

# *Indu Engineering & Textiles Limited*

*CIN: L74899DL1972PLC034022*

*Annual Report 2013-2014*

## **COMPANY INFORMATION**

### **BOARD OF DIRECTOR**

Mr. Pramod Kumar Agarwal	:	Executive Director & Compliance Officer
Mr. Gaurav Agarwal	:	Non Executive Non-Independent Director
Mr. Rajesh Tiwari	:	Non Executive Independent Director
Mr. Ajay Agarwal	:	Non Executive Non-Independent Director
Mr. Chandra Bhan	:	Non Executive Independent Director (appointed on 27 <sup>th</sup> April, 2013)
Mr. Mahendra Kumar	:	Non Executive Independent Director (appointed on 27 <sup>th</sup> April, 2013)

### **BOARD COMMITTEES:**

#### **Audit Committee**

Mr. Rajesh Tiwari	:	Chairman
Mr. Ajay Agarwal	:	Member
Mr. Pramod Kumar Agarwal	:	Member
Mr. Chandra Bhan (appointed on 27 <sup>th</sup> April, 2013)	:	Member
Mr. Mahendra Kumar (appointed on 27 <sup>th</sup> April, 2013)	:	Member

#### **Auditor:**

M/s. Preeti Jain & Associates,  
Chartered Accountants  
37 / 363 – A, Nagla Padi,  
Dayal Bagh Road, Agra – 282005.  
Tel: 0562 – 3208400 / 4062507

#### **Investor Grievance Committee**

Mr. Chandra Bhan (appointed on 27 <sup>th</sup> April, 2013)	:	Chairman
Mr. Pramod Kumar Agarwal	:	Member
Mr. Rajesh Tiwari	:	Member
Mr. Gaurav Agarwal	:	Member
Mr. Mahendra Kumar (appointed on 27 <sup>th</sup> April, 2013)	:	Member

#### **Listed at:**

**The Calcutta Stock Exchange Limited**

7, Lyons Range, Kolkata – 700 001.  
West Bengal

**Delhi Stock Exchange Limited**

3/1, Asaf Ali Road,  
New Delhi – 110002.

#### **Remuneration Committee**

Mr. Mahendra Kumar (appointed on 27 <sup>th</sup> April, 2013)	:	Chairman
Mr. Chandra Bhan (appointed on 27 <sup>th</sup> April, 2013)	:	Member
Mr. Rajesh Tiwari	:	Member
Mr. Pramod Kumar Agarwal	:	Member

#### **Registered Office:**

K – 157, Sarita Vihar, New Delhi – 110076.  
Tel: 011 2850757  
Email: induengg.agra@gmail.com

#### **Compliance Officer:**

Mr. Pramod Kumar Agarwal  
20/4, 1<sup>st</sup> Floor, Maruti Tower,  
Sanjay Place, Agra – 452001. Uttar Pradesh  
Tel: 0562 2851230  
Email: induengg.agra@gmail.com

#### **Banker:**

Canara Bank, Loha Mandi, Agra  
HDFC Bank, Sanjay Place, Agra

**CONTENTS**

Sr. No.	Particulars	Page No.
1.	Notice	1
2.	Directors' Report	9
3.	Management Discussion & Analysis Report	13
4.	Corporate Governance Report	16
5.	Certification on Corporate Governance	24
6.	Certification on Financial Statement	25
7.	Certificate Under Clause 49(I)(D) of the Listing Agreement	25
8.	Auditors' Report	26
9.	Balance Sheet	31
10.	Statement of Profit & Loss Account	32
11.	Cash Flow Statement	33
12.	Notes to Financial Statements	34
13.	Form A	50
14.	Attendance Slip and Proxy Cum Ballot Form	51

---

## **NOTICE**

Notice is hereby given that the 42<sup>nd</sup> Annual General Meeting of Indu Engineering & Textiles Limited will be held at Registered Office of the Company situated at K – 157, Sarita Vihar, New Delhi - 110076 on Tuesday 30<sup>th</sup> September, 2014 at 11.00 A.M., to transact the following business:

### **ORDINARY BUSINESS**

1. To receive, consider and adopt the Audited Balance Sheet as at March 31, 2014, the Profit & Loss Account of the Company for the financial year ended on that date and the Reports of the Auditors and Directors thereon.
2. To consider and if thought fit to pass with or without modification(s) the following resolution as an Ordinary Resolution:  
“**RESOLVED THAT** pursuant to the provisions of Section 139 and applicable provisions, if any, of the Companies Act, 2013 M/S. Preeti Jain & Associates., Chartered Accountants, Agra, bearing Membership No. 400130 be and is hereby appointed as the Statutory Auditors of the Company, to hold office for a term of Five Years from the conclusion of this Annual General Meeting till the conclusion of Annual general meeting of the Company to be held in the Year 2019 (subject to ratification of their appointment at every Annual general Meeting) and to fix remuneration as agreed between them and Company for the year 2014-15.”

### **SPECIAL BUSINESS**

3. To consider and if thought fit to pass with or without modification(s) the following resolution as Ordinary Resolution:  
“**RESOLVED THAT** pursuant to Sections 149, 152 and other applicable provisions of the Companies Act, 2013 ('Act') read with Companies (Appointment and Qualification of Directors) Rules, 2014, Mr. Rajesh Tiwari (DIN – 01372342), Independent Director of the Company is hereby appointed as an Independent Director not liable to retire by rotation for a period up to March 31, 2019.
4. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:  
“**RESOLVED THAT** pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, Mr. Chandra Bhan (DIN 06965872), who was appointed as an Additional Director on 27<sup>th</sup> April, 2013, pursuant to the provisions of sub-section (1) of section 161 of the Companies Act, 2013 and the Articles of Association of the Company and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company up to 31<sup>st</sup> March, 2019, not liable to retire by rotation.

5. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, Mr. Mahendra Kumar (DIN 06965879), who was appointed as an Additional Director on 27<sup>th</sup> April, 2013, pursuant to the provisions of sub-section (1) of section 161 of the Companies Act, 2013 and the Articles of Association of the Company and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company up to 31<sup>st</sup> March, 2019, not liable to retire by rotation.

6. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an Special Resolution:

**"RESOLVED THAT** subject to the provisions of Section 180 (1) (c) of the Companies Act, 2013 including any statutory modifications or re-enactments thereof and in supersession of all the earlier resolutions passed in this regard, the Board of Directors (hereinafter referred to as the Board), including any committee thereof for the time being exercising the powers conferred on them by this resolution, be and are hereby authorized to borrow money, as and when required, from, including without limitation, any Bank and/or Public Financial Institution as defined under Section 2 (72) of the Companies Act, 2013 and/or eligible foreign lender and/or any entity/entities and/or authority/authorities and/ or through suppliers credit, any other securities or instruments, such as floating rate notes, fixed rate notes, syndicated loans, debentures, commercial papers, short term loans or any other instruments etc. and/or through credit from official agencies and/or by way of commercial borrowings from the private sector window of multilateral financial institution, either in rupees or in such other foreign currencies as may be permitted by law from time to time, as may be deemed appropriate by the Board for an aggregate amount not exceeding Rs. 25 Crores (Rupees Twenty-Five Crores Only), notwithstanding that money so borrowed together with the monies already borrowed by the Company, if any (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) may exceed the aggregate of the paid-up share capital of the Company and its free reserves, that is to say, reserves not set apart for any specified purpose.'

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to take such steps as may be necessary for obtaining approvals, statutory, contractual or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto, and to sign and to execute deeds, applications, documents and writings that may be required, on behalf of the Company and generally to do all such acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to this resolution."

7. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an Special Resolution:

**“RESOLVED THAT** pursuant to the provisions of Section 180 (1) (a) of the Companies Act, 2013 and other applicable provisions , if any, of the Companies Act, 1956 including any statutory modifications or re-enactments thereof the members of the Company hereby accord their consent to the Board of Directors, including any committee thereof for the time being exercising the powers conferred on them by this resolution, to create mortgage and/or charge on all or any of the moveable and/or immovable assets of the Company, both present and future and/or whole or any part of the company in favor of the lenders, agents, trustees for securing the borrowings of the Company availed/to be availed by way of loans (in foreign currency and/or in Indian currency) and securities (comprising of fully/partly convertible debentures and/or secured premium notes and/or floating rates notes/ bonds or other debt instruments) issued/to be issued by the Company from time to time, in one or more tranches, up to an aggregate limit of 25 Crores (Rupees Twenty-Five Crores Only), together with interest as agreed, additional interest in case of default, accumulated interest, liquidated damages and commitment charges, all other costs, charges and expenses and all other monies payable by the Company in terms of respective loan agreement(s) or any other document entered / to be entered into between the Company and the lenders/agents/investors and trustees in respect of enforcement of security as may be stipulated in that behalf and agreed to between the Board of Directors or any committees thereof and the lenders, agents or trustees.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to finalize the terms and conditions for creating the aforesaid mortgage and/or charge and to execute the documents and such other agreements and also to agree to any amendments thereto from time to time as it may think fit for the aforesaid purpose and to do all such acts, deeds, matters and things as may be necessary and expedient for giving effect to the above resolution.”

By Order of the Board  
For Indu Engineering & Textiles Limited  
Sd/-  
Pramod Kumar Agarwal  
Executive Director  
DIN: 01469533

Place: Agra  
Date: 3<sup>rd</sup> September, 2014

**NOTES:**

1. A Member entitled to attend and vote at the meeting may appoint a proxy to attend and vote on a poll on his behalf and such proxy need not be a member of the Company. A person can act as a proxy on behalf of not exceeding fifty Members and holding in the aggregate not more than 10% of Total Paid-up Share Capital of the Company. Any Member holding more than 10% of Total Paid-up Share Capital of the Company may appoint a single person as proxy and in such case, the said person shall not act as proxy for any other person or member. Proxies in order to be effective must be received at the Registered Office of the Company not less than 48 hours before the commencement of the Annual General Meeting.

2. Corporate Members are requested to send to the registered office of the Company, a duly certified copy of the Board Resolution, pursuant to Section 113 of the Companies Act, 2013, authorizing their representative to attend and vote at the Annual General Meeting.
3. Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, relating to the Special Business to be transacted at the Annual General Meeting is annexed.
4. Members are requested to bring their admission slip along with copy of the report and accounts to Annual General Meeting.
5. All Documents referred to in the accompanying Notice are open for inspection by the members at the Registered Office of the Company on all working days, except Saturday /Sunday & Public Holidays, between 11.00 a.m. to 1.00 p.m. up to the date of the Annual General Meeting.
6. The Register of Members and the Share Transfer Books of the Company will remain closed from 29<sup>th</sup> September, 2014 to 30<sup>th</sup> September, 2014 (Both Days Inclusive) for the purpose of the Annual General Meeting.
7. Members are requested to notify immediately any change in their addresses to the Company to address any future communication at their correct address.
8. Members attending the meeting are requested to complete the enclosed attendance slip and deliver the same at the entrance of the meeting Venue.
9. Members desirous of seeking any information concerning the Accounts of the Company are requested to address their queries in writing to the Company at least seven days prior to the Annual General Meeting so that the requested information can be made available at the time of the meeting.
10. In case of joint holders attending the meeting, only such joint holders who are higher in the order of names will be entitled to vote.
11. Members who hold shares in physical form can nominate a person in respect of all the shares held by them singly or jointly. Members holding shares in single name are advised, in their own interest to avail of the nomination facility by filling form 2B.
12. The Ministry of Corporate Affairs (vide circular nos. 17/2011 and 18/2011 dated April 21 and April 29, 2011 respectively), has undertaken "Green Initiative in Corporate Governance" and allowed Companies to share documents with its shareholders through an electronic mode.
13. Electronic copy of the Annual Report for 2014 is being sent to all the members whose email IDs are registered with the Company for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report for 2014 is being sent in the permitted mode.
14. Members may also note that the Notice of the 42<sup>nd</sup> Annual General Meeting and the Annual Report for 2014 will also be available on the Company's website [www.induengineeringltd.com](http://www.induengineeringltd.com) for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, free of cost. For any communication, the shareholders may also send requests to the Company's designated email id: [induengg.agra@gmail.com](mailto:induengg.agra@gmail.com) is requested to support this green initiative by registering / updating their e-mail addresses.

15. Members can request for a Ballot Form at Indu Engineering & Textiles Limited, K – 157, Sarita Vihar, New Delhi - 110076 or they may also address their request through E-mail to: induengg.agra@gmail.com Contact No. 011 – 2850757/0562 - 2851230.
16. The voting rights of Members shall be in proportion to their equity shareholding in the paid up equity share capital of the Company as on September 05, 2014.
17. Members can cast their vote and send their assent or dissent in writing in respect of the resolutions as set out in this Notice, a Ballot Form is attached. Members desiring to exercise vote by Ballot are requested to carefully read the instructions printed in the form, to complete the Ballot Form with assent (for) or dissent (against) and send it to Mr. Anuj Ashok, 41, Jaipur House Market, Agra – 282010. Tel.: 0562-4008598, E-mail: anujashokcs@gmail.com so as to reach him on or before Friday, September 26, 2014 by 5.30 p.m. Any Ballot Form received after the said date shall be treated as if the reply from the Members has not been received.
18. The Results of voting shall be declared at the AGM of the Company and the results along with Scrutinizer's report shall be placed on the website of the Company thereafter and shall also be communicated to the Stock Exchanges. The Resolutions shall be deemed to be passed, if approved, on the date of AGM.

By Order of the Board  
For Indu Engineering & Textiles Limited  
Sd/-  
Pramod Kumar Agarwal  
Executive Director  
DIN: 01469533

Place: Agra  
Date: 3<sup>rd</sup> September, 2014.

### **EXPLANATORY STATEMENT**

The following explanatory statement, pursuant to Section 102 of the Companies Act, 2013 ('the Act'), set out all material facts relating to the business mentioned at the item No.3, 4, 5, 6, & 7 the accompanying Notice dated 3<sup>rd</sup> September, 2014.

#### **Item No. 3**

The Company had, pursuant to the provisions of Clause 49 of the Listing Agreements entered with the Stock Exchanges, appointed Mr. Rajesh Tiwari as Independent Directors, previously in compliance with the requirements of the Clause.

Pursuant to the provisions of section 149 of the Companies Act, 2013 which came into effect from April 1, 2014, every listed public company is required to have at least one-third of the total number of directors as independent directors, who are not liable to retire by rotation. The tenure of the Independent Director will be for a period of 5 years.

The Board has recommended the appointment of these directors as Independent Directors in accordance with the provisions of sec. 149 of the Companies Act, 2013 to hold office for a term up to 5 consecutive years (for a period up to March 31, 2019) on the Board of Directors of the Company.

The Company has received Notices in writing from Members along with the requisite deposits in accordance with sec. 160 of the Companies Act, 2013, proposing the candidature of Mr. Rajesh Tiwari as Independent



Director. Mr. Rajesh Tiwari, Non-Executive Independent Directors of the Company, have given a declaration to the Board that he meet the criteria of independence as provided under section 149(6) of the Act. In the opinion of the Board, the said Directors fulfill the conditions specified in the Act and the Rules framed there under for appointment as Independent Director and he is independent of the management.

In compliance with the provisions of section 149 read with Schedule IV of the Act, the appointment of Mr. Rajesh Tiwari as Independent Directors is now being placed before the Members for their approval.

<b><u>Rajesh Tiwari</u></b>	
Fathers' Name	Mahesh Chand Tiwari
Date of Birth	02/07/1966
Date of Appointment	18/10/2004
Expertise in specific functional areas	Finance
Years of Experience	15 Years
Qualification	B. Com
Directorship in Other Public Limited Companies	1) Gee Kay Tradecom Limited
Member/Chairman of the Committee	1) Audit Committee – Chairman 2) Investors Grievances Committee – Member 3) Remuneration Committee – Member
No. of shares held in own name or in the name of relatives	NIL

Mr. Rajesh Tiwari is concerned or interested in the Resolutions mentioned at Item Nos. 3 of the accompanying Notice relating to his own. None of the other Directors, key managerial personnel or their relatives is concerned or interested in these items of business.

The Board recommends the resolution set forth in Item Nos. 3 for the approval of the members.

#### **Item No. 4 & 5**

The Board of Directors of the Company appointed, pursuant to the provisions of sub-section (1) of Section 161 of the Companies Act, 2013 and the Articles of Association of the Company, Mr. Chandra Bhan & Mr. Mahendra Kumar, as an Additional Director of the Company with effect from 27<sup>th</sup> April, 2013.

In terms of the provisions of sub-section (1) of section 161 of Companies Act, 2013, Mr. Chandra Bhan & Mr. Mahendra Kumar will hold office up to the date of the ensuing Annual General Meeting.

The Company has received a notice in writing from a member along with the deposit of requisite amount under Section 160 of the Act proposing the candidature of Mr. Chandra Bhan & Mr. Mahendra kumar for the office of Director of the Company. Mr. Chandra Bhan & Mr. Mahendra kumar are not disqualified from being appointed as a Director in terms of Section 164 of the Act and has provided their consent to act as a Director.

The Company has received a declaration from Mr. Chandra Bhan & Mr. Mahendra kumar that they meets with the criteria of independence as prescribed both under sub-section (6) of section 149 of the Act and under Clause 49 of the Listing Agreement. Both of them possess appropriate skills, experience and knowledge.

The Board considers that their continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. Chandra Bhan & Mr. Mahendra Kumar as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Mr. Chandra Bhan & Mr. Mahendra Kumar as an Independent Director for a term of five years, for the approval by the shareholders of the Company.

Copy of the draft letter for appointment of Mr. Chandra Bhan & Mr. Mahendra Kumar as an Independent Director would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday.

Mr. Chandra Bhan & Mr. Mahendra Kumar do not hold by them self or for any other person on a beneficial basis, any shares in the Company. They are not on the board of any other Company. They are not related to any of the Directors on the Board of the Company.

<b>Chandra Bhan</b>	
Fathers' Name	Jagan Singh
Date of Birth	10/01/1966
Date of Appointment	27/04/2013
Expertise in specific functional areas	Marketing
Years of Experience	13 Years
Qualification	Undergraduate in Arts Stream
Directorship in Other Public Limited Companies	NIL
Member/Chairman of the Committee	1) Audit Committee – Member 2) Investors Grievances Committee – Chairman 3) Remuneration Committee – Member
No. of shares held in own name or in the name of relatives	NIL

<b>Mahendra Kumar</b>	
Fathers' Name	Bharosi Lal
Date of Birth	16/11/1955
Date of Appointment	27/04/2013
Expertise in specific functional areas	Finance
Years of Experience	9 Years
Qualification	B. Com
Directorship in Other Public Limited Companies	NIL
Member/Chairman of the Committee	1) Audit Committee – Member 2) Investors Grievances Committee – Member 3) Remuneration Committee – Chairman
No. of shares held in own name or in the name of relatives	NIL

Except Mr. Chandra Bhan & Mr. Mahendra Kumar, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 4 & 5. The Board recommends the resolution set forth in Item Nos. 4 & 5 for the approval of the members.

This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchanges.

**Item No. 6**

As per Section 180 (1) (c) of the Companies Act, 2013, borrowings (apart from temporary loans obtained from the Company's bankers in ordinary course of business) by the Company beyond the aggregate of the paid up capital of the company and its free reserve requires approval from the shareholders of the Company.

with a view to meet the funds requirements of the Company for both short term as well as long term, the Company may require to borrow from time to time by way of loans and/or issue of Bonds, Debentures or other securities and the existing approved limit may likely to be exhausted in near future and it is therefore

recommended to enhance the borrowing limits of the Company up to Rs.25 Crores (Rupees Twenty-Five Crores Only).

The Directors recommends the resolution for members' approval as a Special Resolution.

None of the Directors / Key Managerial Personnel of the Company / their relatives is, in any way, concerned or interested, financially or otherwise, in this resolution.

**Item No. 7**

In furtherance to the Resolution No. 7 of this notice, the said borrowings/ issue of securities may be required to be secured by way of mortgage/ charge over all or any part of the movable and/or immovable assets of the Company and as per provisions of Section 180 (1) (a) of the Companies Act 2013, the mortgage or charge on all or any part of the movable and/or immovable properties of the Company, may be deemed as the disposal of the whole, or substantially the whole, of the undertaking of the Company and hence, requires approval from the shareholders of the Company.

Accordingly, it is proposed to pass an enabling resolution authorizing the Board to create charge on the assets of the Company for a value not exceeding Rs. 25 Crores (Rupees Twenty-Five Crores Only).

The Directors recommends the resolution for members' approval as a Special Resolution.

None of the Directors / Key Managerial Personnel of the Company / their relatives is, in any way, concerned or interested, financially or otherwise, in this resolution.

## DIRECTOR'S REPORT

Your Directors are pleased to present their Annual Report on the Business and operations of the Company together with the Audited Statement of Accounts for the year ended 31<sup>st</sup> March, 2014.

### Financial Results

The financial performance of your Company for the year ended March 31, 2014 is summarized below:

(Rupees in Lacs)

<b>Particulars</b>	<b>2013-2014</b>	<b>2012-2013</b>
Sales	1953.18	2371.82
Other Income	2.94	19.74
Total Income	1956.12	2391.56
Total Expenses	1775.01	2207.92
Profit/(Loss)	181.11	183.64
(-) Finance Cost	149.49	161.72
Profit/(Loss)Before Tax	31.62	21.92
Tax		
(-) Current Tax	6.32	4.17
(+) Deferred Tax	0.61	(0.68)
Net Profit After Tax	24.69	18.43

### Review of Operations:

During the year under review, the Company achieved a turnover of Rs.1953.18 Lacs (previous year Rs. 2371.82) the Company has made a modest profit of Rs.24.69 Lacs (previous there was profit of Rs. 18.43). Though the turnover during the year has declined, but the Company was able to make more profit compared to last year on account of better cost control & ensuring more sales of those products which has more margins.

### Future Outlook:

Your Company is currently focusing its resources in the business segments of manufacturer/exporter/wholesale dealer of iron casting grey iron, s.g.iron, diesel engine, pump sets, all type of graded castings, auto parts brake drum, cylinder, centrifugal pumps, etc. The Company is hopeful that in the coming years it will grow in leaps & bounds.

The Company is also trying to venture into profitable activities during the year, so as to have maximized return of its capital.

### Dividend:

The Board of Directors does not recommend any Dividend for the year under review.

### Subsidiary Companies:

The Company does not have any subsidiary Company within the meaning of section 4 of the Companies Act, 1956. Thus the Company is not required to furnish a statement pursuant to the provisions of Section 212 of the Companies Act, 1956.

### Acceptance of Fixed Deposits:

The Company has not accepted any Fixed Deposits from general public within the purview of Section 58A, of the Companies Act, 1956, during the year under review.

### Directors:

During the year under review, Mr. Chandra Bhan & Mr. Mahendra Kumar, who was appointed as Additional Director on 27<sup>th</sup> April, 2013, is liable to retire at the forthcoming Annual General Meeting. Mr. Rajesh Tiwari, Mr.

Chandra Bhan and Mr. Mahendra Kumar were appointed as Non-Executive Independent Directors of the Company for the terms of 5 Years, up to 31st March, 2019.

Further, none of the Directors of the Company are disqualified under sub-section (2) of Section 164 of the Companies Act, 2013.

Independent Director

As per provisions of Section 149 of the 2013 Act, independent directors shall hold office for a term up to five consecutive years on the board of a company, but shall be eligible for re-appointment for another term up to five years on passing of a special resolution by the company and disclosure of such appointment in Board's Report. Further Section 152 of the Act provides that the independent directors shall not be liable to retire by rotation in the Annual General Meeting ('AGM') of the Company.

As per Revised Clause 49 of the Listing Agreement (applicable from October 1, 2014), any person who has already served as independent director for five years or more in a company as on October 1, 2014 shall be eligible for appointment, on completion of the present term, for one more term of up to 5 (five) years only.

Auditors:

The Statutory Auditors, M/S. Preeti Jain & Associates, had been appointed to hold office until the conclusion of the ensuing Annual General Meeting; however they are also eligible for re-appointment and their willingness for re-appointment have been intimated to the Company well in advance. Further they have also confirmed that they are not disqualified for re-appointment within the meaning of Section 141 of the Companies Act, 2013 and their appointment, if made would be within the limits specified in Section 139 of the said Act.

Pursuant to the provisions of section 139 of the Companies Act, 2013 and the Rules made there under, the current auditors of the Company, M/S. Preeti Jain & Associates, Chartered Accountants, Agra, are eligible to hold the office for a period of five years up to 2019.

The members are therefore requested to appoint M/S. Preeti Jain & Associates, Chartered Accountants as auditors for five years from the conclusion of the ensuing Annual General Meeting till the conclusion of the Annual General Meeting, to be scheduled in 2019 and to fix their remuneration for the year 2014-15.

Auditors Report:

The observations and comments furnished by the Auditors in their report read together with the notes to Accounts are self-explanatory and hence do not call for any further comments under Section 217 of the Companies Act, 1956.

Directors Responsibility Statement:

In accordance with the requirement of Section 217 (2AA) of the Companies Act, 1956, the Board of Directors of the Company confirms:

- (i) In the preparation of the annual accounts for the financial year ended 31<sup>st</sup> March, 2014 the applicable accounting standards have been followed along with proper explanation relating to material departures.

- (ii) 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 profit and loss of the Company for the year ended 31<sup>st</sup> March, 2014.
- (iii) That the Directors have taken sufficient and proper care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting material fraud and other irregularities. And that the Directors have prepared the Annual Accounts on a going concern basis.
- (iv) That the Directors have prepared the Annual Accounts on a going concern basis.
- (v) That the development & implementation of a risk management policy for the company including identification therein of element of risk, if any, which in the opinion of the Board may threaten the existence of the Company.
- (vi) There are no material changes & commitments, if any, affecting the financial position of the company which have occurred between the end of the financial year of the company to which the financial statements relate & the date of the report.
- (vii) That there no contracts or arrangement with related parties referred to in sub-section (1) of section 188.

Corporate Governance:

As per Clause 49 of the Listing Agreement with the Stock Exchanges, a separate Chapter on Corporate Governance practices followed by the Company together with a Certificate from the Auditor confirming compliance forms a part of this Report. Though the Corporate Governance is not applicable for the Company as the Paid-up Capital & Net worth of the Company is below the prescribed limit set by SEBI/Stock Exchange. However, Company has voluntarily adopted Corporate Governance practice.

Executive Director's Certificate:

A Certificate from the Director in respect of the Financial Statements forms part of the Annual Report.

Management Discussion and Analysis Report:

Management Discussion and Analysis Report for the year under review, as stipulated under clause 49 of the Listing Agreement with the Stock Exchanges in India, is presented in a separate section forming part of the Annual Report.

Conservation Of Energy, Technology Absorptions and Foreign Exchange Earnings and Outgo:

The information relating to the conservation of energy, technology absorption foreign exchange earnings and outgo under provisions of 217(1)(e) of the Companies Act, 1956 is not applicable to the Company, considering the nature of its business activities. Further the Company has not earned nor spends foreign exchange during the year under review.

Particulars of Employees:

None of the employees of the Company is in receipt of remuneration prescribed under Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975. Thus furnishing of particulars under the Companies (Particulars of Employees) Rules 1975 does not arise.

Acknowledgement:

Yours Directors take this opportunity to thank the Financial Institutions, Banks, Business Associates, Central and State Government authorities, Regulatory authorities, Stock Exchanges and all the various stakeholders for their continued co-operation and support to the Company and look forward to their continued support in future.

We very warmly thank all of our employees for their contribution to your Company's performance. We applaud them for their superior levels of competence, dedication and commitment to your Company.

By Order of the Board  
For Indu Engineering & Textiles Limited  
Sd/-  
Pramod Kumar Agarwal  
Executive Director  
DIN: 01469533

Place: Agra  
Date: 3<sup>rd</sup> September, 2014.

## **MANAGEMENT DISCUSSIONS AND ANALYSIS REPORTS**

Your Directors are pleased to present the Management Discussion and Analysis Report for the year ended 31<sup>st</sup> March, 2014.

The management discussion and analysis have been included in consonance with the code of corporate governance as approved by The Securities and Exchange Board of India (SEBI).

Investors are cautioned that these discussions contain certain forward looking statements that involve risk and uncertainties including those risks which are inherent in the Company's growth and strategy. The company undertakes no obligation to publicly update or revise any of the opinion or forward looking statements expressed in this report consequent to new information or developments, events or otherwise.

The management of the company is presenting herein the overview, opportunities and threats, initiatives by the company and overall strategy of the company and its outlook for the future. This outlook is based on management's own assessment and it may vary due to future economic and other future developments in the country.

### Overview

The Company is into manufacturing/exporting & wholesale dealers of cast iron. Now with a stable Government at Centre, the manufacturing sector will witness growth in their sectors. The Company expects the demand for their products in the domestic as well as global sector. The Company has built up loyal customers, who vouch for the quality products of the Company at a reasonable price. The Company expects to target higher turnover in the coming years & will concentrate in global market, resulting into better margins.

### Industry Structure and Development:

Of late, there has been tremendous growth in the automobiles Industries in India and the development thereof has been remarkable.

### Opportunities and Threats:

The Company is into manufacturing/exporting & wholesale dealers of cast iron, all types of graded castings, auto parts brake drum, etc. There is tremendous scope of growth in the products manufactured by the Company. The Company expects to target global markets, aggressively in the coming years.

The Company may face competition from the existing or new players in the iron casting & its allied activities. The Company might funds for the expansion programme, which may increase the cost of production, if it procured the funds as debts. Presently, the Company has higher interest cost, which drags down its profitability. The Company's funds requirement is more from loans/debts rather than equity, which results into higher interest cost.

### Outlook

The Company was able to generate more profit during the year compare to last year, inspite of fall in turnover on account of better cost control. The present economic scenario looks bright on account of stable Government at the Centre & its industry friendly economic policies.



*Risk & Concerns:*

Many developing countries including India have reaped handsome rewards from surging capital inflows in recent years. This is widely regarded as a very welcome phenomenon, raising levels of investment and encouraging economic growth. But surging capital inflows can also be something of a double-edged sword, inflicting rather less welcome and destabilizing side effects, including a tendency for the local currency to gain in value, undermining the competitiveness of export industries, and potentially giving rise to inflation. Capital inflows result in a buildup of foreign exchange reserves. As these reserves are used to buy domestic currency, the domestic monetary base expands without a corresponding increase in production: too much money begins to chase too few goods and services. Any change in technology may make the present unit obsolete or it may find tough competition for the quality of its products. Any increase in raw material cost, labor cost or any manufacturing cost may impact the profitability of the Company.

*Internal Control Systems and Their Adequacy*

The Company has implemented a comprehensive system of internal controls and risk management systems for achieving operational efficiency, optimal utilization of resources, credible financial reporting and compliance with local laws. These controls are regularly reviewed by both internal and external agencies for its efficiency and effectiveness. Management information and reporting system for key operational activities form part of overall control mechanism

*Human Resources / Industry Relations:*

The Company recognizes that its success is deeply embedded in the success of its human capital. During 2013-2014, the Company continued to strengthen its HR processes in line with its objective of creating an inspired workforce.

The employee engagement initiatives included placing greater emphasis on learning and development, launching leadership development program, introducing internal communication, providing opportunities to staff to seek inspirational roles through internal job postings, streamlining the Performance Management System, making the compensation structure more competitive and streamlining the performance-link rewards and incentives. The Company believes that learning is an ongoing process. Towards this end, the Company has built a training infrastructure which seeks to upgrade skill levels across grades and functions through a combination of in-house and external program.

*Compliance*

The Compliance function of the Company is responsible for independently ensuring that operating and business units comply with regulatory and internal guidelines. The Compliance Department of the Company is continued to play a pivotal role in ensuring implementation of compliance functions in accordance with the directives issued by regulators, the Company's Board of Directors and the Company's Compliance Policy. The Audit Committee of the Board reviews the performance of the Compliance Department and the status of compliance with regulatory/internal guidelines on a periodic basis.

New Instructions/Guidelines issued by the regulatory authorities were disseminated across the Company to ensure that the business and functional units operate within the boundaries set by regulators and that compliance risks are suitably monitored and mitigated in course of their activities and processes. The Company

has complied with all requirements of regulatory authorities. The trading in the equity shares of the Company is suspended at Calcutta Stock Exchange/Delhi Stock Exchange since last few years, on account of Non-Compliance with various clauses of Listing Agreement. The Company has taken necessary steps for regularizing the same.

*Cautionary Statement*

Certain statements under "Management Discussion & Analysis" describing the Company's objectives, projections, estimates, expectations or predictions may be forward looking statement within the meaning of applicable securities laws and regulations. Although the expectations are based on reasonable assumptions, the actual results could materially differ from those expressed or implied, since the Company's operations are influenced by many external and internal factors beyond the control of the Company. The Company assumes no responsibility to publicly amend, modify or revise any forward looking statements, on the basis of any subsequent developments, information or events.

## **CORPORATE GOVERNANCE REPORT**

Pursuant to Clause 49 of the Listing Agreement with the Stock Exchanges, report on Corporate Governance is furnished herewith.

1. Company's Philosophy on Corporate Governance:

Corporate Governance for the Company means achieving high level of accountability, efficiency, responsibility and fairness in all areas of operation. Our Employees are committed towards the protection of the interest of the Stakeholders viz. Shareholders, creditors, investors, clients etc. Our policies consistently undergo improvements keeping in mind our goal i.e. maximization of value of all the stakeholders. The Company reviews its Corporate Governance practices to ensure that they reflect the latest developments in the corporate arena & position it to the best Corporate Governance practices.

2. Board of Directors

The Board is entrusted with the ultimate responsibility of the management, directions and performance of the Company. As its primary role is fiduciary in nature, the Board provides leadership, strategic guidance, objective and independent view to the Company's management while discharging its responsibilities, thus ensuring that the management adheres to ethics, transparency and disclosure.

The Board has six members with an Executive Director. The Independent Directors on the Board are competent and highly respected professionals from their respective fields and have vast experience in general corporate management, finance, banking and other allied fields which enable them to contribute effectively to the Company in their capacity as members of the Board. The day to day management of the Company is conducted by Executive Director subject to supervisions and control of the Board.

The Independent Directors have made disclosures to the Board confirming that there are no material, financial and/or commercial transactions between them and the company which could have potential conflict of interest with the company at large.

The Company has a Code of Conduct for Directors and Senior Management personnel. The code is available on the official website of the company [www.induengineeringltd.com](http://www.induengineeringltd.com)

All Directors and Senior Management Personnel have affirmed compliance with the code of conduct approved and adopted by the Board of Directors.

**Composition of Board**

As on the date of this report, the Board Strength consists of in all 6 directors. Out of them, 3 are non- executive Independent directors, 1 is Executive Director and 2 are Non-Executive Non-Independent Director.

Further none of the Directors on the Board is a Member of more than 10 Committees or Chairman of more than 5 Committees across all the Companies in which he is a Director. Also necessary disclosures regarding Committee positions in other public Companies have been made to the Company by the Directors at regular intervals.

Meetings of the Board of Director during the Financial Year 2013-14, Five Board Meetings were held on the following dates:

- 27<sup>th</sup> April, 2013
- 29<sup>th</sup> July, 2013
- 29<sup>th</sup> August, 2013
- 30<sup>th</sup> October, 2013
- 28<sup>th</sup> January, 2014

Details of the Board of Directors and External Directorships

Particulars of the Board's Composition, Directors' Attendance at Board Meetings and at the previous Annual General Meeting, number of other Directorships and Board-Committee memberships held as on 31 March 2014, are given below:

Sr. No.	Name of the Director, Designation and Category	Attendance of Board Meetings	Attendance at previous AGM	No. of other Directorships (*)	Number of other Board Committee positions (@)	
					As Chairman	As Member
1	Pramod Kumar Agarwal	5	Yes	2	None	2
2	Gaurav Agarwal	5	Yes	NIL	None	None
3	Chandra Bhan (appointed on 27/04/2013)	5	Yes	NIL	None	None
4	Mahendra Kumar (appointed on 27/04/2013)	5	Yes	NIL	None	None
5	Rajesh Tiwari	5	Yes	1	None	1
6	Ajay Agarwal	5	Yes	3	1	2

Notes:

(\*) includes directorships held in public limited Companies only.

(Directorships held in Private Companies, Foreign Companies and Companies registered under Section 25 of the Companies Act, 1956 are excluded.)

(@) includes only positions held in Audit Committee and Shareholders' / Investor Grievance Committee of the Board of Directors

**COMMITTEES OF THE BOARD**

The Board has constituted following Committees of Directors:

- Audit Committee,
- Remuneration Committee, and
- Shareholder's/Investors Grievance Committee,

**Audit Committee**

The Audit Committee consists of three Independent Directors, one Non-Executive Non-Independent Director and the Executive Director. All members of the Audit Committee are financially literate and they have accounting or related financial management expertise. The primary purpose of the Audit Committee is to assist the Board of Directors (the "Board") of Indu Engineering & Textiles Limited., (the "Company") in fulfilling its oversight responsibilities with respect to

- (a) the accounting and financial reporting processes of the Company, including the integrity of the audited financial results and other financial information provided by the Company to its stockholders, the public, any stock exchange and others,
- (b) the Company's compliances with legal and regulatory requirements,
- (c) the Company's independent auditors' qualification and independence,

(d) the audit of the Company's financial statements, and the performance of the Company's internal audit function and its Independent Auditors.

Terms of Reference:

The role and terms of reference of Audit Committee covers areas mentioned under Clause 49 of the Listing Agreement and 292A of the Companies Act, 1956, besides other terms as may be referred by the Board of Directors. All the Members of Audit Committee are qualified and having insight to interpret and understand financial statements. The brief terms of reference of the Audit Committee is outlined as under:

- To select and establish accounting policies.
- To recommend the Appointment and Removal of External Auditors/fixation of their fees.
- To review the adequacy of the Internal Control System.
- To review financial statements before submission to the Board of Directors.
- To review the adequacy of the Internal Audit function & reports, reporting structure coverage and frequency of internal audit.
- To review the findings of any internal investigations by the internal auditors and report the matter to the Board of Directors.
- To review the Company's financial and risk management policies.
- To review Statutory Auditors Report on the financial statements.
- To approve or modify, if any transactions of the Company with related parties.
- To scrutinize inter-corporate loans & investments.
- To do the valuation of undertakings or assets of the Company, wherever it is necessary.
- To evaluate internal financial controls & risk management systems.
- To monitor the end use of funds raised through public offers, if any & its related matters.

Meetings of the Committee:

The Committee met Four times during the financial year 2013-14 on i.e. 27<sup>th</sup> April, 2013, 29<sup>th</sup> July, 2013, 30<sup>th</sup> October 2013 & 28<sup>th</sup> January, 2014.

Constitution of the Committee:

The Composition of the Committee, together with the details of the attendance of each member as at 31<sup>st</sup> March, 2014 is given below:

Sr. No.	Name of the Director	Designation	Meetings Attended	Category
1.	Rajesh Tiwari	Chairman	4	Non-Executive Independent Director
2.	Chandra Bhan (appointed on 27/04/2013)	Member	4	Non-Executive Independent Director
3.	Mahendra Kumar (appointed on 27/04/2013)	Member	4	Non-Executive Independent Director
4.	Ajay Agarwal	Member	4	Non-Executive Non-Independent Director
5.	Pramod Kumar Agarwal	Member	4	Executive Director

**Shareholders/ Investor Grievance Committee**

Terms of the Committee:

- To scrutinize and approve registration of transfer of shares/warrants issued or to be issued.

- The Shareholders' and Investors' complaints on matters relating to transfer of shares, non-receipt of annual report, non-receipt of dividends and matters related thereto.
- To exercise all power conferred on the Board of Directors under Articles of Association.
- Attending to investors' queries and complaints regarding transfer, dividend, annual reports, etc.
- Attending to complaints of Investor routed by SEBI/Stock Exchanges/ RBI.

Details of Pending Investor Grievances and Compliance Officer:

There were no investor grievances pending for Redressal as the end of the financial year and all the queries from the stakeholders were attended to promptly. Further there were no pending transfers for the year under review.

Further the details of the Compliance Officer designated for handling of the Investor grievances is provided as under:

**Name :** Mr. Pramod Kumar Agarwal (Executive Director)  
**Address:** 20/4, 1<sup>st</sup> Floor, Maruti Tower, Sanjay Place, Agra – 452001, Uttar Pradesh.  
Tel No.: 0562-2851230.  
E-mail: induengg.agra@gmail.com  
Website: www.induengineeringltd.com

Composition:

The Committee comprises of namely, Mr. Chandra Bhan (appointed on 27/04/2013) Non-Executive Independent Director as a Chairman, Mr. Gaurav Agarwal, Non-Independent Director, Mr. Rajesh Tiwari, Mr. Mahendra Kumar (appointed on 27/04/2013), Independent Directors and Mr. Pramod Kumar Agarwal, Executive Director as a Members of Shareholders Grievance Committee.

**Remuneration Committee:**

Terms of the Committee

The remuneration policy is directed towards rewarding performance based on review of achievements on a periodical basis. However, none of the Directors has been given any remuneration during the year under review except Meeting Fees.

No Stock option has been allotted to any of the Directors during the financial year 2013-2014. The Committee review and recommend payment of annual salaries, commission and other employment conditions of the Managing Director, & other Executive Directors as well Key Management personal. It formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration for the Directors, key managerial personnel and other employees.

Composition

Name of the Member	Category	Chairman / Member
Mr. Mahendra Kumar (appointed on 27/04/2013)	Non-Executive Independent Director	Chairman
Mr. Chandra Bhan (appointed on 27/04/2013)	Non-Executive Independent Director	Member
Mr. Rajesh Tiwari	Non-Executive Independent Director	Member
Mr. Pramod Kumar Agarwal	Executive Director	Member

3. Subsidiary Company: - The Company does not have any subsidiary companies.

4. Disclosures:

- i. During the financial year 2013-14, there was no materially significant Related Party Transaction, with the Directors, or the Management, their relatives etc. having potential conflict with the interests of the Company at large. Further as a matter of policy, all the transactions with related parties, as per requirements of Accounting Standard 18, are disclosed in the Annual Report of the Company on a regular basis.
- ii. There was no related party transaction during the year, i.e. transactions of the Company of material nature, with its promoters, Directors or the management that may have potential conflict with the interests of Company at large.
- iii. The Company has followed the Accounting Standards issued by the Institute of Chartered Accountants of India to the extent applicable.
- iv. The Company has adopted the Code of Ethics and Business principles for the members of Board and senior management personnel.
- v. The Company has adopted a 'Code of Conduct for Prevention of Insider Trading ("the Code")' in accordance with the requirements of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 and its subsequent amendment. The code expressly lays down the guidelines and the procedure to be followed and disclosures to be made, while dealing with shares of the Company and cautioning them on the consequences of non-compliance thereof. However whistle blower policy has not been formed during the year under review. Further, we affirm that no personnel have been denied access to the Audit Committee. Employees can report to the Management concerned regarding unethical behavior, act or suspected fraud or violation of the Company's Code of Conduct Policy.
- vi. The Company is in compliance with all mandatory requirements of Clause 49 of the Listing Agreement, in addition the Company has also adopted the non-mandatory requirements of constitution of Remuneration and Nomination Committee and tenure of office of Independent Directors during current financial year 2014-15. (Though the Corporate Governance is not mandatory for the Company as the Paid-up Capital of the Company is less than Rs. 3 Crores).
- vii. The Company is suspended at The Calcutta Stock Exchange Limited/Delhi Stock Exchange Limited for last few years due to non-compliance of various clauses of the Listing Agreement. The Company is in process of complying with all the Clauses of Listing Agreement entered with both the Stock Exchanges.
- viii. The Company has ensured that the person who is being appointed as an Independent Director has the requisite qualifications and experience which would be of use to the Company and which in the opinion of the Company would enable him to contribute effectively to the Company in his capacity as an Independent Director.

5. Risk Management

The Company has a Risk Management Policy which has been adopted by the Board of Directors, currently, the Company's risk management approach comprises of governance, identification & assessment of risk. The risks have been prioritized through a Companywide exercise. Members of Senior Management have undertaken the ownership and are working on mitigating the same through co-ordination among the various departments, insurance coverage, security policy and personal accident coverage for lives of all employees.

The Company has appointed a Risk Officer and also put in place the risk management framework, which helps to identify various risks cutting across its business lines. The risks are identified and are discussed by the representatives from various functions. Risk Officer will make a presentation periodically on risk management to the Board of Directors and the Audit Committee. The Board and the Audit Committee provide oversight and review the risk Management policy periodically.

**6. Details of General Meetings:**

**Annual General Meetings:**

The details of last 3 Annual General Meetings together with the details of the special resolution passed thereat is provided hereunder:

Year	Day, Date and Time	Venue	Special Resolutions Passed
2012-2013	Saturday, 28 <sup>th</sup> September, 2013 at 4.00 a.m.	K – 157, Sarita Vihar, New Delhi – 110076.	-
2011-2012	Saturday, 29 <sup>th</sup> September, 2012 at 5.00 p.m.	K – 157, Sarita Vihar, New Delhi – 110076.	-
2010-2011	Friday, 30 <sup>th</sup> September, 2011 at 5.00 p.m.	K – 157, Sarita Vihar, New Delhi – 110076.	-

No Extra-Ordinary General Meetings have been conducted during last three financial years. No Special Resolutions has been passed through Postal Ballot during the year. None of the resolutions proposed at the ensuing Annual General Meeting need to be passed by Postal Ballot.

**7. Means of Communication:**

The Quarterly, Half-Yearly and Annual Financial Results of the Company are forwarded to The Calcutta Stock Exchange Limited/Delhi Stock Exchange Limited immediately upon its approval by the Board of Directors and are simultaneously published in leading newspapers in English and New Delhi (regional language). The financial statement of the Company is unqualified.

In accordance with the Listing Agreement requirements, data pertaining to Shareholding Pattern, Quarterly Financial Results and Other Details are forwarded to the Stock Exchange.

During the year under review, no presentation was made to the institutional investors or analysts.

**8. General Shareholders' Information:**

Date, Time & venue of Annual General Meeting	Tuesday, 30 <sup>th</sup> September, 2014 at 10.00 a.m. at K – 157, Sarita Vihar, New Delhi – 110076.
Listing on Stock Exchanges	The Equity Shares of the Company are listed on The Calcutta Stock Exchange Limited and Delhi Stock Exchange Limited.

No Dividend has been recommended for the year under review. The Company has paid Listing fees for the year 2014-15 to the Stock Exchange.



**i. Market Share Price Data:**

There has been no trading at The Calcutta Stock Exchange Limited/Delhi Stock Exchange Limited during the financial year 2013-14.

**ii. Share Transfer System:**

The Share transfer is processed by the Company, presently and approved by Share Transfer Committee, if the documents are complete in all respects, within 21 days from the date of lodgment. The Company is in process of appointing Share Transfer Agent for Physical & Electronic Connectivity of the securities of the Company.

**iii. SEBI Complaints Redress System (SCORES)**

SEBI vide circular dated 3<sup>rd</sup> June, 2011 introduced SCORES, i.e., SEBI Complaints Redress System the system of processing of investors complaints in a centralized web based complaints redress portal known as 'SCORES'. The salient features of this system are: centralized database of all Complaints, online upload Action Taken Reports (ATRs) by concerned Companies and online viewing by investors of action taken on the complaints and its current status.

The Company is registered with SEBI under the SCORES system.

**iv. ISIN No.:**

The Company is in process of admitting its equity shares in NSDL and CDSL for electronic connectivity.

**v. Distribution of Shareholding as on March 31, 2014, Are As Follows;**

No. of Shares Range	No. of Shareholders	% of Shareholders	Value of Shares Held	% of Shareholding
Upto 5,000	12	40.00	22500	0.94
5,001 to 10,000	0	0.00	0	0.00
10,001 to 20,000	3	10.00	53750	2.24
20,001 to 30,000	1	3.33	24500	1.02
30001 to 40,000	0	0.00	0	0.00
40,001 to 50,000	3	10.00	144000	6.00
50,001 & 1,00,000	1	3.33	55000	2.29
1,00,001 & Above	10	33.33	2100250	87.51
Total	30	100.00	2400000	100.00

**vi. Shareholding Pattern as on 31<sup>st</sup> March, 2014**

Sr. Nos.	Category	No. of Shares held	% of Shareholding
A	Promoters		
1.	Individuals/HUF	11000	4.58
	TOTAL (A)	11000	4.58
B	Public Shareholding		
	Institutions	0	0.00
	Non-Institutions	0	0.00
1.	Bodies Corporate	0	0.00
2. (a)	Individual Shareholders holding up to Rs.1 Lac	12300	5.13
(b)	Individual Shareholders holding above Rs.1 Lac	187025	77.93
3.	NRIs/ HUF's / Foreign Corporate Bodies	29675	12.36
	TOTAL (B)	229000	95.42
	TOTAL (A+B)	240000	100.00

**vii. Outstanding GDRs/ ADRs:**

The Company has not issued any GDRs/ADRs.

**viii. Dematerialization of Shares and Liquidity:**

The Company's equity shares are available for trading in the Physical form presently & the Company is in process of admitting its equity shares in National Securities Depository Limited and Central Depository Services (India) Limited.

As on 31st March, 2014, 240000 equity shares, constituting 100% of the paid-up equity capital of the Company stood in Physical form.

**ix. Financial Calendar (Tentative):**

Financial Year : 01 April, 2014- 31st March, 2015  
First quarter result : 14th August, 2014.  
Half-yearly results : 14th November, 2014  
Third quarter results : 14th February, 2015  
Annual results : End of May, 2015  
Annual General Meeting : September, 2015

**x. Address for Correspondence:**

20/4, 1st Floor, Maruti Tower,  
Sanjay lace, Agra - 452001,  
Uttar Pradesh.  
Tel No.: 0562 - 2851230  
Email ID: induengg.agra@gmail.com

**xi. Reconciliation of Share Capital Audit**

A practicing Company Secretary carries out reconciliation of share capital audit, on half-yearly basis to reconcile the total admitted capital in Physical form and total issued and listed capital. The audit confirms that the total issued/paid up capital is in agreement with the total number of shares in physical form.

**xii. Audit Qualifications**

There are no Audit qualifications in the Company's financial statement for the year under review.

**Nomination Facility:**

Individual Shareholders holding shares singly or jointly in physical form can nominate a person in whose name the shares shall be transferable in case of death of the registered shareholder(s).

The statutory Auditors have certified that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement with the Stock Exchanges and the same is annexed to this Report.

Place: Agra  
Date: 3rd September, 2014.

By Order of the Board  
For Indu Engineering & Textiles Limited  
Sd/-  
Pramod Kumar Agarwal  
Executive Director  
DIN: 01469533

**CERTIFICATE ON CORPORATE GOVERNANCE**

To,  
The Members,  
Indu Engineering & Textiles Limited

We have examined the compliance of conditions of Corporate Governance by Indu Engineering & Textiles Limited for the year ended on 31<sup>st</sup> March, 2014 as stipulated in Clause 49 of the Listing Agreement entered into by the Company with the Stock Exchanges.

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

In our opinion and to the best of our knowledge and belief and according to the explanations given to us, we certify that the Company has complied in all material respects with the conditions of Corporate Governance as stipulated in the Listing Agreement

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

For Preeti Jain & Associates,  
Chartered Accountants  
SD/-  
(Dharmesh Jain)  
Partner  
M. No.: 400130

Place: Agra  
Date: 3<sup>rd</sup> September, 2014

## **CERTIFICATE ON FINANCIAL STATEMENTS**

To,

The Members,

Indu Engineering & Textiles Limited

We, Pramod Kumar Agarwal, Executive Director of Indu Engineering & Textiles Limited hereby certify that:

1. We have reviewed the financial statements and the cash flow statements for the financial year 2013-14 and to the best of my knowledge and belief:

- a. These statements do not contain any materially untrue statement that might be misleading with respect to the statements made.
- b. These financial statements and other financial information included in this report present a true and fair view of the Company's affairs for the period presented in this report and are in compliance with current accounting standards, applicable laws and regulations and full explanations has been given for any material departure in compliance of Accounting Standards.

2. There are, to the best of my knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the Company's code of conduct.

3. We are responsible for establishing and maintaining internal controls for financial reporting and have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting.

4. We have disclosed to the Company's Auditor and Audit Committee of the Company, all significant deficiencies in the design or operation of the internal controls, if any, of which we are aware and the steps taken or proposed to be taken to rectify the deficiencies.

5. We have indicated to the Auditors and the Audit Committee:

- a. Significant changes in accounting policies made during the year and that the same have been disclosed suitably in the notes to the financial statements; and
- b. That there were no Instances of significant fraud that involves management or other employees who have a significant role in the Company's internal control system over financial reporting.

6. We further declare that all Board Members and Senior Managerial Personnel have affirmed compliance with the Code of Conduct for the current Financial Year.

By Order of the Board  
For Indu Engineering & Textiles Limited  
Sd/-  
Pramod Kumar Agarwal  
Executive Director  
DIN: 01469533

Place: Agra

Date: 3<sup>rd</sup> September, 2014.

## **ANNUAL CERTIFICATE UNDER CLAUSE 49(I) (D) OF THE LISTING AGREEMENT WITH THE STOCK EXCHANGES**

I, Pramod Kumar Agarwal, Executive Director of the M/s. Indu Engineering & Textiles Limited declare that all Board Members and Senior Management of the Company have affirmed compliance with the Code of Conduct during the year ended 31st March 2014.

By Order of the Board  
For Indu Engineering & Textiles Limited  
Sd/-  
Pramod Kumar Agarwal  
Executive Director  
DIN: 01469533

Place: Agra

Date: 3<sup>rd</sup> September, 2014.

## **INDEPENDENT AUDITOR'S REPORT**

**To**  
**The Members of Indu Engineering & textiles Limited**

### **Report on the Financial Statements**

We have audited the accompanying financial statements of **Indu Engineering & Textiles Ltd.** as at 31st March, 2014 and the Statement of Profit & Loss Account of the Company for the Period and summary of significant accounting policies and other explanatory information.

### **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 of the company in accordance with the Accounting Standard referred to in sub-section (3C) of section 211 of the Companies Act, 1956. This responsibility includes the design & Implementation and maintenance of Internal control relevant to the preparation and presentation of the financial statements that give a true & fair view and free from material misstatement, whether due to fraud & error.

### **Auditor's Responsibility**

Our Responsibility is to express an opinion on the financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the Audit to obtain reasonable assurance about whether the financial statements are Free from material misstatements.

An audit involves performing procedures to obtain audit evidence about the amount & disclosures in the financial statements. The Procedures selected depend on the auditor's Judgment, including The assessments of the risks of material misstatements of the financial statements Whether due to fraud & error. In making those risk assessments, the auditor consider internal control relevant to the company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### **Report on Other Legal and Regulatory Requirements**

1. As required by the companies (Auditor's Report) Order 2003, issued by the Central Government of India in terms of Section 227(4A) of the Companies Act, 1956, we give in the annexure a statements on the matters specified in paragraph 4 and 5 of the order.

As required by section 227(3) of the Act, we report that:

- a. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
- b. In our opinion, proper books of accounts as required by law have been kept by the company so far as appears from our examination of the books.
- c. The Balance Sheet and statements of Profit & Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of accounts. [and with the returns received from branches not visited by us.]

- d. In our opinion the Balance Sheet and Profit & Loss Account comply with the accounting standards referred to in subsection (3C) of section 211 of the Companies Act, 1956;and
- e. On the basis of written representation received from Directors and taken on record by the Board of Directors,We report that none of the Directors are disqualified as on 31st March, 2014 from being appointed as a Director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
- f. Since the Central Government has not issued any notification as to the rate at which the cess is to be Paid under section 441A of the Companies Act,1956 or I has issued any Rules under the said section Prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.
- g. In our opinion, and to the best of our information and according to the explanations given to us, the said account give the information required, by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
- i) In the case of the Balance Sheet of the state of affairs of the company as at 31st March, 2014 and,
  - ii) In the case of Profit & Loss Account, of the Loss for the year ended on that date.

For Preeti Jain and Associates,  
Chartered Accountants  
SD/-  
Dharmesh Jain  
Partner  
M. No.: 400130

Place: Agra  
Date: 3<sup>rd</sup> July, 2014

## **ANNEXURE TO AUDITORS' REPORT**

### **Referred to in paragraph 1 of our report of even date Indu Engineering & Textiles Limited**

- (i)
  - (a) The Company has maintained proper records showing full particulars including quantities details and situation of fixed assets.
  - (b) The fixed assets have been physically verified by the management at reasonable intervals during the year. We have been informed that no material discrepancies were noticed on such physical verification.
  - (c) During the year the company has not disposed off substantial part of fixed assets which would affect its status as going concern.
- (ii)
  - (a) The physical verification of inventory has been conducted at reasonable intervals by the management.
  - (b) The procedures of physical verification of inventory 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 has maintaining proper records of inventory and any material discrepancies were noticed on physical verification, the same have been properly dealt with in the books of account.
- (iii) The company has not granted or taken any loans, secured or unsecured, to companies Firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. So Clauses 3(a), (b), (c), (d), (e), (f) & (g) are not applicable.
- (iv) In our opinion and according to the information and explanations given to us, the company has adequate internal control procedure in general commensurate with the size of the company and the nature of its business, for the purpose of sale and purchases of shares.
- (v)
  - (a) In our opinion and according to the information and explanations given to us the company has not entered into or to be entered into any contracts or arrangements during the year referred to in section 301 of the Companies Act, 1956.
  - (b) In our opinion and according to the information and explanation given to us, there are no transaction made in pursuance of contracts or arrangements entered in the registered maintained under section 301 of the Companies Act, 1956.
- (vi) The Company has not accepted any deposits under the provisions of Section 58A, 58AA or any other relevant provisions of the Act and the rules framed there under, do not apply.
- (vii) In our opinion the company has an internal audit system commensurate with size and nature of its business.

- (viii) To the best of our knowledge and according to the information given to us the Central Government has not prescribed the maintenance cost records under section 209 (I) (d) of the Companies Act, 1956 for the company.
- (a) According to the books and records as produced and examined by us in accordance with generally accepted auditing practices in India and also based on management representations the Provident Funds Act and Employees State Insurance Act is applicable to the company, undisputed statutory dues in respect of income tax and other material statutory dues have generally been regularly deposited by the company during the year with the appropriate authorities in India.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Customs Duty, Exercise Duty, Wealth Tax and other material statutory dues were in arrears as at 31<sup>st</sup> March, 2014 for a period of more than six months from the date they became payable.
- (ix) The company has taken a secured loan which stood at Rs. 9156617.00 as on 31.03.2014
- (x) The Company has not incurred cash loss in the current year or in the immediately preceding financial year. There are no accumulated losses in the Balance Sheet as on balance sheet date.
- (xi) The Company has not granted any loans or advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xii) In our opinion, the Company is not a chit fund or a nidhi / mutual benefit fund / societies. Therefore, the provisions of Clause 4 (xiii) of the Companies (Auditors) Order, 2003 are not applicable to the Company.
- (xiii) According to the information and explanations given to us proper records have been maintained in respect of transactions and contracts in shares, securities, debentures and other investments and timely entries have been made therein. The shares and other securities have been held by the company in its own name.
- (xiv) According to the information and explanations given to us the company has not given any guarantee for loans taken by others from banks or financial institutions.
- (xv) The company has availed a term loan and working capital facility from Canara bank, Loha Mandi, Agra AXIS Bank, Agra and HDFC Bank, Sanjay Place, Agra, the company has regularly being paid the installments of principles of all the Term loans and interest on Term loan as well as on working capital limit.
- (xvi) Based on information and explanation given to us and as an overall examination of the Books of Accounts as on 31<sup>st</sup> March, 2014, we report that no funds raised on short-term basis have been used for long-term investment by the company.
- (xvii) According to the information and explanations given to us and as shown by the records examined by us the company has not made any preferential allotment of shares to the parties and companies covered under section 301 of the Companies Act, 1956.
- (xviii) As per the information and explanations given to us and on the basis of examinations of records, no material fraud on or by the Company was noticed or reported during the year.
- (xix) The Company has not given any guarantees for loans taken by other from banks or financial Institutions.



*INDU ENGINEERING & TEXTILES LIMITED {CIN: L74899DL1972PLC034022}*

- (xx) The Company has not issued any debentures during the year.
- (xxi) The Company has not raised any money by way of public issue during the year.
- (xxii) The company has not defaulted in payment of dues to any financial Institutions, banks or Debentures holders.

Place: Agra  
Date: 03<sup>rd</sup> July, 2014

For Preeti Jain and Associates  
Chartered Accountants  
SD/-  
Dharmesh Jain  
Partner  
M. No.: 400130

INDU ENGINEERING & TEXTILES LTD.  
BALANCE SHEET AS ON 31ST MARCH 2014

PARTICULARS	NOTE	FIGURE AS ON 31.03.2014	FIGURE AS ON 31.03.2013
<b>I. EQUITY AND LIABILITIES</b>			
<b>1. SHARE HOLDERS FUND</b>			
a. Share Capital	<b>A</b>	2,400,000.00	2,400,000.00
b. Reserve & Surplus	<b>B</b>	51,568,767.24	49,124,088.67
<b>2. SHARE APPLICATION MONEY PENDING ALLOTMENT</b>			
		-	-
<b>3. NON - CURRENT LIABILITIES</b>			
(a) Long - Term borrowing	<b>C</b>	34,318,676.86	37,291,178.21
(b) Deferred tax liabilities (Net)		709,632.00	648,571.00
(c) Other Long term liabilities	<b>D</b>	16,386,289.86	32,761,198.00
<b>4. CURRENT LIABILITIES</b>			
(a) Short - Term borrowing	<b>E</b>	91,501,780.70	88,097,038.14
(b) Trade payables	<b>F</b>	15,966,839.14	26,083,193.99
(c) Other Current liabilities	<b>G</b>	124,213.00	44,159.00
(d) Short term provisions	<b>H</b>	6,247,705.19	6,265,818.19
<b>TOTAL</b>		<b>219,223,903.99</b>	<b>242,715,245.20</b>
<b>II. ASSETS</b>			
<b>1. Non Current Assets</b>			
(a) Fixed Assets			
(i) Tangible assets	<b>I</b>	71,783,644.58	73,252,311.79
(b) Non - Current Investment		117,887.50	117,887.50
<b>2. Current Assets</b>			
(b) Inventories	<b>J</b>	65,623,726.63	88,381,889.69
(c) Trade receivables	<b>K</b>	73,726,139.95	75,707,331.77
(d) Cash and cash equivalents	<b>L</b>	1,645,129.05	137,153.55
(e) Short - term loans and advances	<b>M</b>	5,797,423.90	4,885,294.90
(f) Other current assets	<b>N</b>	529,952.38	233,376.00
<b>TOTAL</b>		<b>219,223,903.99</b>	<b>242,715,245.20</b>
<b>8. NOTES ON ACCOUNTS &amp; SINIFICANT ACCOUNTING POLICIES</b>		<b>V</b>	-

The Notes referred to above form an integral part of Balance Sheet

For and on behalf of Board

For INDU ENGINEERING & TEXTILES LIMITED

SD/-

(Pramod Agarwal)  
(Director)

SD/-

(Gaurav Agarwal)  
(Director)

Signed in terms of our report of even date

For PREETI JAIN & ASSOCIATES  
CHARTERED ACCOUNTANTS

SD/-

(DHARMESH JAIN)

Partner

M.no. 400130

Date : 03/07/2014

Place : New Delhi

<b>INDU ENGINEERING &amp; TEXTILES LTD.</b>			
<b>MANUFACTURING TRADING &amp; PROFIT &amp; LOSS ACCOUNT FOR THE PERIOD ENDED 31ST MARCH 2014</b>			
PARTICULARS	NOTE	FIGURE AS ON 31.03.2014	FIGURE AS ON 31.03.2013
<b>INCOME</b>			
I. Income from operation	<b>O</b>	195,318,361.55	237,181,805.65
II. Other Income	<b>P</b>	293,754.88	1,974,369.28
<b>III Total Revenue</b>		<b>195,612,116.43</b>	<b>239,156,174.93</b>
<b>IV. Expenses</b>			
Cost of material consumed	<b>Q</b>	104,016,180.65	165,705,052.77
Change in Inventories	<b>R</b>	10,869,251.06	(9,416,714.49)
Employee Benefit Expenses	<b>S</b>	5,087,837.00	6,214,416.00
Financial Cost	<b>T</b>	14,949,491.53	16,171,818.04
Depreciation and amortization Expenses 24.16		2,416,314.12	3,098,626.74
Other Expenses	<b>U</b>	55,112,122.50	55,191,417.54
<b>Total Expenses</b>		<b>192,451,196.86</b>	<b>236,964,616.60</b>
V Profit before exceptional and extra ordinary items & tax (III - IV)		3,160,919.57	2,191,558.33
VI Exceptional Item		-	-
VII. Profit Before extraordinary items and tax (V-VI)		3,160,919.57	2,191,558.33
VIII. Extraordinary Item		-	-
IX. Profit before Tax (VII - VIII)		3,160,919.57	2,191,558.33
X. Tax expense :			
(1) Provision for Current Tax		655,180.00	417,601.00
(2) Provision for Deferred Tax		61,061.00	(68,580.00)
XI. Profit (Loss) from the period from counting operations (VII - VIII)		3,160,919.57	2,191,558.33
XII. Profit / (Loss) from discounting operations		-	-
XIII. Tax expenses of discounting operations		-	-
XIV. Profit (Loss) from discount operations (XII - XIII)		-	-
XV. Profit / (Loss) for the Period (XI + XIV)		3,160,919.57	2,191,558.33
XVI. Earning per equity share			
(1) Basic		13.17	9.13
(2) Diluted		13.17	9.13
Balance Brought Forward from Last Year		14,225,687.08	12,383,149.75
Profit Available for Appropriation		2,444,678.57	1,842,537.33
<b>BALANCE CARRIED TO BALANCESHEET</b>		<b>16,670,365.65</b>	<b>14,225,687.08</b>

The Notes referred to above form an integral part of Balance Sheet

For and on behalf of Board  
For INDU ENGINEERING & TEXTILES LIMITED

SD/- SD/-  
(Pramod Agarwal) (Gaurav Agarwal)  
(Director) (Director)

Date : 03/07/2014  
Place : New Delhi

Signed in terms of our report of even date  
For PREETI JAIN & ASSOCIATES  
CHARTERED ACCOUNTANTS

SD/-  
(DHARMESH JAIN)  
Partner  
M.no. 400130

<b>INDU ENGINEERING &amp; TEXTILES LTD.</b>		
<b>CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014</b>		
<b>PARTICULARS</b>	<b>FIGURE AS ON 31.03.2014</b>	<b>FIGURE AS ON 31.03.2013</b>
<b>CASH FLOW FROM / (USED IN) OPERATING ACTIVITIES</b>		
Net Profit Before Tax and extraordinary Items :	3,160,919.57	2,191,558.33
Adjustment for :		
Depreciation	2,416,314.12	3,098,626.74
Interest Income	(268,830.38)	(416,288.50)
Interest Expenses	14,166,545.87	15,569,118.91
<b>Operating profit before working capital changes</b>	<b>19,474,949.18</b>	<b>20,443,015.48</b>
Increase/Decrease in sundry debtors	1,981,191.82	(5,570,412.42)
Increase/Decrease in Inventories	22,758,163.06	(29,974,103.69)
Increase/decrease in Loans & Advance	(486,719.00)	(102,763.00)
Increase/decrease in Other Current Assets	(296,576.38)	233,123.78
Increase/Decrease in Sundry Creditors	(10,116,354.85)	17,286,352.01
Increase/Decrease in Workind Capital Limit from Bank	3,404,742.56	12,123,571.67
Increase/Decrease in Other Current Liabilities	(593,239.00)	127,727.00
<b>Cash generated from operations</b>	<b>36,126,157.39</b>	<b>14,566,510.83</b>
Income Tax paid	425,410.00	40,690.00
<b>Net Cash from Operating Activities</b>	<b>35,700,747.39</b>	<b>14,525,820.83</b>
<b>CASH FLOW FROM / (USED IN) INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	(1,066,146.91)	(4,689,213.54)
Sale of Fixed Assets	118,500.00	-
Interest Income Received	268,830.38	416,288.50
<b>Net Cash from / (used in) Investing Activities</b>	<b>(678,816.53)</b>	<b>(4,272,925.04)</b>
<b>CASH FLOW FROM / (USED IN) FINANCING ACTIVITIES</b>		
Proceeds from from Secured Loan	(2,972,501.35)	(1,727,151.67)
Proceeds from from Unsecured Loan	(16,374,908.14)	(3,475,450.00)
Interest paid	(14,166,545.87)	(15,569,118.91)
<b>NET CASH FROM / (USED IN) FINANCING ACTIVITIES</b>	<b>(33,513,955.36)</b>	<b>(20,771,720.58)</b>
<b>Net increase / (decrease) in Cash and Cash Equivalents</b>	<b>1,507,975.50</b>	<b>(10,518,825.09)</b>
Cash and Cash Equivalents at the beginning of the year	137,153.54	10,655,978.63
<b>Cash and Cash Equivalents at the end of the year</b>	<b>1,645,129.04</b>	<b>137,153.54</b>
<b>For and on behalf of Board</b>	<b>Signed in terms of our report of even date</b>	
<b>For INDU ENGINEERING &amp; TEXTILES LIMITED</b>	<b>For PREETI JAIN &amp; ASSOCIATES CHARTERED ACCOUNTANTS</b>	
<b>(Pramod Agarwal)</b> Director	<b>(Gaurav Agarwal)</b> Director	<b>(DHARMESH JAIN)</b> Partner M.no. 400130
<b>Date : 03/07/2014</b>		
<b>Place : New Delhi</b>		

**INDU ENGINEERING & TEXTILES LTD.**  
**SCHEDULES ATTACHED TO AND FORMING PART OF BALANCESHEET AS ON 31ST MARCH 2014**

PARTICULARS	FIGURE AS ON 31.03.2014	FIGURE AS ON 31.03.2013
<b>NOTE A : SHARE CAPITAL</b>		
1. AUTHORISED	3,000,000.00	3,000,000.00
2. ISSUED SUBSCRIBED & PAID UP 2,40,000 Equity Share of Rs.10 each	<b>2,400,000.00</b>	2,400,000.00
<b>TOTAL</b>	<b>2,400,000.00</b>	<b>2,400,000.00</b>

**Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the year**

Particulars	As At 31 March 2014		As At 31 March 2013	
	Number	Amount	Number	Amount
<b>Equity Shares</b>				
Shares outstanding at the beginning of the year	240,000.00	2,400,000.00	240,000.00	2,400,000.00
Shares issued during the year*	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	240,000.00	2,400,000.00	240,000.00	2,400,000.00

**2.2 Terms/ Rights Attached to Shares**

**Equity**

The Company has only one class of Equity Shares having a par value of Rs. 10 per share. Each holder of Equity Shares is entitled to one vote per share and ranks pari passu. The Dividend proposed by the Board of Directors is subject to approval of the shareholders at the ensuing Annual General Meeting. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts. The distribution will be in proportion to the number of Equity Shares held by the Shareholders.

**Details of Shareholders holding more than 5% shares in Equity Capital of the Company.#**

Name of Shareholder	As At 31 March 2014		As At 31 March 2013	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Vinod Kumar	20400	8.50%	20400	8.50%
Girraj Kishore Agarwal HUF	12000	5.00%	12000	5.00%
Vidya Rani	17000	7.08%	17000	7.08%
Pramod Kumar	20200	8.42%	20200	8.42%
Ajay Kumar	20000	8.33%	20000	8.33%
Meenal Dadu	29000	12.08%	29000	12.08%
Kanika Mittal	28000	11.67%	28000	11.67%
Kamlesh Kumar	29925	12.47%	29925	12.47%
Shobhit Goyal	22500	9.38%	22500	9.38%

#The aforesaid disclosure is based upon percentages computed separately for class of shares outstanding as at the balance sheet date. As per records of the company, including its register of shareholders/members and other declaration received from shareholders regarding beneficial interest, the above shareholding represents both legal & beneficial ownership of shares.

**NOTE B : RESERVE & SURPLUS**

1. General Reserve	1,507,673.59	1,507,673.59
2. Generator Subsidy	105,000.00	105,000.00
3. Revaluation Reserve on Land & Building	27,185,728.00	27,185,728.00
4. Share Premium	5,200,000.00	5,200,000.00
5. Surplus as per Profit & Loss Account	16,670,365.65	14,225,687.08
6. Capital Subsidy	900,000.00	900,000.00
<b>TOTAL</b>	<b>51,568,767.24</b>	<b>49,124,088.67</b>

**NOTE C : LONG TERM BORROWING  
(SECURED LOAN)**

Canara Bank (Buyer's Credit)	1,625,292.00	1,625,292.00
Canara Bank MTL (A/C No. 0010)	2,979,248.00	3,773,720.00
Canara Bank MTL (A/C No. 0012)	-	2,567,315.79
Canara Bank MTL (A/C No. 0013)	-	159,245.00
Canara Bank MTL (A/C No. 0026)	-	259,113.00
Axis Bank (Loan A/c No. 911030066475220)	27,504,280.27	25,527,638.65
Canara Bank Car Loan (A/c- No. 0378603000070)	250,976.00	315,062.00
Canara Bank (M-SX4 Loan A/c No. 0378603000079)	305,513.00	419,578.00
HDFC Bank Loan (A/c No. 80298756)	1,059,652.59	1,606,498.77
SIDBI	593,715.00	1,037,715.00
<b>TOTAL</b>	<b>34,318,676.86</b>	<b>37,291,178.21</b>

**NOTE D : OTHER LONG TERM LIABILITIES  
(UNSECURED LOAN)**

Gaurav Agarwal	3,215,749.00	3,962,389.00
P K Agarwal (HUF)	-	11,923,930.00
P K Agarwal	13,170,540.86	2,691,779.00
Manju Rani Agarwal	-	11,616,100.00
Meenal Agarwal	-	2,567,000.00
<b>TOTAL</b>	<b>16,386,289.86</b>	<b>32,761,198.00</b>

**NOTE E : SHORT TERM BORROWING  
(Working Capital Limit)**

CANARA BANK 50460	30,448,109.98	44,058,328.77
CANARA BANK 50461	30,307,937.20	30,346,468.20
CANARA BANK P.C A/C	10,049,448.00	7,560,981.00
CANARA BANK BILL DISCOUNTED	7,496,527.00	-
HDFC Loan (1790)	4,043,141.52	6,131,260.17
Axis Bank (Loan A/c No. 913060037184574)	9,156,617.00	-
<b>TOTAL</b>	<b>91,501,780.70</b>	<b>88,097,038.14</b>

**NOTE F : TRADE PAYABLES**

**(Sundry Creditors for Goods)**

A.N Auto Industries	30,040.00	7,500.00
A.V. Chopra	-	217,951.00
Agarwal Enterprises	13,540.00	4,300.00
Anand Enterprises	29,015.00	26,768.00
Anil Kumar Agarwal	5,500.00	5,500.00
ANIL UDYOG	154,269.00	477,917.00
Apna Ispat(Agra)	197,781.00	508,426.00
ASHAPURA INTERNATIONAL LTD.	261,871.00	263,589.00
Atul Generator Pvt.Ltd.	208,000.00	95,000.00
Beryl Metal works	23503.00	-
Bhatia Generators	7840.00	-
B.D.Enggineering	85,052.00	58,725.00
Bee Kay Industries	10,000.00	30,000.00
Bee Pee Electricals	10,415.00	691.00
Bhartia Alloys	-	68,407.07
Bhartiya Pulverisers	-	206,851.00
Chep India Pvt. Ltd	112,202.69	-
Caliber ScalesIndia Private Limited	13,980.00	-
D.G. Polypack (P).Ltd	-	30,631.00
Deep Impex,INC	11,230,428.00	14,543,278.00
Devi Singh (pattern maker)	22,450.00	22,450.00
Din Dayal & Brothers	159,893.00	21,173.15
ESCORTS CONSTRUCTION PVT. LTD	64,600.00	-
Epic Alloys Steels P.Ltd	-	9,377.00
G4S SECURE SOLUTIONS (INDIA) PVT.LTD.	45,453.00	-
Firex Chemicals Ltd	-	39,535.00
Fair Deal Enterprises	8,767.00	-
GEE KAY TRADECOM	55,727.78	-
G.S. TRADERS	85,052.00	44,361.00
GAIL GAS LIMITED	37,527.00	234,499.00
Garg & Company	13,767.00	3,770.20
Gupta sales	7,140.00	-
heatengers	48,514.00	-
Hanuman Minerals	20,000.00	57,747.00
Hari Baboo Jha (Pattern Maker)	-	5,400.00
Hari Gas Agencies	91,875.00	24,066.00
HEG Limited	-	5,898.00
IMPEX SERVIES	71,145.00	33,161.00
India Silica	27,720.00	-
J.P.ASSOCIATES	-	-
JAIN ELECTRICALS	8,879.00	3,407.00
JACKSON ENTERPRISES	124,342.00	-
JAIRAM DAS & SONS	136,361.00	112,353.00
JINENDRA SALES CORPORATION	-	92,576.00
JOINT TRADE CORPORATION	99,004.00	38,108.00
Kali Charan	2,775.00	3,720.00
Kalsi Agro Industries	-	467.00
India Casting	-	7,240,588.13
KAPOOR DIESEL SPARES	73,338.00	-
KHANDELWAL MINERALS TRADING COM.	55,069.00	-

**INDU ENGINEERING & TEXTILES LIMITED {CIN: L74899DL1972PLC034022}**

KIDAR EXPORTS	31,385.00	-
Laboratory Suppliers	-	1,618.00
LOHIA CORPORATION LTD.	30,070.00	-
Lohia Starlinger Ltd.(P)	-	6,009.53
LOP (INDIA)	50,891.00	-
MADAN TOOLS	-	2,600.00
Manish enterprises	39,132.00	-
Mahavir Prasad Sharma (Pattern)	8,200.00	8,200.00
MINU ADVERTISING	22,050.00	-
Mercantile Agencies	-	22,695.00
M.R SPRINGS	6,840.00	-
Ocean Shipping Service	807,663.00	589,879.00
P.K. Udyog	270,408.00	80,000.00
P.C TOOLINGS SOLUTIONS	3,903.00	-
P.N.P. Castings (P) Ltd.	-	207,652.00
PERFECT ENGINEERING WORKS	20,183.00	-
PARAGON INDUSTRIES	569,514.00	-
Patiram	43,400.00	43,400.00
Perametal KFT	-	144,798.00
PARAS PACKWAL	2,310.00	-
Prakash Diesels Pvt. Ltd	-	26,684.00
Quality Spares Centre	25,340.00	57,765.00
R.D. Traders	-	2.00
RAM CHEMICAL ENTERPRISES	8,025.00	-
Ranco Engineering Company	15,215.25	1,942.50
SUDERSON SALES CORPORATION	50,045.00	-
SARASWATI CHEMICALS	-	17,784.00
Satinder Chemicals	-	112,200.00
Seema Securities P.Ltd	17,251.42	17,251.42
Sheet Metal Components	-	5,740.00
Shree Laxmi Trading Co.	-	5,750.00
SHRI TRUPATI SALES CORPORATION	56,305.00	-
SONATA PAINTS & CHEMICALS	17,085.00	36,413.00
Splendor Metachem Pvt. Ltd	4,298.00	53,178.14
SRI KISHAN & COMPANY AGENCY	53,574.00	45,424.00
S. LAL COMPANY	6,145.00	-
THE RAJASTHAN MINERALS TRADERS	33,048.00	-
Super Mech Engineering	41,040.00	17,364.00
Uma Sales Corporation	23,270.00	3,977.00
UNIVERSAL ENTERPRISES	10,189.00	-
V.Kumar traders	11,025.00	4,830.00
Vardhman Pipe & Electricals	283.00	420.85
VEENA INDUSTRIAL PRODUCTS	27,170.00	-
VENUS ENGINEERING WORKS	-	25,437.00
Vijendra Singh	-	3,500.00
U.P.Haryana Freight Carriers Pvt. Ltd.-FBD	8,746.00	-
Vishnu Enterprises	-	2,489.00
<b>TOTAL</b>	<b>15,966,839.14</b>	<b>26,083,193.99</b>



**NOTE G : OTHER CURRENT LIABILITIES**

Delhi Agra Road Lines	120,813.00	44,159.00
New Veshno Road lines	3,400.00	-
<b>TOTAL</b>	<b>124,213.00</b>	<b>44,159.00</b>

**NOTE H : SHORT TERM PROVISIONS**

Bonus Payable	112,339.00	156,376.00
ESI Payable	12,387.00	14,284.00
Provident Fund Payable	47,478.00	55,793.00
Wages & Salary Payable	1,070,076.00	1,147,305.00
TDS Payable	36,062.00	52,798.00
Provision for Income Tax	3,171,996.19	2,516,816.19
Preeti Jain & Associates	42,150.00	36,075.00
Director Salary Payable	-	576,000.00
Salary & Wages Payable	190,252.00	252,769.00
Leave encashment payable	53,693.00	76,153.00
Telephone Exp Payable	2,351.00	-
CST Payable	43,175.00	-
UP Vat Payable	14,247.00	-
Electricity bill payable	1,451,499.00	1,381,449.00
<b>TOTAL</b>	<b>6,247,705.19</b>	<b>6,265,818.19</b>

NOTE 1: FIXED ASSETS		GROSS BLOCK		DEPRECIATION		NET BLOCK				
PARTICULARS	Rate of Dep	01.04.2013	Addition	Sick / Adjustment	Total as on 31.03.14	UP TO 31.03.2013	FOR THE YEAR	UP TO 31.03.2014	AS ON 31.03.14	AS ON 31.03.2013
LAND	0.00%	19,800,000.00	-	-	19,800,000.00	-	-	-	19,800,000.00	19,800,000.00
BUILDING A/C	3.94%	15,044,151.65	-	-	15,044,151.65	5,024,230.65	334,865.26	5,359,095.91	9,685,252.74	10,019,918.00
CAR	4.75%	2,187,803.60	-	-	2,187,803.60	309,736.33	89,208.20	398,944.53	1,788,859.07	1,878,067.27
COMPRESSOR	4.75%	734,985.64	-	-	734,985.64	237,264.63	23,641.75	260,906.38	474,079.26	487,721.01
COMPUTER & SOFTWARE	4.75%	17,432.00	-	-	17,432.00	10,461.89	331.08	10,792.97	6,638.03	6,970.11
CLIPOLA BHATTI	4.75%	3,800,617.50	-	-	3,800,617.50	1,144,397.14	126,161.44	1,270,748.58	2,529,868.92	2,656,030.36
ELECTRIC FITTING	4.75%	576,420.00	-	-	576,420.00	196,990.23	18,022.91	215,013.14	361,406.86	379,429.77
Etika Machine	4.75%	35,721.00	-	-	35,721.00	30,305.83	15,552.22	45,858.05	311,862.95	327,415.17
FURNACE BHATTI	4.75%	1,299,271.00	-	-	1,299,271.00	495,067.78	38,674.65	533,742.43	775,528.57	814,203.22
FURNITURE	4.75%	30,420.00	-	-	30,420.00	10,046.00	967.76	11,013.79	19,406.21	20,373.97
GENERATOR A/C	4.75%	4,233,412.75	22,450.00	-	4,255,862.75	1,550,257.64	127,744.95	1,678,002.59	2,577,860.16	2,693,155.11
JATH MACHINE	4.75%	262,997.00	-	-	262,997.00	43,720.36	10,415.50	54,135.74	208,861.24	219,273.74
JET PUMP & SUMMERSIBLE	4.75%	1,634.00	-	-	1,634.00	626.04	500.79	1,126.83	1,004.21	1,054.99
MOLDOHARDNESS TESTER	4.75%	57,688.00	-	-	57,688.00	21,525.94	1,716.27	23,242.21	34,415.79	36,132.06
Moulds & Patterns	4.75%	13,119,938.05	230,280.00	118,500.00	13,211,716.35	3,483,747.55	462,513.93	3,946,261.48	9,265,456.87	9,686,190.80
OFFICE EQUIPMENT	4.75%	55,1879.00	-	-	55,1879.00	126,255.06	20,217.14	146,472.20	405,406.80	425,623.94
PLANT & MACHINERY	4.75%	22,523,357.24	67,682.91	-	22,591,040.15	4,732,430.43	875,666.92	5,608,097.35	17,983,352.80	18,196,326.81
PRODUCT DEVELOPMENT EXP	4.75%	1,314,650.00	-	-	1,314,650.00	494,302.00	41,815.10	476,147.13	886,502.87	880,317.97
SAND MILL/MILLER	4.75%	260,000.00	-	-	260,000.00	55,575.00	9,710.19	65,285.19	194,714.81	204,425.00
TELEPHONE	4.75%	12,845.00	-	-	12,845.00	2,547.06	489.15	3,036.21	9,808.79	10,297.94
TRANSFORMER	4.75%	1,704,362.00	-	-	1,704,362.00	231,211.09	69,974.67	301,185.76	1,403,176.24	1,473,150.91
TROLLEY	4.75%	83,602.00	-	-	83,602.00	28,665.55	2,609.29	31,274.84	52,323.16	54,932.45
WATER TANK & SOFTENING PLANT	4.75%	76,180.05	-	-	76,180.05	28,430.16	2,268.12	30,698.28	45,481.77	47,749.89
MOTOR CYCLE	4.75%	98,982.05	67,940.00	-	166,922.05	12,527.11	5,514.25	18,041.36	169,880.69	166,454.94
SCOOTER	4.75%	45,529.99	46,384.00	-	91,913.99	6,107.84	2,672.21	8,780.05	85,133.94	39,422.15
COFFEE MACHINE	4.75%	8,300.00	-	-	8,300.00	1,162.75	336.07	1,520.82	6,779.18	7,117.25
COOLING TOWER	4.75%	104,250.00	-	-	104,250.00	14,855.60	4,246.23	19,101.86	85,140.14	89,994.07
HEIGHT MEASURING INSTRUMENT	4.75%	91,985.40	-	-	91,985.40	13,107.92	3,746.68	16,854.60	75,130.80	78,977.46
INDUCTION FURNACE	4.75%	3,116,264.86	-	-	3,116,264.86	444,067.74	126,529.36	570,597.10	2,545,267.76	2,672,197.14
<b>TOTAL</b>		<b>91,937,840.10</b>	<b>1,066,148.91</b>	<b>118,500.00</b>	<b>92,865,487.01</b>	<b>16,665,526.31</b>	<b>2,418,314.12</b>	<b>21,07,842.43</b>	<b>71,785,644.58</b>	<b>73,252,311.79</b>

<b>NOTE J : INVENTORIES</b>		
Raw Material	41,792,038.20	53,680,950.20
Finish Stock	18,948,430.80	28,798,502.49
Work in Progress	4,883,257.63	5,902,437.00
<i>(At taken, Valued at lower of cost or net realisable value and certified by the management)</i>		
<b>TOTAL</b>	<b>65,623,726.63</b>	<b>88,381,889.69</b>
<b>NOTE K : TRADE RECEIVABLES</b>		
<b>(Unsecured &amp; Considered good)</b>		
<b>(Sub Schedule - 1)</b>		
a. exceeding six months	3,595,972.48	3,687,499.55
b. Others	70,130,167.47	72,019,832.22
<b>TOTAL</b>	<b>73,726,139.95</b>	<b>75,707,331.77</b>
<b>NOTE L : CASH &amp; BANK BALANCE</b>		
Bank of India	11,000.00	11,000.00
HDFC Bank (5889)	236,140.04	(1,338,992.46)
Canara Bank (FBD 4839)	18,797.94	19,470.94
FDR with Canara Bank	560,337.57	560,337.57
KDR to SAIL	500,000.00	500,000.00
Cash in Hand	298,616.00	43,370.00
Cash in Hand ( Branch Imprest)	12,066.00	12,066.00
EEFC A/C (2341241100008)	8,171.50	329,901.50
	<b>1,645,129.05</b>	<b>137,153.55</b>
<b>NOTE M : SHORT-TERM LOAN &amp; ADVANCES</b>		
<i>(Unsecured, Considered good unless otherwise stated)</i>		
a) Advance to Staff	1,140,425.00	424,106.00
b) Security & Deposit (Sub Schedule - 2)	1,699,044.00	1,699,044.00
c) Duties & Taxes (Sub Schedule - 3)	2,529,431.00	2,195,628.00
d) Advance Recoverable in Cash or Kind (Sub Schedule - 4)	428,523.90	566,516.90
e) Interest Receivable	-	-
	<b>5,797,423.90</b>	<b>4,885,294.90</b>
<b>NOTE N : OTHER CURRENT ASSETS</b>		
Ashoka Transport Company	-	1,410.00
S.S. TRANSPORT CO.	39,810.00	17,010.00
SUBHASH TRANSPORT CORPORATION	-	1,000.00
Chaudhary Tempo Service	-	12,500.00
New Veshno Road lines	-	7,000.00
Pandey Transport Co	-	2,500.00
U.P.Haryana Carriers Pvt. Ltd.	30,389.00	-
U.P.Haryana goos Carrier	132,870.00	2,120.00
Feedex Transport Co.	37,300.00	-
New Agra Dehradun Shamli Road Lines	3,200.00	-
Rama tempo Tranport Company	3,000.00	-
Super Safe cargo Carrier	7,700.00	-
Accured Interest	269,258.38	189,836.00
Advance Service Tax	6,425.00	-
<b>Sub Total</b>	<b>529,952.38</b>	<b>233,376.00</b>

**INDU ENGINEERING & TEXTILES LIMITED {CIN: L74899DL1972PLC034022}**

<b>Sub Schedule - 1, Trade Receivables</b>	<b>MORE THAN SIX MONTHS</b>	<b>LESS THAN SIX MONTHS</b>	<b>TOTAL</b>
<b>a) Secured, Considered good</b>	-	-	-
<b>SUB TOTAL</b>	-	-	-
<b>b) Unsecured, Consider good</b>	-	-	-
A.G.Shares & Securities Ltd.	-	1,096,465.25	1,096,465.25
Anand Industries	-	76,736.00	76,736.00
Ananta Industries	-	2,375,269.00	2,375,269.00
Anest Iwata Motherson Ltd.	-	715,512.65	715,512.65
Arvind Enterprises	176,069.00	-	176,069.00
Atul Generators Pvt Ltd.(job work)	-	169,689.10	169,689.10
Batlilboi Ltd.	25,000.00	-	25,000.00
Bankey Bihari Iron & Steels	-	500,000.00	500,000.00
Bee Kay Industries	29,922.00	-	29,922.00
Chandra Automotive Components	-	747,323.53	747,323.53
Class India Pvt Ltd.	-	334,654.68	334,654.68
Clutch Auto Ltd.	18,794.00	-	18,794.00
DELHI FOUNDERS	-	34,541.00	34,541.00
Container corporation of (India) Ltd	-	6,533.78	6,533.78
EL KARNAK IMPORT & EXPORT TRADING SGENCY	-	11,187,838.00	11,187,838.00
EVEREST BLOWERS	-	55,646.00	55,646.00
Escort Construction Equip. Ltd	105,185.70	-	105,185.70
GEE KAY FINSEC PVT. LTD.	-	4,593,744.88	4,593,744.88
Harig India Pvt. Ltd. (Unit-II)	18,917.00	-	18,917.00
Heatengers	-	15,345.00	15,345.00
Haryana Agro Engg Products	-	4,033.02	4,033.02
Havells India Ltd-motors div	-	49,164.32	49,164.32
HIMALYA INDUSTRIES	140,474.00	-	140,474.00
J.J. ENGINEERS & FEBRICATORS	-	73,022.90	73,022.90
Jai Auto Pvt Ltd	-	782,216.00	782,216.00
Jai Sai Udyog	-	8,181,643.00	8,181,643.00
KAY CEE INDUSTRIES	-	1,274,516.94	1,274,516.94
Kay international	-	462,081.00	462,081.00
k.I Ispat	-	500,000.00	500,000.00
Kewali Udyog	-	475,617.25	475,617.25
KMSON CASTERS PVT.LTD. (FBD)	64,038.25	-	64,038.25
Lord Krishna Electronic Industries	-	69,137.00	69,137.00
M/S Bawa Engineers	1,090.00	-	1,090.00
Mideast Integated Steel Ltd.	5,558.00	-	5,558.00
NSIC LTD.	-	41,574.00	41,574.00
ORBIT BEARINGS	-	66.00	66.00
New Holland Fiat (India) Pvt.Ltd.	-	5,645,452.71	5,645,452.71
PPG Asian Paint Pvt Ltd	-	6,507.00	6,507.00
Precision Engineering Industries	194,361.36	-	194,361.36
PRITIKA AUTO PRODUCTS PVT.LTD.	1,912,644.17	-	1,912,644.17
RANJANA ENGEERINGS WORKS	-	100,000.00	100,000.00
INDIA CASTING	-	4,130,474.87	4,130,474.87
R.M. Components Pvt. Ltd.	-	56,965.01	56,965.01
SADEK FOR IMPORT & EXPORT	-	2,228,914.00	2,228,914.00
SALIM NASEIM & CO.	-	401,106.00	401,106.00
Sama Import	411,611.00	73,008.00	484,619.00
SEA BIRD REFRIGERATION PVT. LTD.	-	215,370.00	215,370.00
SOKHI HELI WOM GEARS PVT. LTD.	-	303,925.80	303,925.80

**INDU ENGINEERING & TEXTILES LIMITED {CIN: L74899DL1972PLC034022}**

Satyamitra Sales & Trading Co. Pvt. Ltd.	-	1,127,658.00	1,127,658.00
SHIVAI ENTERPRISES PVT. LTD.	-	2,727.00	2,727.00
SOLV-EX ENGINEERS	-	166,964.00	166,964.00
Supreme Ceramics Ltd	254,254.00	-	254,254.00
Supreme Electro-cast Pvt Ltd	-	2,479,558.00	2,479,558.00
T.J. ENGINEERING WORKS	-	541,820.68	541,820.68
TAFE MOTORS & TRACTORS LTD.	-	15,835,830.46	15,835,830.46
Tafe Motors & Tractors Ltd.(Engine Div.)	-	2,773,762.04	2,773,762.04
Tanishque Gear & Transmission Pvt. Ltd.	187,913.00	-	187,913.00
VARALKA ENTERPRISES	-	1,237.00	1,237.00
Valvoline Cummins Ltd	-	195.00	195.00
Well-Mark Generators Set Mfg.Co	50,141.00	-	50,141.00
WINDALS & WINDALS ENGG.PVT.LTD.	-	216,321.60	216,321.60
<b>SUB TOTAL</b>	<b>3,595,972.48</b>	<b>70,130,167.47</b>	<b>73,726,139.95</b>
<b>c) Doubt Full</b>	<b>SUB TOTAL</b>	-	-
<b>TOTAL</b>	<b>3,595,972.48</b>	<b>70,130,167.47</b>	<b>73,726,139.95</b>

<b><u>Sub Schedule - 2 : Security &amp; Deposit</u></b>			
Delhi Development Authority		20,000.00	20,000.00
Hindustan Times House		14,894.00	14,894.00
Security Deposit with Govt. Department		431,750.00	431,750.00
Security Deposit (Sales Tax)		179,400.00	179,400.00
Security Deposit with Torrent Power		1,053,000.00	1,053,000.00
<b>TOTAL</b>		<b>1,699,044.00</b>	<b>1,699,044.00</b>
<b><u>Sub Schedule - 3 : Duties &amp; Taxes</u></b>			
Excise		-	31,778.00
Education Cess on Excise		-	583.00
Higher Education Cess on Excise		-	287.00
Cenvat 12%		24,490.00	-
Cenvat on Capital goods		31,871.00	113,327.00
Education Cess on Capital Goods		888.00	2,210.00
Higher Education Cess on Excise Capital Goods		439.00	1,110.00
Income Tax		2,471,743.00	2,046,333.00
<b>TOTAL</b>		<b>2,529,431.00</b>	<b>2,195,628.00</b>
<b><u>Sub Schedule - 4 : Advance Recoverable in Cash or Kind</u></b>			
TDS Receivable (FY13-14)		22,647.00	-
TDS Receivable (FY12-13)		31,782.00	31,782.00
TDS Receivable (2010-11)		13,426.00	13,426.00
TDS Receivable (2009-10)		151,784.90	151,784.90
TDS Receivable (2011-12)		22,726.00	22,726.00
TCS (2009-10)		13,014.00	13,014.00
TCS (2010-11)		14,329.00	14,329.00
TCS Receivable (2011-12)		56,504.00	56,504.00
TCS Receivable (2012-13)		2,732.00	2,732.00
TCS Receivable (2013-14)		10,186.00	-
Tour advance		-	7,000.00
VAT Credit and CST Refundable		44,688.00	223,392.00
Prepaid insurance		44,705.00	29,827.00
<b>TOTAL</b>		<b>428,523.90</b>	<b>566,516.90</b>

<b>NOTE O : Income from operation</b>			
<b>i) Sales</b>			
Sale Domestic			
Sales CST @2%		112,315,576.78	114,470,244.01
Sale metal Scrap (High Sea Sale)			16,306,280.00
Sale VAT @ 4%		78,580,837.54	108,002,358.05
Sale Export		33,232,093.00	33,662,253.05
<b>GROSS SALES</b>		<b>224,128,507.32</b>	<b>272,441,135.11</b>
Less : Sales Return CST 2%		6,084,895.00	9,351,482.82
Less : Sales Return VAT 4%		4,041,099.65	5,260,536.83
Less : Excise duty		21,001,263.00	24,703,518.00
<b>NET SALES</b>		<b>193,001,249.67</b>	<b>233,125,597.46</b>
<b>ii) Other Receipt from Operation</b>			
Subsidy and Draw Backs received		1,054,939.50	2,674,786.00
Interest Received		268,830.38	416,288.50
Discount received		-	209,188.17
Job Charges		158,625.00	610,099.00
Exchange Rate Difference		834,717.00	145,846.52
	<b>Sub Total</b>	<b>2,317,111.88</b>	<b>4,056,208.19</b>
<b>TOTAL</b>		<b>195,318,361.55</b>	<b>237,181,805.65</b>
<b>NOTE P : OTHER INCOME</b>			
Dividend		10.00	22.00
Profit/Loss from Share Trading		293,744.88	(29,393.50)
Profit/Loss from Speculative Business		-	2,003,740.78
	<b>TOTAL</b>	<b>293,754.88</b>	<b>1,974,369.28</b>
<b>NOTE Q : COST OF MATERIALS CONSUMED</b>			
I) Op. Stock of Raw Material		53,680,950.20	33,123,561.00
Add : Purchases	<b>9</b>	92,127,268.65	186,262,441.97
Less : Closing Stock		41,792,038.20	53,680,950.20
<b>Material Consumed</b>		<b>104,016,180.65</b>	<b>165,705,052.77</b>
<b>NOTE R :CHANGE IN INVENTORY</b>			
Change in Inventory	<b>5</b>	10,869,251.06	(9,416,714.49)

<b>NOTE S: EMPLOYEE BENEFIT EXPENSES</b>			
Salary A/c		2,434,784.00	3,355,715.00
Director Salary		1,800,000.00	1,800,000.00
Director HRA		120,000.00	120,000.00
House Rent Allowance		38,800.00	74,750.00
Leave with wages		53,693.00	76,153.00
Bonus		112,339.00	179,712.00
Fooding & Beverages Exp.		59,209.00	43,158.00
Production Incentive		45,900.00	93,170.00
Provident Fund		301,630.00	321,048.00
ESI		115,657.00	135,504.00
Labour Welfare expenses		5,825.00	15,206.00
		<b>5,087,837.00</b>	<b>6,214,416.00</b>
<b>NOTE T: FINANCE COST</b>			
Bank Charges & Commission		782,945.66	602,699.13
Bank Interest (CC)		3,230,574.00	8,056,090.42
Bank Interest (TL)		638,606.00	1,505,835.92
Other Interest		10,297,365.87	6,007,192.57
		<b>14,949,491.53</b>	<b>16,171,818.04</b>
<b>NOTE U :OTHER EXPENSES</b>			
Manufacturing Expenses	6	48,080,183.59	47,113,419.79
Administrative Expenses	7	2,888,333.23	3,239,931.70
Selling & Distribution Expenses	8	4,143,605.68	4,838,066.05
<b>TOTAL</b>		<b>55,112,122.50</b>	<b>55,191,417.54</b>
<b>SUB SCHEDULE 5 : CHANGE IN INVENTORY</b>			
<b>Increase \ Decrease in Stock</b>			
Closing Stock			
Finish Goods		18,948,430.80	28,798,502.49
Work in Progress		4,883,257.63	5,902,437.00
<b>TOTAL</b>		<b>23,831,688.43</b>	<b>34,700,939.49</b>
Opening Stock			
Finish Goods		28,798,502.49	19,608,804.00
Work in Progress		5,902,437.00	5,675,421.00
<b>TOTAL</b>		<b>34,700,939.49</b>	<b>25,284,225.00</b>
<b>Change in Stock</b>		<b>(10,869,251.06)</b>	<b>9,416,714.49</b>

<b><u>SUB SCHEDULE 6 : MANUFACTURING EXPENSES</u></b>			
<b>a) Manufacturing Expenses</b>			
Bhatti Running Expenses		212,666.00	235,873.00
Repair & Maintenance of Machinery		357,365.30	791,639.50
Freight & Cartage(Inward)		4,212,186.69	5,641,738.45
Freight Inward (Taxable)	2,234,481.00		
Freight & Cartage -Inward (Non Taxable)	617,546.00		
Loading & Un Loading Expenses	1,360,159.69		
Laboratory Testing Expenses		252,696.00	175,214.00
Machining Charges		2,141,686.00	1,387,811.00
Casting Expenses	9,692,459.60	1,310,992.60	1,117,131.84
<b>b) Power &amp; Fuel</b>		18,591,291.00	17,768,588.00
<b>c) Purchase of Natural Gas</b>		5,774,419.00	6,195,774.00
<b>c) Labour &amp; Wages</b>		15,226,881.00	13,799,650.00
<b>TOTAL</b>		<b>48,080,183.59</b>	<b>47,113,419.79</b>
<b><u>SUB SCHEDULE 7 : ADMINISTRATIVE EXPENSES</u></b>			
Audit Fees		30,000.00	30,000.00
Computer Repair & Maintenance		29,988.00	75,932.00
Conveyance		36,332.00	59,911.00
Electric Repair & Maintenance		333,065.00	411,983.20
Entry Tax		15,274.00	97,799.00
Insurance Expenses		89,133.00	148,887.00
Legal & Professional Expenses		263,564.00	276,152.00
Miscellaneous Expenses		17,896.99	31,762.70
Membership fees		48,586.00	34,896.00
Office Maintenance Expenses		11,157.00	43,759.11
Postage & telegram		19,202.80	17,305.80
Printing & Stationary		54,115.00	67,650.50
Provident Fund (Administration Charges)		26,795.00	28,521.00
Rent Rates & Taxes		395,546.19	394,187.19
Repair and Maintenance (Others)		326,387.52	272,702.20
Service Tax Expenses		50,904.00	122,028.00
Sales Tax Expenses		3,571.00	52,834.00
Security Expenses		490,924.00	707,117.00
Telephone		117,203.00	128,878.00
Travelling Expenses		165,265.00	210,626.00
Interest on TDS		857.00	-
Rebate & Discount		335,566.73	-
Employer Contribution To ESI		-	-
Internal Audit Exp		27,000.00	27,000.00
		<b>2,888,333.23</b>	<b>3,239,931.70</b>
<b><u>SUB SCHEDULE 8 : SELLING &amp; DISTRIBUTION EXPENSES</u></b>			
Advertisement Expenses		44,150.00	80,804.00
Commission (Export)		1,215,729.00	1,656,816.00
Freight & Cartage (Export)		1,068,094.68	550,216.80
Freight Outward		1,721,197.00	2,422,367.00



**INDU ENGINEERING & TEXTILES LIMITED {CIN: L74899DL1972PLC034022}**

Packing & Fwd Expenses		19,296.00	19,022.25
ECGC Cover		75,139.00	108,840.00
		<b>4,143,605.68</b>	<b>4,838,066.05</b>
<b><u>SUB SCHEDULE 9 : PURCHASE</u></b>			
PURCHASE (Ex-U.P.)		39,966,536.14	64,478,290.25
PURCHASE (U.P.)		51,290,586.96	120,946,168.72
PURCHASE CAPITAL GOODS		870,145.55	837,983.00
	<b>TOTAL PURCHASE</b>	<b>92,127,268.65</b>	<b>186,262,441.97</b>
<b><u>PURCHASE (Ex-U.P.)</u></b>			
PURCHASE D/E PARTS -2%		5,410,354.81	4,379,334.81
PURCHASE FOUNDRY ITEMS -2%		6,842,254.89	9,486,439.85
PURCHASE PIG IRON @ 2%		25,982,421.30	48,496,407.59
PURCHASE SCRAP-2%		512,894.00	2,116,108.00
PURCHASE FOUNDRY ITEMS(SALES TAX Ex.)		1,218,611.14	-
	<b>Sub Total</b>	<b>39,966,536.14</b>	<b>64,478,290.25</b>
<b><u>PURCHASE (U.P.)</u></b>			
PURCHASE BHURA MITTI -URD		89,400.00	67,700.00
PURCHASE D/E PARTS-12.5%		682,679.20	587,175.22
PURCHASE -D/E PARTS -4%		2,006,836.90	1,370,663.00
PURCHASE FOUNDRY ITEM @ 4%			-
Purchase Rejected C.I. Castings-4%			2,309,135.50
PURCHASE D/E PARTS-5%		3,685,750.23	4,763,724.75
PURCHASE FOUNDRY ITEM -13.5%		1,428,510.63	643,918.58
Purchase Foundry item-5%		1,517,221.00	1,044,184.85
PURCHASE FOUNDRY ITEMS-12.5%			703,355.10
PURCHASE -PIG IRON @ 4%		39,694,893.00	60,363,027.14
Purchase Rough C.I. Casting @4%		1,377,690.00	20,328,476.35
PURCHASE SCRAP @ 4%		767,606.00	6,155,600.00
Purchase Metal Scrap(Import)			21,773,509.00
Purchase D/E Parts-13.5%			835,699.23
Purchase Rickshaw		40,000.00	-
	<b>Sub Total</b>	<b>51,290,586.96</b>	<b>120,946,168.72</b>

**NOTE "V" : NOTES ON ACCOUNTS**

NOTES FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2014

**A. SIGNIFICANT ACCOUNTING POLICIES:**

**1. BASIS OF PREPARATION OF FINANCIAL STATEMENT**

**I. Basis of Accounting**

- (a) The accounts have been prepared on the historical cost convention on accrual basis, in accordance with the generally accepted Accounting Standards referred to in sub section (3C) of Section 211 of the said Act

- (b) Accounting policies not specifically referred to otherwise are consistent and in consonance with generally accounting principle

**II. Revenue Recognition**

- (a) Sales are accounted for on dispatch of goods to customers and are net of sales return, rate difference and discounts etc., where ever applicable
- (b) Revenue and Expenses are being recognized in accordance with Guidance note on accrual basis of accounting issued by ICAI except Gratuity
- (c) The company liability towards Gratuity to the employees is covered by a group gratuity policy with the Life Insurance Corporation of India
- (c) As reported by the management there is no contingent liability
- (e) Figure of the previous year are re – arranged / re – grouped as required necessary

**2. DEPRECIATION**

Depreciation is provided on Straight line method in terms of Section 205(2)(b) of the Company Act, 1956 at the rates and in manner specified in Schedule XIV to the Companies Act, 1956 on the cost of acquisition on pro-rata basis

**3. FIXED ASSETS**

Fixed are stated at cost of acquisition less depreciation

**4. INVESTMENT**

Investment are valued at Cost. No Provision has been made in the accounts for diminution in the value of investment as required section 211(3C) of company Act 1956

**5. EMPLOYEE BENEFIT**

- (a) Contribution to Provident Fund, ESI, Gratuity etc has been made in respect of Employees.

**6. CONSISTENCY:**

Accounting Policies are consistent and are inconsonant with the generally accepted accounting principles.

7. **BORROWING COST**

Interest is treated as 'Periodic Cost' and is charged to Profit and loss Account in the year incurred

8. **ACCOUNTING FOR TAXES ON INCOME**

Provision for Income Tax is made in accordance with the Provision of Income Tax 1961, In accordance with Accounting Standard (AS)-22, Accounting for Taxes on Income", Deferred Tax resulting from time differences between book & tax profit is accounting for at the current rate of tax to the extent of timing differences are expected to crystallize. Deferred Assets are recognized only when there is virtual certainty of sufficient profit to realize such assets

9. **IMPAIRMENT OF ASSETS**

If the carrying amount of fixed assets exceeds the recoverable amount on the reporting date the carrying amount is reduced to recoverable amount. The recoverable amount is measured at the highest of the net selling price and the value in use determined by present value estimated future cash flow. As the Company has no impairment of assets the disclosure requirements as prescribed in the "Accounting Standard (AS) - 28 on Impairment of Assets" issued by The Institute of Chartered Accountants of India is not applicable

10. **CURRENT ASSETS**

In the opinion of Management All items of current assets are stated in the Balance Sheet if realized in the ordinary course of business after adequate provision for any diminution in values unless otherwise stated.

11. **CONTINGENT LIABILITIES:**

There are no contingent liabilities as certified by the management.

12. **DIRECTORS REMUNERATION**

The company has paid or provided amount to the Directors during the Year ended 31.03.2014 as:

Name	Remuneration	Perquisites	Total
Shri Pramod Kumar Agarwal	13,20,000.00	0.00	13,20,000.00
Shri Gaurav agarwal	6,00,000.00	Nil	6,00,000.00

12. <b>AUDITORS' REMUNERATION:</b>	<b>Current Year</b>	<b>Previous Year</b>
Audit Fees	30,000.00	30000.00

13. **Segment Reporting:**

The Company has only one segment of Manufacturing and Trading of CI Casting and accordingly the disclosure requirements as prescribed in the "Accounting Standard (AS) -17 on Segment Reporting" issued by the Institute of Chartered Accountants of India is not applicable.

14. **Related Party Disclosure**

Details of Disclosure as required by "Accounting Standard (AS)-18 on Related Party Disclosure" issued by The Institute of Chartered Accountant of India" are as under:-

A) Name of related parties and description of relationship :

- a) Associates Concerns
  - i) New Era Export (P) Ltd.
  - ii) A.G. Shares & Securities Ltd.
- b) Key Managerial Personnel
  - Parmod Kumar Agarwal
  - Gaurav Agarwal

B) Transaction with Related Parties

Transaction	Key Management Personnel	Associates
Remuneration	19,20,000.00	Nil

The Schedules referred to in Balance Sheet form an integral part of the accounts.

**The Notes referred to above form an integral part of Balance Sheet**

For and on behalf of Board  
For INDU ENGINEERING & TEXTILES LIMITED  
SD/- (Pramod Agarwal) (Director)  
SD/- (Gaurav Agarwal) (Director)

Date : 03/07/2014  
Place : New Delhi

Signed in terms of our report of even date  
For PREETI JAIN & ASSOCIATES  
CHARTERED ACCOUNTANTS  
SD/- (DHARMESH JAIN)  
Partner  
M.no. 400130



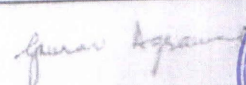


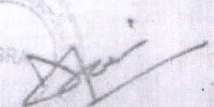
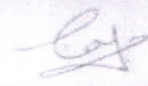
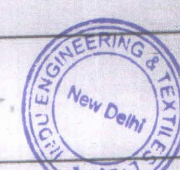


**INDU ENGINEERING & TEXTILES LTD.**  
 Nawal Ganj, Nunhai, Agra  
 282006, U.P., INDIA

Ph. No.: 0091-9319122106, 2280782  
 Email: indu@indiacastingco.com, info@neplicc.com  
 Fax No: 91 562 2280782  
 Website: http://www.indiacastingco.com

**Form A**

Format of Covering Letter of the Annual Report to be filed with the Stock Exchange

1	Name of the Company	Indu Engineering & Textiles Limited
2	Annual Financial Statement for the Year Ended	31 <sup>st</sup> March, 2014
3	Type of Audit Observation	Un-qualified
4	Frequency of Observation	Not Applicable
5	To be Signed by:	
	❖ (Pramod Kumar Agarwal) (Executive Director)	 
	❖ (Gaurav Agarwal) (Chief Financial Officer)	 
	❖ M/s. Preeti Jain & Associates (Dharmesh Jain - Partner) (Auditor of the Company)	 
	❖ (Rajesh Tiwari) (Audit Committee Chairman)	 

CIN : L74899DL1972PLC034022

REGISTERED OFF. K-157, SARIA VIHAR, NEW DELHI, Delhi- 110076

**Indu Engineering & Textiles Limited**

K – 157, Sarita Vihar, New Delhi – 110076.

Tel No: 011 2850757, Email Id: induengg.agra@gmail.com, Website: www.induengineeringltd.com

CIN: L74899DL1972PLC034022

**ATTENDANCE SLIP**

Please complete this attendance slip and hand it over at the entrance of the meeting hall.

Name and Address of the Member	Registered Folio No.	Client ID & DP ID No.	Number of Shares held

I/We hereby record my/our presence at the 42<sup>nd</sup> Annual General Meeting of the Company to be held on Tuesday 30<sup>th</sup> September, 2014 at 11.00 A.M. at the Registered Office of the Company situated at K – 157, Sarita Vihar, New Delhi – 110076.

Signature of the Member or the Proxy Attending the Meeting

If Member, please sign here	If Proxy, please sign here

Note: members are requested to bring their copies of Notice and the Annual Report to the meeting as the same will not be circulated at the meeting.

**Indu Engineering & Textiles Limited**

K – 157, Sarita Vihar, New Delhi – 110076.

Tel No: 011 2850757, Email Id: induengg.agra@gmail.com, Website: www.induengineeringltd.com

CIN: L74899DL1972PLC034022

**PROXY CUM BALLOT FORM**

I/We \_\_\_\_\_ of \_\_\_\_\_ being Member/ Members of Indu Engineering & Textiles Limited, hereby appoint \_\_\_\_\_ of \_\_\_\_\_ or failing him/ her \_\_\_\_\_ of \_\_\_\_\_ as my/ our proxy to attend and vote on my/ our behalf at the 42<sup>nd</sup> Annual General Meeting of the Company to be held on Tuesday 30<sup>th</sup> September, 2014 at 11.00 A.M. at the Registered Office of the Company situated at K – 157, Sarita Vihar, New Delhi – 110076 and at any adjournment thereof.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2014.

L.F. No. / DP ID and Client ID \_\_\_\_\_ No. of Shares held \_\_\_\_\_ Affix Revenue

Stamp Signed on this \_\_\_\_\_ day of \_\_\_\_\_ 2014.

Signed by the said \_\_\_\_\_

Signature of Proxy \_\_\_\_\_

Attested by Shareholder \_\_\_\_\_

Affix Rs.1/- Revenue Stamp here & Sign
---

Particulars	For	Against
<b>Ordinary Business</b>		
1. Adoption of Financial Statements for the year ended March 31, 2014		
2. Appointment of M/s. Preeti Jain & Associates, Chartered Accountants as Statutory Auditors for a term of five years subject to ratification at each AGM & Fix their remuneration for F.Y. 2014-15.		
<b>Special Business</b>		
3. Appointment of Mr. Mr. Rajesh Tiwari, as an Independent Director for a term of 5 Years.		
4. Appointment of Mr. Chandra Bhan, as an Independent Director for a term of 5 years.		
5. Appointment of Mr. Mahendra Kumar as an Independent Director for a term of 5 Years.		
6. Approval to borrow money under provision of section 180 (1) (c) of the Companies Act, 2013 for an aggregate amount not exceeding Rs. 25 Crores		
7. Approval to create mortgage and/or charge under provision of section 180 (1) (a) of the Companies Act, 2013 up to an aggregate limit of 25 Crores		

Note: The Proxy form duly completed must be deposited at the Registered Office of the Company, not less than 48 hours before the time of holding the meeting. The Proxy need not be a member of the Company.

If UNDELIVERED PLEASE RETURN TO:

***Indu Engineering & Textiles Limited***

*K - 157, Sarita Vihar, New Delhi - 110076.*

*Tel No: 011 - 2850757*

*E-Mail Id: induengg.agra@gmail.com*

*Website: www.induengineeringltd.com*