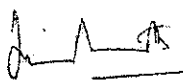


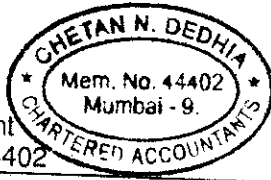






CHITRADURGA SPINTEX LIMITED

FORM B

1.	Name of the Company	Chitradurga Spintex Limited
2.	Annual financial statements for the year ended	31 st March 2014
3.	Type of Audit observation	Qualified
4.	Frequency of observation	Repetitive since 2008
	Draw attention to relevant notes in the annual financial statements and management response to the qualification in the directors report:	Observations: Auditors Qualifications Basis of On-going Concern-Page No.15 of Annual Report Management Response- Management contends that the company will be able to continue as going concern-page No.5 &6
	Additional comments from the board / committee chair:	Qualification on On-Going Concern materially not agreed. Management has already taken all possible steps to improve the economic conditions
5.	To be signed by	
	<ul style="list-style-type: none">CEO / Managing Director	 
	<ul style="list-style-type: none">CFO	
	<ul style="list-style-type: none">Auditor of the Company	 Chetan Dedhia Chartered Accountant Membership No. 044402
	<ul style="list-style-type: none">Audit Committee Chairman	Mr. S. Prasannakumar  



Board Of Directors

Sri S. Vishwanath	Managing Director
Sri S. Rajasekharappa	Chairman
Sri S. Chandrashekar	Director
Sri S.T. Thippeswamy	“
Sri S. Prasannakumar	“
Sri S. Thippeswamy	“

Registered Office

Bangalore Road,
Siddapura Village,
Challakere-577 522
Karnataka State.

Auditors

M/s.Chetan N Dedhia,
Chartered Accountants,
Mumbai

Bankers

ICICI Bank

Share Transfer Agents

Canbank Computer Services Ltd.,
(A Subsidiary of Canara Bank)
#218, J.P.Royale,
1st Floor, 2nd Main,
Sampige Road, (Near 14th Cross),
Malleswaram, Bangalore-560001
Ph: 080-23469661, 23469662, email:canbankrta@ccsl.co.in,
Website:www.canbankrta.com

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NOTICE

Notice is hereby given that the 23rd Annual General Meeting of the Company will be held at the Registered Office at Bangalore Road, Siddapura Village, Challakere, Chitradurga Dist. Karnataka, Pin-577 522 on Friday 19th 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 on 31st March 2014 and the Statement of Profit and Loss for the year ending 31st March 2014 together with the reports of the Auditors and Directors thereon.
2. To appoint Auditors and fix their remuneration.

By order of the Board
S. Rajasekharappa
Chairman

Challakere, 16th August 2014

NOTES:

1. The Register of Members and the Share Transfer books of the Company will remain closed from 13th September, 2014 to 19th September, 2014 (both days inclusive.)
2. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, which sets out details relating to Special Business at the meeting, is annexed hereto.
3. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY/ PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF. SUCH A PROXY/ PROXIES NEED NOT BE A MEMBER OF THE COMPANY. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company.
4. The instrument of Proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting. A Proxy form is sent herewith. Proxies submitted on behalf of the companies, societies etc., must be supported by an appropriate resolution/authority, as applicable.
5. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.
6. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company/RTA.
7. Electronic copy of the Annual Report for 2013-2014 is being sent to all the members whose email IDs are registered with the Company/Depository Participants(s) 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 2013-2014 is being sent in the permitted mode.
8. Electronic copy of the Notice of the 23rd Annual General Meeting of the Company *inter alia* indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent to all the members whose email IDs are registered with the Company/Depository Participants(s) 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 Notice of the 23rd Annual General Meeting of the Company *inter alia* indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode.
9. Members may also note that the Notice of the 23rd Annual General Meeting and the Annual Report for 2013-2014 will also be available on the Company's website www.chitradurga.co.in for their download. The

physical copies of the aforesaid documents will also be available at the Company's Registered Office at Bangalore Road, Siddapura Village, Challakere, Chitradurga Dist. Karnataka, Pin-577 522 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, by post free of cost. For any communication, the shareholders may also send requests to the Company's investor email id: chitraspin@gmail.com .

10. E-mail address: The Company is concerned about the environment and encourages the green initiative taken by the Ministry of Corporate Affairs (MCA), Government of India. Members holding equity shares of the Company in physical form, are requested to provide their e-mail address to the Company by e-mail to ravi@csl.co.in or naidu@csl.co.in. Members holding equity shares of the Company in electronic form are requested to register their e-mail address with their respective Depository Participant for enabling us send the annual report etc., by e-mail.

11. **Voting through electronic means**

- I **Voting through electronic means (e-voting):** Pursuant to provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 read with Clause 35B of the listing agreements, your Company is pleased to provide e-voting facility to the members to exercise their right to vote at the said AGM electronically on all the resolutions set forth in the Notice convening the 23rd AGM. Instructions relating to e-voting facility forming part of this notice, is below:
- II **Poll at the meeting:** After all the agenda items have been discussed, the Chairman will order Poll in respect of all the items. Poll will be conducted and supervised under Scrutinizers to be appointed for the purpose. After conclusion of the Poll, the Chairman may declare the meeting as closed. The Results of the Poll aggregated with the Results of e-voting will be announced by the Company on its website www.chitradurga.co.in and also informed to the Stock Exchanges.

The instructions for e-voting are as under:

- A In case a member receives an email from NSDL (for members whose email IDs are registered with the Company / the R & T Agent viz. Canbank Computer Services Ltd / Depository Participant(s):
- I Open email and open PDF file viz; "CSL Annual Report E-voting. Pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password / PIN for E-voting. Please note that the password is an initial password.
 - ii Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com>
 - iii Click on Shareholder-Login
 - iv Put user ID and password as initial password / PIN noted in step (i) above. Click Login.
 - v Password change menu appears. Change the password / PIN with new password of your choice with minimum 8 digits / characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
 - vi Home page of E-voting opens. Click on E-voting: Active Voting Cycles.
 - Vii Select "EVEN" of Chitradurga Spintex Limited.
 - viii Now you are ready for E-voting as Cast Vote page opens
 - ix Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
 - X Upon confirmation, the message "Vote cast successfully" will be displayed.
 - Xi Once you have voted on the resolution, you will not be allowed to modify your vote.
 - Xii Institutional shareholders (i.e., other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF / JPG Format) of the relevant Board Resolution / Authority Letter etc. together with attested specimen signature of the duly authorised signatory(ies) who are authorised to vote, to the Scrutinizer through e-mail to shilpagparekh31@gmail.com with a copy marked to **evoting@nsdl.co.in**
- B In case a member receives physical copy of the Notice of Annual General Meeting (for members whose email IDs are not registered with the Company / the R & T Agent viz.

Canbank Computer Services Ltd/ Depository Participant (s) or requesting physical copy):

- (i) Initial password will be provided separately in the following format :

EVEN (E-voting Event Number)	USER ID	PASSWORD /PIN
------------------------------	---------	---------------

- (ii) Please follow all steps from Sl. No. (ii) to (xii) above, to cast vote.

- II In case of any queries, you may refer the Frequently Asked Questions (FAQs) for shareholders and Evoting user manual for shareholders available at the downloads section of www.evoting.nsdl.com.

If you are already registered with NSDL for E-voting then you can use your existing user ID and password / PIN for casting your vote.

- III You may also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).

The E-voting period commences on 11 September 2014 (9.00 a.m.) and ends on 2014 (6.00 p.m.). During this period shareholders' of the Company, holding shares either in physical form or in dematerialised form, as on the cut-off date 15 August 2014, may cast their vote electronically. The E-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.

- IV The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date 15 August 2014.
- V Ms. Shilpa Parekh, (Membership No. ACS 21939 CP No. 10746) Proprietor of S G PAREKH & Co., Company Secretary in Practice, has been appointed as the Scrutinizer to scrutinize the e-voting process (including the physical ballots received from shareholders who don't have access to the e-voting process) in a fair and transparent manner.
- VI The Scrutinizer shall within a period not exceeding 3 (three) working days from the conclusion of the Evoting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any forthwith to the Chairman of the Company.

The Results shall be declared on or after the Annual General Meeting of the Company. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.chitradurga.co.in and on the website of NSDL within two (2) days of passing of the resolutions at the Annual General Meeting of the Company and communicated to the BSE Limited.

Directors' Report

Dear Shareholders,

Your Directors have pleasure in presenting the 23rd Annual Report of the Company together with audited financial statements and accounts for the year ended March 31, 2014.

Financial Highlights

Particulars	(Rupees in Lakhs)	
	2013-14	2012-13
Gross Revenue	65.96	4.08
PBITD	56.17	-2.10
Net Profit/(-)Loss	56.17	-2.10

Operations:

Due to delay in getting approval for the Scheme of Arrangement pursuant to section 391 to 393 of the Companies Act, 1956 the Company is not in a position to undertake any projects of manufacturing, trading or weaving of Textile and other goods, and due to paucity of working capital. The Company has also not been able to raise any loans from Financial Institutions, which is essential for expanding its business activities. Hence, due to the reasons beyond the control of your Directors, your Company has not undertaken any business during the year, but with a view to mobilize the funds your Company has sold all its unusable assets. The Directors are under the process of exploring other avenues of diversifying into new areas of business.

Though there is no business is undertaken, its net worth remains positive and considering the fact that the Company has adequate resources to continue in operational existence for the foreseeable future and taking into account the management assessment of improvement in the economic condition in general they continue to adopt the going concern basis in preparing the annual report and accounts.

Dividend

In view of inadequacy of profits, your Directors are unable to recommend any dividend for the year under report.

Corporate Governance

A detailed report on Corporate Governance pursuant to the requirements of Clause 49 of the Listing Agreement forms part of the Annual Report. A certificate from the auditors of the Company, Chetan N Dedhia, Chartered Accountants, confirming compliance of conditions of corporate governance as stipulated under the aforesaid Clause 49 is provided as annexure.

Management Discussion and Analysis Report

The management discussion and analysis of financial condition including the result of operation of the Company for the year under review as required under clause 49 of the listing agreement with the stock exchange is given as a separate statement in Annual Report.

Auditors:

The Statutory Auditors of the Company, Chetan N Dedhia, Chartered Accountants, Mumbai, retire at the conclusion of the ensuing Annual General Meeting of the Company and have confirmed their willingness and eligibility for re-appointment and have also confirmed that their reappointment, if made, will be within the limits under Section 224(1B) of the Companies Act, 1956.

Auditors' Report:

The Board has duly examined the Statutory Auditors' report to accounts which is self explanatory and clarifications wherever necessary, have been included in the Notes to Financial Statements of the Annual Report.

Regarding Auditors comment on 'on going concern' the Director contend that the Company will be able to continue as going concern, though the Company has not undertaken any business activity, its net worth remains positive and considering the fact that the Company has adequate resources to continue in operational existence for the foreseeable future and taking into account the management assessment of improvement in the economic condition in general and as borne out by AAS16 issued by the council of the ICAI, they continue to adopt the going concern basis in preparing the annual report and accounts.

Your Directors, continue their efforts to improve the financial viability of the Company and also take such steps as may be required under current laws and regulations in terms of disclosure and reporting required to be made to concerned statutory authorities.

Particulars of Employees

During the year there was no employee drawing remuneration beyond the limits prescribed under section 217 (2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975.

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

Disclosure in respect of conservation of energy as required under Section 217(1) (e) of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in the report of the Board of Directors) Rules, 1988, as amended is given below.

Conservation Of Energy. Technology Absorption, Foreign Exchange Earnings and Outgo are Nil during the year.

Directors' Responsibility Statement

Pursuant to the requirement under section 217(2 AA) of the Companies Act, 1956, with respect to the Directors' responsibility statement it is hereby confirmed that:

- i. In the preparation of the annual accounts for the financial year ended March 31, 2014, the applicable accounting standards read with requirements set out under Schedule VI to the Companies Act, 1956, have been followed and there are no material departures from the same;
- ii. 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 as at March 31, 2014 and of the Profit of the Company for the said period.
- iii. The Directors have taken proper and sufficient 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 fraud and other irregularities; and
- iv. The Directors have prepared the annual accounts of the Company on a 'going concern basis'.

Acknowledgements

Your Directors wish to place on record their appreciation for the continued support and co-operation of the shareholders, Bankers, various regulatory and Government authorities and for the valuable contributions made by the employees of the Company.

Challakere, May21, 2014

On behalf of the Board of Directors
S. Rajasekharappa
Chairman

Report on Corporate Governance

In accordance with Clause 49 of the Listing Agreement with the BSE Limited (BSE) and some of the best practices followed on Corporate Governance, the report containing the details of Corporate Governance systems and processes is as under.

Company's Governance Philosophy

The Company is laying maximum emphasis on the effective system of Corporate Governance. The interaction between the Board, the Executives and other functionaries is so configured to have a distinctly demarcated role and improved corporate performance.

The Company's Corporate Philosophy is woven around its total commitment to the ethical practices in the constant quest to grow with profits and enhance Stakeholders value and align the interests of the Stakeholders, and society at large through adoption of best practice and standards.

Board of Directors

Composition of the Board

A majority of the Board, 3 out of 6, are independent Directors and **one is non-executive director**. The Audit Committee and Shareholders' Grievance Committee comprise only independent Directors and non-executive Directors. The Company has defined guidelines and established framework for the meeting of the Board and Board Committees.

To comply with the provisions of the Listing Agreement, other statutory provisions the Board of Directors of the Company comprises of six members, two of whom are executive promoter Directors, one is non-executive promoter director and three are non-executive independent Directors. The requisite information as per the requirements of Clause 49 of the Listing Agreement is provided in the following table:

Name of director	Category	Number of Directorships', chairmanships & memberships'			Attendance	
		Director ships	Chairman ships	Member ships	Board Meeting	AGM
Sri S. Vishwanath	Executive –Promoter	-	-	-	6	Yes
Sri S. Rajasekharappa	Executive –Promoter	-	-	-	6	Yes
Sri S. Chandrasekhar	Non-Executive Promoter	-	1	2	6	Yes
Sri S.T. Thippeswamy	Non-Executive Independent	-	-	2	6	Yes
Sri S. Prasannakumar	Non-Executive Independent	-	1	2	6	Yes
Sri S. Thippeswamy	Non-Executive Independent	-	-	-	6	Yes

All the Independent Directors of the Company furnished a declaration at the time of their appointment as also annually that they qualify the conditions of their being independent. All such declarations were placed before the Board.

No Director is related to any other Director on the Board in terms of the definition of 'relative' given under the Companies Act, 1956, except Sri S. Vishwanath, Sri S. Rajasekharappa, and Sri S. Chandrasekhar, who are related to each other as brothers.

During the Financial Year 2013-2014, the Board of Directors met six times. The dates of the meetings were 27.05.2013, 24.06.2013, 12.08.2013, 27.08.2013, 12.11.2013 and 03.02.2014. None of the Non-Executive Directors have any material pecuniary relationship or transactions with the Company and none of the Directors of

the Company are receiving any remuneration or fee. The meetings are usually held at the Company's Registered Office at Siddapura Village, Bangalore Road, Challakere-577522, Karnataka.

Brief profile of Directors

S. Vishwanath (50) is a BE graduate in electronics has got over 26 years of experience in Textile industry and Edible Oil Industry. He is currently the Managing Director of the Company. He does not hold any shares in the Company as on 31.03.2014

S. Rajasekharappa (64) is a BE graduate in Metallurgy and has over 42 years of experience in textile industry and Edible Oil Industry. He became industrialist in other fields like oil industry, having vast experience as businessman. He is currently the chairman of the board. He does not hold any shares in the Company as on 31.03.2014

S. Chandrashekar (66) is a graduate in science and has over 46 years of experience in Textile & Edible Oil Industry. Currently is chairman of the shareholders / investors grievances committee. He holds 25700 shares in the Company as on 31.03.2014

S.T. Thippeswamy (73) is a graduate and has over 36 years of experience in Cotton business. He is currently a member of Audit Committee and the shareholders / investors grievance committee. He does not hold any shares in the Company as on 31.03.2014.

S. Prasannakumar (54) is a graduate and professionally he is businessman and has over 24 years of experience in trading activity especially he has got vast experience in cotton, oil and oil seeds trading. He does not hold any shares in the Company as of 31.03.2014. He is chairman of the audit committee.

S. Thippeswamy (53) is a graduate and professionally he is businessman and has over 19 years of experience in trading activity. He does not hold any shares in the Company as of 31.03.2014.

Audit Committee

The Audit Committee comprises of three members, all of whom are non-executive. The Chairman of the Audit Committee, Mr. S. Prasannakumar has sound financial knowledge as well as many years of experience in general management and trading. The majority of the audit committee members, including the chairman have accounting and financial management expertise.

Key responsibilities of the audit committee

Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are true and accurate and provide sufficient information. The determination of audit fees of statutory auditors, and approval of payment to statutory auditors for any other services rendered by them.

Reviewing, with the management, annual financial statements before submission to the Board for approval, with particular reference to matters required to be included in the Directors' responsibility statement, changes if any in accounting policies, major accounting entries, significant adjustments made in the financial statements arising out of audit findings, compliance with listing and other legal requirements relating to financial statements, approval of all related party transactions, qualifications in the draft audit report. Reviewing with the management the quarterly financial statements before submission to the Board for approval. Reviewing with the management, performance of statutory auditors, and adequacy of the internal control systems.

Reviewing, management discussions and analysis of financial condition and results of operations, statement of related party transactions, quarterly compliance certificates confirming compliance with laws and regulations, including any exemptions to these compliances, such other function as may be assigned by the board of

Directors from time to time or as may stipulated under any law, rule or regulation including the listing agreement and the Companies Act, 1956.

Meetings, attendance and composition of Audit Committee

During the Financial Year 2013-2014, the audit committee met six times i.e., on 27.05.2013, 24.06.2013, 12.08.2013, 27.08.2013, 12.11.2013 and 03.02.2014. The composition of Audit Committee and attendance of members is as follows.

Name	Category	Number of meetings attended
S. Prasannakumar-Chairman	Independent director	6
S. Chandrasekhar	Independent director	6
S.T. Thippeswamy	Independent director	6

Investors Grievances Committee:

Investors Grievance Committee of the Company consists of three members. The Committee specifically looks into the redressal of complaints of investors such as transfer or credit of the shares to demat accounts, non receipt of notices/annual reports etc. During the financial year, the Committee met twice on 26.08.2013 & 04.08.2014. The composition of the committee and attendance of members at the meetings held during the financial year 2013-2014 are given below.

Name	Category	Number of meetings attended
S. Chandrasekhar - Chairman	Non-executive director	2
S. T. Thippeswamy	Independent director	2
S. Prasannakumar	Independent director	2

Nature of complaints and redressal status

Type of complaint	No. of complaints		
	Received	Redressed	Pending
Non receipt of share certificate	-	-	-
Complaint regarding Demat/Remat	-	-	-

Dedicated e-mail for Investor Grievance

For the convenience of our investors, the Company has designated an exclusive e-mail ID i.e., chitras pin@gmail.com. All investors are requested to avail this facility.

Compliance Officer

D.M. Shivanandaswamy, Chief Compliance Officer, is the Compliance Officer for complying with the requirements of the Listing Agreement with the stock exchange and requirements of Securities Laws.

General Body Meetings

The Company held its last three Annual General Meetings as under:

Year	Venue	Date & Time	Special Resolution passed
2010-2011	Registered Office	30.09.2011 at 11.00 a.m	None
2011-2012	Registered Office	30.09.2012 at 11.00 a.m..	None
2012-2013	Registered Office	27.09.2013 at 11.00 a.m	None

Postal ballot

No special resolutions were put through postal ballot during the year as there were no resolutions which were required to be passed through postal ballot.

Disclosers

No penalty or stricture has been imposed on the Company by the stock exchanges or SEBI or any other statutory authority, on any matter related to the capital markets, during the last 3 years.

Related party transactions

The details of all significant transactions with related parties are periodically placed before the audit committee. The Company has entered into related party transactions as set out in the notes to accounts, which are not likely to have a conflict with the interest of the Company.

Disclosure of Accounting Treatment

The financial statements are prepared on accrual basis of accounting and complied with all the applicable accounting standards except accounting of gratuity which will be accounted on payment basis.

Code of Conduct

The Board members and senior management have affirmed their compliance with the code and a declaration signed by the Managing Director of the Company (i.e., the CEO within the meaning of clause 49-V of the listing agreement) is given below.

“It is hereby declared that the Company has obtained from all members of the board and senior management affirmation that they have complied with the code of conduct for Directors and senior management of the Company for the year 2013-14.”

Challakere, May 21, 2014

S. Vishwanath
Managing Director

CEO and CFO certification

A certificate required under Clause 49(V) of the Listing Agreement duly signed by the CEO was placed before the Board.

Compliance with the mandatory requirements of Clause 49 of the Listing Agreement

The Company has complied with all the mandatory requirements of Corporate Governance as stipulated under the Listing Agreement and obtained a certificate affirming the compliances from Chetan N. Dedhia, Chartered Accountants, the Statutory Auditors of the Company and the same is attached to the Directors' report.

Means of Communication

The Company's quarterly financial results are displayed on the Company's website www.chitradurga.co.in. There has been no presentation to analysts and official news releases during the year.

General Shareholders Information

23rd Annual General Meeting

Date & Time: 19.09.2014 at 11.00 A.M.

Venue: **Chitradurga Spintex Limited, Bangalore Road, Siddapur Village,
Challakere-577 522. Karnataka**

Financial Calendar (Tentative Schedules, subject to change)

Results for First Quarter - Aug 2014, Second Quarter - November 2014, Third Quarter - February 2014, Fourth Quarter - May 2015

Stock market data for the period April 1, 2013 to March 31, 2014

Month	High	Low	Volume (Nos)
April 2013	1.80	1.80	100
May 2013	-	-	-
June 2013	-	-	-
July 2013	1.89	1.89	1
August 2013	1.90	1.81	236
September 2013	2.08	1.99	200
October 2013	2.48	2.17	725
November 2013	3.42	2.58	53,850
December 2013	6.24	3.08	54,480
January 2014	6.95	6.20	5,025
February 2014	6.44	6.32	960
March 2014	6.01	5.18	515

Listing on Stock Exchanges:

BSE Limited (BSE)
 P.J. Tower, Dalal Street, Mumbai-400001.
 Scrip Code: 521244

Payment of Listing Fee: Annual listing fee for the year 2013-14 has been paid by the Company to BSE.

Payment of Depository Fees: Annual Custody / Issuer fee for the year 2013-14 has been paid by the Company to NSDL and CDSL.

Registrars and Transfer Agents:

Canbank Computer Services Limited
 #218, J.P.Royale, 1st Floor, 2nd Main, Sampige Road, (Near 14th Cross), Malleswaram, Bangalore-560001.
 Ph: 080-23469661, 23469662, email:canbankrta@ccsl.co.in, Website:www.canbankrta.com

Share Transfer System

Transfer of the equity shares of the Company which are in electronic format is done through the depositories without any involvement of the Company. Transfer of shares in physical form is normally processed within fifteen days from the date of receipt, provided the documents are complete in all respects. All transfers are first processed by the transfer agent and are submitted to the Company for approval thereafter. The authorized official of the Company approve the transfer and the shares are returned to the shareholder.

Pursuant to Clause 47(c) of the Listing Agreement, we obtain certificate from a practicing Company Secretary on half yearly basis to the effect that all the transfers are completed in the statutorily stipulated period. A copy of the certificate so received is submitted to stock exchange where the shares of the Company are listed

Dematerialization of shares and liquidity

The Company's shares are traded in dematerialized form and are available for trading with the both the depository ie, NSDL and CDSL. The equity shares of the Company are frequently traded at the Bombay Stock Exchange Ltd, ISIN for the Company's shares is INE676G01016

Distribution of share as on 31.03.2014

Sl No.	Category	No. of shares	% age of holding
1	Indian promoters and promoters group	826900	17.94
2	Mutual Funds	55400	1.20
3	Bodies Corporate	249490	5.41
4	NRIs/OCBs	382744	8.30
5	Indian public and others	3095766	67.15
	Total shareholding	4610300	100.00

Outstanding GDRs/ADRs/warrants/options

There are no GDRs/ADRs/Warrants or any convertible instruments, which are pending for conversion into equity shares.

Communication addresses

Correspondence relating to shares

Canbank Computer Services Ltd.,

#218, J.P.Royale, 1st Floor, 2nd Main, Sampige Road, (Near 14th Cross), Malleswaram, Bangalore-560001

Any other Correspondence:

Chitradurga Spintex Limited,

PB No.9, Bangalore Road, Challakere-577 522, Karnataka

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

Auditors' Certificate to the members of Chitradurga Spintex Limited, on compliance of the conditions of corporate governance for the year ended 31st March 2014 under clause 49 of the listing agreement with stock exchange.

We have examined the compliance of conditions of corporate governance by M/s. Chitradurga Spintex Ltd., for the year ended on 31st March 2014, as stipulated in clause 49 of the Listing Agreement of the said Company with the stock exchange.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination has been limited to a review of 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 explanation given to us, and the representation made by the Directors and management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in clause 49 of the Listing Agreement.

As required by the guidance note by the Institute of Chartered Accountants of India, we state that, as on 31st March 2014 there were no Investor grievances remaining unattended/pending for a period exceeding one month, and as explained to us by the management, the Compliance Officer has reported to the shareholders/Investors Grievance Committee regularly on the status of such grievances.

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.

MUMBAI, MAY 21, 2014

Sd/-
For CHETAN DEDHIA
Chartered Accountant

Management Discussion and Analysis Report

Overview

Due to delay in getting approval for the scheme of arrangement pursuant to section 391 to 393 of the Companies Act, 1956 the Company is not in position to undertake any projects of manufacturing, trading or weaving of Textile and other goods, and due to paucity of working capital. The Company has also not been able to raise any loans from Financial Institutions, which is essential for expanding its business activities. Hence, due to the reasons beyond the control of your Directors your Company has not undertaken any business during the year, but with a view to mobilize the funds your Company has sold all its unusable assets. The Directors are under the process of exploring other avenues of diversifying into new areas of business.

Though there is no business is undertaken, its net worth remains positive and considering the fact that the Company has adequate resources to continue in operational existence for the foreseeable future and taking into account the management assessment of improvement in the economic condition in general they continue to adopt the going concern basis in preparing the annual report and accounts.

Financial performance & review

The Company has made a profit of Rs.56.17 lakhs includes profit on sale of fixed assets during current financial year as against loss of Rs.2.10 lakhs during previous year.

Segment wise performance

As there is no particular operational activity segment wise performance is not applicable.

Outlook

Due to change in the business activity from spinning to other activity forecasting outlook is not wise since any particular business not yet started. The Directors are under the process of exploring other avenues of diversifying into new areas of business

Risk Management

Your Company has No specific risks other than normal business problems which are explained above.

Internal Controls

The Company has adequate internal control procedures and has well defined business processes to ensure the efficiency and effectiveness of the efforts that go in managing various assets and interests of the Company.

Subsidiaries

Your Company has no subsidiary Companies

CEO / CFO Certification

I, Mr. S. Vishwanath , Managing Director, certify to the Board that :

- a) I have reviewed financial statements and the cash flow statement for the year ended on 31st March 2014 and that to the best of my knowledge and belief :
 - 1) These statement do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading ;
 - 2) These statements together present a true and fair view of the Company's affairs and comply with existing accounting standards, applicable laws and regulations.
- b) There are, to the best of my knowledge and belief, no transactions entered into by the Company during the year that are fraudulent, illegal or violative of the Company's code of conduct.
- c) I accept responsibility for establishing and maintaining internal controls and that I have evaluated the effectiveness of the internal control systems of the Company and I have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which I am aware and the steps they have taken or propose to take to rectify these deficiencies.
- d) I have indicated to the auditors and the Audit Committee
 - 1) Significant changes in internal control during the year;
 - 2) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements and
 - 3) Instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system.

For Chitradurga Spintex Limited

Sd /-
Mr. S. Vishwanath
Managing Director

Challakere, May 21, 2014

INDEPENDENT AUDITOR'S REPORT

To the Members of M/s Chitradurga Spintex Limited

Report on the Financial Statements

I have audited the accompanying financial statements of M/s Chitradurga Spintex Limited ("the Company") which comprise the balance sheet as at 31st March, 2014 and the statement of profit and loss and cash flow statement for the year then ended and a 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 and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). 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 and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers 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. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Basis of Qualified Opinion

The accounting of gratuity on payment basis as per policy is contrary to generally accepted Accounting standards issued by the Institute of Chartered Accountants of India. The effect of the same on statement of profit & Loss is unascertained.

We draw the attention to the fact that the Company is having accumulated loss of Rs 361.70 Lakhs as at the year ended 31-03-2014 which is more than 50% of its net worth, the Company has to be treated as sick as per the provision of SICA, 1985. The Company not yet started any particular business as stated in postal ballot on 30-10-2008 and as the Company has sold all its fixed assets and there are no revenue generated during the year except from small interest income, along with other matters set out in the notes of the financial statements, the substantial doubt arise whether the Company will be able to continue as going concern.

The Company has drafted scheme of reduction of capital and filed with Bombay stock exchange, for approval.

Qualified Opinion

In my opinion and to the best of my information and according to the explanations given to me, except for the effect of the matter described in the basis for qualified opinion paragraph, the financial statements give the information required by the Act 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;
- (ii) in the case of the statement of profit and loss, of the Profit for the year ended on that date. and
- (iii) in the case of the Cash flow statement, of the cash flow for the year ended on that date

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order"), as amended, issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, I give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, I report that:
 - a. I have obtained all the information and explanations which to the best of my knowledge and belief were necessary for the purpose of my audit;
 - b. in my opinion proper books of account as required by law have been kept by the Company so far as appears from my examination of those books;
 - c. the Balance Sheet and Statement of Profit and Loss dealt with by this Report are in agreement with the books of account [and with the returns received from branches not visited by us];
 - d. in my opinion, the Balance Sheet and Statement of Profit and Loss 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 representations received from the Directors as on 31st March, 2014, and taken on record by the Board of Directors, none of the Directors is 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 441 A of the Companies Act 1956 nor has it 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.

Sd/-

CHETAN N. DEDHIA

Chartered Accountant

Membership No: 044402

Place: Mumbai

Date: 21-May-2014

Annexure to the Auditors' Report

The Annexure referred to in our report to the members of **Chitradurga Spintex Limited** ('The Company') for the year ended 31 March 2014. I report that:

- 1 a The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - b The Company's only Fixed Assets being land and building was sold last year and hence there was no need of regular program of physical verification of Fixed Assets.
 - c There is disposal of Land & Building during the year to have an impact on the operations of the Company and affects its going concern concept.
2. As the Company does not hold any inventories for the year, the paragraph 4(1) and 4 (ii) of the companies (Auditor's Report) order, (as amended) is not applicable to the Company.
3. a The Company has not granted any loans, secured or unsecured to companies, firm or other parties covered in the registered maintained under section 301 of the Act.

- b The Company has not taken unsecured loans during the year from other parties covered in the register maintained under section 301 of the companies act, 1956. The year ended balance of loan taken from such parties is NIL.
4. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods. During the course of our audit we have not observed any major weakness in the internal control system during the course of the audit.
5. a In our opinion and according to the information and explanations given to us, the particulars of contracts or arrangements referred to in section 301 of the Act have been entered in the register required to be maintained under that section.
- b In our opinion, and according to the information and explanations given to us, there were no transactions made in pursuance of contracts and arrangements referred to in (v)(a) above exceeding the value of Rs five lakhs with any party during the year
6. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of section 58A and 58AA of the companies Act, 1956 and the rules framed there under.
7. The Company has no internal audit system.
8. a According to the information and explanation given to us, the Company is generally regular in depositing with appropriate authorities undisputed dues including Provident fund, investor education and protection fund, employees' state insurance, income tax, sales tax, wealth tax, customs duty, excise duty, cess and other material statutory dues applicable to it.
- b According to the information and explanation given to us, there are no undisputed amounts payable in respect of income tax, Sales tax, Wealth tax, Customs duty, Excise duty and Cess outstanding as at the year end, for a period of more than six months from the date they become payable.
- c According to the information and explanation given to us, there are no dues of Sales tax, Income tax, Custom duty, Wealth tax, Excise duty or Cess outstanding on account of any dispute except Entry Tax of Rs.3.91 Lakhs for the year 1992 - 93.
9. The central Government has prescribed maintenance of cost records under section 209-(1) (d) of the companies act, 1956 in respect of manufacturing activities of the Company. The said clause is not applicable to the Company as the Company does not have manufacturing activities for the year.
10. According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Income-tax, Sales-tax, Wealth tax, Service tax and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of Employees' State Insurance, Customs duty and Excise duty.
11. The Company has accumulated loss of Rs.361.69 lakhs as at the end of the financial year which is more than fifty per cent of its net worth and it has make profit of Rs.56.17 Lakhs in the current year and had incurred a loss of Rs.2.09 Lakhs immediately preceding financial year.
12. According to information and explanation given to us and the records examined by us, the Company has not defaulted in repayment of dues to a financial institution or bank or debenture holders.

13. In our opinion and according to information and explanation given to us, no loans and advances have been granted by the Company on the basis of security by way of pledge of shares, debentures and other securities.
14. In our opinion and according to the information and explanation given to us, the nature of the activities of the Company does not attract any special statute applicable to chit fund and nidhi /mutual benefit fund/societies.
15. According to the information and explanations given to us, the Company is not dealing or trading in shares, securities, debentures and other investments.
16. 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.
17. In our opinion and based on information and explanations given to us by the management, term loans were applied by the Company for the purpose for which they were obtained.
18. On the basis of an overall examination of the Balance Sheet and Cash Flows of the Company and the information and explanation given to us, we report that the Company has not utilized any funds raised on short term basis for long term investments and vice-versa.
19. The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Act.
20. The Company has not issued any debentures during the year.
21. The Company has not raised any money by public issues during the year.
22. According to the information and explanations given to us, no material fraud on or by the Company has been noticed or reported during the course of our audit.

Sd/-

CHETAN N. DEDHIA

Chartered Accountant

Membership No : 044402

Place : Mumbai

Date : 21-May-2014

BALANCE SHEET AS AT 31ST MARCH,2014

Particulars		Note No.	As at 31 March, 2014	As at 31 March, 2013
I.	EQUITY AND LIABILITIES			
	(1) Shareholders' funds			
	(a) Share capital	2	4,61,03,000	4,61,03,000
	(b) Reserves and surplus	3	-3,41,69,881	-3,97,87,266
	(c) Money received against share warrants		-	-
	(2) Share application money pending allotment		-	-
	(3) Non-current liabilities		-	-
	(4) Current liabilities			
	(a) Short-term borrowings		-	-
	(b) Trade payables		-	-
	(c) Other current liabilities	4	1,835	13,872
	(d) Short-term provisions	5	1,07,127	1,18,212
	TOTAL		1,20,42,081	64,47,818
II.	ASSETS			
	Non-current assets			
	(1) (a) Fixed assets			
	(i) Tangible assets	6	-	58,07,477
	(ii) Intangible assets		-	-
	(iii) Capital work-in-progress		-	-
	Intangible assets under development		-	-
	(b) Non-current investment	7	11,000	11,000
	(c) Long-term loans and advances	8	40,00,000	-
	(d) Other non-current assets		-	-
	(2) Current assets			
	(a) Trade receivables		-	11,844
	(b) Cash and cash equivalents	9	77,38,760	5,13,126
	(c) Short-term loans and advances	10	2,92,320	1,04,371
	TOTAL		1,20,42,081	64,47,818
<i>The Notes referred to above form an integral part of the Financial Statement</i>				

This is the Balance Sheet referred to in our report of even date For and on behalf of the Board

For CHITRADURGA SPINTEX LIMITED

sd/-

CHETAN N DEDHIA

Chartered Accountants

Membership Number : 044402

Mumbai, May 21, 2014

sd/-

S. Rajashekharappa

Chairman

sd/-

S. Vishwanath

Managing Director

Challakere, May 21, 2014

PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED 31ST MARCH,2014

Particulars		Note No.	As at 31 March, 2014	As at 31 March, 2013
I.	Revenue from operations	11	-	-
II.	Other income	12	65,95,712	4,07,993
III.	Total Revenue (I + II)		65,95,712	4,07,993
IV.	Expenses:			
	Employee benefits expense	13	2,23,535	1,22,871
	Depreciation and amortization expense			
	Other expenses	14	7,54,792	4,94,960
	Total expenses		9,78,327	6,17,831
V.	Profit before exceptional and extraordinary items and tax (III-IV)		56,17,385	-2,09,838
VI.	Tax expense:			
	(1) Current tax		-	-
	(2) Current tax expense relating to prior prior years		-	-
	(3) Deferred tax		-	-
VII.	Profit (Loss) for the period from continuing operations (V-VI)		56,17,385	-2,09,838
VIII.	Transferred to General Reserves		0	0
	Balance carried forwarded		56,17,385	-2,09,838
IX.	Earnings per equity share:			
	(1) Basic		1.22	-0.05
	(2) Diluted		1.22	-0.05
<i>The Notes referred to above form an integral part of the Balance Sheet.</i>				

For and on behalf of the Board

For CHITRADURGA SPINTEX LIMITED

sd/-
CHETAN N DEDHIA
Chartered Accountants
Membership Number : 044402
Mumbai, May 21, 2014

sd/-
S. Rajashekharappa
Chairman

sd/-
S. Vishwanath
Managing Director
Challakere, May 21, 2014

Cash Flow Statement for the year ended 31.03.2014

Particulars	31.03.2014 (Amount `)	31.03.2013 (Amount `)
A. <u>Cash Flow form Operating Activities</u>		
Net Profit / (Loss) before extraordinary items and tax	56 17 385	- 2 09 838
<i>Adjustments for :</i>		
(Profit) / loss on sale of assets	-64,42,523	1,49,940
Rental income from operating leases	-1,919	1,163
Interest Income	-1,51,270	-4,07,993
Operating profit / (loss) before working capital changes	-9,78,327	-4,66,728
<i>Adjustments for (increase) / decrease in operating assets:</i>		
Trade receivables	11,844	49,501
Short-term loans and advances	-1,87,949	41,808
<i>Adjustments for (increase) / decrease in operating Liabilities:</i>		
Trade Payables	-	-58,076
Other current liabilities	-12,037	-18,455
Short-term provisions	-11,085	-320
Cash flow from extraordinary items	-	-28,998
Cash generated from operations	-11,77,555	-4,81,268
Net income tax (paid) / refunds	-	-
Net cash flow from / (used in) operating activities (A)	-11,77,555	-4,81,268
B. <u>Cash flow from investing activities</u>		
Proceeds from sale of fixed assets	1,22,50,000	1,00,000
Long Term Loan given	-40,00,000	
Rental income from operating leases	1,919	4,07,993
Net cash flow from / (used in) investing activities (B)	82,51,919	5,07,993
C. <u>Cash flow from financing activities</u>		
Interest Income	1,51,270	-1,163
Net cash flow from / (used in) financing activities (C)	1,51,270	-1,163
Net increase / (decrease) in Cash and cash equivalents (A+)	72,25,634	25,562
Cash and cash equivalents at the beginning of the year	5,13,126	4,87,564
Cash and cash equivalents at the end of the year	77,38,760	5,13,126

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

For and on behalf of the Board

For CHITRADURGA SPINTEX LIMITED

sd/-
CHETAN N DEDHIA
Chartered Accountants
Membership Number : 044402
Mumbai, May 21, 2014

sd/-
S. Rajasekharappa
Chairman

sd/-
S. Vishwanath
Managing Director
Challakere, May 21, 2014

Notes on Financial Statements for the year ended 31st March, 2014

1. SIGNIFICANT ACCOUNTING POLICIES

Basis for preparation of accounts

The financial statements have been prepared on an accrual basis of accounting and in accordance with the Generally Accepted Accounting Principles in India, provisions of the Companies Act, 1956 and comply in material aspects with the accounting standards notified under Section 211 (3C) of the Act, read with Companies (Accounting Standards) Rules, 2006.

Estimates

The preparation of financial statements requires the Management of the Company to make estimates and assumptions that affect the reported balance of assets and liabilities, revenue and expenses and disclosures relating to contingent liabilities. The Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Future results could differ from these estimates. Any revision of accounting estimates is recognised prospectively in the current and future periods.

Revenue Recognition

Revenue is recognised to the extent that is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

There was no revenue from business operations during the year since the company have not Pursuant to approval of the members through postal ballot on 30.10.2008, the company has amended the main objects of the company accordingly Company has stopped the spinning activity from 31.12.2008

Government Grants and Subsidies

Government grants in the nature of promoters contribution like investment subsidy, where no repayment is expected in respect thereof, are treated as capital reserve.

Tangible Fixed Assets

Fixed assets are stated at cost of acquisition less accumulated depreciation and impairment losses, if any. The cost of fixed assets includes interest on borrowings attributable to acquisition of qualifying fixed assets up to the date the asset is ready for its intended use and other incidental expenses incurred up to that date

Depreciation and Amortisation

Depreciation on fixed assets was provided to the extend of depreciation amount on Straight-Line basis at the rate and in the manner prescribed in Schedule XIV to the companies Act, 1956 up to 31.12.2008 being on which date the spinning activity was stopped.

Valuation of Inventories

There was no inventory in the current financial year.

Foreign Currency Transaction

There was no foreign currency transaction during the year.

Investments

Non-current investments are stated at cost

Retirement Benefits

Liability on account of short term employee benefits is recognised on an undiscounted and accrual basis during the period when the employee renders service/vesting period of the benefit.

Periodic contributions towards post retirement benefit plan such as provident fund are charged to the Statement of Profit and Loss.

Taxation

Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the provisions of local Income Tax Laws as applicable to the financial year.

Earnings Per Share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

2. SHARE CAPITAL

Particulars	As at 31 March, 2014	As at 31 March, 2013
i. Authorised		
5000000 Equity Shares of ` 10/- each	5,00,00,000	5,00,00,000
ii. Issued, Subscribed and Fully Paid Up		
4610300 Equity Shares of ` 10/- each	4,61,03,000	4,61,03,000
Total	4,61,03,000	4,61,03,000

iii. There is no change in the shares outstanding at the beginning and at the end of the reporting date and immediately preceding reporting date.

iv. Details of Shareholders holding more than 5% shares :

Name of Shareholders	As at 31st March 2014		As at 31st March 2013	
	No. of Shares held	% held	No. of Shares held	% held
1. Vishal Dineshbhai Chavda	10 98 300	23.82%	-	-
2. S. Vishwanath	-	-	3 16 700	6.87%

3. RESERVES AND SURPLUS

Particulars	31st March, 2014	31st March, 2013
1. State Government Subsidy	20,00,000	20,00,000
	20,00,000	20,00,000
2. Profit and Loss Account		
Opening balance	-4,17,87,266	-4,15,48,430
Add : Current Year Profit	56,17,385	-2,09,838
Less : Prior Period Adjustment		-28,998
Closing balance	-3,61,69,881	-4,17,87,266
Total a + b	-3,41,69,881	-3,97,87,266

4. OTHER CURRENT LIABILITIES

Particulars	Sub-Notes	31st March, 2014	31st March, 2013
Statutory Dues	i	1,835	13,872
Total		1,835	13,872

5. SHORT-TERM PROVISIONS

Particulars	Sub-Notes	31st March, 2014	31st March, 2013
1. Provision for employee benefits			
Salary Payable - Others		18,608	9,737
2. Provision - others			
Audit Fees		29,214	50,561
Provision for Expenses	ii	59,305	57,914
Total		1,07,127	1,18,212

6. FIXED ASSETS

Description	GROSS BLOCK			DEPRECIATION BLOCK			NET BLOCK	
	as at 1st April, 2013	Deduction / Adjustment	as at 31st March, 2014	as at 1st April, 2013	Deduction/ Adjust-ment	as at 31st March, 2014	as at 31st March, 2014	as at 31st March, 2013
I. Tangible Assets :								
Free Hold Land	1,25,375	1,25,375	-	-	-	-	-	1,25,375
Building	1,08,91,495	1,08,91,495	-	52,09,393	52,09,393	-	-	56,82,102
Total (I)	1,10,16,870	1,10,16,870	-	52,09,393	52,09,393	-	-	58,07,477
II. Intangible Assets :	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Total (II)	-	-	-	-	-	-	-	-
Grand Total (I+II)	1,10,16,870	1,10,16,870	-	52,09,393	52,09,393	-	-	58,07,477
PREVIOUS YEAR	1,23,86,473	13,69,603	1,10,16,870	63,29,056	11,19,663	52,09,393	58,07,477	58,07,477

7. Non-current Investment

Particulars	31st March, 2014	31st March, 2013
Investment in Shares		
-800 Equity shares in G.R. Cables Ltd. Paid up (Market Value - Rs. 232/-)	8,000	8,000
Investment in Government securities		
-National Saving Certificate (unquoted)	3,000	3,000
Total	11,000	11,000

8. LONG-TERM LOANS AND ADVANCES

Particulars	31st March, 2014	31st March, 2013
D & C Kairos	40,00,000	-
Total	40,00,000	-

9 CASH AND CASH EQUIVALENTS

Particulars	Sub-Notes	31st March, 2014	31st March, 2013
Balances with banks	iii	77,30,073	2,28,374
Cash on hand		8,688	2,84,752
Total		77,38,760	5,13,126

10. SHORT-TERM LOANS AND ADVANCES

Particulars	Sub-Notes	31st March, 2014	31st March, 2013
Security Deposits	iv	4,900	4,900
Other Advances	v	39,449	2,002
Balance with Revenue Authorities-TDS		2,47,971	97,469
Total		2,92,320	1,04,371

11. REVENUE FROM OPERATIONS

Particulars	31st March, 2014	31st March, 2013
a. Income From Operating revenues	-	-
b. Other operating revenues	-	-
Total	-	-

12. OTHER INCOME

Particulars	Sub-Notes	31st March, 2014	31st March, 2013
		-	-
a) Interest Income	vi	1,51,270	-
b) Profit on Sale of Freehold land		35,24,625	-
c) Profit on Sale of building		29,17,898	-
d) Rent		1,919	4,07,993
Total		65,95,712	4,07,993

13. EMPLOYEE BENEFITS EXPENSE

Particulars	31st March, 2014	31st March, 2013
	-	-
<u>Salaries and allowances</u>		
To Directors	-	-
To Others	1,88,640	1,05,600
Employees Provident Fund	25,680	11,670
Employees State Insurance	8,970	5,016
Staff welfare	245	585
Total	2,23,535	1,22,871

OTHER EXPENSES

Particulars	31st March, 2014	31st March, 2013
	-	-
Operating Exp		
<u>Office Administrative Expenses:</u>		
Advertisement Expenses	73,797	54,115
Auditors Remuneration	29,214	56,180
Annual General Meeting Expenses	38,724	-
Bank Charges	19,245	1,163
Listing Fees	1,46,247	33,942
Postage & Telephone	805	38,507
Printing & Stationary	37,822	34,320
Loss on sale of Asset	-	1,49,940
Professional Charges	2,55,960	27,000
Rates and Taxes	34,098	2,700
Repairs & Maintenance	14,127	2,735
R & T Expenses (Folio Maintenance)	74,593	72,913
Travelling Expenses	30,160	21,445
Total	7,54,792	4,94,960

AUDITORS REMUNERATION

Particulars	31st March, 2014	31st March, 2013
Statutory Audit	29,214	30,337
Tax Audit	-	5,618
Certification	-	20,225
Total	29,214	56,180

EARNING PER SHARES

In determining earning per shares, the company considers the net profit after tax.

Particulars	31st March, 2014	31st March, 2013
Net Profit & Loss as per profit & loss account (amount in `) (A)	56,17,385	-2,09,838
Number of equity shares of ` 10 each at the beginning of the year	4,61,03,000	4,61,03,000
Number of equity shares of ` 10 each at the end of the year	4,61,03,000	4,61,03,000
Weighted average number of equity shares of ` 10 each outstanding during the year (B)	4,61,03,000	4,61,03,000
Earning per shares (Basic and Diluted) (amount in `) (A)/(B)	1.22	-0.05

RELATED PARTY DISCLOSURES

Name of the Related Parties	Relationship	As at 31st March 2014 (`)	As at 31st March 2013 (`)
<u>Sale of Fixed assets</u> S. Rajasekharappa	Chairman	1,22,50,000	-

Previous year's figures have been regrouped/ reclassified wherever necessary to correspond with the current year's classification/disclosures.

For and on behalf of the Board
For CHITRADURGA SPINTEX LIMITED

sd/-

CHETAN N DEDHIA

Chartered Accountants

Membership Number : 044402

Mumbai, May 21, 2014

sd/-

S. Rajasekharappa

Chairman

sd/-

S. Vishwanath

Managing Director

Challakere, May 21, 2014

Sub-Notes on Financial Statements for the year ended 31st March, 2014**(i) STATUTORY DUES**

Particulars	31st March, 2014	31st March, 2013
TDS on Contract	1,835	8,372
Value Added Tax	-	5,500
Total	1,835	13,872

(ii) Provision for Expenses

Printing and stationery Expenses Payable	19,464	14,032
R & T Expenses Payable	10,900	16,882
Professional Fees Payable	28,941	27,000
Total	59,305	57,914

(iii) Balances with Banks

ICICI Bank	77,28,336	2,26,637
Canara Bank	1,737	1,737
Total	77,30,073	2,28,374

(iv) Security Deposits

Mobile Deposit	3,900	3,900
Telephone Deposit	1,000	1,000
Total	4,900	4,900

(v) Other Advances

Interest On NSC	2,002	2,002
Sundry Advances	28,570	-
Interest due from D & C Kairos	8,877	-
Total	39,449	2,002

(vi) Interest Income

Fixed Deposit Interest	1,42,393	-
Interest on advance	8,877	-
Total	1,51,270	-

ANNEXURE –A
Regarding capacity and quantitative report

Not applicable since there is no particular operation and entire portion of plant and machinery were sold and there is no trading activity during the year.

Balance Sheet abstract and Company's general business profile

Registration details

Registration No. 0811467 State Code 08

Balance Sheet date 31.03.2014

Capital raised during the year (Amount in Rs.)

Public Issue	Nil	Right Issue	Nil
Bonus Issue	Nil	Private Placement	Nil

Position of mobilisation and deployment of funds (Amount in Rs.)

Total Liabilities	1,20,42,081	Total Assets	1,20,42,081
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Sources of Funds

Paid up capital	4,61,03,000
Reserves & Surplus	-3,41,69,881

Application of Funds

Net Fixed Assets	-	Investments	11,000
Net Current Assets	79,22,119	Miscellaneous Expenditure	-
Accumulated Losses	-36169881.5	Deferred Taxation	-

Performance of Company (Amount in Rs.)

Turnover including Other Income	65,95,712	Total Expenditure	9,78,327
Profit before Tax	56,17,385	Profit after Tax	56,17,385
EPS	1.22	Dividend Rate %	Nil

Generic names of three principal products/services of Company (as per monetary terms)

Item Code No.	NA
Product description	NA

Challakere, May 21, 2014

S. Rajasekharappa
Chairman

S. Vishwanath
Managing Director

CHITRADURGA SPINTEX LIMITED
Siddapura Village, Bangalore Road, Challakere-577522

Attendance Slip

I hereby record my presence at the Twenty-Third Annual General Meeting held on 19.09.2014 at 11.00 a.m. at the Registered Office of the at Bangalore Road, Siddapura Village, Challakere, Chitradurga Dist. Karnataka, Pin-577 522.

Name of the Shareholder(s).....
(In Capital Letters)

Name of the Proxy or Company's
Representative.....
(in Capital Letters)

Signature of Shareholder(s) or
Proxy or Company's Representative

Note :

1. A Proxy attending on behalf of Shareholder(s) should write the name of the Shareholder(s) from whom he holds Proxy.
2. Members are requested to bring their copy of the Annual Report to the Meeting as additional Copies of the same will not be made available at the Meeting.

Reg. Folio No.....

* Client ID No.

* DP ID No.....

No. of shares held

* Applicable for investors holding shares in electronic form.

CHITRADURGA SPINTEX LIMITED
Siddapura Village, Bangalore Road, Challakere-577522

PROXY FORM
[Form No. MGT-II]

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN : L85110KA1990PLC011467

Name of the Company: CHITRADURGA SPINTEX LTD

Registered Office: Siddapur Village, Bangalore Road, Challakere-577522, Karnataka

Tel: 08195-222258 : FAX:08195-222336:

E-mail:chitraspin@gmail.com; Website:www.chitradurga.co.in

Name of the Member (s) :

Registered address :

E-mail Id :

Folio No./ Client ID or DP ID :

I/We, being the member(s) of _____ equity shares of the above named Company, hereby appoint:

1. Name:..... E-mail ID:.....

Address:

Signature:_____

Or failing him/her

2. Name:..... E-mail ID:.....

Address:

Signature:_____

Or failing him/her

3. Name:..... E-mail ID:.....

Address:

Signature:_____

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 23rd Annual General Meeting of the Company, to be held on the 19th day of Sept, 2014 at 11.00 a.m. at the Registered Office at Bangalore Road, Challakere-577522, Karnataka and at any adjournment thereof in respect of such resolutions as are indicated below:

Agenda No.	Subject/Resolution	Votes	
		For	Against
1	Consideration and adoption of audited financial statements for the year ended March 31, 2014 together with the Reports of Directors and Auditors		
2	Appointment of statutory auditors for a period of one year from the conclusion of this Annual General Meeting (AGM) until the conclusion of the next AGM at such remuneration as may be fixed by the Board of Directors		