, and the Profit and Loss Account and also the Cash Flow statement for the year ended on that date annexed thereto and a summary of significant accounting policies and other explanatory information.

2. Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in Sub-section (3C) of section 211 of the Companies Act, 1956.

3. Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We 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 statements are free of material misstatement. An audit includes examining, on a 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 the management, as well as evaluating the overall financial statement presentation. We believe that

our audit provides a reasonable basis for our opinion.

4. As required by the Companies (Auditor's Report) Order, 2003 as amended by the Companies (Auditors Report) (Amendment) Order, 2004, 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.

5. Opinion

Further to our comments in the Annexure referred to above (point 4), and as required by Section 227 (3) of the Act, we report that:

- 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;
- In our opinion, proper books of account, as required by law, have been kept by the Company, so far as it appears from our examination of those books;
- The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
- In our opinion, the Balance Sheet, 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, except AS 17 vide para 5(f)(I) stated hereunder.
- In terms of Ministry of Law, Justice and Company Affairs, Department of Company Affairs General Circular No.8/2002, dated 22nd March 2002, Government Companies are exempt from the



applicability of the provisions of Section 274(1) (g) of the Companies Act, 1956. Hence, no comments are offered.

- f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with the Significant Accounting Policies and Notes on Accounts, subject to:

Note 28.07 regarding non-disclosure of information as required by Accounting Standard AS 17 on Segment Reporting as required by section 211(3A) of the Companies Act, 1956.

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 so far as it relates to the Balance Sheet, of the state of affairs of the Company as at 31st March 2013;
- ii) in so far as it relates to the Profit and Loss account, of the profit of the Company for the year ended on that date and
- iii) in so far as it relates to the Cash Flow Statement, of the Cash Flows of the Company for the year ended on that date.

For D.V. RAMANA RAO & CO.,
Chartered Accountants
Registration No.0029185

Place: Hyderabad.
Date: 02 Aug 2013.

P. NAGESH
(M.No.203162)
PARTNER



Annexure to Auditor's Report

Statement referred to in paragraph - 4 above of our Report of even date

- i) a) The Company has maintained proper records showing full particulars including quantitative details and situation of Fixed Assets
- b) According to the information and explanations given to us, the Fixed Assets have been physically verified by the Management during the year in a phased manner which, in our opinion, is reasonable, having regard to the size of the Company and nature of the Assets. No material discrepancies were noticed on such verification.
- c) In our opinion, the Company has not disposed off substantial part of Fixed Assets during the year and the going concern status of the Company is not affected.
- ii) a) As explained to us, inventory has been physically verified by the Management at regular intervals during the year. In our opinion, the frequency of such verification is reasonable having regard to the size of the Company and the nature of its business.

In respect of stocks lying with other parties, confirmations in respect with such stocks were sought by the company and based on the replies, wherever received, reconciliation / provisions / adjustments were made.

- b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of Inventories followed by the Management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- c) The Company is maintaining proper records of Inventory. As explained to us, certain discrepancies have been identified by the Internal Auditors of the Company on the physical verification of stocks as compared to the book

records. Pending reconciliation of the above discrepancies, these shortages/overages have been disclosed in the Stock Adjustment Account which is to be finally written off/ back after due reconciliation. Apart from the above there were no material discrepancies noticed on the physical verification of stocks as compared to books/ records.

- iii) a) We are informed that the company has not taken/granted any loans from/to Companies, Firms or other parties listed in the register maintained under section-301 of the Companies Act, 1956.
- b) As explained to us the parties to whom advances in the nature of loans were given by the Company are repaying the principal amounts as stipulated and are also regular in payment of interest.
- iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and nature of its business for the purchase of Inventory, Fixed Assets and for sale of goods and services.
- v) a) In our opinion and according to the information and explanations given to us, there are no transactions made in pursuance of contracts or arrangements that needed to be entered in the register maintained under Section-301 of the Companies Act, 1956.
- b) As explained to us, there was no transaction during the year that need to be entered in the register maintained under Section-301 of the Companies Act, 1956 and aggregating during the year to ₹5,00,000/- or more in respect of any party.
- vi) The Company has not accepted any Deposits from the Public.



vii) In our opinion, the company has an internal audit system commensurate with the size and nature of its business.

viii) Maintenance of cost records has not been prescribed by the Central Government under Section-209 (1)(d) of the Companies Act, 1956 for the products manufactured by the Company.

ix) a) According to the information and explanations given to us, the company is regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income tax, Sales Tax, Service Tax, Custom Duty, Excise Duty and other Statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31st March 2013 for a period of more than six months from the date they became payable.

b) Statutory dues aggregating to ₹8846.05 lakh that have not been deposited on account of dispute and pending before the appropriate authorities are as follows:

Sl. No	Name of the Statute	Nature of dues	Forum where Dispute is Pending	(₹ Lakh)
1.	CST Act	CST	A.P High Court	1462.67
2.	CST Act	CST	AP Sales Tax Appellate Tribunal	7055.91
3.	CST Act	CST	DC, Charminar Hyderabad	284.36
4.	Finance Act, 1994	Ser. Tax	Commissioner Customs, Central Excise & Ser. Tax, Hyd.II	43.11
			Total	8846.05

x) The Company has no accumulated losses and has not incurred any cash losses during the financial year covered by our Audit or in the immediately preceding financial year.

xi) According to the information and explanations given to us the Company has not defaulted in repayment of dues to financial institutions or banks.

xii) In our opinion and according to the information and explanations given to us, no loans and advances have been granted by the Company on the basis of security by way of pledge of shares, debentures and other securities.

xiii) In our opinion, the Company is not a Chit Fund, Nidhi or Mutual Benefit Fund/Society. Therefore, Clause - 4(xiii) of the Companies (Auditor's Report) order 2003 is not applicable to the Company.

xiv) The Company is not dealing or trading in shares, securities, debentures and other investments.

xv) The Company has not raised any Term Loans.

xvi) According to the information and explanations given to us, no funds raised on Short Term basis have been used for Long Term Investments.

xvii) The Company has not made any preferential allotment of shares to Companies, firms or other private parties listed in the register maintained under Section-301 of the Companies Act, 1956.

xviii) The Company has not issued any debentures.

xix) The Company has not raised any money by way of public issue during the year.

xx) 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 D.V. RAMANA RAO & CO.,
Chartered Accountants
Registration No.002918S

Place: Hyderabad.
Date: 02 Aug 2013.

P. NAGESH (M.No.203162)
Partner



Observation of Statutory Auditors and Replies by The Company Under Section 217 (3) of Companies Act, 1956

Reference to Audit Report	Auditors' Qualification	Company's Reply
5 (f)	Note 28.07 regarding non-disclosure of information as required by Accounting Standard AS 17 on Segment Reporting as required by Section 211 (3A) of the Companies Act, 1956	Keeping in view the nature of business and the sensitive nature of disclosure, it is considered prudent not to disclose information required as per Accounting Standard 17 regarding Segment Reporting. Such non-disclosure does not have any financial effect on the Accounts of the Company. Disclosure in this regard has been made at Note 28.07 forming part of the Financial Statements.

For and on behalf of the Board

SN MANTHA

Chairman and Managing Director

SV SUBBA RAO

Director (Finance)



सं. / No. Insp/BDL Accts(2012-13)/13-14/145.

प्रधान निदेशक वाणिज्यिक लेखापरीक्षा एवं पदेन सदस्य
लेखापरीक्षा बोर्ड का कार्यालय, बंगलूर-560 001.

**OFFICE OF THE PRINCIPAL DIRECTOR OF COMMERCIAL
AUDIT and Ex-Officio MEMBER, AUDIT BOARD,
BANGALORE - 560 001.**

दिनांक / DATE : 21.8.2013

To

Shri. S.N. Mantha,
Chairman and Managing Director,
M/s. Bharat Dynamics Limited,
P.O. Kanchanbagh,
Hyderabad-500058.

Sir,

Sub: Comments of the Comptroller and Auditor General of India
under section 619 (4) of the Companies Act, 1956.

I forward herewith **Nil Comments Certificate** of the Comptroller and Auditor
General of India under Section 619 (4) of the Companies Act, 1956 on the accounts of
M/s. Bharat Dynamics Limited for the year ended 31st March 2013.

It may please be ensured that the Comments are:

- (i) Printed in toto without any editing;
- (ii) Placed before the AGM as required under Section 619(5) of the Companies
Act, 1956; and
- (iii) Placed next to the Statutory Auditors' Report in the Annual Report of the
Company with proper indication in the index;

The receipt of this letter may please be acknowledged.

Yours faithfully,

(V. K. GIRIJAVALLABHAN, IA&AS)

Pr. Director of Commercial Audit

Encl: As above.

भारतीय लेखा तथा लेखापरीक्षा विभाग
INDIAN AUDIT & ACCOUNTS DEPARTMENT

पहला तल, बसवा भवन, श्री बसवेश्वरा रोड, बंगलूर - 560 001
1st Floor, Basava Bhavan, Sri Basaveswara Road, Bangalore - 560 001

टू. भा. / Phone : 2226 7646 / 2226 1168
E-mail : mabblr@giasbg01.vsnl.net.in

तार / Telegram : DIRCOMIT
फैक्स / Fax : 080-2226 2491



**COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA
UNDER SECTION 619(4) OF THE COMPANIES ACT, 1956 ON THE ACCOUNTS OF
M/s. BHARAT DYNAMICS LIMITED FOR THE YEAR ENDED 31st March 2013.**

The preparation of financial statements of **M/s. Bharat Dynamics Limited** for the year ended 31st March, 2013 in accordance with the financial reporting framework prescribed under the Companies Act, 1956 is the responsibility of the management of the Company. The Statutory Auditors appointed by the Comptroller and Auditor General of India under Section 619(2) of the Companies Act, 1956 are responsible for expressing opinion on these financial statements under section 227 of the Companies Act, 1956 based on independent audit in accordance with the Standards on Auditing prescribed by their professional body, the Institute of Chartered Accountants of India. This is stated to have been done by them vide their Audit Report dated 02 August 2013.

I, on the behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit under section 619(3)(b) of the Companies Act, 1956 of the financial statements of M/s. Bharat Dynamics Limited for the year ended 31 March 2013. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the Statutory Auditors and Company personnel and a selective examination of some of the accounting records. On the basis of my audit nothing significant has come to my knowledge, which would give rise to any comment upon or supplement to Statutory Auditors' report under section 619(4) of the Companies Act, 1956.

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

(V. K. GIRIJAVALLABHAN, IA&AS)
Pr. Director of Commercial Audit
& Ex-officio Member, Audit Board, Bangalore.

Bangalore

Dated: 21 August 2013.



अतिथि आगमन VIP VISITS



दि. 14 दिसंबर, 2012 को अपने दौरे के दौरान निदेशकगण तथा मुख्य सतर्कता अधिकारी से बातचीत करते हुए श्री ए के गुप्त, आई ए एस, अपर सचिव (रक्षा उत्पादन).
Shri AK Gupta, IAS, Addl. Secretary (Defence Production) interacting with Directors and CVO on his visit on 14 Dec 2012.



दि. 20 दिसंबर, 2012 को एल आर सैम प्रभाग के दौरे के दौरान ए वी एम आर के धीर, अविसेमे, विमे तकनीकी प्रबंधक (वायु), अधिग्रहण स्कंध, रक्षा मंत्रालय.
AVM RK Dhir, AVSM, VM, Technical Manager (Air), Acquisition Wing, MoD during his visit to LR SAM Division on 20 Dec 2012.



अतिथि आगमन VIP VISITS



दि. 06 फरवरी, 2013 को माननीय सांसद श्री राज बब्बर की अध्यक्षता में रक्षा संबंधी संसदीय स्थायी समिति ने बी डी एल का दौरा किया।
The Parliamentary Standing Committee on Defence, under the Chairmanship of Shri Raj Babbar, Hon'ble Member of Parliament, visited BDL 06 Feb 2013.



दि. 14 फरवरी, 2013 को अपने दौरे के दौरान मिलान प्रभाग में ले. जनरल वी ए भट्ट, डी जी क्यू ए.
Lt Gen VA Bhat, DGQA at Milan Division during his visit on 14 Feb 2013.



अतिथि आगमन VIP VISITS



वि. 16 मार्च, 2013 के अपने दौरे के दौरान श्री आर के माथुर, आई ए एस, सचिव (रक्षा उत्पादन) को जानकारी देते हुए सी एम डी श्री एस एन मंथा.
Shri RK Mathur, IAS, Secretary (DP) being briefed by Shri SN Mantha, CMD during his visit to BDL on 16 Mar 2013.



दि. 02 अप्रैल, 2013 के अपने दौरे के दौरान बी डी एल उत्पादों की जानकारी लेते हुए श्री के एम आचार्य, सदस्य, पी ई एस बी.
Shri KM Acharya Member, PESB being briefed during his visit on 02 Apr 2013.



अतिथि आगमन VIP VISITS



दि. 05 अप्रैल, 2013 के अपने दौरे के दौरान बी डी एल के उत्पादों की जानकारी लेते हुए एअर मार्शल डी सी कुमारिया, पविसेमे, अविसेमे, विमे, विसमे, एडीसी.
Air Marshal DC Kumaria PVSM, AVSM, VM, VSM, ADC, Vice Chief of Air Staff being briefed about BDL products during his visit on 05 Apr 2013.



दि. 25 अप्रैल, 2013 को अपने दौरे के दौरान विभिन्न उत्पादों की जानकारी लेते हुए ले. जनरल एन बी सिंह, अविसेमे, विसमे, डी पी ई एम ई व वरिष्ठ कर्नल कमांडेंट
Lt Gen NB Singh, AVSM, VSM, DG EME & Sr. Col. Comdt. being briefed about various products during his visit on 25 Apr 2013.



अतिथि आगमन VIP VISITS



दि. 03 जुलाई, 2013 के अपने दौरे के दौरान सी एम डी, निदेशक (वित्त) तथा मुख्य सतर्कता अधिकारी से बातचीत करते हुए श्री वी के गिरिजावल्लभन, आई ए ए एस, वाणिज्य लेखा के प्रधान निदेशक व ऑडिट बोर्ड के पदेन सदस्य.

Shri VK Girijavallabhan, IAAS, Principal Director of Commercial Audit and Ex-officio Member Audit Board interacting with CMD, Director (Finance) and CVO on his visit to BDL on 03 Jul 2013.



दि. 09 जुलाई, 2013 के अपने दौरे के दौरान जानकारी प्राप्त करते हुए ले. जनरल ए एस चम्बेवाला, अविसेमे, युसेमे, एम जी ओ
Lt Gen AS Chabbewal, AVSM, YSM, MGO being briefed on his visit to BDL on 09 Jul 2013.



हमारे उत्पाद Our Products





हमारे उत्पाद Our Products



कांकूर्स-एम
KONKURS-M



टाल
TAL



आकाश
AKASH



मिलान-2टी
MILAN-2T



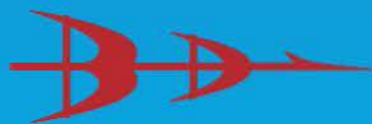
दि. 31 मई, 2013 को श्री जितेंद्र सिंह, केंद्रीय युवा मामले, खेलकूद (स्वतंत्र प्रभार) तथा रक्षा राज्य मंत्री से कंपनी के निदेशक तथा अन्य वरिष्ठ कार्यपालकों का परिचय कराते हुए सी एम डी श्री एस एन मंथा

Shri Jitendra Singh, Hon'ble Union Minister of State for Youth Affairs and Sports (IC) and Minister of State for Defence being introduced to Directors and Senior Executives by CMD on his visit to BDL on 31 May 2013.



दि. 06 फरवरी, 2013 को माननीय सांसद श्री राज बब्बर की अध्यक्षता में रक्षा संबंधी संसदीय स्थायी समिति ने बी डी एल का दौरा किया.

The Parliamentary Standing Committee on Defence,
Chaired by Shri Raj Babbar, Hon'ble Member of Parliament, visited BDL on 06 Feb 2013.



भारत डायनामिक्स लिमिटेड

(भारत सरकार का उद्यम)

कंचनबाग, हैदराबाद - 500 058.

Bharat Dynamics Limited

(A Govt. of India Enterprise)

Kanchanbagh, Hyderabad - 500 058.

टेलिफोन Tel: 040-24587022, फैक्स Fax: 091-40-24340464

वेबसाइट website: <http://bdl.ap.nic.in>, ई-मेल e-mail: bdltd@ap.nic.in