

Confidential

**BEST
MINERALS
LIMITED**

57

**FIFTY SEVENTH
ANNUAL REPORT
2011-2012**

BEST MINERALS LIMITED

BEST MINERALS LIMITED
(Regd. Office)
Shreeram Bhavan, Tumsar – 441 912, Dist. Bhandara (Maharashtra)

NOTICE TO MEMBERS

NOTICE is hereby given that the Fifty-seventh Annual General Meeting of the Members of the Company will be held at the Regd. Office of the Company at Shreeram Bhavan, TUMSAR – 441 912 on Wednesday the 08th August, 2012 at 11.30 a.m. to transact with or without modifications as may be permissible, the following business :

- 1) To receive, consider and adopt the Audited Balance Sheet as at 31st March 2012 and Profit & Loss Account for the year ended on that date and the Reports of the Board of Directors and the Auditors thereon.
- 2) To appoint a Director in place of Shri S.D. Sharma who retires from office by rotation and, being eligible, offers himself for re-appointment.
- 3) To appoint a Director in place of Shri Vinod Saraf who retires from office by rotation and, being eligible, offers himself for re-appointment.
- 4) To appoint M/s. Salve & Co., Chartered Accountants, as Auditors of the Company to hold office from the conclusion of this meeting till the conclusion of the next Annual General Meeting and to fix their remuneration.

NOTES:

- 1) A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.

Registered Office:
Shreeram Bhavan,
TUMSAR – 441 912
Maharashtra

By Order of the Board,


Vinod Saraf
Director

Dated, 25th June, 2012

BEST MINERALS LIMITED**DIRECTORS' REPORT TO THE MEMBERS**

The Directors present herewith the Annual Report of the Company alongwith the Audited Statements of Accounts for the year ended 31st March, 2012.

WORKING RESULTS:

During the year 2011-12 the Company has suffered a loss of Rs.12307/- against loss of Rs.21850/- in the previous year. After considering the current year's loss, the balance of accumulated loss aggregating to Rs.944847/- has been carried over to the next year.

DIRECTORS:

Shri Vinod Saraf and Shri S.D. Sharma, Directors of the Company, retire by rotation and, being eligible, offer themselves for re-election.

DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to the provisions of Section 217 (2AA) of Companies Act, 1956, your Directors state as under:

- a) That in the preparation of the annual accounts, the applicable accounting standards have been followed.
- b) That the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the loss of the Company for that period.
- c) That the Directors have taken proper and sufficient care of the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- d) That the directors have prepared the annual accounts on a going concern basis.

PARTICULARS OF EMPLOYEES:

During the year under review there were no employees receiving remuneration of or in excess of Rs. 60,00,000/- per annum or Rs. 5,00,000/- per month requiring disclosure as per the provisions of Section 217(2A) read with the amended Companies (Particulars of Employees) Rules, 1975.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:

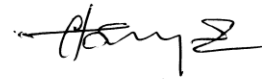
The Company has no manufacturing activities and hence conservation of energy, technology absorption etc. do not apply. There were no foreign exchange earnings and outgo during the year under review.

AUDITORS:

You are requested to appoint Auditors for the current year and to fix their remuneration. The retiring Auditors of the Company M/s Salve & Company, Chartered Accountants, are eligible for re-appointment. They have furnished a certificate to the Company to the effect that the proposed re-appointment, if made, will be in compliance with the provisions of Section 224(1B) of the Companies Act, 1956.

On behalf of the Board of Directors

A.T.SURJAN
DIRECTOR



M.D. JOSHI
DIRECTOR



PLACE : TUMSAR
DATED: 25TH JUNE, 2012

SALVE & CO.

G-3, Yashodhan,
Gorepeth,
NAGPUR

Auditors' Report

**To The Members of
BEST MINERALS LIMITED**

We have audited the attached Balance Sheet of Best Minerals Limited as at 31st March, 2012, the Statement of Profit and Loss for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

1. We conducted our audit in accordance with the auditing standards generally accepted in India. These Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material mis-statements. 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 management, as well as evaluating the overall presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion.

2. As required by the Companies (Auditors' Report) Order, 2003 as amended by the Companies (Auditors' Report) (Amendment) Order, 2004, (together 'the order') issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, we annex hereto a statement on the matters specified in paragraphs 4 and 5 of the said Order.

3. Further to our comments in the Annexure referred to above, we report that:

- (i) 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;
- (ii) 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;
- (iii) The Balance Sheet, Profit and Loss Account dealt with by this report are in agreement with the books of account of the Company;
- (iv) In our opinion the Balance Sheet and Statement of Profit and Loss dealt with by this report comply with the Accounting Standards referred to in Sub-section (3C) of Section 211 of the Companies Act, 1956.



(v) On the basis of the written representations received from the Directors as on 31st March, 2012 and taken on record by the Board of Directors, none of the Directors is disqualified as on 31st March, 2012 from being appointed as a Director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.

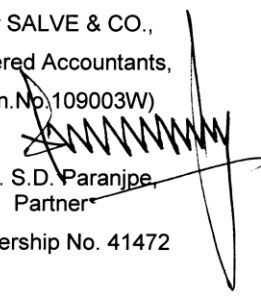
(vi) In our opinion and to the best of our information and according to the explanations given to us, the said financial statements together with the notes thereon and attached thereto give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

(a) In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2012.

(b) In the case of Statement of Profit and Loss, of the loss for the year ended on that date.

Place: Nagpur
Date: 25th June, 2012

For SALVE & CO.,
Chartered Accountants,
(Regn.No.109003W)


C.A. S.D. Paranjpe,
Partner

Membership No. 41472

SALVE & CO.

G-3, Yashodhan,
Gorepeth,
NAGPUR.

ANNEXURE TO AUDITORS' REPORT:

Referred to in paragraph 2 of the Auditors' Report of even date to the Members of Best Minerals Ltd on the financial statements for the year ended 31st March, 2012.

- i) a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- b) All the fixed assets have been physically verified by the Management at reasonable intervals and no material discrepancies were noticed on such verification.
- c) The Company has not disposed off any major part of fixed assets during the year.
- ii) Since the company does not have any inventory, we have nothing to report on clauses 4(ii) (a), (ii) (b), (ii) (c) of the Order.
- iii) The Company has neither granted nor taken any loans, secured or unsecured, to/from Companies, firms and other parties covered in the Register maintained under Section 301 of the Companies Act, 1956. Consequently, Clauses 4 (iii) (b), (iii) (c), (iii) (d), (iii) (f), (iii) (g) of the said Order are not applicable.
- iv) In our opinion and according to the information and explanations given to us, there are adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods and services and during the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control system.
- v) There were no contracts or arrangements referred to in Section 301 of the Act that needed to be entered in the Register required to be maintained under that section and therefore Clauses 4(v)(b) of the said Order is not applicable.
- vi) The Company has not accepted deposits from the public.
- vii) In our opinion, the Company has an internal audit system commensurate with its size and nature of its business.



- viii) The Central Government has not prescribed maintenance of cost records under Section 209(1)(d) of the Companies Act, 1956 for any of the products of the Company.
- ix) a) 1) According to the records examined by us, the Company is generally regular in depositing the undisputed statutory dues, including Provident Fund, Investor Education and Protection fund, Employees State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty and Cess, with the appropriate authorities.
- 2) According to the information and explanations given to us, no undisputed amount payable in respect of Income Tax, Wealth Tax, Service Tax, Sales Tax, Customs Duty, Excise Duty and Cess were in arrears as at 31st March, 2012 for a period of more than 6 months from the date they became payable.
- b) On the basis of our examination of the documents and records, there are no dues of Sales Tax, Income Tax, Wealth Tax, Service Tax, Excise Duty, Customs Duty and Cess, which have not been deposited on account of any dispute.
- x) In our opinion and according to the information and explanation given to us the accumulated losses of the Company at the end of the financial year at 31st March, 2012 are not less than fifty percent of its net worth and the Company has incurred cash loss in the said financial year and also in the financial year immediately preceding such financial year.
- xi) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to financial institutions, banks or debenture holders.
- xii) The Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- xiii) The provisions of any special statute applicable to chit fund/nidhi/mutual benefit fund/societies are not applicable to the Company and, therefore, Clauses 4(xiii)(a), (xiii) (b), (xiii) (c) and (xiii) (d) of the said Order are not applicable.
- xiv) The Company is not dealing in or trading in shares, securities, debentures and other investments.



- xv) The Company has not given any guarantee for loans taken by others from banks or financial institutions, the terms and conditions whereof are prejudicial to the interest of the Company.
- xvi) The Company has not raised any term loan during the year.
- xvii) On the basis of an overall examination of the Balance Sheet of the Company, in our opinion, the Company has not raised any fund on short term basis which have been used for long term investment.
- xviii) The Company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under Section 301 of the Companies Act, 1956 during the year.
- xix) During the period covered by our audit report, the Company has not issued any secured debentures.
- xx) The Company has not raised any money by public issues during the year.
- xxi) According to the information and explanations given to us, no fraud on or by the Company was noticed or reported during the year.

Place: Nagpur

Date: 25th June, 2012

For SALVE & CO.,
Chartered Accountants,
Regn. No. 109003W)


C.A. S.D. Paranjpe,


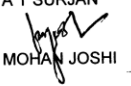
Partner

Membership No. 41472

BEST MINERALS LIMITED**Balance Sheet as at 31st March, 2012**

	Note Nos.	As at 31st March, 2012	(₹) As at 31st March, 2011
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	2	500,000	500,000
Reserves and Surplus	3	(940,847)	(928,540)
		(440,847)	(428,540)
Current Liabilities			
Short-Term Borrowings	4	495,619	482,144
Other Current Liabilities	5	3,000	2,554
		498,619	484,698
TOTAL		57,772	56,158
ASSETS			
Non-Current Assets			
Fixed Assets- Tangible	6	2,328	2,328
Non-Current Investments	7	1,000	1,000
Long-Term Loans and Advances	8	3,000	3,000
		6,328	6,328
Current Assets			
Cash and Cash Equivalents	9	51,444	49,830
TOTAL		57,772	56,158
Significant Accounting Policies Notes on Financial Statements	1 2 to 13		

As per our report of even date attached.

For Salve & Company,
Chartered AccountantsC.A. S.D. PARANJPE
Partner
Membership No. 41472Place : Nagpur
Date : 25th June, 2012

A T SURJAN

MOHAN JOSHI

Directors

Place : Tumsar
Date : 25th June, 2012

BEST MINERALS LIMITED

Statement of Profit and Loss for the year ended 31st March, 2012


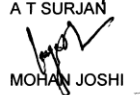
	Note Nos.	Year ended 31st March, 2012	(₹) Year ended 31st March, 2011
INCOME			
Revenue from operations		-	-
Other income		-	-
Total Revenue		-	-
EXPENDITURE			
Other expenses	10	12,307	21,850
Total Expenses		12,307	21,850
Profit/(Loss) for the year		(12,307)	(21,850)
Earnings per equity share of face value of ₹ 100/- each			
Basic and Diluted (in ₹)		(2.46)	(4.37)
Significant Accounting Policies Notes on Financial Statements	1 2 to 13		

As per our report of even date attached,

For Salve & Company,
Chartered Accountants

C.A. S.D.PARANJPE
Partner
Membership No. 41472

Place : Nagpur
Date : 25th June, 2012


 A T SURJAN

 MOHAN JOSHI

Directors

Place : Tumsar
Date : 25th June, 2012

BEST MINERALS LIMITED**1. Significant Accounting Policies**

Basis of Preparation of Financial Statements

- (a) The Company follows accrual system of accounting.
- (b) Fixed Assets are stated at cost of acquisition less depreciation.
- (c) Investments are stated at cost.
- (d) Closing Stock is valued at cost or net realisable value, whichever is lower.

Notes on Financial Statements for the Year ended 31st March, 2012

2. SHARE CAPITAL	As at	(₹)
	31 st March, 2012	As at 31 st March, 2011
Authorised Share Capital:		
5,000 (Previous Year- 5,000) Equity Shares of ₹ 100/- each	500,000	500,000
Issued, Subscribed and Paid up:		
5,000 (Previous Year- 5,000) Equity Shares of ₹ 100/- each fully paid-up	500,000	500,000
TOTAL	500,000	500,000

2.1 The reconciliation of number of shares outstanding at the beginning and at the end of the reporting period:

Particulars	As at	As at
	31/03/2012	31/03/2011
	No. of Shares	No. of Shares
Shares outstanding at the beginning of the year	5,000	5,000
Shares issued during the year	-	-
Shares bought back during the year	-	-
Shares outstanding at the end of the year	5,000	5,000

2.2 Terms/rights attached to Equity Shares:

The Company has only one class of Equity Shares having a par value of ₹ 100/- per share. The Equity Shares have rights, preferences and restrictions which are in accordance with the provisions of law, in particular the Companies Act, 1956.

3. RESERVES AND SURPLUS

	As at	(₹)
	31st March, 2012	As at 31st March, 2011
Capital Reserve		
Balance as at the beginning and end of the year	4,000	4,000
Statement of Profit and Loss		
Balance as at the beginning of the year	(932,540)	(910,690)
Add: Transferred from Statement of Profit and Loss	(12,307)	(21,850)
Balance as at the end of the year	(944,847)	(932,540)
TOTAL	(940,847)	(928,540)

BEST MINERALS LIMITED

Notes on Financial Statements for the Year ended 31st March, 2012

4. SHORT-TERM BORROWINGS	(₹)	
	As at 31st March, 2,012	As at 31st March, 2,011
Advance from Holding Company	495,619	482,144
TOTAL	495,619	482,144

5. OTHER CURRENT LIABILITIES	(₹)	
	As at 31st March, 2,012	As at 31st March, 2,011
Other Payables	3,000	2,554
TOTAL	3,000	2,554

6. FIXED ASSETS	(₹)				
Particulars	Gross Block at Cost			Depreciation Upto 31/03/2012	Net Block As at 31/03/2012
	As at 01/04/2011	Additions/ Adjustments	Deductions/ Adjustments		
Tangible Assets:					
Land Freehold	2,328.00	-	-	2,328.00	-
TOTAL	2,328.00	-	-	2,328.00	-
Previous Year	2,328.00	-	-	2,328.00	-

7. NON-CURRENT INVESTMENTS	(₹)	
	As at 31st March, 2,012	As at 31st March, 2,011
In Government Securities : Unquoted 12 Years National Plan Savings Certificate	1,000	1,000
Deposited with Government Authorities as Security Deposit.		
TOTAL	1,000	1,000

8. LONG-TERM LOANS AND ADVANCES (Unsecured Considered Good)	(₹)	
	As at 31st March, 2,012	As at 31st March, 2,011
Security Deposits	3,000	3,000
TOTAL	3,000	3,000



BEST MINERALS LIMITED

Notes on Financial Statements for the Year ended 31st March, 2012

9. CASH AND CASH EQUIVALENTS

	As at 31st March, 2,012	(₹) As at 31st March, 2,011
Cash in hand	1,523	1,523
With Scheduled Banks: In Current Accounts	49,921	48,307
TOTAL	51,444	49,830

10. OTHER EXPENSES

	Year Ended 31st March, 2,012	(₹) Year Ended 31st March, 2,011
Rates and Taxes	8,300	8,250
Audit Fees	1,500	1,500
Legal and Professional Expenses	3,000	12,100
Bank Charges and Commission	461	-
Miscellaneous Expenses	100	-
Excess provision reverted	(1,054)	-
TOTAL	12,307	21,850

10.1 PAYMENTS TO AUDITORS

	Year Ended 31st March, 2,012	(₹) Year Ended 31st March, 2,011
Statutory Audit Fees	1,500	1,500
TOTAL	1,500	1,500

11. No provision for Taxation is considered necessary in view of the losses.

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12. Related Party Disclosure

I List of related parties:-

A Name and nature of relationship with the related party where control exists:
 Facor Alloys Limited- 100% Holding Company

B Directors, Key Management Persons and their relative:
Mr. Vinod Saraf Director

C Enterprises owned or significantly influenced by KMP and/or their Relatives

- | | |
|--|--|
| 1 Ferro Alloys Corporation Limited | 2 Facor Steels Limited |
| 3 Rai Bahadur Shreeram And Company Private Limited | 4 Shreeram Durgaprasad Ores Private Limited |
| 5 Saraf Bandhu Private Limited | 6 Facor Power Ltd |
| 7 GDP Infrastructure Private Limited | 8 Vidharbha Iron & Steel Corporation Limited |
| 9 Shreeram Shipping Services Pvt.Ltd | 10 Suchitra Investments & Leasing Ltd |
| 11 Dass Paper Products Ltd | 12 Premier Commercial Corporation |
| 13 Geedee Sales Services | 14 Godawaridevi Saraf and Sons |
| 15 Deepee Sales Corporation | 16 Investar Ltd |
| 17 Super Vision Ltd | 18 Precisetec Ltd |
| 19 Teracota Consultancy Services Ltd | 20 Imagetec Ltd |
| 21 Globalscale Investments Ltd | 22 Tusta Trading Company Inc. |
| 23 Cornell Corporation SA. | 24 FAL Employees Welfare Trust |
| 25 FACOR Reality and Infrastructure Ltd | 26 UMT International Limited |
| 27 Arka Resources Private Limited | 28 FACOR Employees Welfare Trust |
| 29 V&G Commercial Private Limited | 30 NDS Minerals Private Limited |
| 31 ARK Mercantile Private Limited | 32 Vanita Enterprises Private Limited |
| 33 Raghavendra Sarkar Ventures Private Ltd. | 34 YMR Enterprises Private Limited |
| 35 Mezeron Enterprises Private Limited | 36 Facor Energy India Ltd |
| 37 Facor Electric Ltd | 38 Facor Solar Ltd |
| 39 BEC Power Private Limited | 40 Facor Minerals Pte. Ltd, Singapore |
| 41 Facor Minerals (Netherlands) B.V. | 42 Vakrangee Press Limited |
| 43 Pioneer Facor IT Infradevelopers Pvt. Limited | 44 Facor Energy Limited |

II Transactions with Related Parties during the year:

Party Name	Nature of Transactions	2011-12	2010-11
Facor Alloys Limited	Short-Term Borrowings	13,475	23,350

III Balance outstanding at the year end:

Party Name	2011-12	2010-11
Facor Alloys Limited	495,619	482,144


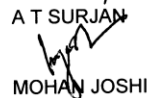
13 The revised Schedule VI to the Companies Act, 1956 has become effective from 01-04-2011 for preparation and presentation of financial statements. This has significantly impacted the disclosure and presentation made in the financial statements. Accordingly, the figures for the previous year have been reclassified, wherever necessary to conform with the current year's classification.

As per our report of even date attached.

For Salve & Company,
 Chartered Accountants

C.A. S.D.PARANJPE
 Partner
 Membership No. 41472

Place : Nagpur
 Date : 25th June, 2012


 A T SURJAN

 MOHAN JOSHI

Directors

Place : Tumsar
 Date : 25th June, 2012