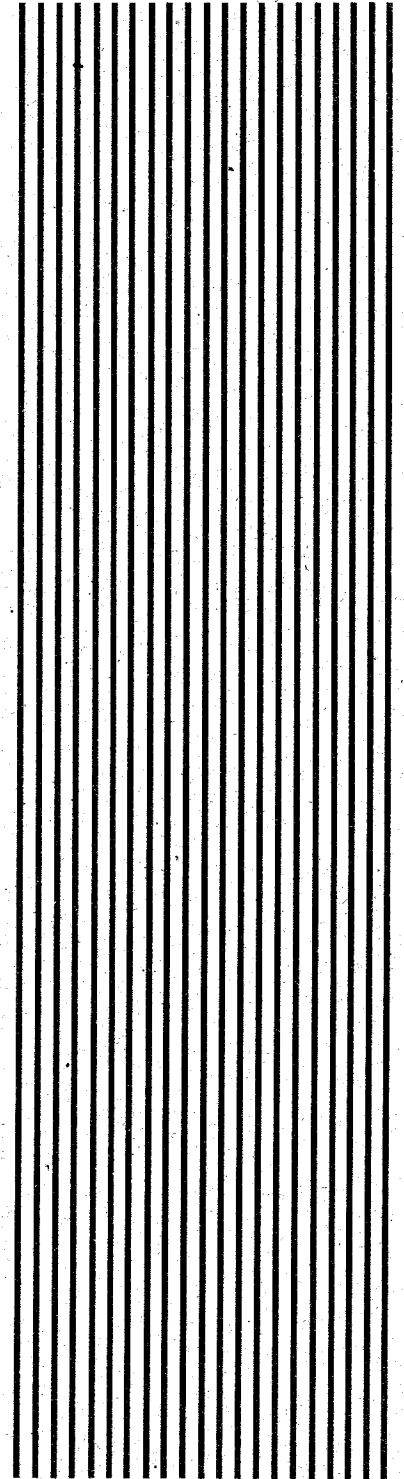
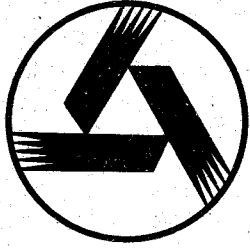


NINETEENTH

Annual Report 2010-2011



SPECTRA
INDUSTRIES LIMITED





BOARD OF DIRECTORS

Mr. Bharat Bhushan Gupta	Chairman
Mr. Vinod Kumar Gupta	Managing Director
Mr. Prabhjot Singh Chandok	
Mr. A. M. Arondekar	
Mr. Sanjeev Chirania	
Mr. Jaidev Gupta	
Mr. C. J. Kotcher	

AUDITORS

D.K.Roongta & Co.
(Chartered Accountants)
286, Princess Street
Bhatia Mansion, 2nd Floor
Mumbai 400 002

COMPANY SECRETARY

Mrs. Amita Champawat

BANKERS

BANK OF INDIA
D. N. Road Branch
Sadhana Rayon House, Fort
Mumbai - 400 064

REGISTERED OFFICE

Plot No.9, Spectra Compound, Ramchandra Lane Extn.,
Kanchpada II, Malad (West), Mumbai - 400 064

WORKS

C-1, M.I.D.C. .
Murbad - 421 401
Dist. Thane (Maharashtra)

REGISTRARS & SHARE TRANSFER AGENTS

Sharex Dynamic (India) Pvt. Ltd.
Unit No 1, Luthra Ind. Premises,
Andheri Kurla Road, Safed Pool, Andheri (East),
Mumbai - 400 072.
Tel. : 28515644, 28515606
Fax : 28512885



NOTICE

NOTICE is hereby given that the **Nineteenth Annual General Meeting** of the Members of **SPECTRA INDUSTRIES LIMITED** will be held

at : Green Village Resorts Limited, Near Malavani Church, Opposite Akashwani Kendra, Marve Road, Malad (West), Mumbai 400 095.

on : Friday, 9th September 2011 at 11.00 a.m.

To transact the following business

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2011 and the Profit & Loss Account for the year ended on that date and the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Shri Awinash Arondekar who retires by rotation, and being eligible offers himself for reappointment.
3. To appoint a Director in place of Shri Prabhjot Singh Chandok who retires by rotation, and being eligible offers himself for reappointment.
4. To appoint Auditors and fix their remuneration.

NOTES -

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
2. The Register of Members and Share Transfer Books of the Company will remain closed from Friday, 2nd September 2011 to Friday, 9th September 2011 (both days inclusive).
3. Members are requested to bring their copies of the Annual Report at the time of attending the Annual General Meeting.

Registered Office :

Plot No.9, Spectra Compound
Ramchandra Lane Extn.Kanchpada II
Malad (West) Mumbai - 400 064
Date : 30th May,2011

By Order of the Board

Amita Champawat
Company Secretary.



DIRECTORS' REPORT

TO THE MEMBERS

Your Directors are pleased to present before you the Nineteenth Annual Report together with the Audited Accounts of the Company for the Year ended on 31st March, 2011.

FINANCIAL RESULTS -

(Rs. in lacs)

Particulars	Year Ended March 31, 2011	Year Ended March 31, 2010
Sales & Operational Income	4762.67	3628.63
Profit before Interest, Depreciation and Tax	159.85	139.01
Less : Interest	33.93	39.10
Depreciation	37.58	37.47
Tax	20.00	12.50
	91.51	89.07
Add : Deferred Tax	7.96	7.94
Net Profit/(Loss) for the year	76.30	57.88
Add : Balance brought forward from previous year	230.36	172.48
Amount available for appropriation	306.66	230.36
Add : Depreciation for Earlier Year	--	--
Less : Income Tax for (Earlier year)	0.03	--
Balance carried forward	306.63	230.36

OPERATIONS

During the year under report, the company has opened a separate division in the name and style of Spectra Automotives for commencing the business of dealership with Mahindra Navistar Automotives Limited of their light and heavy commercial vehicles manufactured by them for the entire district of Thane, Raigad and Mumbai.

DIVIDEND

In order to conserve the resources, the board of Directors do not recommend dividend for the financial year ended 31st March, 2011.

INSURANCE

All the Company's assets are adequately insured.

LISTING

The Equity Shares of the Company are listed on The Bombay Stock Exchange Limited, The Company has paid the Annual Listing Fees for The year 2011-2012.

DIRECTORS

Shri Awinash Arondekar and Shri Prabhjot Singh Chandok retire by rotation and being eligible offer themselves for reappointment.

Brief resume of the above directors, their expertise in specific functional areas and name of companies in which they hold directorship and membership / chairmanship of committees, as stipulated under clause 49 of the listing agreement are given in the section on corporate governance in the Annual Report.

CORPORATE GOVERNANCE

A separate section on Corporate Governance and a certificate from the Auditors of the Company regarding compliance of conditions of Corporate Governance as Stipulated under clause 49 of the listing agreement with the Stock Exchange are attached to this Report and forms part of this Report.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 217(2AA) of the Companies Act, 1956, the Directors confirm the following :-

- (i) That in the preparation of the annual accounts, 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 the Company for the period under review.
- (iii) That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- (iv) That the Directors have prepared the annual accounts for the financial year ended 31st March, 2011 on a going concern basis.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO

- 1. Steps are taken to conserve energy at all levels. Lights and power were switched off whenever not required.
- 2. There was no technology import during the year under review.
- 3. Earnings in foreign currency Rs. Nil
- 4. Expenditure in foreign currency
(Import Purchase) Rs. 6,34,34,571/-

PARTICULARS OF EMPLOYEES

The Company does not have any employee whose particulars are required to be given pursuant to the provisions of Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975.

AUDITORS

M/s. D. K. Roongta & Co., Chartered Accountants, the Auditors of the Company would retire at the forthcoming Annual General Meeting. They have under Section 224(1B) of the Companies Act, 1956 furnished certificate of their eligibility for reappointment. Shareholders are requested to appoint Auditors and fix their remuneration.

INDUSTRIAL RELATIONS

The industrial relations at Company's plant at Murbad remained peaceful during the year.

ACKNOWLEDGEMENT

The Directors place on record their sincere appreciation for the cooperation and support extended by shareholders, customers, bankers, vendors and employees at all levels.

For and on behalf of the Board

Place : Mumbai
Date : 30th May, 2011

Bharat Bhushan Gupta
Chairman



MANAGEMENT DISCUSSION AND ANALYSIS REPORT

INDUSTRY STRUCTURE AND DEVELOPMENTS

The Company is engaged in the production of sheet metal components for automobile industries. The Company is supplying brake shoes to Godrej & Boyce Mfg Co. Ltd.

During the year the company was also engaged in trading activities of ferrous and non ferrous steel, organic and inorganic commodities. The major portion of the turnover during the year has been accounted for by trading activities. In view of the reduced take-off of Automobile sheet metal parts by OE manufacturers, the company as business strategy will continue to focus on trading activities, for the time being.

The Company has opened a separate unit " Spectra Automotives " which is authorized dealer to cater needs of sales, service and spares of Light Commercial Vehicles and Heavy Commercial Vehicles life goods vehicles and buses of Mahindra Navistar Automotives Limited in the range of 25 tonnes gvw to 49 tonnes gvw in the territory of mumbai, Navi Mumbai, Thane and Raigad. It includes Constructions tippers, haulage vehicles and tractors trailers. We have setup a workshop at mira road and soon starting another workshop at Ajiwali. Doorstep service is provided to the customers on request and in case of emergency.

OPPORTUNITIES & THREATS

The Company is in process of identifying new opportunities in trading activities. Efforts are being made to enlarge the trading activity base and also to diversify the present activities.

OUTLOOK

The Company has been in the business of supplying of Iron and Steel. The Indian Infrastructure Industry is booming and going well. So the company is of the view that there will be a rapid increase in demand of heavy and light commercial vehicles and its business of dealership for Mahindra vehicles has a good scope of growth in coming future.

RISKS & CONCERNS

The present activities of the Company do not envisage any risks and concerns.

The Company's assets are adequately insured.

INTERNAL CONTROL SYSTEMS & THEIR ADEQUACY

The Company has adequate internal control systems and internal audit commensurate with Company's business. These are reviewed by the Audit Committee and the suggestions made by them are implemented.

FINANCIAL PERFORMANCE

During the year 2010-11 the turnover of the Company has increased to Rs. 4701.16 lacs as compared to Rs. 3626.36 lacs for the previous year 2009-10 resulting the Net Profit of Rs. 76.29 Lacs during the financial year 2010-11 compared to Profit of Rs. 57.88 Lacs during the previous year.

MATERIAL DEVELOPMENTS IN HUMAN RESOURCES / INDUSTRIAL RELATIONS FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED

The affairs of the Company are being managed under the control and supervision of the Managing Director. The Managing Director is assisted by experienced and qualified production and marketing personnel.

Industrial relations were cordial throughout the year.

The total number of employees on the rolls of the Company as of 31st March, 2011 was 22.



REPORT ON CORPORATE GOVERNANCE

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Company's philosophy of Corporate Governance is aimed at ensuring transparency in its dealings, disclosing matters of interest to the shareholders, complying with all laws and regulations as applicable to the Company and promoting the interests of all stakeholders.

I. BOARD OF DIRECTORS

(A.) Composition Of Board

The present strength of Board of Directors of your Company is Seven (7) Directors.

The composition, status of Directors, attendance at Board Meetings and at the last Annual General Meeting, directorships in other Companies and other committees in which they are chairman/member are as follows -

Name of Director	Category of Directorship	No. of Board Meetings attended		Attendance at last AGM	Directorship in other companies including private companies	No. of Committees in which Chairman/Member (other than Spectra Industries Limited)	
		Held	Attended			Member	Chairman
Mr. Bharat Bhushan Gupta	Chairman Non Executive	5	4	Yes	12	-	-
Mr. Vinod Kumar Gupta	Managing Director	5	5	Yes	12	-	-
Mr. Prabhjot Singh Chandok	Non Executive & Independent Director	5	5	Yes	3	-	1
Mr. A. M. Arondekar	Non Executive & Independent Director	5	5	No	2	1	1
Mr. Sanjeev Chirania	Non Executive & Independent Director	5	5	Yes	2	-	-
Mr. Jaidev Gupta	Non Executive & Promoter Director	5	4	Yes	3	-	-
Mr. C. J. Kotcher	Non Executive & Independent Director	5	3	Yes	-	-	-

(B.) Non-Executive Directors Compensation

None of the non-executive directors is paid any remuneration other than sitting fee of Rs. 1,500 for the meetings held on 28th April 2010 and 28th May 2010 which was subsequently increased to Rs. 2500 for the Board Meetings held on 27th July 2010, 10th November 2010 and 28th January 2011.

Shri Bharat Bhushan Gupta holds 6,02,399 shares and Mr. Jaidev Gupta holds 156074 shares as on 31st March 2011.. Except them none of the non-executive directors holds any shares in the company.

(C.) Independent Directors

The independent directors are not related to promoters or management at the board level.

(D.) Board Procedure

Five (5) Board Meetings were held during the year 2010-2011. The dates on which the said meetings were held are 28/04/2010, 28/05/2010, 27/07/2010, 10/11/2010 & 28/01/2011.

The Company has a procedure to provide the information to the board as required under Annexure 1A to Clause 49 of the Listing Agreement which is followed. The Board periodically reviews the compliance of all laws applicable to the Company.

All the directors have made necessary disclosures about the committee positions they occupy in other companies.

The Company has not entered into any materially significant transactions during the year under report with promoters, directors, senior management personnel etc. other than transactions if any, entered into in the normal course of company's business.



Details of Directors to be appointed/re appointed

The particulars of Directors who are proposed to be appointed / re-appointed at this Annual General Meeting, are given below, as required pursuant to clause 49 of the Listing Agreement:

Shri A. M. Arondekar who holds B.A., LL. B. and M.F.M. degrees retired as General Manager from Bank of India after serving the bank for a period of more than 40 years. He is a consultant since the last few years and is an advisor in corporate and banking matters. He is the chairman of the Remuneration Committee and Audit committee of the Company

Shri Prabhjot Singh Chandok, a Commerce graduate, is a marketing professional closely associated with Syndicate Exhaust Systems Private Limited and Bombay Commercial-Syndicate, the manufacturers of exhaust systems and for viper arms and viper plates for all four wheelers plying in the country. He is in the business for more than 27 years. He is member of all the committees of the company.

(E). Code of Conduct

The Board has laid down a code of conduct for Board members and senior management personnel of the company. All the board members and senior management personnel have affirmed compliance with the said code of conduct. A declaration signed by the Managing Director and CEO is given at the end of this report.

The Company has also adopted a code of conduct for prevention of Insider Trading. All the Directors, Senior Management employees and other employees who have access to the unpublished price sensitive information of the Company are governed by this code. During the year under report, there has been due compliance with the said code of conduct for prevention of Insider Trading.

II. AUDIT COMMITTEE

The Audit Committee comprises of three Independent Non- executive Directors

1. Mr. A. M. Arondekar - Chairman
2. Mr. Prabhjot Singh Chandok - Member
3. Mr. Sanjeev Chirania - Member

The Chairman of the Audit Committee has good experience in Corporate finance and other related matters. Other directors have accounting and financial management experience.

The Managing Director attends Audit Committee Meetings as permanent invitee. Besides the statutory auditors and finance personnel are invitees to the meetings of the Audit Committee.

The Audit Committee reviews all the issues that are required to be mandatorily reviewed by it under Corporate Governance.

The powers and role of the Audit Committee cover the matters specified under Clause 49 of the Listing Agreement as well as in Section 292A of the Companies Act, 1956, such as oversight of the company's financial reporting process; recommending the appointment / reappointment of statutory auditors; reviewing with the management annual financial statements; quarterly financial statements and other matters as covered under role of audit committee in Clause 49. The audit committee has powers, inter-alia, to investigate any activity within its terms of reference and to seek information from any employee of the company/ company's subsidiary as well as seek outside legal and professional advice.

Five (5) meetings of the Committee were held during the year 2010-2011. The dates on which the meetings were held are 28/04/2010, 28/05/2010, 27/07/2010, 10/11/2010 and 28/01/2011.

The attendance of each member of the Audit Committee in the meeting is given below :-

Sr. No.	Name of Director	No. of Meetings Attended
1.	Mr. Prabhjot Singh Chandok	5
2.	Mr. A. M. Arondekar	5
3.	Mr. Sanjeev Chirania	5

The chairman of the Audit Committee was present at the Eighteenth Annual General Meeting held on 27th August, 2010.

The Company has not adopted non-mandatory requirements of clause 49. However the particulars relating to remuneration committee are given in this report.



III. SUBSIDIARY COMPANY

The Company has no subsidiary company.

IV. REMUNERATION COMMITTEE

The Remuneration Committee comprised solely of Independent & Non-Executive Directors. The Remuneration Committee Comprises of following Members:

1. Mr. A. M. Arondekar - Chairman
2. Mr. Prabhjot Singh Chandok - Member
3. Mr. C J Kotcher - Member

The remuneration committee deals with the matter specified in clause 49 of the listing agreement and also reviews the overall compensation structure and policies of the company.

No meeting of the Remuneration committee was held during the financial year 2010-2011.

The details of remuneration paid to the Managing Director and other Directors of the Company during the year ended 31st March 2011 are given below:

(Amount in Rs.)

Name of Director	Salary	Perquisites	Commission	Others	Sitting Fees	Total
Mr. VinodKumar Gupta Managing Director	6,00,000/-	26,439/-	--	--	--	6,26,439/-
Mr. Bharat Bhushan Gupta	--	--	--	--	8000/-	8000/-
Mr. Jaidev Gupta	--	--	--	--	8000/-	8000/-
Mr. Prabhjot Singh Chandok	--	--	--	--	18000/-	18000/-
Mr. A. M. Arondekar	--	--	--	--	18000/-	18000/-
Mr. Sanjeev Chirania	--	--	--	--	18000/-	18000/-
Mr. C. J. Kotcher	--	--	--	--	5500/-	5500/-

Non Executive Directors are not entitled to any remuneration other than the sitting fees.

The Company does not have a scheme for grant of stock options.



V. SHARE HOLDERS' / INVESTORS' GRIEVANCE COMMITTEE

The Shareholders' / Investors' Grievance Committee comprises of Mr. Bharat Bhushan Gupta, Mr. Prabhjot Singh Chandok and Mr. Vinod Kumar Gupta. Mr. Bharat Bhushan Gupta is the Chairman of the Committee.

Five Meetings of the committee were held during the year 2010-2011. The dates on which the meetings were held are as follows:

28/04/2010, 28/05/2010, 27/07/2010, 10/11/2010 & 28/01/2011.

Composition, category and attendance of Members is as follows :

Name of Director	Category	No. of Meetings Attended
Mr. Bharat Bhushan Gupta	Chairman	4
Mr. Prabhjot Singh Chandok	Member	5
Mr. Vinod Kumar Gupta	Member	5

The Committee looks into redressing of shareholders and investors complaints like transfer of shares, non-receipt of balance sheet, non-receipt of declared dividend etc. Shri Shiv Prakash Roongta is the Compliance Officer of the Company.

The Shareholders / Investors Grievance Committee has delegated the power of approving transfer / transmission of shares to share transfer committee.

The total number of complaints received through SEBI and replied to the satisfaction of shareholders during the year under review, was one Outstanding complaints as on 31st March, 2011 were NIL. No requests for transfers were pending for approval as on 31st March, 2011.

VI. GENERAL BODY MEETING

Location and time of last three Annual General Meetings :-

Year	Venue	Day, Date	Time	Special Resolution, If Any
2007-2008	Green Village Resorts Limited, Near Malvani Church, Opp. Akashwani Kendra Marve Road, Malad (W), Mumbai - 400 095	Friday 12.09.2008	10.00 a.m.	Nil
2008-2009	Green Village Resorts Limited, Near Malvani Church, Opp. Akashwani Kendra Marve Road, Malad (W), Mumbai - 400 095	Saturday 19.09.2009	11.00 a.m.	Nil
2009-2010	Green Village Resorts Limited, Near Malvani Church, Opp. Akashwani Kendra Marve Road, Malad (W), Mumbai - 400 095	Friday 27.08.2010	11.00 a.m.	Nil

No postal ballots were used for voting at these meetings. At the ensuing Annual General Meeting, there is no item on the agenda that needs approval by postal ballot.

VII. DISCLOSURES

(A). Related Party Transactions

The particulars of transactions between the Company and its related parties as per Accounting Standards is set out in notes to accounts in the Annual Report and were placed before the Audit Committee periodically. There were no transactions of material nature with Directors or the Management or their relatives etc. during the year that may have potential conflict with the interests of the Company at large.



(B). Risk Management

The Board of Directors have been informed from time to time the business risks faced by the Company and the steps taken by the management to face them.

(C). Proceeds from Initial Public Offerings (IPOs)

The Company has not made any IPO during the year.

(D). Management

A separate report on Management Discussion & Analysis which forms part of the report is annexed. The Company has complied with the requirements of regulatory authorities on matters related to capital markets and no penalties / strictures have been imposed against the Company during the last three years.

VIII. WHISTLE BLOWER POLICY

The company has not framed any whistle blower policy. However, no personnel has been denied access to the audit committee.

IX. MEANS OF COMMUNICATION

The quarterly, half yearly and yearly results are regularly submitted to the Stock Exchange in accordance with the Listing Agreement. The quarterly, Half Yearly and yearly results are published in The Free Press Journal in English and Navshakti in Marathi. These are not sent individually to the shareholders. The Company does not have its own web site.

There were no presentations made to the Institutional Investors or analysts during.

X. GENERAL SHAREHOLDERS' INFORMATION

1. Annual General Meeting Day, Date, Time and Venue	Friday, 9 th September 2011 at 11.00 a.m. at Green Village Resorts Limited, Near Malavani Church, Opp. Akashwani Kendra, Marve Road, Malad (W), Mumbai - 400 095
2. Financial Year/Calendar (Provisional)	April to March
- Results for first quarter ending June 30, 2011	Last week of July 2011
- Results for second quarter ending September 30, 2011	Last week of October 2011
- Results for third quarter ending December 31, 2011	Last week of January 2012
- Audited Results for the year ending March 31, 2012	Last week of May 2012
3. Dates of Book Closure	Friday, 2 nd September 2011 to Friday 9 th September 2011 (both days inclusive)
4. Registered Office	Plot No. 9, Spectra Compound, Ramchandra Lane Extn., Kanchpada II, Malad (W), Mumbai 400 064.



5. Compliance Officer
Shri Prakash Roongta
Tel No : 022- 28893933, 68,77
Fax No: 022- 28891342
Email : sepl12@rediffmail.com
6. Registrars & Share Transfer Agents
Sharex Dynamic (India) Pvt. Ltd.
Unit 1, Luthra Ind. Premises
Andheri Kurla Road
Safed Pool, Andheri (East)
Mumbai - 400 072
Tel No : 022-28515606, 28515644
Fax No : 28512885
7. Plant location
C-1, MIDC, Murbad 421 401
8. Listing on Stock Exchanges and Stock Code
At the Bombay Stock Exchange Limited
513687

Annual Listing Fees for financial year 2011-2012 has been paid to Bombay Stock Exchange, Limited
9. ISIN Number in NSDL and CDSL
INE848B01012

10. Market Price Data Table below gives the monthly highs and lows of the Company's shares on the Mumbai Stock Exchange Limited during 2010- 2011.

High and Low prices of the Company's shares on BSE with corresponding BSE Sensex April, 2010 to March, 2011.

MONTHS	High		Low	
	Spectra Industries Ltd.	BSE Sensex	Spectra Industries Ltd.	BSE Sensex
April 2010	8.90	18047.86	7.52	17276.80
May 2010	9.19	17536.86	7.50	15960.15
June 2010	18.90	17919.62	8.90	16318.39
July 2010	18.95	18237.56	13.20	17395.58
August 2010	14.80	18475.27	9.14	17819.99
September 2010	14.00	20267.98	9.66	18027.12
October 2010	10.99	20854.55	9.35	19768.96
November 2010	11.38	21108.64	8.51	18954.82
December 2010	10.00	20552.03	7.41	19074.57
January 2011	9.27	20664.80	7.03	18038.48
February 2011	9.48	18690.97	6.13	17295.62
March 2011	9.72	19575.16	6.42	19445.22

11. Share Transfer System

Share transfers are registered and duly transferred share certificates are returned to the lodger within a period of thirty days from the date of receipt, if the documents are otherwise in order.

The Share Transfer Committee meets as frequently as necessary in a month to approve transfers and related matters as may be required.



12. Distribution of shareholding As on 31st March 2011:

Distribution of Shares	No. of Shares Held	Percentage to Total Share Capital
Promoters, Directors and Their Relatives	36,16,040	51.085
Mutual Funds	6,700	0.095
Corporate Bodies	3,99,714	5.647
NRI / OCB / FII	3,01,579	4.260
General Public	27,51,633	38.873
Others - Clearing Members	2834	0.040
TOTAL	70,78,500	100.00

13. Dematerialization of shares

As on March 31, 2011 80.60% of the paid up share capital has been dematerialized. The shares of the Company are infrequently traded.

The company has not issued any GDRs / ADRs / Warrants or any convertible instruments

XI. CEO/CFO CERTIFICATION

A certificate from the Managing Director of the Company in terms of clause 49 (V) of the Listing Agreement was placed before the Board meeting held on 30th May, 2011 to approve the audited annual accounts for the year ended 31st March, 2011.

XII. DECLARATION

As provided under Clause 49 of the listing agreement with the Stock Exchange the Board members and the senior management personnel have affirmed compliance with the Code of Conduct for the Board of Directors and senior management for year ended 31st March, 2011.

Place : Mumbai
Date : 30th May, 2011

Vinod Kumar Gupta
Managing Director



AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of Spectra Industries Limited

We have reviewed the implementation of Corporate Governance procedures by Spectra Industries Limited during the year ended 31st March 2011, with the relevant records and documents maintained by the Company and furnished to us for our review and the report of Corporate Governance as approved by the Board of Directors.

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

In our opinion and to the best of our information and according to the explanations given to us we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Agreements.

We state that no investor grievances are pending for a period exceeding one month against the Company as per the records maintained by the Share Transfer and Shareholders/Investors Grievance Committee.

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 D. K. ROONGTA & COMPANY
Chartered Accountants

Place : Mumbai
Date : 30th May, 2011

DINESH K. ROONGTA
(Proprietor)
Membership No : 17679
(Firm Reg. No. 108871W)



AUDITORS' REPORT

To
The Members of
SPECTRA INDUSTRIES LIMITED

We have audited the attached Balance Sheet of SPECTRA INDUSTRIES LIMITED as at 31st March 2011, and also the Profit & Loss Account and the Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

1. We have conducted our audit in accordance with the Auditing Standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statements presentation. We believe that our audit provides a reasonable basis for our opinion.
 - (iv) In our opinion the Balance Sheet, Profit and Loss Account and Cash Flow statement dealt with by this report comply with the Accounting Standards referred to in sub section (3C) of Section 211 of the Companies Act, 1956, to the extent applicable;
 - (v) On the basis of the written representations received from the directors, as on 31st March, 2011, and taken on record by the board of Directors, we report that none of the directors is disqualified as on 31st March' 2011 from being appointed as a director in terms of clause(g) of sub-section(1) of section 274 of the Companies Act, 1956;
2. As required by the Companies (Auditor's Report) Order 2003 issued by the Central Government of India in terms of sub section (4A) of Section 227 of the Companies Act 1956, we enclose in the Annexure hereto a statement on the matters specified in paragraphs 4 and 5 of the said Order.
 - (vi) In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India;
3. Further to our comments in the Annexure referred to in Paragraph 2 above, we report that:
 - (a) In the case of Balance Sheet, of the state of affairs of the Company as at 31st March, 2011;
 - (b) In the case of the Profit and Loss Account, of the profit for the year ended on that date; and
 - (c) In the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date;
- (i) 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;
- (ii) In our opinion, proper books of account, as required by law, have been kept by the Company so far as appears from our examination of those books;
- (iii) The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;

For **D.K.ROONGTA & COMPANY**
Chartered Accountants

Place : Mumbai
Date : 30th May, 2011

DINESH K ROONGTA
(Proprietor)
Membership No : 17679
(Firm Reg. No. 108871W)



ANNEXURE TO THE AUDITORS' REPORT

Referred to in Paragraph 2 of our report of even date

1. In respect of its fixed assets :
 - a. The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of available information;
 - b. As explained to us, the fixed assets have been physically verified by the management during the year in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification;
 - c. The Company has not disposed off substantial part of Fixed Assets during the year and as per information and explanation given to us the going concern status of the company is not affected;
2. In respect of its inventories:
 - a. As explained to us, inventories have been physically verified by the management at regular intervals during the year;
 - b. In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business;
 - c. The Company has maintained proper records of inventories. As explained to us, there were no material discrepancies noticed on physical verification of inventory as compared with the book records;
3. The Company has taken loans, secured or unsecured, during the year from or to Companies, firms and other parties listed in the register maintained under section 301 of the Companies Act, 1956;

In our opinion and according to the information and explanations given to us, the rate of interest, where applicable and the other terms and conditions, are not prima facie prejudicial to the interest of the company;
4. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business for the purchase of inventory, fixed assets and also for the sale of goods. During the course of our audit, we have not
5. In respect of transactions covered Under Section 301 of the Companies Act, 1956 :
 - (a) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements, that needed to be entered into in the register maintained under section 301 of the Companies Act, 1956 have been so entered;
 - (b) In our opinion and according to the information and explanations given to us, there were no transactions exceeding Rs. Five Lakhs during the year;
6. The Company has not accepted any deposits from the public.
7. The Company has an adequate internal audit system, which was conducted by an independent firm of Chartered Accountants, which in our opinion is commensurate with the size and nature of its business.
8. We have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records under Section 209(1)(d) of the Companies Act, 1956 and are of the opinion that prima facie the prescribed accounts and records have been made and maintained. We have not however, made a detailed examination of the same.
9. According to the records of the Company, undisputed
 - (a) statutory dues including Provident Fund, Income Tax, Wealth Tax, Sales Tax, Customs Duty and Excise Duty cess and other statutory dues have been generally regularly deposited with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31st March, 2011 for a period of more than six months from the date of becoming payable;
 - (b) The dues of income tax and Central Excise have not been deposited on account of any dispute, the amounts involved and the forum where the dispute is pending are detailed in the statement are as under :

Name of the Statutory Dues	Forum where dispute is pending	Amount
Central Excise Duty	Additional Commissioner Central Excise	22,88,343
Income Tax	Rectification under section 154	32,532
10. The Company does not have accumulated losses at the end of the financial year. The company has not incurred cash losses during the financial year covered by the audit and in the immediately preceding financial year.
11. Based on our audit procedures and according to the information and explanations given to us, we are of the opinion that the Company has not defaulted in repayment of dues to financial institutions, banks and debenture holders.



12. Based on our examination and according to the information and explanations given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. The Company is not a chit / nidhi / mutual benefit funds/ society.
14. Based on our examination of the records and evaluation of the related internal controls, we are of the opinion that proper records have been maintained of the transactions and contracts and timely entries have been made in those records. We also report that the Company has held the investments in its own name.
15. On the basis of the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
16. In our opinion, and according to the information and explanations given to us, on an overall basis, the term loans have been applied for the purposes for which they were obtained.
17. According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we report that no funds raised on short-term basis have been used for long-term investment. No long-term funds have been used to finance short-term assets except permanent working capital.
18. During the year the Company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under Section 301 of the Companies Act, 1956.
19. During the year the Company has not issued any debentures.
20. The Company has not raised any money by way of public issue during the year.
21. In our opinion and according to the information and explanations given to us, no material fraud on or by the Company has been noticed or reported during the year.

For **D.K.ROONGTA & COMPANY**
Chartered Accountants

Place : Mumbai
Date: 30th May,2011

DINESH K.ROONGTA
(Proprietor)
Membership No : 17679
(Firm Reg. No. 108871W)



SPECTRA INDUSTRIES LIMITED
BALANCE SHEET AS AT 31ST MARCH, 2011

		(Amount In Rs.)	
		As At 31.03.2011	As At 31.03.2010
I	SOURCES OF FUNDS	Schedule	
1)	Shareholders Fund		
a)	Share Capital	1	70,785,000
b)	Reserves & Surplus	2	43,036,079
2)	Loan Fund	3	
a)	Secured Loan		83,935,242
3)	Deferred Tax Liability		8,687,545
	TOTAL :		159,345,205
II	APPLICATION OF FUNDS		
1)	Fixed Assets		
	Gross Block	4	86,739,944
	Less : Depreciation		48,320,816
			38,419,128
			39,629,738
			78,048,866
2)	Investments	5	9,332,979
3)	(A) Current Assets & Loans & Advances		
	(i) Current Assets	6	
a)	Inventories		38,863,698
b)	Sundry Debtors		227,468,227
c)	Cash & Bank Balances		10,800,298
d)	Other Current Assets		1,318,153
	(ii) Loans & Advances		77,423,289
	Total A		355,873,665
	(B) Current Liabilities & Provisions	7	
	(i) Current Liabilities		225,176,202
	(ii) Provisions		3,913,800
	Total B		229,090,002
	Net Current Assets (A)-(B)		124,783,663
	Miscellaneous Expenditure	8	1,904,820
	TOTAL :		214,070,328
	Notes To Accounts	15	
	Schedule 1 to 15 form an integral part of accounts.		

In terms of our attached report of even date.
For **D.K. ROONGTA & COMPANY**
Chartered Accountants

DINESH K. ROONGTA
(Proprietor)
Membership No : 17679
(Firm Reg. No. 108871W)
Place : Mumbai
Date: 30th May, 2011

Amita Champawat
Company Secretary

For and on behalf of the Board

Bharat Bhushan Gupta - Chairman
Vinod Kumar Gupta - Managing Director
A. M. Arondekar - Director
Prabhjot Singh Chandok - Director
Sanjeev Chirania - Director
Jaidev Gupta - Director
C J Kotcher - Director



SPECTRA INDUSTRIES LIMITED
PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2011

		(Amount In Rs.)	
	<u>Schedule</u>	<u>As At</u> <u>31.03.2011</u>	<u>As At</u> <u>31.03.2010</u>
<u>INCOME</u>			
Sales / Operational Income	9	470,116,099	362,636,203
Other Income	10	6,328,444	70,834
Increase / (Decrease) in Stock		(83,700)	(225,401)
	Total :	476,360,843	362,481,636
<u>EXPENDITURE</u>			
Material & Manufacturing Expenses	11	454,771,705	344,198,019
Personnel Expenses	12	2,557,463	2,008,843
Finance Charges	13	3,392,972	3,909,785
Other Expenses	14	3,046,457	2,373,593
Depreciation		3,758,413	3,746,510
	Total :	467,527,010	356,236,750
Profit / (Loss) Before Taxation		8,833,833	6,244,886
Less : Provision For Taxation		2,000,000	1,250,000
Fringe Benefit Tax		-	-
Add : Deferred Tax		796,018	793,504
Profit / (Loss) After Tax		7,629,851	5,788,390
Add : Income Tax Earlier Year		3,389	-
		7,626,462	5,788,390
Add : Balance Brought from earlier year		23,036,079	17,247,689
	Total :	30,662,541	23,036,079
<u>APPROPRIATION</u>			
Balance carried to Balance Sheet		30,662,541	23,036,079
	Total :	30,662,541	23,036,079
Basic and diluted Earnings Per Share (Rupees)		1.08	0.82

Notes To Accounts

Schedule 1 to 15 form an integral part of accounts.

15

In terms of our attached report of even date.

For **D.K. ROONGTA & COMPANY**

Chartered Accountants

DINESH K. ROONGTA

(Proprietor)

Membership No : 17679

(Firm Reg. No. 108871W)

Place : Mumbai

Date: 30th May,2011

Amita Champawat
Company Secretary

For and on behalf of the Board

Bharat Bhushan Gupta - Chairman
Vinod Kumar Gupta - Managing Director
A. M. Arondekar - Director
Prabhjot Singh Chandok - Director
Sanjeev Chirania - Director
Jaidev Gupta - Director
C J Kotcher - Director



SCHEDULE FORMING PART OF ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2011

	(Amount In Rs.)	
	As At 31.03.2011	As At 31.03.2010
SCHEDULE 1 - SHARE CAPITAL		
Authorised 8000000 Equity Shares of Rs. 10/- each.	80,000,000	80,000,000
Issued, Subscribed & Paid up 7078500 Equity Shares of Rs. 10/- each. (Previous year 7078500 Equity Shares of Rs. 10/- each.)	70,785,000	70,785,000
SCHEDULE 2 - RESERVES & SURPLUS		
Capital Subsidy A/c	3,000,000	3,000,000
General Reserve	17,000,000	17,000,000
Profit & Loss A/c (As per Annexed P&L A/c)	30,662,541	23,036,079
	50,662,541	43,036,079

SCHEDULE 3 - LOAN FUNDS :

(A) Secured Loans		
Cash Credit A/c with Bank of India (Secured against Hypothecation of Stock of Raw Material, Work in Progress & Finished Goods & Sundry Debtors)	52,897,604	-
Deferred Sales Tax Loan (SICOM) (As per Scheme 1988)	31,037,638	36,040,563
	83,935,242	36,040,563

SCHEDULE 4 - FIXED ASSETS

Sr. No.	Particulars	GROSS BLOCK			DEPRECIATION				NET BLOCK		
		Cost as on 01.04.2010	Addition during the year	Deductions during the year	Cost as on 31.03.2011	Upto 01.04.2010	Deductions during the year	For the Year	Total as on 31.03.2011	As on 31.03.2011	As on 31.03.2010
1	Land & Building	32,833,755	-	-	32,833,755	16,626,412	-	1,096,647	17,723,059	15,110,696	16,207,343
2	Plant & Machinery	36,858,879	116,500	-	36,975,379	18,011,844	-	1,751,268	19,763,112	17,212,267	18,847,035
3	Electric Installations	7,135,431	-	-	7,135,431	4,678,618	-	338,933	5,017,551	2,117,880	2,456,813
4	Furniture & Fixtures	645,707	22,943	-	668,650	521,325	-	40,942	562,267	106,383	124,382
5	Vehicles	1,426,854	-	1,426,854	-	1,426,854	1,426,854	-	-	-	-
6	Office Equipments	1,471,891	1,247,779	-	2,719,670	737,897	-	74,813	812,710	1,906,960	733,994
7	Computers	837,706	103,823	-	941,529	820,244	-	7,248	827,492	114,037	17,462
8	Tools & Dies	3,919,068	610,586	-	4,529,654	3,166,063	-	448,562	3,614,625	915,029	753,005
9	Flat at Dornbivali	935,876	-	-	935,876	-	-	-	-	935,876	935,876
		86,065,167	2,101,631	1,426,854	86,739,944	45,989,257	1,426,854	3,758,413	48,320,816	38,419,128	40,075,910
	Previous Year	86,903,064	-	837,897	86,065,167	42,864,928	622,181	3,746,510	45,989,257	40,075,910	44,038,135

Depreciation has been charged as per Companies Act, 1956 on Straight Line Method for Proportionate Working Period



SCHEDULE FORMING PART OF ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2011

	As At 31.03.2011	(Amount In Rs.) As At 31.03.2010
SCHEDULE 5 - INVESTMENTS (Long Term) at Cost		
<u>QUOTED (Trade Investments)</u>		
1985117(1985117) Equity Shares of Pal Credit & Capital Ltd. of Rs. 10/- each fully paid up. (Market Value of Quoted Shares Rs.4883387/-) (Market Value of Quoted Shares P.Y. Rs.5935500/-)	9,332,629	9,332,629
<u>UNQUOTED</u>		
52775 Equity Shares of ApnaLoan.Com India P L. of Re. 1/- each fully paid up.	-	499,991
Chandresh Avenue (C&D) CHS Ltd.	350	350
	9,332,979	9,832,970

SCHEDULE 6 - CURRENT ASSETS & LOANS & ADVANCES

(A) CURRENT ASSETS

(a) Inventories (As taken, Valued & Certified by the Management)

Raw Material & Parts	18,408,639	16,536,257
Finished Goods & Work In Process	1,133,994	1,217,694
Scrap	230,202	230,202
Stores & Spares	703,271	703,271
Forging & Structure Stock	16,387,592	31,074,163
	36,863,698	46,761,587

(b) Sundry Debtors (Unsecured considered good except where otherwise stated)

More than Six Months	47,259,967	63,347,208
Others	180,208,260	143,384,709
	227,468,227	206,731,917

(c) Cash & Bank Balances

Cash in Hand	959,583	672,290
In Bank of India Fixed Deposit A/c	9,815,300	11,949,487
In Current A/c with Scheduled Bank	25,415	10,729
In Cash Credit A/c with B.O.I	-	17,249,364
	10,800,298	29,881,870

(d) Other Current Assets

Deposits	1,318,153	399,500
	1,318,153	399,500



SCHEDULE FORMING PART OF ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2011

	(Amount in Rs.)	
	As At 31.03.2011	As At 31.03.2010
(B) <u>LOANS & ADVANCES</u>		
(a) Advance recoverable in cash or in kind or for value to be received	75,716,112	59,717,143
(b) Balance with Income Tax Department	1,502,295	1,365,406
(c) Balance with Govt./Semi Govt. Dept	204,882	41,626
	77,423,289	61,124,175

SCHEDULE 7 - CURRENT LIABILITIES & PROVISIONS

(A) <u>CURRENT LIABILITIES</u>		
Sundry Creditors for goods & expenses	225,106,317	236,439,170
Other Liabilities.	69,885	77,616
	225,176,202	236,516,786
(B) <u>PROVISIONS</u>		
Fringe Benefit Tax	663,800	115,000
Gratuity	-	580,938
Taxation	3,250,000	1,250,000
	1,945,938	1,945,938

SCHEDULE 8 - MISC EXPENDITURE

(To the extent not written off or adjusted)

Lease hold premises at Kasimira	1,020,340	-
Business Development Expenses	884,480	-
	1,904,820	-

SCHEDULE 9 - SALES / INCOME FROM OPERATIONS

Labour Charges	144,676	139,870
Sales	469,971,423	362,496,333
	470,116,099	362,636,203

SCHEDULE 10 - OTHER INCOME

Brake Down Charges	1,500	-
Discount	(937,947)	(3,344)
Interest	695,561	210,174
Profit / Loss on Sale of Fixed Assets	177,778	165,715
Rebate & Claims	6,357,452	(1,281)
Rent Received	34,100	31,000
	6,328,444	70,834



SCHEDULE FORMING PART OF ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2010

	As At 31.03.2011	(Amount In Rs.) As At 31.03.2010
SCHEDULE 11 - MATERIAL & MANUFACTURING EXPENSES		
Cost of Resale	451,894,907	334,995,139
Electricity, Water & Gas Charges	942,485	955,916
Labour Charges	416,972	923,243
Raw Material Consumed	1,140,832	4,733,971
Repairs & Maintainance	258,254	207,003
Stores & Spares Consumed	112,505	2,379,074
Transportation Charges	5,750	3,673
	454,771,705	344,198,019
SCHEDULE 12 - PERSONNEL EXPENSES		
Bonus & Others	153,671	28,900
Security Charges	560,459	536,424
Wages, Salaries, Perquisites & Staff Welfare	1,843,333	1,443,519
	2,557,463	2,008,843
SCHEDULE 13 - FINANCE CHARGES		
Bank Charges	1,468,897	1,223,524
Interest	1,924,075	2,686,261
	3,392,972	3,909,785
SCHEDULE 14 - OTHER EXPENSES		
Advertisement Expenses	55,867	43,480
Auditors Remuneration	71,695	71,695
Books & Periodicals	717	1,871
Business Promotion Expenses	42,614	-
Business Development Exp. (W/off)	14,991	-
Carriage Outward & Transport	36,334	122,095
Directors Remuneration	600,000	600,000
Expenses on L.H.(W/off)	18,220	-
Fees & Subscription	83,940	71,685
Insurance Expenses	122,558	68,056
Legal & Professional Charges	850,206	560,817
Loss on Sale Shares	373,331	-
Miscellaneous Expenses	108,024	88,583
Motor Car Expenses	22,270	66,234
Postage, Telegram & Telegraph	181,744	149,801
Printing & Stationary	123,732	65,568
Rent, Rates & Taxes	204,962	128,315
Sales Tax Expenses	17,183	-
Travelling & Conveyance	117,619	151,211
Written Off	-	184,182
	3,046,457	3,813,425



SCHEDULE 15 NOTES TO ACCOUNTS

I Significant Accounting Policies

- (a) **Basis of Accounting :**
The accounts of the Company are prepared in accordance with the generally accepted accounting principles and the Accounting Standards referred to in Section 211 (3C) wherever applicable.
- (b) **Fixed Assets :**
Fixed Assets are shown at cost less depreciation. Cost comprises the purchase price and other attributable expenses.
- (c) **Depreciation on Fixed Assets :**
Depreciation has been provided on the Straight Line Method at the rates and in the manner specified in Schedule XIV of the Companies Act 1956.
- (d) **Inventories :**
Inventories are valued at lower of cost and net realisable value. The method of valuation of various categories of Inventories is as below :
 - (i) Raw Material - At Cost
 - (ii) Finished goods and work in progress - At lower of cost or net realisable value
 - (iii) Scrap - At Realisable value
- (e) **Taxation :**
 - (i) Provision for current taxation has been made on the basis of estimated tax liability in accordance with the Income tax laws prevailing for the relevant assessment year.
 - (ii) Deferred tax resulting from timing differences between book and tax profit is accounted for using the tax rates and laws that have been enacted or substantially enacted as of the balance sheet date.
- (f) **Foreign Currency Transactions :**
Transactions in foreign currency are recorded at the exchange rate prevailing on the date of transaction. Foreign currency assets and liabilities are rated at the date of Balance Sheet. Any gain or loss arising out of settlement of foreign currency transactions are charged to the Profit and Loss Account.
- (g) **Revenue Recognition :**
Sales is recognized on the basis of dispatch date net of Excise duty and Sales Tax.
- (h) **Retirement Benefit :**
 - (i) Retirement benefits in the term of Provident Fund / Pension scheme is accounted for on an accrual basis and charged to the Profit and Loss Account for the year.
 - (ii) Provisions for liability on account of retirement gratuity is made on the basis of actuarial valuation carried out at the close of the financial year. Effects of cheques are duly given in the Profit and Loss Account.
 - (iii) The Company accrues the leave encashment liability on an actuarial basis.
- (i) **Borrowing Costs :**
Borrowing costs are accounted on an accrual basis and charged to Profit and Loss Account.
- (j) Settlement of dispute either in income or expenditure is taken on Cash basis.
- (k) Total outstanding to small scale industries undertaking - NIL
- (l) The Company is operating in two segment "Manufacturing" & "Trading" in accordance with the provisions of AS-17 of ICAI (details attached as per annexure-I.)
- (m) Long term investments are stated at cost.
- (n) **Miscellaneous Expenditure :**
Miscellaneous expenditure includes Business development and lease hold expenses are charged off accordingly to period of benefit

II Contingent Liabilities in respect of :

	<u>As At 31.03.2011</u>	<u>As At 31.03.2010</u>
Claims against the Company not acknowledged as debts hence not provided	9,30,500	9,30,500

III Previous years figures have been regrouped, rearranged wherever necessary to conform to this year's classification.

IV Balance on account of suppliers & debtors are subject to confirmation.
(I) The company has filed suit for the recovery of Rs. 69,64,541/- against its debtors and the same are pending with the court. The management is confident to recover the said amount.



V <u>Managerial Remuneration :</u>	As At 31.03.2011	(Amount in Rs.)
		As At 31.03.2010
Remuneration to Managing Director	6,00,000	6,00,000
Other Perquisites	26,439	26,439
	6,26,439	6,26,439
VI <u>Payment to Auditors :</u>		
Audit Fees	49,635	49,635
Tax Audit	22,060	22,060
Sales Tax fees, Certification & Others	66,180	38,605
	1,37,875	1,10,300
VII <u>Expenditure in Foreign Currency :</u>		
(i) Import Purchase (On C.I.F Value)	6,34,34,571	NIL
	NIL	NIL
VIII <u>Earning in Foreign Currency :</u>		
(i) Earnings from export (on FOB Value)	NIL	NIL

IX Capacity, Production, Stock, Sales and Consumption :

(A) Quantitative information in respect of goods produced :

Item	Unit	Licensed 2010-11	Installed 2010-11	Production 2010-11
Motor Car Parts	Pcs.	(15.12 Lacs) (15.12 Lacs)	(15.12 Lacs) (15.12 Lacs)	5300 (9,863)

Installed Capacity is as certified by the Managing Director & not verified by the auditors, being a technical matter.

(B) Sales During The Year :

Items	31.03.2011			31.03.2010	
	Unit	Qty	Value (Rs.)	Qty	Value (Rs.)
C.R. / H.R. Sheets	MT.	71017.404	42,88,17,314	71700.428	35,28,63,264
	PCS.	2	10,93,469	35	25,88,850
Motor Vehicle Parts	LOT	6	3,81,88,640	0	29,43,000
	PCS.	5300	18,72,000	9811	41,01,219

(C)

	IMPORTED	INDIGENOUS	TOTAL
(a) <u>Raw Material Consumed :</u>			
Percentage	0.000% (0.05%)	100% (99.95%)	100% (100%)
Quantity (MT)	0.000 (0.025)	23.237 (47.613)	23,237 (47.638)
Value (Rs.)	0.00 (10,871)	6,34,782 (14,40,242)	6,34,782 (14,51,113)
(b) <u>Assemblies & Parts</u>			
Value (Rs.)	0.00 (23,21,384)	5,06,050 (9,61,473)	5,06,050 (32,82,857)
Percentage	0.000% (70.71%)	100% (29.29%)	100% (100%)
(c) <u>Stores & Spares</u>			
Value (Rs.)	- (-)	1,12,505 (23,79,074)	1,12,505 (23,79,074)
Percentage	- (-)	- (100%)	- (100%)
(d) <u>Cost of Resale</u>			
Value (Rs.)			45,18,94,907 (33,49,95,139)
Quantity			
M.T		71017.404	(71700.428)
Pcs		2	35
Lot		6	0



(D) Closing Stock During The Year :

Items	31.03.2011			31.03.2010	
	Unit	Qty	Value (Rs.)	Qty	Value (Rs.)
Finished Goods/Work In Progress	PCS	3,003	11,33,994	3,303	12,17,694
Raw Materials/ Parts	MT.	321,783	1,04,63,718	323,390	1,03,57,836
	NOS	614,840	79,44,921	653,722	61,78,421
Scrap	MT.	38,367	2,30,202	38,367	2,30,202
Stores & Spares		0	7,03,271	0	7,03,271
Forging & Structure Stock	NOS	0	0	0	0
	MT.	0	0	0	0
	LOT	0	1,63,87,592	0	3,10,74,163

Related Party Disclosure (As Identified by the Management)

X Related Party Relationship

(a)	Where control exists	Nasik Super Tool Co. Pvt. Ltd. Sheela Vinod Gupta Spectra Motors Ltd. Vasai Roller Flour Mill Pvt Ltd Veebee Associates
(b)	Key Management Personnel	Mr Vinod Kumar Gupta
(c)	Relatives of key Management personal	Mr Bharat Bhushan Gupta Mr Jaidev Vinod Gupta
(d)	Other Related Parties	

Notes :

In respect of above parties, there is no provision for doubtful debts as on 31st March, 2011 and no amount has been written off.

Transaction with Related Parties

Type of Related Party	Description of the Nature of Business	Volume of Transactions During 2010-2011 (Rs.)	Amount Outstanding as on 31.03.2011 (Rs.)
Where Control Exists	Advance Taken	2,00,00,000	Nil
	Trade Advance	1,15,00,000	Nil
	Purchase	2,172	Nil
	Sales	NIL	Nil
	Services	NIL	Nil
Management Personnel	Remuneration	6,26,439	Nil
Relatives of Key Management personal	Sitting Fees	16,000	Nil
			Nil

XI Earnings per Share

Earning per share is calculated by dividing the profit attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year. The numbers used in calculating basic and diluted earnings per Equity Share are as stated below -

		31 st March 2011	31 st March 2010
i) Net Profit after tax	Rs.	76,29,851	57,88,390
ii) Provision for tax for earlier year	Rs.	3,389	-
iii) Net Profit attributable to equity shareholders	Rs.	76,26,462	57,88,390
iv) Net profit before exceptional item	Rs.	78,25,404	59,54,106
v) Weighted Average number of equity shares used as denominator for calculating EPS	Rs.	70,78,500	70,78,500
vi) Basic and Diluted Earnings per shares	Rs.	1.08	0.82



		31 st March 2011	31 st March 2010
vii) Basic and Diluted Earnings (before exceptional items) per shares	Rs.	1.28	0.91
viii) Face value per equity share	Rs.	10	10

Signature to Schedules 1 to 15 in terms of our attached report of even date.

For D.K. ROONGTA & COMPANY

Chartered Accountants

DINESH K. ROONGTA

(Proprietor)

Membership No : 17679

(Firm Reg. No. 108871W)

Place : Mumbai

Date: 30th May, 2011

Amita Champawat
Company Secretary

For and on behalf of the Board

Bharat Bhushan Gupta - Chairman
Vinod Kumar Gupta - Managing Director
A. M. Arondekar - Director
Prabhjot Singh Chandok - Director
Sanjeev Chirania - Director
Jaidev Gupta - Director
C J Kotcher - Director

Annexure - I To Clause I of Schedule 14

Segmentwise Revenue, Results and Capital Employed For The Year Ended 31st March 2011.

(Amount In Rs.)

Sr.No.	Particulars	Year Ended 31 st March 2011 Audited	Year Ended 31 st March 2010 Audited
1)	Segment Revenue		
	A) Automobiles	31,86,462	42,41,089
	B) Trading Of Steel / Scrap	46,69,29,637	35,83,95,114
	C) Others	63,28,444	70,834
	Total	47,64,44,543	36,27,10,037
2)	Segment Results [Profit/(Loss) before tax and interest from each segment]		
	A) Automobiles	-(68,00,545)	(1,03,07,020)
	B) Trading	1,41,17,925	2,13,50,776
	C) Others	63,28,444	70,834
	Total	1,36,45,824	1,11,17,590
	Less : Interest Expenses	19,24,075	26,86,261
	Other unallocable expenditure (net of unallocable income)	28,87,564	21,83,443
	Total Profit Before Tax	88,34,185	62,44,886
3)	Capital Employed (Segment Assets - Segment Liabilities)		
	A) Automobile	10,63,33,602	6,42,54,595
	B) Trading	5,17,55,194	5,98,02,815
	C) Unallocable Capital Employed	4,72,93,987	2,58,04,232
	Total	20,53,82,783	14,98,61,642



STATEMENT PURSUANT TO PART IV OF SCHEDULE VI TO THE COMPANIES ACT, 1956

I. Registration Details

Registration No. State Code
Balance Sheet Date

II Capital Raised during the year (Amount in Rs.Thousand)

PUBLIC ISSUE <input type="text" value="NIL"/>	RIGHT ISSUE <input type="text" value="NIL"/>
Bonus Issue <input type="text" value="NIL"/>	Private Placement <input type="text" value="NIL"/>

III Position of Mobilisation & Deployment of funds (Amount In Rs.Thousand)

Total Liabilities <input type="text" value="214070"/>	Total Assets <input type="text" value="214070"/>
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Sources of Funds	Reserve & Surplus
Paid Up Capital <input type="text" value="70785"/>	<input type="text" value="50662"/>

Secured Loan <input type="text" value="83935"/>	Unsecured Loan <input type="text" value="NIL"/>
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Deferred Tax Liability

Application of Funds	Investments
Net Fixed Assets <input type="text" value="78049"/>	<input type="text" value="9333"/>

Net Current Assets <input type="text" value="124784"/>	Miscellaneous Expenditure <input type="text" value="1904"/>
--	---

Accumulated Losses

IV Performance of Company (Amount In Rs. Thousand)

Turnover <input type="text" value="476445"/>	Total Expenditure <input type="text" value="467611"/>
--	---

Profit Before Tax <input type="text" value="8834"/>	Profit After Tax <input type="text" value="7629"/>
---	--

Earning per Share In Rs. <input type="text" value="1.08"/>	Dividend Rate % <input type="text" value="NIL"/>
--	--

V. Generic Names of Three principal Products/Service of Company (As per Monetary Terms)

Item Code No. (Itc Code)

Product Description

For and on behalf of the Board

Bharat Bhushan Gupta - Chairman
Vinod Kumar Gupta - Managing Director
A. M. Arondekar - Director
Prabhjot Singh Chandok - Director
Sanjeev Chirania - Director
Jaidev Gupta - Director
C J Kotcher - Director

Place : Mumbai
Date: 30th May,2011



CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2011

(Pursuant to Listing Agreement with Stock Exchanges)

(Amount In Rs.)

PARTICULARS	Year Ended 31.03.2011		Year Ended 31.03.2010	
	(Rs.)	(Rs.)	(Rs.)	(Rs.)
A CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit before tax and extraordinary items		8,833,833		6,244,886
<u>Adjustments for :</u>				
Depreciation	3,758,413		3,746,510	
Interest Received	(695,561)		(210,174)	
Write Offs	-	3,062,852	-	3,536,336
	1,95,553		1,65,716	
(Profit) / Loss on Sale of Fixed Assets / Investment	1,924,075		2,686,261	
Interest Paid				
Less : Interest Dividend & Rent Received	(34,100)		(31,000)	
Depreciation for Earlier Year	-		-	
Income Tax for Earlier Year	-	2,085,528	-	2,820,977
Operating Profit before Working Capital changes :		13,982,213		12,602,199
<u>Adjustments for :</u>				
Inventories		12,897,889		(10,134,541)
Trade and other Receivables		(37,817,188)		(120,680,978)
Trade Payables		(11,257,722)		162,039,020
Cash generated from Operations		(22,194,808)		43,825,700
Direct Taxes Paid (Net Of Refunds)		(251,889)		(608,266)
Interest Paid				
Deff Sales Tax Loan Paid		(5,002,925)		
Cash Flow before Extraordinary Items				
Income Tax Earlier Year		(3,389)		-
Depreciation Earlier Year		-		-
NET CASH FROM OPERATING ACTIVITIES		(27,453,011)		43,217,434
B CASH FLOW FROM INVESTMENTS ACTIVITIES				
Purchase of Fixed Assets		(41,731,369)		-
Sale of Fixed Assets		177,778		50,000
Purchase of Investments		-		-
Sale of Investment		126,660		-
Interest Received		695,561		210,174
Dividend Received		-		-
Rent Received		34,100		31,000
Misc Expenditure		(19,04,820)		-
NET CASH FROM INVESTMENTS ACTIVITIES		(42,602,090)		291,174
C CASH FLOW FROM FINANCING ACTIVITIES				
Proceeds from Issue of Share Capital		-		-
Proceeds from Borrowings		-		-
Interest Paid		(1,924,075)		(2,686,261)
NET CASH FROM FINANCING ACTIVITIES		(1,924,075)		(2,686,261)
NET INCREASE IN CASH AND CASH EQUIVALENTS		(71,979,176)		40,822,347
Cash and Cash Equivalents Opening Balance :				
Cash and Bank Balance	12,632,506		32,584	
Cash Credit Accounts	17,249,364	(29,881,870)	(10,973,061)	(10,940,477)
Cash and Cash Equivalents Closing Balance :				
Cash and Bank Balance	10,800,298		12,632,506	
Cash Credit Accounts	(52,897,604)	(42,097,306)	17,249,364	(29,881,870)

For and on behalf of the Board
Bharat Bhushan Gupta - Chairman
Vinod Kumar Gupta - Managing Director
A. M. Arondekar - Director
Prabhjot Singh Chandok - Director
Sanjeev Chirania - Director
Jaidev Gupta - Director
C J Kotcher - Director

Place : Mumbai
Date: 30th May, 2011

Amita Champawat
Company Secretary



AUDITORS' CERTIFICATE

To,

The Board of Directors
Spectra Industries Ltd
Mumbai.

We have verified the above Cash Flow Statement of Spectra Industries Ltd. derived from the audited financial statements for the year ended March 31, 2011, and found the same to be drawn in accordance therewith and also with the requirements of clause 32 of the Listing Agreements with Stock Exchanges.

For **D.K. ROONGTA & COMPANY**
Chartered Accountants

DINESH K. ROONGTA
(Proprietor)
Membership No : 17679
(Firm Reg. No. 108871W)
Place : Mumbai
Date: 30th May,2011



SPECTRA INDUSTRIES LIMITED

Plot No. 9, Spectra Compound, Ramchandra Lane Extn., Kanchpada II, Malad (West), Mumbai - 400 064.

Folio No. _____ No. of shares _____ Client Id. _____

I/We _____
of _____ (Write Full Address)

being member / members of **SPECTRA INDUSTRIES LIMITED** hereby appoint _____

of _____ or failing him _____
of _____ (Write Full Address)

as my / our Proxy to attend and vote for me / us and on my / our behalf at the Nineteenth Annual General Meeting to be held on Friday, the 9th day of September 2011 at 11.00 a.m. or at any adjournment thereof.

Signed this _____ day of _____ 2011.

Affix Revenue Stamp of
Rs. 1

Signature

Note: The proxy must be sent so as to reach the Registered Office of the Company not less than 48 hours before the time for holding the aforesaid meeting. The proxy need not be a member of the Company.

Cut Here



SPECTRA INDUSTRIES LIMITED

Regd. Off : Plot No. 9, Spectra Compound, Ramchandra Lane Extn., Kanchpada II, Malad (West), Mumbai - 400 064.

PLEASE FILL IN THE ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL

Folio No. _____

NAME AND ADDRESS OF THE SHAREHOLDER

No. of shares held _____

I hereby record my presence at the NINETEENTH ANNUAL GENERAL MEETING of the Company held on FRIDAY, THE 9TH DAY OF SEPTEMBER 2011 at 11.00 A.M. at Green Village Resorts Limited, Near Malavani Church, Opposite Akashwani Kendra, Marve Road, Malad (West), Mumbai 400 095

Signature of the Shareholder / Proxy _____

BOOK-POST

To



If Undelivered, please return to :

SPECTRA
INDUSTRIES LIMITED

P.O.Box No. 7638
Malad (West),
Mumbai - 400 064.