

## NOTICE

NOTICE is hereby given that the Twenty-first Annual General Meeting of the Members of **Cenlub Industries Limited** will be held on Saturday, September 28, 2013 at 9.00 A.M.(I.S.T) at the Agarwal Sewa Sadan D-48, Sector-11, Faridabad, Haryana, India to transact the following business:

### ORDINARY BUSINESS

1. To consider and adopt the audited Balance Sheet as at March 31, 2013, the statement of Profit and Loss for the financial year ended as on that date and the reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in the place of Mr. Ansh Mittal, who retires by rotation, and being eligible, offers by himself for re-appointment.
3. To appoint a Director in the place of Mr. Dinesh Kaushal, who retires by rotation, and being eligible, offers by himself for re-appointment.
4. To appoint Auditors and fix their remuneration and in this regard, to consider and, if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT M/s. Satish Singla & Co. Chartered Accountants, Faridabad (Firm Registration No.000882N) be and are hereby appointed as the Statutory Auditors of the Company, to hold office as such from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company, on such remuneration which shall be fixed by the Board of Directors."

### SPECIAL BUSINESS:

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

RESOLVED THAT pursuant to the provisions of Section 198, 269, 309 and 310 and other applicable provisions, if any, read with Schedule XIII of the Companies Act, 1956 (including any statutory modification(s) or re-enactments(s) there of for the time being in force) and subject to such sanctions/approvals, as may be necessary, consent of the Company be and is hereby accorded to the re-appointment of **Mr. Ansh Mittal** as Executive Director of the Company for a period of three (3) years from May 1, 2013 (i.e. from May 1, 2013 to April 30, 2016) on the following terms and conditions including remuneration.

#### I. SALARY AND OTHER FIXED ALLOWANCE:

A salary of Rs. 1,00,000/- (Rupees One Lakh only P.M.) including Rs. 25,000/- (Rupees Twenty Five Thousand only) of house rent allowance P.M. will be paid as minimum remuneration.

The Board is authorized to determine the salary and grant such increases in Salary and /or Allowances by whatever name called from time to time

#### II Perquisites :

Perquisites are classified into three categories 'A' 'B' and 'C' as follows:

### CATEGORY - A

This will comprise house rent allowance, level travel concession, medical reimbursement, fees of clubs and personal accident insurance. These may be provided as under:

#### Housing I:

The expenditure by the Company on hiring furnished accommodation will be subject to the following ceiling:

Sixty percent (60%) of the salary over and above ten percent (10%) payable by the Executive Director.

#### Housing II:

In case the accommodation is owned by the Company ten percent (10%) of the salary of the Executive Director shall be deducted by the Company.

#### Housing III:

In case no accommodation is provided by the Company, the Executive Director shall be entitled to house rent allowance of Rs.25000/-p.m.

#### Explanation:

The expenditure incurred by the Company on gas, electricity, water and furnishings shall be valued as per the Income Tax Rules, 1962. This shall, however, be subject to a ceiling of ten percent (10%) of the salary of the Executive Director.

#### (i) Medical reimbursement:

As per the rules of the Company.

#### (ii) Leave travel concession:

For the Executive Director and his family in accordance with the rules of the Company.

#### (iii) Club fees:

Fees of clubs subject to a maximum of two (2) clubs, This will not include admission and life membership fees.

#### (V) Personal accident insurance: As per the rules of the Company .

#### Explanation :

For the purpose of Category 'A' 'family' means the spouse, the dependent children and dependent parents of the Executive Directors.

### CATEGORY - B

1. Contribution to provident fund, superannuation fund or annuity fund will not be included in the computation of the ceiling on perquisites to the extent these either singly or put together are not taxable under the Income-Tax-Act.1961.
2. Gratuity payable should not exceed half a month's salary for each completed year of service Subject to Maximum of Rs. 10,00,000/- as per Gratuity Act 1972.
3. Encashment of leave the Executive Director should be entitled for privilege leave on full pay and allowances as per the rules of the Company for a period not exceeding one month after every 11 months of service. The leaves accumulated but not availed of will not be allowed to be encashed.
4. Retirement and other benefits as per the rules of the company.

5. This agreement may notwithstanding the period of Three years mentioned in clause I hereof, be terminated by either party giving to the other three months notice in writing, in the event of termination of the appointment of Whole Time Director by the Company, he shall not be entitled to receive any compensation.

#### **CATEGORY - C**

Provision of car for use on Company's business and telephone at residence will not be considered as perquisites. Personal long distance calls on telephone and use of car for private purpose shall be billed by the Company to the Executive Director.

Notwithstanding anything herein, wherein any financial year during the currency of tenure of the Executive Director, the Company has no profits or its profits are inadequate, the Company will pay him remuneration by way of salary and perquisites specified above subject to requisite approval, if any, as may be required under the Companies Act, 1956 and rules made there under.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised and empowered to approve annual increments and to make such improvements in the terms of remuneration to **Mr. Ansh Mittal** as may be permissible under Schedule XIII to the Companies Act, 1956 (as amended from time to time) or by way of any government guidelines or instructions, the intention being that no further approval of the Company will be required so long as remuneration of Executive Director is not in excess of the maximum permissible under relevant laws, rules, regulations, guidelines or instructions as may be promulgated or issued after the date of this meeting.

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

RESOLVED THAT pursuant to the provisions of Section 198, 269, 309, 31 and 311 and other applicable provisions, if any, read with Schedule XIII of the Companies Act, 1956 (including any statutory modification(s) or re-enactments(s) there of for the time being in force) and subject to such sanctions/approvals, as may be necessary, consent of the Company be and is hereby accorded to the re-appointment of **Mr. Vijendra Kumar Mittal** as Managing Director of the Company for a period of three (3) years from June 1, 2013 (i.e. from June 1, 2013 to May 31, 2016) on the following terms and conditions including remuneration.

#### **REMUNERATION**

The Company shall pay the following remunerations to **Shri Vijendra Kumar Mittal** as Managing Director.

##### **I. SALARY AND OTHER FIXED ALLOWANCE:**

A salary of Rs. 2,50,000/- (Rupees Two Lakh Fifty Thousand only P.M) including dearness and all other allowances. In case of inadequacy of profits or incase of loss incurred by the company the remuneration of Rs. 2,50,000/- (Rupees Two Lakh Fifty Thousand only) P.M. will be paid as minimum remuneration.

The Board is authorized to determine the salary and grant such increases in Salary and /or Allowances by whatever name called from time to time

##### **II Commission:**

Commission to be paid based on net profit of the Company in a particular year, which put together with salary and perquisites shall be subject to the overall ceilings laid down in Section 198 and 309 of the Companies Act, 1956.

##### **III Perquisites :**

Perquisites are classified into three categories 'A' 'B' and 'C' as follows:

##### **CATEGORY - A**

This will comprise house rent allowance, level travel concession, medical reimbursement, fees of clubs and personal accident insurance. These may be provided as under:

###### **(i) Housing I:**

The expenditure by the Company on hiring furnished accommodation will be subject to the following ceiling:

Sixty percent (60%) of the salary over and above ten percent (10%) payable by the Managing Director.

###### **Housing II:**

In case the accommodation is owned by the Company ten percent (10%) of the salary of the Managing Director shall be deducted by the Company.

###### **Housing III:**

In case no accommodation is provided by the Company, the Managing Director shall be entitled to house rent allowance subject to the ceiling laid down in Housing I above.

###### *Explanation:*

The expenditure incurred by the Company on gas, electricity, water and furnishings shall be valued as per the Income Tax Rules, 1962. This shall, however, be subject to a ceiling of ten percent (10%) of the salary of the Managing Director.

###### **(ii) Medical reimbursement:**

As per the rules of the Company.

###### **(iii) Leave travel concession:**

For the Managing Director and his family in accordance with the rules of the Company.

###### **(iv) Club fees:**

Fees of clubs subject to a maximum of two (2) clubs, This will not include admission and life membership fees.

###### **(v) Personal accident insurance: As per the rules of the Company .**

###### *Explanation :*

For the purpose of Category 'A' 'family' means the spouse, the dependent children and dependent parents of the Managing Director.

##### **CATEGORY - B**

1. Contribution to provident fund, superannuation fund or annuity fund will not be included in the computation of the ceiling on perquisites to the extent these either singly or put together are not taxable under the Income-Tax-Act, 1961.

2. Gratuity payable should not exceed half a month's salary for each completed year of service Subject to Maximum of Rs. 10,00,000/- as per Gratuity Act 1972.
3. Encashment of leave the Managing Director should be entitled for privilege leave on full pay and allowances as per the rules of the Company for a period not exceeding one months after every 11 months of service. The leaves accumulated but not availed of will not be allowed to be encashed.
4. Retirement and other benefits as per the rules of the company.

#### CATEGORY - C

Provision of car for use on Company's business and telephone at residence will not be considered as perquisites. Personal long distance calls on telephone and use of car for private purpose shall be billed by the Company to the Managing Director.

Notwithstanding anything herein, wherein any financial year during the currency of tenure of the Managing Director, the Company has no profits or its profits are inadequate, the Company will pay him remuneration by way of salary and perquisites specified above subject to requisite approval, if any, as may be required under the Companies Act, 1956 and rules made there under.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised and empowered to approve annual increments and to make such improvements in the terms of remuneration to **Mr. Vijendra Kumar Mittal** as may be permissible under Schedule XIII to the Companies Act, 1956 (as amended from time to time) or by way of any government guidelines or instructions, the intention being that no further approval of the Company will be required so long as remuneration of Managing Director is not in excess of the maximum permissible under relevant laws, rules, regulations, guidelines or instructions as may be promulgated or issued after the date of this meeting.

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

RESOLVED THAT pursuant to the provisions of Section 198, 269, 309, 310 and 311 and other applicable provisions, if any, read with Schedule XIII of the Companies Act, 1956 (including any statutory modification(s) or re-enactments(s) there of for the time being in force) and subject to such sanctions/approvals, as may be necessary, consent of the Company be and is hereby accorded to the re-appointment of **Mr. Aman Mittal** as Whole Time Director of the Company for a period of three (3) years from August 1, 2013 (i.e. from August 1, 2013 to July 31, 2016) on the following terms and conditions including remuneration.

#### REMUNERATION

The Company shall pay the following remunerations to **Shri Aman Mittal** as Whole Time Director.

##### 1. SALARY :

A salary of Rs. 1,00,000/- (Rupees One Lakh only P.M).

The Board is authorized to determine the salary and grant such increases in Salary and/or Allowances by whatever name called from time to time

#### II Perquisites :

Perquisites are classified into three categories 'A' 'B' and 'C' as follows:

##### CATEGORY - A

This will comprise house rent allowance, level travel concession, medical reimbursement, fees of clubs and personal accident insurance. These may be provided as under:

##### (i) Housing I:

The expenditure by the Company on hiring furnished accommodation will be subject to the following ceiling:

Sixty percent (60%) of the salary over and above ten percent (10%) payable by the Whole Time Director.

##### Housing II:

In case the accommodation is owned by the Company ten percent (10%) of the salary of the Whole Time Director shall be deducted by the Company.

##### Housing III:

In case no accommodation is provided by the Company, the Whole Time Director shall be entitled to house rent allowance subject to the ceiling laid down in Housing I above.

##### Explanation:

The expenditure incurred by the Company on gas, electricity, water and furnishings shall be valued as per the Income Tax Rules, 1962. This shall, however, be subject to a ceiling of ten percent (10%) of the salary of the Whole Time Director.

##### (ii) Medical reimbursement:

As per the rules of the Company.

##### (iii) Leave travel concession:

For the Executive Director and his family in accordance with the rules of the Company.

##### (iv) Club fees:

Fees of clubs subject to a maximum of two (2) clubs, This will not include admission and life membership fees.

##### (v) Personal accident insurance: As per the rules of the Company .

##### Explanation :

For the purpose of Category 'A' 'family' means the spouse, the dependent children and dependent parents of the Whole Time Directors.

#### CATEGORY - B

1. Contribution to provident fund, superannuation fund or annuity fund will not be included in the computation of the ceiling on perquisites to the extent these either singly or put together are not taxable under the Income-Tax-Act, 1961.
2. Gratuity payable should not exceed half a month's salary for each completed year of service Subject to Maximum of Rs. 10,00,000/- as per Gratuity Act 1972.
3. Encashment of leave the Whole Time Director should be entitled for privilege leave on full pay and allowances as per the rules of

the Company for a period not exceeding one month after every 11 months of service. The leaves accumulated but not availed of will not be allowed to be encashed.

4. Retirement and other benefits as per the rules of the company.
5. This agreement may notwithstanding the period of Three years mentioned in clause I hereof, be terminated by either party giving to the other three months notice in writing, in the event of termination of the appointment of Whole Time Director by the Company, he shall not be entitled to receive any compensation.

#### CATEGORY - C

Provision of car for use on Company's business and telephone at residence will not be considered as perquisites. Personal long distance calls on telephone and use of car for private purpose shall be billed by the Company to the Whole Time Director.

Notwithstanding anything herein, wherein any financial year during the currency of tenure of the Whole Time Director, the Company has no profits or its profits are inadequate, the Company will pay him remuneration by way of salary and perquisites specified above subject to requisite approval, if any, as may be required under the Companies Act, 1956 and rules made there under.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised and empowered to approve annual increments and to make such improvements in the terms of remuneration to **Mr. Aman Mittal** as may be permissible under Schedule XIII to the Companies Act, 1956 (as amended from time to time) or by way of any government guidelines or instructions, the intention being that no further approval of the Company will be required so long as remuneration of Whole Time Director is not in excess of the maximum permissible under relevant laws, rules, regulations, guidelines or instructions as may be promulgated or issued after the date of this meeting.

#### NOTES :

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF/HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY .**

**The instrument appointing proxy should, however, be deposited at the Registered Office of the Company not less than forty eight hours before the commencement of the Meeting.**

2. Corporate Members are requested to send board resolution duly certified, authorising their representative to attend and vote on their behalf at the Annual General Meeting .
3. Members who hold shares in electronic form are requested to write their Client ID and DP ID numbers and those who hold shares in physical form are requested to write their Folio number in the Attendance Slip for attending the meeting to facilitate identification of membership at the meeting.
4. Members holding shares in dematerialized form are requested to intimate any change in their address, bank details, ECS details etc .to their respective Depository Participants and those holding shares in physical form are to intimate the above said changes to the Secretarial Department at the Registered Office of the Company.

5. In terms of Article 161 of the Articles of Association of the Company, read with Section 256 of the Companies Act, 1956, Mr. Ansh Mittal , Mr. Dinesh Kaushal Directors of the Company retire by rotation at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment. The Board of Directors of the Company recommends their respective re-appointments.
6. Brief Profile of Directors proposed to be re-appointed, names of companies in which they hold directorships and memberships / chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges in India, are provided in the Report on Corporate Governance forming part of the Annual Report.
7. **The Company's Share Transfer Books and the Register of Members will remain closed from Thursday, September 19, 2013 to Saturday, September 28, 2013 (both days inclusive )**
8. Relevant documents referred to in the accompanying Notice are open for inspection at the Registered office of the Company on any working day between 11.00 a.m and 1.00 p.m up to the date of the meeting.
9. Members are requested to bring their attendance slip along with the copy of annual report to the Meeting.
10. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names in the Register of Members of the Company will be entitled to vote.
11. Those Members who have not encashed / received their Dividend Warrants for the previous year(s), may approach the Secretarial Department at the Registered Office of the Company for claiming unpaid/unclaimed dividend.(Also refer to Note No.12 below).
12. Dividends which remain unclaimed/unencashed for a period of Seven (7) years will be transferred by the Company to the Investor Education and Protection Fund (IEPF) established by the Central Government under the provisions of Sections 205A and 205C of the Companies Act, 1956. Further, under the amended provisions of Section 205B of the Companies Act, 1956, no claim by the Shareholders shall lie for the unclaimed Dividend once the same is transferred to IEPF.
13. Equity Shares of the Company are under compulsory demat trading by all investors. Those Members who have not dematerialised their shareholding are advised to dematerialize their shareholding to avoid any inconvenience in future.
14. Non-Resident Indian Members are requested to inform the Company, immediately of:
  - a. Change in their residential status on return to India for permanent settlement.
  - b. Particulars of their bank account maintained in India with complete name, branch, account type, MICR number, account number and address of the bank with pin code number, if not furnished earlier.
15. 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.

16. Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names, are requested to send the Share Certificate(s) to the Company for consolidation into a single folio.
17. **The members are requested to inform changes, if any, in their Registered Address along with Pin Code Number & Phone No. to the Company at the following Address:**

**CENLUB INDUSTRIES LIMITED  
(Investors Relation Department)  
Plot No-233 & 234, Sector-58,  
Faridabad-121004 Haryana,  
Ph.No-+91- 0129-2307029, 2307263.**

18. **Green initiative in Corporate Governance:**

The Ministry of Corporate Affairs has taken a Green Initiative in the Corporate Governance by allowing paperless compliances by the companies and has issued circulars stating that service of notice/documents including Annual

Report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, members who have not registered their e-mail addresses so far, including change, if any, are requested to register their e-mail addresses, in respect of electronic holdings with the Depository through their concerned Depository Participants and Members who hold shares in physical form with the Company at investors@cenlub.com or at its Registered Office at Secretarial Department, Plot No. 233 & 234, Sector-58, Faridabad-121004 (Haryana) India, immediately.

#### **ANNEXURE TO THE NOTICE**

Explanatory Statement as required by Section 173(2) of the Companies Act, 1956.

The following Explanatory Statement sets out, as required by Section 173(2) of the Companies Act, 1956, the material facts relating to Item Nos. 5, 6 & 7.

#### **ITEM NO. 5 TO 7:**

The previous terms of appointments of **Mr. Ansh Mittal** Executive Director; **Mr. Vijendra Kumar Mittal**, Managing Director and **Mr. Aman Mittal**, Executive Director, expired on April 30, 2013, May 31, 2013 and July 31, 2013, respectively. On the recommendations from the Remuneration Committee, the Board of Directors of the Company has approved the re-appointment of **Mr. Ansh Mittal**, Executive Director; **Mr. Vijendra Kumar Mittal**, Managing Director and **Mr. Aman Mittal**, Executive Director of the Company for a further period of three (3) years. **Mr. Ansh Mittal**, **Mr. Vijendra Kumar Mittal** and **Mr. Aman Mittal**, have been drawing remuneration as approved by the Members. The Board at its meeting held on March 28, 2013 and May 25, 2013, approved the terms of remuneration of **Mr. Ansh Mittal**, **Mr. Vijendra Kumar Mittal** and **Mr. Aman Mittal** as detailed in the respective resolutions.

Approval of the Members is sought for re-appointment and payment of remuneration to **Mr. Aman Mittal**, **Mr. Vijendra Kumar Mittal** and **Mr. Ansh Mittal**, as detailed in the resolution(s), during the respective terms of their re-appointments. The Directors recommend the resolution(s) for approval of the Members. Profile, Other Directorships and Shareholding:

**Mr. Ansh Mittal** (29) is B.Tech (C.Sc.) is looking after the Lube Oil Consoles/Systems manufacturing plant of the company. He is also handling the complete IT department of the company and has been involved in the exports' promotion of the company and Executive Director of the Company.

Other Directorships.

**Mr. Ansh Mittal** is also Director on the Board of Directors of the Subsidiaries of the Company, viz. Ganpati Hand Tex Pvt. Ltd .

Committee memberships: NIL.

**Mr. Ansh Mittal** Holds 3,42,342 Equity Shares of Rs. 10 each of the Company.

**Mr. Vijendra Kumar Mittal** (66) is M.Sc.(Physics), M.sc (Mech. Engg.) specialization in Machine Tools from Moscow. He has worked at senior position in TELCO for 10 Years. He is promoter of this company and under his able leadership the company is growing very well and Chairman & Managing Director of the Company.

Other Directorships.

**Mr. Vijendra Kumar Mittal** is a Director on the Board of Minihyd Hydraulics Limited .

**Mr. Vijendra Kumar Mittal** is also Director on the Board of Directors of the Subsidiaries of the Company, viz. Ganpati Hand Tex Pvt.Ltd .

Committee memberships: NIL.

**Mr. Vijendra Kumar Mittal** Holds 408608 Equity Shares of Rs. 10 each of the Company.

**Mr. Aman Mittal** (39) is B.E (Electronics) looking the total day to day activities of Bangalore unit for the Last 10 years and Executive Director of the Company.

Other Directorships. NIL

Committee memberships: NIL.

**Mr. Aman Mittal** Holds 1,76,439 Equity Shares of Rs. 10 each of the Company.

By Order of the Board of Directors  
For **Cenlub Industries Limited**

**VIJENDRA KUMAR MITTAL**  
Chairman & Managing Director

August 14, 2013

#### **Registered Office:**

Plot No-233 & 234, Sector-58,  
Faridabad-121004, Haryana, India

**DIRECTORS' REPORT :**
**Dear Members**

We are delighted to present the report on our business and operations for the year ended on March 31, 2013.

**1. Financial Results :**
**(Rs. in Lacs)**

Particulars	Consolidated		Stand Alone	
	April 2012 -March 2013	April 2011 -March 2012	April 2012 -March 2013	April 2011 -March 2012
Net Sales	3303.92	3558.37	3302.90	3558.45
Other Income	63.43	64.13	63.43	64.13
Operating Profit before Finance cost, Depreciation, Tax and Extraordinary items	499.24	401.66	492.53	399.06
Less: Depreciation and amortization expenses finance Costs	176.52	30.78	167.42	28.09
Profit before tax and Extraordinary items	322.72	370.88	325.11	370.97
Less: Tax	100.83	116.47	100.83	116.05
Profit (Loss) after Tax	221.89	254.41	224.28	254.91
Add: Balance brought forward	721.25	595.72	721.98	595.95
Total available for appropriation	943.14	850.13	946.26	850.87
Less: Provision for earlier Year(Leave Encashment)	0	9.17	0	9.17
Proposed Dividend	0	103.00	0	103.00
Corporate Dividend Tax	0	16.71	0	16.71
Balance carried forward	943.14	721.25	946.26	721.99

**Finance**

During the financial year under review, the net turnover is lower by about 7.17% as compared to corresponding previous financial year. Your Company has ended the financial year with a profit after tax of Rs.224.28Lacs in the current financial year against the last year profit of Rs. 254.91.

**MARKET SCENARIO**

The current market scenario is not favorable to Machine Tool Lubrication , Power Plants, Steel Plants and Refineries. Industry as well as due to general slow down in Indian and Global economy coupled with policies of Government. However, is continuing to develop new high value grades of the needs of domestic as well as international markets.

**Dividend**

The Board of Directors of the Company has considered to skip the Dividend for the Year .

**Subsidiary Companies:**

Your Company has 1 subsidiaries at the end of the year which are as follows:

Ganpati Handtex Pvt. Ltd

In terms of the general exemption granted by the Ministry of Corporate Affairs, vide General circular no.2/2011,dated 8th February,2011, Annual Reports of each of the Subsidiary Companies have not been attached to the accounts of the Company for the year ended 31st March, 2013.

Accordingly, the annual report of the Company contains the consolidated audited financial statements prepared pursuant to clause 41 of the Listing Agreement and prepared in accordance with the accounting standards prescribed by the Institute of Chartered Accountants of India (ICA).

Further the Company hereby undertakes that the Annual Reports of the Subsidiary companies will be made available to the shareholders of holding company on making request at any point of time. The annual accounts of subsidiary companies will also be kept open for inspection by any shareholder during working hours at the Company's registered office and that of the respective subsidiary concerned.

**Fixed Deposits**

During the year under review, your Company has not accepted any deposits, from Public under Section 58A of Companies Act,1956..

### **Corporate Governance**

As per clause 49 of the Listing Agreements entered into with the stock exchange, corporate governance Report with Auditors' Certificate thereon and a Management discussion and analysis Report are attached and form part of this Report.

### **Conservation of energy, research and development, technology absorption, foreign exchange earnings and outgo.**

The particulars as prescribed under sub-section(1)(e) of section 217 of the Companies Act, 1956, read with the Companies(Disclosure of particulars in the report of the Board of Directors) Rules,1988, are provided in the Annexure to this Report.

### **Particulars of Employees**

In terms of the provisions of Section 217(2A) of the Companies Act, 1956,read with the Companies(Particulars of Employees) Rules,1975 as amended, the names and other particulars of the employees are required to be set out in the Directors Report . Having regard to the provisions of Section 219(1)(b) (iv) of the said Act, the Annual Report excluding the aforesaid information is being sent to all the members of the Company and others entitled thereto. Any member interested in obtaining such particulars may write to the Compliance Officer at the registered office of the Company.

### **Directors**

Ansh Mittal and Dinesh Kaushal, Directors of the company are liable to retire by rotation at the ensuing Annual General Meeting and being eligible, offer themselves for reappointment.

### **Directors Responsibility Statement**

(as required under Section 217 (2AA) of the Companies Act, 1956)

Pursuant to the requirement of Section 217(2AA) of the Act, and based on the representations received from the operating management, the Directors hereby confirm that:

- (i) In the preparation of the annual accounts for the financial year 2012-13, the applicable accounting standards have been followed and there are no material departures;
- (ii) They have selected such accounting policies and applied them consistency 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 of the company for the financial year;
- (iii) They have taken proper and sufficient care to the best of their knowledge and ability for the maintenance of adequate accounting records in accordance with the provisions of the Act. They confirm that there are adequate systems and controls for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (iv) They have prepared annual accounts on a going concern basis.

### **Auditors**

M/s. Satish Singla & Co. Chartered Accountants, who are the statutory auditors of the company, hold office, in accordance with the provisions of the Act till the conclusion of the forthcoming annual general meeting and are eligible for reappointment, M/s. Satish Singla & Co. Chartered Accountants, has sought the re-appointment and has confirmed that their re-appointment if made shall be within the limits of section 224(1B) of the companies Act,1956.The audit committee and the board of directors recommended the re-appointment of M/s . Satish Singla & Co. Chartered Accountants, as the Auditors of the company for the fiscal year ending on March,2014.

### **Cost Auditors**

The Company has appointed M/s. H.TARA & Co. , practicing Cost Accountants, for conducting the cost audit for the Financial 2012-2013.

### **Acknowledgement**

The directors thank the company's customers, vendors ,investors and bankers for their continued support during the year. It is unflinching support and hard work put in by employees which made the growth of the company possible, The directors' put sincere appreciation on record for employees. Company's consistent growth was made possible by their hard work, solidarity, cooperation and support. The Directors also thank the government and Semi Government agencies of Government of India and stage governments and approving agency for their support, and look forward to their continued support in the future.

For and on behalf of the Board  
**For Cenlub Industries Limited**

Date: 14<sup>th</sup> August, 2013  
Place :Faridabad

**Vijendra Kumar Mittal**  
Chairman & Managing Director

### Annexure to the Directors Report

Particular pursuant to Companies (Disclosure of particular in the report of the Board of Directors) Rules, 1988.

#### Conservation Of Energy

The company has always been conscious of need for conservation of energy. Energy Conservation Measures Taken Control on illumination lights and use of D.G. set is being taken, however your company operations involve low energy consumption.

#### Research and Development (R&D)

Specific areas in which R & D carried out by the company.

- i) Development of Grease dispensing system for Commercial Vehicle .
- ii) Development of Grease dispensing system for wind turbine.

#### C. Foreign Exchange Earnings And Outgo.

Details of Foreign Exchange, Earnings and Outgo are given as below:-

	(Rs. in lacs)	
	2013	2012
Foreign Exchange earning —	27.15	30.19
Foreign Exchange outgoing—	45.58	45.25

For and on behalf of the Board  
**For Cenlub Industries Limited**

Date: 14<sup>th</sup> August, 2013  
Place :Faridabad

**Vijendra Kumar Mittal**  
Chairman & Managing Director



### COMPLIANCE CERTIFICATE

Corporate Identification Number : L67120HR1992PLC035087  
Authorised Capital : Rs 5,00,00,000/-  
Paid-up Capital : Rs. 4,12,00,000/-

To,  
The Members of  
CENLUB INDUSTRIES LIMITED

We have examined the registers, records, books, and papers of CENLUB INDUSTRIES LIMITED (hereinafter referred to as 'the Company') as required to be maintained under the Companies Act, 1956, (hereinafter referred to as 'the Act') and the rules made thereunder and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on 31st March, 2013 (hereinafter referred to as 'the financial year'). In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished to us by the Company, its officers and staff, We certify that: -

1. The Company has kept and maintained all registers as stated in Annexure "A" to this certificate, as per the provisions and the rules made thereunder and all entries therein have been recorded.
2. The Company has filed the forms and returns as stated in Annexure "B" to this certificate, with the appropriate authorities prescribed under the Act and the rules made thereunder.
3. The Company has minimum prescribed paid up capital and being a public limited company, the other comments are not required.
4. The Board of Directors duly met 8 (Eight) times dated 26th April, 2012, 15th May, 2012, 4th August, 2012, 22nd September, 2012, 10th November, 2012, 4th February, 2013, 14th February, 2013 and 30th March, 2013, in respect of which proceedings were properly recorded and signed in the Minutes Book maintained for the purpose. There was no resolution that was passed by circulation.
5. The Company has closed its Register of Members from 28th August, 2012 to 5th September, 2012 and necessary compliance of Section 154 of the Act had been made.
6. The Annual General Meeting for the financial year ended on 31st March, 2012 was held on 5th September, 2012 after giving due notice to the Members of the Company and the resolutions passed thereat were duly recorded in Minutes book maintained for the purpose.
7. No Extra Ordinary General Meeting was held during the financial year.
8. The company has not provided loan to any parties referred under section 295 of the Act.
9. The Company has not entered into any transaction falling within the purview of provisions of Section 297 of the Act except the transactions with its subsidiary company Ganpati Handtex Private Limited.
10. The Company has made necessary entries in the register maintained under Section 301 of the Act.
11. There was no instance falling within the purview of Section 314 of the Act and as such the Company was not required to obtain any approval from the Board of Directors, Members or the Central government.
12. The Company has not issued any duplicate share certificates during the financial year under review..
13. The Company
  - (i) not made any allotment of securities during the year under review. The Company has delivered all the certificates on lodgment thereof for transfer/transmission or any other purpose in accordance with the provision of the Act
  - (ii) deposited the amount of dividend declared including interim dividend in a separate bank account on 08.09.2012 which is within five days from the date of declaration of such dividend.
  - (iii) paid/posted warrants for dividends to all the members within a period of 30(Thirty) days from the date of declaration and that all unclaimed/unpaid dividend has been transferred to Unpaid Dividend Account of the Company with Yes Bank.
  - (iv) has no amount lying in unpaid dividend account, application money due for refund, matured deposits, matured debentures and the interest accrued thereon, which have remained unclaimed or unpaid for a period of seven years.
  - (v) has duly complied with the requirements of Section 217 of the Act.
14. The Board of Directors of the Company is duly constituted and the appointment of Directors has been duly made.
15. The appointment of Whole-time Directors and Managing Director had been made in compliance with the provisions of section 269 read with Schedule XIII to the Act.
16. The Company has not appointed any sole-selling agents during the financial year.

17. Subject to our remark as stated in Point (9) above, the Company was not required to obtain any other approvals of the Company Law Board, Regional Director, Registrar of Companies or such other authorities prescribed under the various provisions of the Act, during the financial year.
18. The directors have disclosed their interest in other firms/companies to the Board of Directors pursuant to the provisions of the Act and the rules made there under.
19. The Company has not issued any shares during the financial year.
20. The Company has not bought back any shares during the financial year.
21. There was no redemption of preference shares or debentures during the financial year, as the Company has never issued any preference shares or debentures.
22. There was no transaction necessitating the Company to keep in abeyance rights to dividend, right shares and bonus shares pending registration of transfer of shares.
23. The Company has not invited/ accepted any deposits including any unsecured loans falling within the purview of section 58A of the Act, during the financial year.
24. The amount borrowed by the Company is within borrowing limits of the company.
25. The company has made loans and investments to other bodies corporate in compliance with the provisions of the Act and has made necessary entries in the register kept for the purpose. The Company has not given guarantees or provided securities to other bodies corporate.
26. The Company has not altered the provisions of the Memorandum of Association with respect to situation of the company's registered office from one state to another during the financial year.
27. The Company has not altered the provisions of Memorandum of Association with respect to the Main Objects of the Company during the financial year and complied with provisions of the Act.
28. The Company has not altered the provisions of the Memorandum of Association with respect to Name of the Company during the financial year.
29. The Company has not altered the provisions of the Memorandum of Association with respect to Share Capital of the Company during the financial year.
30. The Company has not altered its Articles of Association during the financial year.
31. As per the information and explanations given to us by the management and as per our examination of the records, there was no prosecution initiated against or show cause notices received by the Company and no fines or penalties or any other punishment was imposed on the Company during the financial year, for offences under the Act.
32. The Company has not received any money as security from its employees during the financial year.
33. The Company has not constituted any Provident Fund Trust, for its employees and as such the provisions of Section 418 of the Act are not applicable.

Place: Delhi

Date: 14.08.2013

**FOR JAIN VINEY & ASSOCIATES**  
**Company Secretaries**

**VINEY KUMAR JAIN**  
**CP. NO.-4614**

**ANNEXURE 'A'**

Following Registers are maintained by the Company :

1.	Register of Members	150 & 151
2.	Minutes Book of Board Meetings & General Meetings	193
3.	Books of Accounts	209
4.	Register of Particulars of Contracts in which Directors are interested	301
5.	Register of Directors, Managing Directors, Manager and Secretary	303
6.	Register of Director's Shareholdings	307
7.	Register of Investment	372A
8.	Register of Charge	143

**Other Registers:**

9.	Share Transfer Register	Updated
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**ANNEXURE 'B'**

Forms and returns as filed by the Company with the Registrar of Companies, Regional Director, Central Government or other authorities during/ for the financial year ending on 31st March, 2013.

Sr. No.	Forms	Filed u/s	For	Date of Event	Service Request Number & Date of filing	Whether form is filed on time or not, If not in time, whether additional fee is paid
1.	Form 66	383A	Compliance Certificate for the Financial Year 2011-12.	05/09/2012	P91481283 on 22/10/2012	Not filed on time Additional fee was paid
2.	Form 20B	159 to 161	Annual Return for the Annual General Meeting held on 28th September, 2012 for the Financial Year 2011-12.	05/09/2012	P93438851 on 31/10/2012	Yes, filed on time No Additional fee was required
3.	Form 23AC-XBRL & 23ACA XBRL	220	Balance Sheet, Profit & Loss Account together with Auditor's and Directors Report for the financial year 2011-12.	05/09/2012	Q05889324 on 15/01/2013	Yes, filed on time No Additional fee was required
4.	Form 5 INV	205C read with rules	Statement of unclaimed and unpaid amounts.	31/03/2012	S16886905 on 06/12/2012	Yes, filed on time No Additional fee was required
5.	Form A XBRL	209(1)(d)	Compliance Report For the financial year 2011-12	2011-12	S21136882 on 27/05/2013	No Fee is applicable
6.	Form 8	125	Particular for registration of charge	28/04/2012	B39458245 on 19/05/2012	Yes, filed on time No Additional fee was required
7.	Form 23C	233B(2)	Application to Central Government for the appointment of Cost Auditor For the financial year 2012-13	2012-13	S21093265 on 20/05/2013	Not filed on time Additional fee was paid of Rs. 20,000

## MANAGEMENT DISCUSSIONS AND ANALYSIS

The management discussion and Analysis presents the industry overview, opportunities and threats, Initiative by the company and overall strategy of Cenlub becoming a market driven producer/supplier of various innovative models and ranges of lubrication products.

### 1. Industry Structure and Developments :

With the advancement of technology industries are being modernized. Machines & plants are becoming more & more sophisticated as well as automatic to attain wider performance better efficiency and long life. To run such machines & plants effectively without breakdowns, it has become imperative to go for centralized lubrication system which serves as single supply base for different lubrication points with metered amount of lubricants.

CENLUB caters to various industries like machine tools, press tools, steel, paper, power generation (turbine), sugar etc. Needless to say that CENLUB has become synonymous with centralized lubrication by providing efficient, reliable centralized lubrication system.

More than 10,00,000 CENLUB lubrication systems are working in various industries in India because of product quality, reliability & prompt "after sales service" CENLUB has succeed magnificently with tremendous growth.

### 2. Opportunities & Treats :

Your company have been doing quite well for the last so many years as regards machine tool lubrication is concerned and infect works enjoying more than 80% market shares to supply the system to original machine builders particularly CNC machine. During the last 2 years there was a tremendous growth in plant manufacturing like power and steel sector, hence, CENLUB has grown equally with this growth by supplying lubrication system in this sectors also.

#### Opportunities

For the few years there is stagnation in machine tool industry & growth in other sector too is getting effected. Still company bagged order from public sector like BHEL as well as private sector for lubrication systems required in power sector. This sector gives us scope for some encouraging results.

Your company already got rate contract from association of state road transport undertakings ( ASRTU) for the supply of centralized lubrication system for vehicle chassis for state road transports. This field has great potential in India and the company hopes to capture this market.

#### Threats :

Due to slowdown of industrial growth, inflow of new orders and thus billing of lubrication system to our prime customer is getting effected.

Your company is now getting competition from unorganized sectors for machine tool lubrication, sugar plant lubrication & power plant lubrication.

Some MNCs are also trying to good their plant in India for supply of Lubrication system to steel plant, power sector, refinery etc.

### 3. Outlook

During the year under review your company has been able to generate a net profit of Rs. 221.89 Lacs against a net profit of Rs. 254.91 Lacs of last year.

The coming year provides us with pressure to achieve expected growth of last year, however we are motivated by a thought of building strong CENLUB. While there will undoubtedly be challenges, we believe that we have a strong strategy management team to lead the change.

### 4. Risks & Concerns

The risk may that effect us include what are not limited to economical conditions, but to labour shortage, competitive market condition & new entries to the market.

We have expectation of tackling the slowing economy and facing challenging market conditions in most efficient manner.

**5. Internal Control System & their adequacy**

An internal audit committee was laid down with powers & responsibilities which are entrusted to them so that the internal audit department can work independently. The department maintains various manual controls & checklists that are to be carried out before execution of any activity.

Internal checks are exercised so that the various procedures laid the time of delegation of authorities and other procedure are strictly followed. The delegation clearly indicates the powers along with the monetary limits, wherever necessary, that can be exercised by various levels of the managers in the company.

Similarly, the company has a well defined manual for all the functional areas, viz., production, sales, administration, personnel etc. These manuals contain elaborate procedures and checklist for the related activities. Necessary controls and checks are exercised strictly adhering to the various procedures and checklist prescribed in the manuals. Also these are updated from time to time on ongoing basis, keeping in view the latest developments in different areas.

Proper controls and checks are exercised by the company, following the procedure prescribed in the various manuals.

**6. Finance**

During the financial year under review, the net turnover is lower by about 7.17% as compared to corresponding previous financial year. Your Company has ended the financial year with a profit after tax of Rs.224.28Lacs in the current financial year against the last year profit of Rs. 254.91.

**7. MARKET SCENARIO**

The current market scenario is not favorable to Machine Tool Lubrication, Power Plants, Steel Plants and Refineries. Industry as well as due to general slow down in Indian and Global economy coupled with policies of Government. However, is continuing to develop new high value grades of the needs of domestic as well as international markets.

**8. Dividend**

Due to decrease in the cash accruals, there is an increased pressure on the cash flows in the financial year under review. The Board of Directors feels appropriate not to recommend any dividend for the financial year 2012-2013.

**9. Material Developments in Human Resources/ Industrial Relation Front:**

During the year the company has developed various HRD Programs in various departments in order to enhance the productivity between various employee groups. Also a special step has been taken to create awareness for growth in the minds of the employees.

The company policies included emphasis in growth and all-round development of various persons employed in company. The company had also given special emphasis on training its employees to equip themselves to face the challenges in the competitive business environment the desired goals. I appreciate cordial relations between management and work force during the financial year 2012-13.

**10. Cautionary Statement**

The statement made in this report describing company's plan, projection and expectation may constitute forward looking statement within the meaning of applicable law and regulation. Actual result may differ materially from those expressed or implied.

**11. Acknowledgement**

Your director wish to place their sincere thanks to government agencies, banks, customers, shareholders, vendors and other related organizations through their continuous support and cooperation, as partners, in your company's progress.

## **REPORT ON CORPORATE GOVERNANCE**

### **Corporate Governance Philosophy**

CENLUB INDUSTRIES LTD BELIEVES THAT IT IS IMPERATIVE AND NON-NEGOTIABLE TO ADOPT TRANSPARENT ACCOUNTING POLICIES, APPROPRIATE DISCLOSURE NORMS, BEST-IN-CLASS BOARD PRACTICES AND CONSISTENT HIGH STANDARDS OF CORPORATE CONDUCT TOWARDS ITS STAKEHOLDERS.

Cenlub Industries Limited has consistently aimed at developing and internalising such policies and implementing best-in-class actions that make it a good model of corporate

governance. To that effect, Cenlub Industries Limited has adopted practices mandated in Clause 49 of Listing Agreement and has established procedures and systems to be fully

compliant with it. The procedure and systems are reviewed periodically to ensure their continued relevance, effectiveness and responsiveness to the needs of our Shareholders. This chapter, along with those on Management Discussion and Analysis and Additional Shareholders' Information, reports Cenlub Industries Limited compliance with Clause 49.

## **BOARD OF DIRECTORS**

### **Composition of the Board**

The Company's policy is to maintain an optimum combination of Executive and Non- Executive Directors. As on March 31, 2013, Cenlub Industries Ltd Board comprises 10 Directors. The Board consists of the 5 Executive Directors (including Chairman and Managing Director, who is a promoter Director) and 5 Non-executive independent Directors. Details are given in Table 1.

### **Number of Board Meetings**

During the financial year under review, eight Board Meetings were held on 26April 2012, 15May 2012, 04August 2012, 22 September 2012, 10 November 2012, 4 February 2013, 14 February 2013 and 30 March 2013.

### **Directors' attendance record and directorships held**

Attendance of Directors at the Board Meeting held during 2012-13 and the last Annual General Meeting (AGM) held on September 5, 2012 and details of directorships (calculated as per provisions of Section 275 and 278 of the Companies Act, 1956), Chairmanships and committee memberships held by the Directors as on March 31, 2013, are furnished hereunder

Table 1 below gives the details:

**Table 1: Composition of the Board of Directors**

Name of Director	Category	Attendance			Particulars of other Directorships, Committee Memberships/Chairmanships		
		Held	Attended	Last	Other Director ship	Committ Member ships	Committee Chairman ships
Sh.Vijendra Kumar Mittal	Promoter Chairman & Managing Director	8	7	Yes	2	Nil	Nil
Smt. Madhu Mittal	Executive Director	8	8	Yes	Nil	Nil	Nil
Sh. Aman Mittal	Executive Director	8	8	No	Nil	Nil	Nil
Sh.Virendra Kumar Gupta	Executive Director	8	8	Yes	1	Nil	Nil
Sh. Ansh Mittal	Executive Director	8	8	Yes	1	Nil	Nil
Sh. Dinesh Kaushal	Non-Executive Independent Director	8	4	No	Nil	Nil	Nil
Sh. Ankur Garg	Non-Executive Independent Director	8	3	No	Nil	Nil	Nil
Sh. Om Prakash Verma	Non-Executive Independent Director	8	3	Yes	Nil	Nil	Nil
Sh. Hakikat Singh	Non-Executive Independent Director	8	4	Yes	Nil	Nil	Nil
Sh. Ashok Kumar Agarwal	Non-Executive Independent Director	8	4	No	Nil	Nil	Nil

# This includes directorships held in public ltd. companies and subsidiaries of public ltd. companies and excludes directorships in private ltd. companies and overseas companies.

## For the purpose of committees of Board of Directors, only Audit and Shareholders' Grievance Committees in other public ltd. companies and subsidiaries of public ltd. companies are considered.

None of the Directors of your Company is a member of more than 10 committees or is the Chairman of more than five committees across all the companies in which he is a Director.

#### INFORMATION SUPPLIED TO THE BOARD:

Among others, this includes:

- i) Annual operating plans and budgets and any updates.
- ii) Quarterly Results of the Company.
- iii) Capital Budgets-Plant wise as well as Company as a whole.
- iv) Minutes of Audit Committee, Investors' Grievance Committee, Share transfer Committee.
- v) Information relating to recruitment of Senior Officers just below the Board level.
- vi) Certificates given by the Plant Heads/Admn. Heads detailing compliances with the various provisions of Factories Act, Safety, Health and Environmental norms etc.
- vii) Details of any Joint Venture, Collaboration etc.
- viii) Non-compliance of any statutory, regulatory or listing requirements and shareholders service such as non-payment of dividend, delay in share transfer etc.
- ix) All other information which is required to be provided pursuant to the provisions of Clause 49(ii)(d) of Listing Agreement.

#### REMUNERATION OF DIRECTORS

Information on remuneration of Directors for the year ended March 31, 2013, is set forth in Table 2 below.

Table 2: Remuneration paid or payable to Directors for the year ended March 31, 2013

Name of the Director	Designation	Sitting Fees** (in)	Salary and Perquisites# (in)	Provident Fund*** (in)	Total (in)
Vijendra Kumar Mittal	Managing Director	NA	2658000.00	342000.00	3000000.00
Madhu Mittal	Executive Director	NA	773400.00	66600.00	840000.00
Aman Mittal	Executive Director	NA	1056000.00	144000.00	1200000.00
Ansh Mittal	Executive Director	NA	1106400.00	93600.00	1200000.00
Virender Kumar Gupta	Executive Director	NA	773400.00	66600.00	840000.00
Dinesh Kaushal	Non-Executive Independent Director	16000.00	NA	NA	16000.00
Ankur Garg	Non-Executive Independent Director	12000.00	NA	NA	12000.00
Om Prakash Verma	Non-Executive Independent Director	12000.00	NA	NA	12000.00
Hakikat Singh	Non-Executive Independent Director	16000.00	NA	NA	16000.00
Ashok Kumar Agarwal	Non-Executive Independent Director	16000.00	NA	NA	16000.00

#### Notes:

\* Determined on the basis of criteria of Section 6 of the Companies Act, 1956.

\*\* Sitting fees include payments for Board meetings.

# The Remuneration policy of the Company is directed towards rewarding performance based on review of achievements on a periodic basis. The remuneration policy is in consonance with the existing industry practice.

## COMMITTEES OF THE BOARD

### AUDIT COMMITTEE

In terms of Clause 49 of the Listing Agreement as well as Section 292A of the Companies Act, 1956, the Board has constituted the Audit Committee of the Board of Directors. As on March 31, 2013, the Audit Committee of Cenlub Industries Ltd comprised:

Mr. Dinesh Kaushal (Chairman)  
 Mr. Ankur Garg  
 Mr. Hakikat Singh

All the members of the Audit Committee have accounting, economic and financial management expertise. The composition of the Audit Committee meets with the requirements of Section 292A of the Companies Act, 1956 and Clause 49 of the Listing Agreement. The Audit Committee assists the Board in its responsibility to oversee the quality and integrity of the accounting, auditing and reporting practices of the Company and its compliance with the legal and regulatory requirements. The Committee's purpose is to oversee the accounting and financial reporting statements, the appointment, independence, performance and remuneration of the Statutory Auditors, including the Cost Auditors and the performance of Internal Auditors of the Company.

The Committee met five times on May 13, 2012, August 2, 2012, November 8, 2012, February 12, 2013 and March 30, 2013 . The maximum gap between any two meetings was 100 days and the minimum gap was 23 days.

**Table 3 below gives attendance record.**

**Table 3: Attendance record of Audit Committee members for 2012-13**

Name of the Directors	Category	Status	No. of meetings	
Mr. Dinesh Kaushal	Independent	Chairman	5	5
Mr. Ankur Garg	Independent	Member	5	5
Mr.Hakikat Singh	Independent	Member	5	5

The Director responsible for the finance function, the head of internal audit and the representative/officials of the Statutory Auditors and Internal Auditors are regularly invited to the Audit Committee meetings.

Mr. Dinesh Kaushal, Director, Chairman to the Committee.

The terms of reference of the Audit Committee are as under:

To investigate any activity within its terms of reference.

To seek information from any employee.

To obtain outside legal and other professional advice.

To secure attendance of outsiders with relevant expertise if it considers necessary.

The role of the Audit Committee includes:

Overseeing the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.

Recommending to the Board, the appointment, re-appointment and, if required, the replacement or resignation of the Statutory Auditors and the fixation of audit fees.

Approving payment to Statutory Auditors for any other services rendered by the Statutory Auditors.



Reviewing, with the management, the annual financial statements before submission to the Board for approval, with particular reference to:

- a) Matters required to be included in the Directors' Responsibility Statement to be included in the Directors' Report in terms of sub-section (2AA) of Section 217 of the Companies Act, 1956.
- b) Changes, if any, in accounting policies and practices and reasons for the same.
- c) Major accounting entries involving estimates based on the exercise of judgment by management.
- d) Significant adjustments made in the financial statements arising out of audit findings.
- e) Compliance with listing and other legal requirements relating to financial statements.
- f) Disclosure of any related party transactions.
- g) 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, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, and so on), the statement of funds utilised for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency, monitoring the utilisation of proceeds of a public or rights issue and making appropriate recommendations to the Board to take up steps in this matter.

Reviewing, with the management, the performance of Statutory Auditors, including Cost Auditors and Internal Auditors, and adequacy of the internal control systems.

Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit discussing with Internal Auditors any significant findings and follow up thereon.

Reviewing the findings of any internal investigations by the Internal Auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.

Approving the appointment of the CFO (i.e., the whole time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience, background and others of the candidate.

Reviewing any changes in the accounting policies or practices as compared to the last completed financial year and commenting on any deviation from the Accounting Standards; and Carrying out such other functions, as may be specifically referred to the Committee by the Company's Board of Directors and/or other Committees of Directors of the Company.

The Company has systems and procedures in place to ensure that the Audit Committee mandatorily reviews:

Management discussion and analysis of financial condition and results of operations.

Management letters/letters of internal control weaknesses issued by the Statutory Auditors.

Internal audit reports relating to internal control weaknesses, if any.

The appointment, resignation and terms of remuneration of the Internal Auditors.

The Financial Statements, in particular, the investments made by the unlisted subsidiaries of the Company, in view of the requirements under Clause 49.

Details of material individual transactions with related parties, which are not in the normal course of business.

Details of material individual transactions with related parties or others, which are not on arm's length basis, along with management's justification for the same; and

Carry out such other functions, as may be specifically referred to the Committee by the Company's Board of Directors and/or the Committee of the Directors.

## SHAREHOLDERS'/INVESTORS' GRIEVANCES COMMITTEE

### Terms of Reference

The Shareholders'/ Investors' Grievances Committee, inter alia, approves issue of duplicate certificates and oversees and reviews all matters connected with transfer of securities of the Company. The Committee also looks to redress shareholders and investors complaints relating to shares transfer, non receipt of Annual Report and declared dividends, and so on.

The Committee monitors implementation and compliance of Company's Code of Conduct for Prohibition of Insider Trading in pursuance of Securities Exchange Board of India (SEBI) (Prohibition of Insider Trading) Regulations, 1992.

Composition: The Committee comprises two members : Mr. V.K. Gupta (Chairman and Executive Director) & Smt. Madhu Mittal (Executive Director).

Meetings: The Committee met twice during the year 2012-13.

**Table 4: Attendance record of Shareholders'/Investors' Grievances Committee for 2012-13**

Name of the Directors	Category	Status	No. of meetings	
Mr. V.K. Gupta	Executive	Chairman	4	4
Smt. Madhu Mittal	Executive	Member	4	4

## REMUNERATION COMMITTEE

### Terms of Reference

The Remuneration Committee of the Board is constituted to formulate and recommend to the Board from time to time, a compensation structure for Managing Director ,Whole-time Directors of the Company. All compensation/ remuneration payable to the Directors are as approved by the shareholders in the general meeting.

The Remuneration Committee comprising of three Independent Non-Executive Directors and One Executive Directors recommends/reviews the remuneration packages of the Whole-time Directors, which inter-alia is based on the criteria such as industry benchmarks, financial performance of the Company, performance of the Whole-time Directors, etc.

### The Remuneration Committee as on 31st March ,2013 comprises of following Directors:

Shri Ankur Garg	-Chairman(Non-Executive Independent Director)
Shri Hakikat Singh	-Member (Non-Executive Independent Director)
Shri Om Prakash Verma	-Member (Non-Executive Independent Director)
Shri Ansh Mittal	-Member (Executive Director)

### Remuneration Committee Attendance during Fiscal 2013:

Two Meetings of Remuneration Committee were held during the year, the committee met two times on 28.03.2013 & 28.05.2013 and all the committee members have attended all the meetings.

**Table 5**

### Subsidiary companies and consolidated financial statements

The Company had 1subsidiarie as on March 31, 2013. There has been no material change in the nature of the business of the subsidiaries. As required under the Listing Agreements entered into with the Stock Exchanges, a consolidated financial statement of the Company and all its subsidiaries is attached. The consolidated financial statement has been prepared in accordance with the relevant accounting standards as prescribed under Section 211(3C) of the Act

The consolidated financial statement discloses the assets, liabilities, income, expenses and other details of the Company and its subsidiaries. Pursuant to the provision of Section 212(8) of the Act, the Ministry of Corporate Affairs vide its circular dated February 8, 2011 has granted general exemption from attaching the balance sheet, statement of profit and loss and other documents of the subsidiary companies with the balance sheet of the Company. A statement containing brief financial details of the Company's subsidiaries for the financial year ended March 31, 2013 is included in the annual report. The annual accounts of these subsidiaries and the related information will be made available to any member of the Company/its subsidiaries seeking such information and are available for inspection by any member of the Company/its subsidiaries at the registered office of the Company. The annual accounts of the said subsidiaries will also be available for inspection, at the head offices/registered offices of the respective subsidiary companies.

#### **MANAGEMENT DISCUSSION AND ANALYSIS**

This Annual Report has a detailed chapter on Management Discussion and Analysis and includes discussion on various matters specified under Clause 49 (IVF) of the Listing Agreement.

#### **DISCLOSURES BY MANAGEMENT TO THE BOARD**

All disclosures relating to financial and commercial transactions, where Directors may have a potential interest, are provided to the Board. The interested Directors do not participate in the discussion nor do they vote on such matters

#### **DISCLOSURE OF ACCOUNTING TREATMENT IN PREPARATION OF FINANCIAL STATEMENTS**

In the preparation of financial statements, the Company has followed the Accounting Standards, as prescribed under the Companies (Accounting Standard) Rules, 2006, as applicable.

The Accounting Policies followed by the Company, to the extent relevant, are set out elsewhere in this Annual Report.

#### **CODE FOR PREVENTION OF INSIDER TRADING PRACTICES**

In accordance with the guidelines specified under Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992, the Company has formulated a comprehensive Code of Conduct for Prevention of Insider Trading ("the Code") to its management staff. The Company Secretary is the compliance officer under the Code responsible for complying with the procedures, monitoring adherence to the rules for the prevention.

#### **CODE OF CONDUCT**

The Company has adopted a Code of Conduct for Directors and Senior Management of the Company. The Code has been circulated to all the members of the Board and Senior Management and the same is available on the Company's website: [www.cenlub.in](http://www.cenlub.in)

The Board members and Senior Management personnel have affirmed their compliance with the code. A declaration to this effect signed by the Chairman and Managing Director of the Company is contained in this Annual Report.

#### **APPOINTMENT/RE-APPOINTMENT OF DIRECTORS**

Directors seeking re-appointment at the ensuing Annual General Meeting:

Mr. Ansh Mittal

Mr. Dinesh Kaushal

Mr. Ansh Mittal (29) is B.Tech (C.Sc.) is looking after the Lube Oil Consoles/Systems manufacturing plant of the company. He is also handling the complete IT department of the company and has been involved in the exports' promotion of the company. and Executive Director of the Company.

#### **Other Directorships.**

Mr. Ansh Mittal is also Director on the Board of Directors of the Subsidiaries of the Company, viz. Ganpati Hand Tex Pvt. Ltd .

#### **Committee memberships: NIL.**

Mr. Ansh Mittal Holds 3,42,342 Equity Shares of Rs. 10 each of the Company.

MR. Dinesh Kaushal

Mr. Dinesh Kaushal (45) has a Chartered Accountant & Company Secretary with 15 years Post Qualification experience in handling Finance and Accounts matters of various organizations. He has been entrusted with the responsibilities of Audit Committee of the company.

**Other Directorships**

Mr.Dinesh Kaushal is also a Director on the Board of Directors Of Shiva Industrial Works Private Limited, Rishnik Corporate and Financial S.P.Ltd,SR Infin Advisors Private Ltd,Simply Accounting Solutions Private Limited,Roshan Hi-Tech Projects Private Limited,Varshneya Agrotech Private Limited,Conferwiz Infotech Private Limited

Mr. Dinesh Kaushal Holds 8,500 Equity Shares of Rs. 10 each of the Company.

**MEANS OF COMMUNICATION**

Cenlub Industries Ltd puts forth vital information about the Company and its performance, including quarterly results, official news releases and communication to investors and analysts on its website:[www.cenlub.in](http://www.cenlub.in), regularly for the benefit of the public at large.

During the year, the quarterly results of the Company's performance have been published in leading newspapers, such as the Millennium Post Delhi. News releases, official news and media releases are sent to the Stock Exchanges.

**Website**

The Company's website contains a separate dedicated section titled Investor Relations. The basic information about the Company, as called for in terms of Clause 54 of the Listing Agreement with the Stock Exchanges, is provided on the Company's [website: www.cenlub.in](http://www.cenlub.in) and is updated regularly.

**Annual Report**

Annual Report containing, inter alia, Audited Annual Accounts, Consolidated Financial Statements, Directors' Report, Independent Auditors' Report and other important information, is circulated to members and others entitled thereto. The Management Discussion and Analysis (MD&A) Report forms a part of the Annual Report and is displayed on the Company's website.

The Ministry of Corporate Affairs (MCA), Government of India, has taken a Green Initiative in the Corporate Governance by allowing paperless compliances by companies vide General Circular 17/2011 dated April 21, 2011, in terms of which a Company would have ensured compliance with the provisions of Section 53 of the Act, if service of documents have been made through electronic mode. In such a case, the Company has to obtain e-mail addresses of its members for sending the notices/documents through e-mail, giving an advance opportunity to each shareholder to register their e-mail address and changes therein, if any, from time to time, with the Company. The Company has welcomed the Green Initiative and accordingly requested the Members to immediately register their e-mail addresses, in respect of electronic holdings with the Depository through their concerned Depository Participants and members who hold shares in physical form with the Company at [investors@cenlub.in](mailto:investors@cenlub.in) or at its registered Office at Secretarial Department, Plot No.233 & 234, Sector-58, Faridabad -121004, Haryana, India.

**SEBI Complaints Redress System (SCORES)**

The investor complaints are processed in a centralised webbased complaints redressal system. The salient features of this system are: centralised database of all complaints, online upload of Action Taken Reports (ATRs) by the concerned companies and online viewing by investors of action taken on the complaints and its current status.

**Presentations to Institutional Investors/Analysts**

Detailed presentations are made to Institutional Investors and Financial Analysts on the unaudited quarterly financial results as well as the annual audited financial results of the Company. These presentations are also uploaded on the Company's [website: www.cenlub.in](http://www.cenlub.in)

**COMPLIANCE WITH MANDATORY AND NONMANDATORY REQUIREMENTS**

The Company is fully compliant with the applicable mandatory requirements of Clause 49 of the Listing Agreement. With regards to the non-mandatory requirements, the Company has formed a Remuneration Committee of the Board.

**Secretarial Audit for reconciliation of Capital**

In compliance with the requirements of SEBI, the Company has, at the end of every quarter, submitted a certificate of Reconciliation of Share Capital reconciling the total shares held by both the depositories NSDL and CDSL and in physical form, duly certified by a qualified Practicing Company Secretary, to the Stock Exchanges where the Company's securities are listed within 30 days of the end of each quarter and the certificate is also placed periodically before the Board of Directors of the Company at its Board Meetings.

**COST AUDITORS**

M/s.H.TARA & CO, Cost Auditors of the Company under Section 233 of the Companies Act, 1956 have been appointed as the Company's Cost Auditors for the financial year 2013-14.

## DISCLOSURES

### Related Party Transactions

A statement in summary form of the transactions with related parties in the ordinary course of business is placed before the Audit Committee periodically.

Particulars of related party transactions are listed out in note no 17 as a part of notes to Accounts forming part of Annual Accounts of the Company.

### GENERAL BODY MEETING(S)

Date, time and venue for the last three Annual General Meetings are given in Table 6 below:

Table 6: Details of the last three Annual General Meetings

Financial Year	Date	Time	Venue	Special Resolution Passed
2009-10	September 01,2010	9.00a.m	Rama Banquet Sector-7, Faridabad(Haryana)	Yes
2010-11	August 31,2011	3.00 p.m	Rajasthan Sewa Sadan D-2/5A, Sector-10 Faridabad(Haryana)	Yes
2011-12	September 05,2012	9.00 a.m	Aggarwal Sewa Sadan D-48,Sector-11, Faridabad,(Haryana)	None

Special Resolution passed through Postal Ballot

No Special Resolution was passed through Postal Ballot during the financial year 2012-13. None of the businesses proposed to be transacted in the ensuing Annual General Meeting require passing a Special Resolution through Postal Ballot.

### GENERAL SHAREHOLDER INFORMATION

#### Company Registration Details

The Company is registered in the State of Delhi & Haryana ,India. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is **L67120HR 1992 PLC035087**.

#### ANNUAL GENERAL MEETING

Date : September 28, 2013  
 Day : Saturday  
 Time : 9.00 a.m  
 Venue : Aggarwal Sewa Sadan  
 D-48,Sector-11,  
 Faridabad,(Haryana)

Key financial reporting dates for the financial year 2013-14:

- ✦ Quarter ending June 30, 2013: On or before August 15, 2013
- ✦ Quarter ending September 30, 2013: On or before November 15, 2013
- ✦ Quarter ending December 31, 2013: On or before February 15, 2014
- ✦ Audited results for the financial year 2013-14: On or before May 30, 2014

### Book Closure

The books will be closed from September 19.09.2013 to September 28.09.2013 (both days inclusive) as annual closure for the purpose of Annual General Meeting.

### Dividend Payment Date

No dividend is recommended for the financial year ended on 31.03.2013.

### Listing on Stock Exchange:

The Company shares listed on the stock exchange:

Name of Stock Exchange	Address	Code	Company's ISIN No
BSE LIMITED	Floor 25, P.J.Towers, Dalal Street, Mumbai-400 051	522251	INE627F01011

Annual Listing Fees for the year 2012-13 have been paid by the Company to BSE.

### STOCK DATA

Table 6 below gives the monthly high and low prices and volumes of Cenlub Industries Ltd's. Equity Shares at Bombay Stock Exchange Ltd, Mumbai for the year 2012-13.

Table 6: High and Low Prices and Trading Volumes at the BSE

Month	Bombay Stock Exchange Ltd. (BSE)		
	High (₹)*	Low (₹)*	Volume (Nos.)(₹)*
Apr. 12	31.25	28.00	35642
May 12	34.90	25.10	74040
June 12	37.75	30.55	41672
July 12	42.50	34.00	160894
Aug. 12	46.00	31.60	79992
Sep. 12	37.10	30.65	39190
Oct. 12	35.85	30.00	57873
Nov. 12	36.00	32.05	27772
Dec. 12	36.00	31.00	56203
Jan. 13	35.90	31.05	46350
Feb. 13	31.95	29.00	46060
Mar. 13	30.20	24.10	57957

\*Price in per Shares

### STOCK PERFORMANCE

Chart 'A' plots the movement of Cenlub Industries Ltd.'s equity shares adjusted closing prices compared to the BSE Sensex.

### REGISTRAR & SHARE TRANSFER AGENTS

M/s Beetal Financial & Computer Services (P) Ltd

Unit: Cenlub Industries Limited

Beetal House, 3rd Floor,

99, Madangir, Behind Local

Shopping Centre, Near Dada

Harsukhdas Mandir ,

New Delhi - 110062

Direct No : 011-29961281-87

FAX NO : 011-29961284

E. mail : beetal@beetalfinancial.com

Website :www.beetalfinancial.com

## SHARE TRANSFER SYSTEM

The Company's shares are traded in the Stock Exchanges in demat mode. These transfers are effected through NSDL and CDSL. Most of the transfers of shares take place in this form.

Transfers of shares in the physical form are processed and approved weekly, and the certificates are returned to the shareholders within 15 days from the date of receipt, subject to documents being valid and complete in all respects. The Board has authorised Mr Virendra Kumar Gupta Compliance Officer, to approve the transfer of shares.

**Table 7 below gives details about the nature of complaints received and resolved by the Company to the satisfaction of investors during the year under review:**

**Table 7: Number of complaints received and redressed during the year 2012-13**

1.	Number of shareholder's complaints received during the financial year 2012-2013	10
2.	Number of shareholder's complaints solved to the satisfaction of shareholders.	10
3.	Number of pending shareholders' complaints	NIL

There is no outstanding complaint, as on March 31, 2013. As on the date of this report, there are no legal proceedings against Cenlub Industries Ltd. on any share transfer matter.

## SHAREHOLDING PATTERN

Tables 8 and 9 below give the pattern of shareholding by ownership and share class, respectively.

**Table 8: Pattern of shareholding by ownership, as on March 31, 2013**

Category of shareholder	No. of shareholder	No. of equity shares held of 2 each	Shareholding%
Pramoters Shareholding	9	1704349	41.36
Mutual Funds	2	2700	0.07
Foreign Institutional Investors	1	600	0.01
Bodies Corporate	80	85539	2.08
Non-resident Indians	31	93895	2.28
Director & their Relatives	2	8800	0.21
Clearing members	3	100	0.00
Huf	59	111623	2.71
Public Shareholding	4976	2112394	51.28
Total	5163	4120000	100

**Table 9: Pattern of shareholding by share class, as on March 31, 2013**

Category (Shares)	No. of shareholder	No. of equity shares held of 2 each	Shareholding%
1 to 5,000	4492	793828	19.27
5,001 to 10,000	355	309316	7.50
10,001 to 20000	148	234872	5.70
20,001 to 30,000	59	151415	3.68
30,001 to 40,000	26	92034	2.23
40,001 to 50,000	22	106220	2.58
50,001 to 100,000	26	189352	4.60
100,001 and above	35	2242963	54.44
Total	5163	4120000	100.00

## COMPLIANCE CERTIFICATE OF THE AUDITORS

Certificate from the Company's Statutory Auditors, M/s. Satish Singla & Co., confirming compliance with the conditions of corporate governance, as stipulated under Clause 49 of the Listing Agreement, is attached to the Directors' Report forming part of the Annual Report.

## DEMATERIALIZATION

The Company's Equity Shares are under compulsory demat trading. As on March 31, 2013, dematerialised shares accounted for 82.938 up to March 31, 2013) of total Equity. The details of dematerialisation are given in Table 11 below.

**Table 10: Dematerialisation of Shares, as on March 31, 2013**

Sr. No.	Mode of holding	%
1.	NSDL	67.884
2.	CDSL	15.054
3.	Physical	17.062
	<b>TOTAL</b>	<b>100.00</b>

## CEO AND CFO CERTIFICATION

The Chairman & Managing Director and the CFO of the Company give annual certification on financial reporting and internal controls to the Board, in terms of Clause 49 of the Listing Agreement. The Chairman & Managing Director and the CFO also give quarterly certification on financial results, while placing the financial results before the Board in terms of Clause 41 of the Listing Agreement.

## PLANT LOCATIONS :

- ❖ Plot No-233 & 234, Sector-58,  
Faridabad - 121 004, Haryana, India  
Tel .: +91-129-2307029/23072632307103/2307106
- ❖ 45-B, PHASE - II  
PEENYA INDL.AREA  
BANGALORE - 560 058, KARNATAKA
- ❖ G-1815 LODHIKA GIDC METODA RAJKOT, GUJRAT

## INVESTOR CORRESPONDENCE ADDRESS

Secretarial Department  
Plot No-233 & 234, Sector-58,  
Faridabad - 121 004, Haryana, India  
Tel .: +91-129-2307029/23072632307103/2307106  
Email:- Investors @cenlub.in

## COMPLIANCE OFFICER

Mr. Virendra Kumar Gupta, Director, is the Compliance Officer for complying with the requirements of Securities Law and the Listing Agreement with the Stock Exchanges of India.

## SUPPORT GREEN INITIATIVE OF MCA

Register your email ids now:

- i. In respect of Electronic holdings - with Depository Participant (DP)
- ii. In respect of Physical Holdings - with the Company at investors@cenlub.in



## CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

Registration No. of the Company

L67120HR1992PLC035087

Nominal Capital

Rs. 5 Crore

To,  
The Members  
Cenlub Industries Limited,  
Faridabad

We have examined the compliance of conditions of Corporate Governance by Cenlub Industries Limited for the year ended 31st March, 2013 as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchanges.

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

In my opinion and to the best of our information and according to the explanations given to me, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

I 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.

Date: 14-08-2013

Place : Faridabad

**For Satish Singla & Co.**

Chartered Accountants

(CA. Satish Singla)

Proprietor

M.NO.080836

Firm Registration No-000882N

**TO THE BOARD OF DIRECTORS OF CENLUB INDUSTRIES LIMITED****CERTIFICATION BY CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER OF THE COMPANY**

We, the undersigned, in our respective capacities as Chairman and Managing Director and Chief Financial Officer, of Cenlub Industries Limited ("the Company"), to the best of our knowledge and belief, certify that:

- a) We have reviewed financial statements and the cash flow statement for 2012-13 and that to the best of our knowledge and belief:
  - i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
  - ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during 2012-13, which are fraudulent, illegal or violative of the Company's Code of Conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the Company's internal control systems pertaining to financial reporting and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d) We have indicated to the Auditors and the Audit Committee:
  - i) Significant changes in internal control over financial reporting during the year
  - ii) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - iii) Instances of significant fraud, of which we are aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting

Faridabad: August 14, 2013

**V.K.Gupta**  
Chief Financial Officer

**V.K.Mittal**  
Chairman & Managing Director

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**DECLARATION ON COMPLIANCE WITH THE CODE OF CONDUCT**

I, V.K. Mittal, Chairman and Managing Director of Cenlub Industries Limited hereby declare that all the Board members and senior managerial personnel have affirmed for the year ended March 31, 2013 compliance with the code of conduct of the Company laid down for them.

**V.K.Mittal**  
Chairman & Managing Director  
Faridabad : August 14, 2013

## INDEPENDENT AUDITORS REPORT

To The Members, Cenlub Industries Limited

### Report on the Financial Statements

We have audited the accompanying financial statements of Cenlub Industries Limited which comprise the Balance Sheet as at 31 March 2013, & 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 of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

#### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material 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. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### Opinion

In our opinion and to the best of our information and according to the explanations given to us, 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 31 March 2013;
- ii. in the case of the statement of profit and loss, of the profit for the year ended on that date;
- iii. in the case of the Cash Flow statement, of the cash flows 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, as amended, issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we 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, we report that:
  - a. we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b. in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
  - c. the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - d. in our opinion, the Balance Sheet & Statement of Profit and Loss and Cash Flow statement comply with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956; and
  - e. On the basis of written representations received from the directors as on 31 March 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.

**For SATISH SINGLA & CO.**  
**Firm Regn: No. 000882N**  
(Chartered Accountants)

PLACE: FARIDABAD

DATE: 30.05.2013

**(CA. SATISH SINGLA)**  
**M.NO: 80836**

**ANNEXURE TO THE AUDITORS' REPORT**

Referred to in paragraph 3 of our Report of even date

- 1 (a) The company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.
- (b) A major portion of the fixed assets have been physically verified by the management during the year and there is a regular program of verification which in our opinion, is reasonable having regard to the size of the company and the nature of its assets. According to the information and explanations given to us, no material discrepancies have been noticed to such physical verification as compared to the book records.
- (c) During the year the Company has not disposed off any substantial part of fixed assets.
- 2 (a) Physical verification has been carried out by the Management in respect of inventory at reasonable intervals including as on 31.03.2013 as per the records reviewed by us.
- (b) Based on explanations and records produced by company, in our view, in relation to the size of the Company and the nature of the business, the procedure of physical verification of inventory followed by the Management during the accounting year are reasonable and adequate .
- (c) The Company is maintaining proper records of inventory. As per the information furnished by the management, no material discrepancy was observed between physical inventories and the books records, and the same has been properly dealt with in the books of account.
- 3 (i) According to information and explanation given to us, the company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956. Accordingly, provisions of clause 4(ii)(e) to (g) of the order are not applicable to the company and hence not commented upon.
- ii) According to information and explanation given to us, the company has not taken any loans, secured or unsecured from companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956. Accordingly, provisions of clause 4(ii)(e) to (g) of the order are not applicable to the company and hence not commented upon.
- 4 In our opinion and according to the information and explanations given to us during the course of audit, there are internal control procedures, generally considered adequate, commensurate with the size of the Company and the nature of its business for purchases of inventory, fixed assets and with regard to sale of goods. During the course of our audit, we have not observed any continuing failure to correct major weakness in internal controls.
- 5 (a) According to the information and explanations given to us by the Management, we are of the opinion that the particulars of contracts or arrangements referred to in Section 301 of the Companies Act, 1956 have been entered in the register to be maintained under that section.
- (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under Section 301 of the Companies Act, 1956 have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.
- 6 The Company has not accepted, during the year any deposits requiring compliance of the provisions of Section 58 A & section 58AA of the Companies Act, 1956 and the rules framed there under with regard to acceptance of deposits.
- 7 The Company has an internal audit system, which in our opinion is considered as commensurate with the size of the Company and the nature of its business.
- 8 We have broadly reviewed the books of accounts 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 maintained. We have not, however made a detailed examination of the same.

- 9) (a) (I) The Company, is regular in depositing with appropriate authorities, undisputed statutory dues including Provident Fund investor education and protection fund E.S.I. income tax, wealth tax, sales tax custom duty, excise duty, cess and other material statutory dues applicable to it.
- (II) According to the information and explanations given to us, no undisputed amounts payable in respect of Income Tax, Wealth Tax, Sales Tax, custom Duty, cess and Excise Duty were outstanding as at 31st March 2013 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there are no dues of the income tax, wealth tax, sales tax, custom duty which have not been deposited on account of any dispute.
- 10) The Company has neither accumulated losses at the end of the financial year nor incurred cash losses during the year and in the immediately preceding year.
- 11) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to any financial institution or bank. The Company does not have any debenture holders.
- 12) According to the information and explanations given to us the Company has not granted loan/advance on the basis of security by way of pledge of shares, debentures and other securities, and accordingly, the maintenance of records in this regard is not relevant for the year.
- 13) The Company is not a chit fund, nidhi or mutual benefit society and accordingly the provisions of para 4 (xiii) of the Companies (Auditor Report) Order' 2003, are not applicable to the company.
- 14) The company has maintained proper records for transactions & contracts of trading of shares and (whereas no such transactions have been made during the year). Shares held are in the name of company.
- 15) In our opinion and according to the information and explanations given to us, the terms and conditions of the guarantees given by the Company for loan taken by its subsidiary M/s Ganpati Handtex Pvt. Ltd. from bank or financial institutions during the year, are not prejudicial to the interest of the company.
- 16) In accordance with the information and explanations given to us, company has taken term loan during the year and this term loan has been applied for the purpose for which it was obtained.
- 17) According to the information and explanation 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) The Company did not have any outstanding debentures during the year.
- 19) 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.
- 20) The company has not raised any money by public issue during the year.
- 21) According to the information and explanation given to us, no fraud on or by the Company has been noticed or reported during the course of our audit

**For SATISH SINGLA & CO.**  
(Chartered Accountants)

Place: FARIDABAD

Date: 30.05.2013

**(CA. SATISH SINGLA)**  
**M.NO : 80836**

## BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2013

Particulars	Note	As At 31st March, 2013	As At 31st March, 2012
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholder's Funds</b>			
(a) Share Capital	3	41,200,000	41,200,000
(b) Reserves and Surplus	4	94,626,172	72,198,352
<b>Non-Current Liabilities</b>			
(a) Long-Term Borrowings	5	287,732	4,859,507
(b) Deferred Tax Liabilities (Net)	6	1,455,268	1,759,115
(c) Long Term Provisions	7	7,440,932	6,626,858
<b>Current Liabilities</b>			
(a) Short-Term Borrowings	8	82,232,075	64,585,745
(b) Trade Payables	9	34,025,296	57,199,016
(c) Other Current Liabilities	10	16,166,408	18,154,896
(d) Short-Term Provisions	11	4,830,554	15,543,923
<b>Total Equity &amp; Liabilities</b>		<b>282,264,436</b>	<b>282,127,412</b>
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
(a) Fixed Assets			
Tangible Assets	12	48,568,860	39,805,180
Intangible Assets	12	344,518	328,105
Capital Work in Progress		-	-
		48,913,379	40,133,285
(b) Non-current investments	13	6,568,468	5,053,833
(c) Long term loans and advances	14	53,499,942	44,883,729
<b>Current Assets</b>			
(a) Current investments	15	-	1,666,500
(b) Inventories	16	27,543,579	45,368,179
(c) Trade receivables	17	80,989,221	91,918,853
(d) Cash and cash equivalents	18	56,945,959	45,033,553
(e) Short-term loans and advances	19	6,000,078	7,222,935
(f) Other current assets	20	1,803,810	846,545
<b>Total Assets</b>		<b>282,264,436</b>	<b>282,127,412</b>

### Significant Accounting Policies

The accompanying notes are an integral part of the financial statements

As per our report of even date

**SATISH SINGLA & CO.**  
(Chartered Accountants)

**CA SATISH SINGLA**  
(Proprietor)  
Membership No.: 080836  
Firm Reg. No.: 000882N  
Place : Faridabad  
Date : 30-05-2013

**FOR CENLUB INDUSTRIES LIMITED**

**VIJENDRA KUMAR MITTAL**  
MANAGING DIRECTOR

**VIRENDRA KUMAR GUPTA**  
DIRECTOR

**MADHU MITTAL**  
DIRECTOR

## PROFIT & LOSS STATEMENT FOR THE YEAR ENDING 31<sup>ST</sup> MARCH, 2013

Particulars	Note	As At 31st March, 2013	As At 31st March, 2012
<b>INCOME</b>			
Revenue from operations	21	332,309,868	355,845,744
Other Income	22	4,323,665	6,413,249
<b>Total Revenue(I)</b>		<b>336,633,533</b>	<b>362,258,993</b>
<b>EXPENSES</b>			
Cost of materials consumed		193,217,273	219,341,845
Purchase of Stock-in-Trade		-	-
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade <sup>23</sup>		(1,548,274)	635,079
Employee Benefit Expense	24	45,165,277	43,157,314
Other Expenses	25	50,546,214	47,496,829
<b>Total Expenses (II)</b>		<b>287,380,489</b>	<b>310,631,067</b>
<b>Profit before Interest, Depreciation &amp; Tax</b>	(I - II)	<b>49,253,043</b>	<b>51,627,925</b>
Financial Costs	26	13,611,524	11,722,208
Depreciation and Amortization Expense		3,130,481	2,808,614
<b>Profit before Exceptional Items and tax</b>		<b>32,511,038</b>	<b>37,097,103</b>
Extraordinary Items		-	-
<b>Profit before tax</b>		<b>32,511,038</b>	<b>37,097,103</b>
<b>Tax expense:</b>			
Current tax		10,350,000	11,700,000
Income Tax Earlier Years		37,065	2,206
Deferred tax		(303,847)	(97,275)
Profit/(Loss) for the period		<b>22,427,821</b>	<b>25,492,172</b>
Earning per equity share:			
(1) Basic		5.44	6.19
(2) Diluted		5.44	6.19

The accompanying notes are an integral part of the financial statements

As per our report of even date

**SATISH SINGLA & CO.**  
(Chartered Accountants)

**CA SATISH SINGLA**  
(Proprietor)  
Membership No.: 080836  
Firm Reg. No.: 000882N  
Place : Faridabad  
Date : 30-05-2013

**FOR CENLUB INDUSTRIES LIMITED**

**VIJENDRA KUMAR MITTAL**  
MANAGING DIRECTOR

**VIRENDRA KUMAR GUPTA**  
DIRECTOR

**MADHU MITTAL**  
DIRECTOR

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH 2013**

Particulars	As At 31st March, 2013	As At 31st March, 2012
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit Before Tax & Extraordinary Items	32,511,038	37,097,103
Adjustment For :		
Depreciation And Amortisation Expenses	3,130,481	2,808,614
Finance Costs	13,611,524	11,722,208
(Profit)/Loss On Sale Of Assets	39,311	(2,865,463)
Provision for Previous Years liability adjusted in earlier year surplus	-	(917,398)
Interest/Dividends Received	(3,854,999)	(3,383,746)
Operating Profit Before Working Capital Changes	<u>45,437,355</u>	<u>44,461,318</u>
(Increase)/Decrease In trade & Other Receivables	9,972,367	(18,672,434)
(Increase)/Decrease In Inventories	17,824,600	(3,809,600)
Increase/(Decrease) In Liabilities & Provisions	<u>(31,594,189)</u>	<u>33,979,155</u>
Cash Generated From Operations	41,640,133	55,958,439
Direct Taxes (Net)	<u>(10,387,065)</u>	<u>(11,702,206)</u>
Net Cash From/ (Used In) Operating Activities	<u>31,253,068</u>	<u>44,256,233</u>
<b>B CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase Of Fixed Assets	(12,084,885)	(2,854,362)
Sale Of Fixed Assets	135,000	5,985,000
Movement In Loan	(7,393,356)	(20,341,973)
Purchase Of Investments	151,865	(5,463,913)
Interest Received	3,839,462	3,375,263
Dividend Received	<u>15,537</u>	<u>8,483</u>
Net Cash Used In Investing Activities	<u>(15,336,377)</u>	<u>(19,291,504)</u>
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds From Borrowings	21,598,969	17,405,365
Repayment Of Borrowings	(11,991,728)	(15,629,783)
Finance Costs Paid	(13,611,524)	(11,722,208)
Dividend Paid (Including Dividend Tax)	-	(11,971,175)
Net Cash From Financing Activities	<u>(4,004,283)</u>	<u>(21,917,801)</u>
Net Increase/(Decrease) In Cash And Cash Equivalents	11,912,407	3,046,928
Cash And Cash Equivalents As At The Beginning Of The Year	45,033,553	41,986,624
Cash And Cash Equivalents As At The End Of The Year	56,945,960	45,033,553
<b>NOTES :</b>		
Cash And Cash Equivalents Include :		
- Cash, Cheques In Hand And Remittances In Transit	239,724	694,311
- Balances With Banks	56,706,235	44,339,242

As per our report of even date

**FOR CENLUB INDUSTRIES LIMITED**

**SATISH SINGLA & CO.**  
(Chartered Accountants)

**VIJENDRA KUMAR MITTAL**  
MANAGING DIRECTOR

**CA SATISH SINGLA**  
(Proprietor)  
Membership No.: 080836  
Firm Reg. No.: 000882N  
Place : Faridabad  
Date : 30-05-2013

**VIRENDRA KUMAR GUPTA**  
DIRECTOR

**MADHU MITTAL**  
DIRECTOR



## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2012

### 1. Company overview

Cenlub Industries Limited is an engineering company primarily engaged in designing, engineering, manufacturing, supply, installation and erection of Lubrication systems.

### 2. Significant Accounting Policies

#### 2.1 Basis of preparation of financial statements

The financial statements are prepared on accrual basis under the historical cost convention, modified to include revaluation of certain assets, in accordance with applicable Accounting Standards (AS) specified in the Companies (Accounting Standards) Rules, 2006 and presentational requirements of the Companies Act, 1956.

This is the first year of application of the revised Schedule VI to the Companies Act, 1956 for the preparation of the financial statements of the company. The revised Schedule VI introduces some significant conceptual changes as well as new disclosures. These include classification of all assets and liabilities into current and non-current. The previous year figures have also undergone a major reclassification to comply with the requirements of the revised Schedule VI.

#### 2.2 Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent liabilities on the date of the financial statements and the reported amounts of revenue and expenses during the reporting year. Actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in current and future years.

#### 2.3 Revenue recognition

Revenue from sale of goods is recognised on transfer of all significant risks and rewards of ownership in the goods to the customer.

Revenue from services is recognised on rendering of services to customers.

Interest income is recognised using the time proportion method, based on underlying interest rates.

#### 2.4 Tangible fixed assets and capital work-in-progress

Fixed assets, including capital work in progress are stated at cost of acquisition or construction less accumulated depreciation. Cost comprises the purchase price and any directly attributable costs of bringing the asset to its working condition for the intended use. Tangible fixed assets under construction are disclosed as Capital work-in-progress.

#### 2.5 Intangible assets

Intangible assets comprising computer software are stated at cost, including taxes, less accumulated amortisation. Computer software is amortised on a straight line basis at the rates prescribed for the computers in schedule XIV of Companies Act.

#### 2.6 Borrowing Cost

Financing costs relating to borrowed funds attributable to construction or acquisition of qualifying assets for the period up to the completion of construction or acquisition of such assets are included in the cost of the assets. All borrowing costs are charged to Statement of Profit and Loss.

#### 2.7 Impairment

The carrying values of assets are reviewed at each reporting date to determine whether there is any indication of impairment. If such indication exists, the amount recoverable towards such asset is estimated. An impairment loss is recognised whenever the carrying amount of an asset or its cash generating unit exceeds its recoverable amount. Impairment losses are recognised in the Statement of Profit and Loss. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined net of depreciation or amortisation, if no impairment loss has been recognised.

#### 2.8 Depreciation

Depreciation is calculated on fixed assets on Straight line method in accordance with schedule XIV of the Companies Act, 1956 prorata from the month in which assets are acquired & put to use and in respect of deductions, upto and including the month in which such deductions are made.

#### 2.9 Inventories

Inventories are valued at the lower of cost and net realisable value. Cost includes all applicable costs incurred in bringing goods to their present location and condition, determined on a first in first out basis.

**2.10 Foreign currency transactions**

Foreign currency transactions are recorded by applying the prevailing exchange rate on transaction date. All exchange rate differences are dealt with in Profit and Loss Account.

**2.11 Provisions and contingencies**

A provision is created when there is a present obligation as a result of a past event that entails a probable outflow of resources and a reliable estimate can be made of the amount of the obligation. Disclosure of a contingent liability is made when there is a possible but not probable obligation or a present obligation that may, but probably will not, entail an outflow of resources. When there is an obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

**2.12 Taxation**

Tax expenses for the period, comprising current tax and deferred tax, is included in determining the net profit/(loss) for the year. The company provides for deferred tax using the net liability method based on the tax effect of timing differences resulting from recognition of items in the financial statement. The deferred tax charge of credit is recognised using the tax rates and tax laws that have been enacted or substantially enacted by the balance sheet date.

**2.13 Employee benefits**

**(a) Defined-contribution plans**

Contributions to the Employees' Regional Provided Fund, Superannuation Fund, Employees Pension Scheme and Employees' state Insurance are recognised as defined contribution plan and charges as expenses during the period in which the employees perform the services.

**(b) Defined-benefit plans**

Retirement benefits in the form of gratuity and Leave Encashment are considered as defined benefit plan and determined on actuarial valuation using the Projected Unit Credit Method at the balance sheet date. Actuarial Gains and Losses are recognised immediately in the Profit & Loss Accounts.

**(c) Short term employee benefits:**

Short term benefits are charged off at the undiscounted amount in the year in which the related service is rendered.

**2.14 Investments**

Long term investments are valued at cost. Any decline other than temporary, in the value of long-term investments, is adjusted in the carrying value of such investments. Diminution, if any, is determined individually for each long-term investment. Current investments are valued at the lower of cost and fair value of individual scrips.

**2.15 Earnings per share**

Basic earnings per share are computed by dividing the net profit/(loss) for the year attributable to the equity shareholders with the weighted average number of equity shares outstanding during the year. Diluted earnings per share are computed using the weighted average number of equity and dilutive potential equity shares outstanding during the year, except where the results would be anti-dilutive.

**2.16 Leases**

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are classified as operating leases. Lease rents under operating leases are recognized in the Statement of Profit and Loss on a straight line basis over the lease term.

**2.17 Events occurring after the balance sheet date**

Adjustment to assets and liabilities are made for events occurring after the balance sheet date that provide additional information materially affecting the determination of the amount of assets and liabilities relating to condition existing at the balance sheet date.

## Notes to Financial Statements for the year ended 31st March, 2013

### NOTE : 3 SHARE CAPITAL

Sr. No.	Particulars	As At 31st March, 2013	As At 31st March, 2012
<b>1</b>	<b>AUTHORIZED CAPITAL</b>		
	50,00,000 Equity Shares of Rs. 10/- each	50,000,000	50,000,000
		50,000,000	50,000,000
<b>2</b>	<b>ISSUED , SUBSCRIBED &amp; FULLY PAID UP CAPITAL</b>		
	41,20,000 Equity Shares of Rs. 10/- each	41,200,000	41,200,000
	<b>Total</b>	<b>41,200,000</b>	<b>41,200,000</b>

#### NOTE:

- The Company has only one class of shares referred to as equity shares having a par value of Rs. 10. Each holder of equity shares is entitled to one vote per share.
- The Company has not declares and dividend during the year.

#### 3 Reconciliation of the Number of shares

Sr. No.	Particulars	As At 31st March, 2013 No. of Shares	As At 31st March, 2012 No. of Shares
	Outstanding at the beginning of the year	4,120,000	4,120,000
	Outstanding at the end of the year	4,120,000	4,120,000

#### 4 Shares held by each shareholder holding more than 5% shares

Promoters' Holding	31st March 2013		31st March 2012	
	% Holding	No. of Shares	% Holding	No. of Shares
Vijendra Kumar Mittal	9.92	408,608	7.87	324,043
Madhu Mittal	11.71	482,526	11.42	470,665
Ansh Mittal	8.31	342,342	8.31	342,342

### NOTE : 4 RESERVE & SURPLUS

Sr. No.	Particulars	As At 31st March, 2013	As At 31st March, 2012
1	General Reserve	-	-
2	Surplus (Profit & Loss Account)	94,626,172	72,198,352
	Balance brought forward from previous year	72,198,352	59,594,753
	Add: Profit for the period after Tax as per Profit & Loss Account	22,427,821	25,492,172
	Less: Appropriations		
	Provisions for Earlier year (Leave encashment)	-	917,398
	Proposed Dividend	-	10,300,000
	Dividend tax	-	1,671,175
	<b>Total</b>	<b>94,626,172</b>	<b>72,198,352</b>



**NOTE : 7 LONG TERM PROVISIONS**

Sr. No.	Particulars	As At 31st March, 2013	As At 31st March, 2012
<b>1</b>	<b>Provision for Employee Benefits</b>		
	Gratuity	6,118,393	5,385,228
	Leave Encashment	1,322,539	1,241,630
	<b>Total in</b>	<b>7,440,932</b>	<b>6,626,858</b>

**NOTE : 8 SHORT TERM BORROWINGS**

Sr. No.	Particulars	As At 31st March, 2013	As At 31st March, 2012
	<b>From Bank</b>		
	Cash Credit	82,232,075	64,585,745
	<b>Total in</b>	<b>82,232,075</b>	<b>64,585,745</b>

Secured By

- i) Hypothecation of Stocks of Raw material, Stocks - In Process & Finished Goods, Plant & Machinery
- ii) Equitable Mortgage of Land, building at Faridabad, Thane & Pune and pledge of Fixed deposits of Rs. 0.997 Crore
- iii) Guaranteed by (5) Directors, Minihyd Hydraulics Pvt. Ltd.

**NOTE : 9 TRADES PAYABLE**

Sr. No.	Particulars	As At 31st March, 2013	As At 31st March, 2012
1	Micro & Small Enterprises	5,943,851	8,168,532
2	Others (Includes Rs. 19,96,478/- for Services, Previous Year Rs. 44,09,777/-)	28,081,445	49,030,484
	<b>Total</b>	<b>34,025,296</b>	<b>57,199,016</b>

**NOTE : 10 OTHER CURRENT LIABILITIES**

Sr. No.	Particulars	As At 31st March, 2013	As At 31st March, 2012
1	Advance From Customers	4,359,945	3,738,381
2	Statutory Liabilities	1,620,495	1,559,346
3	Current Maturities of Long Term Debt		
	From Banks	2,773,806	3,775,451
	From Others	5,825,069	8,290,738
4	Unpaid Dividend	1,587,093	790,980
	<b>Total</b>	<b>16,166,408</b>	<b>18,154,896</b>

**NOTE : 11 SHORT TERM PROVISIONS**

Sr. No.	Particulars	As At 31st March, 2013	As At 31st March, 2012
1	Proposed Dividend	-	10,300,000
2	Tax on Proposed Dividend	-	1,671,175
3	Provision for Taxation	308,191	297,134
4	Others Provisions	4,522,363	3,275,614
	<b>Total</b>	<b>4,830,554</b>	<b>15,543,923</b>

**NOTE :12 FIXED ASSETS**
**II. FIXED ASSETS**

Sr. No.	Particulars	Rate	Gross Block			Depreciation			Net Block			
			Value at the beginning	Addition during the year	Deduction during the year	Value at the end	Value at the beginning	Addition during the year	Deduction during the year	Value at the end	WDV as on 31.03.2013	WDV as on 31.02.2012
<b>I</b>	<b>Tangible Assets</b>											
1	Plant and Equipment		22,797,285	334,022	-	23,131,307	11,577,472	1,134,406	-	12,711,878	10,419,429	11,219,813
2	Furnitures & Fixtures		3,405,049	52,730	-	3,457,779	1,490,474	217,628	-	1,708,102	1,749,677	1,914,575
3	Office Equipment		2,128,512	-	-	2,128,512	1,084,145	102,441	-	1,186,586	941,926	1,044,367
4	Land		3,154,350	825,000	-	3,979,350	-	-	-	-	3,979,350	3,154,350
5	Buildings		22,269,891	9,721,177	-	31,991,068	3,264,689	890,890	-	4,155,579	27,835,489	19,005,202
6	Tools & Equipments		1,323,078	72,198	-	1,395,276	968,437	63,585	-	1,032,022	363,254	354,641
7	Electrical Instalation		494,531	219,828	-	714,359	199,141	41,004	-	240,145	474,214	295,389
8	Vehicles		6,140,471	753,844	437,606	6,456,709	3,323,628	590,855	263,295	3,651,188	2,805,521	2,816,843
	<b>SUB TOTAL (A)</b>		<b>61,713,167</b>	<b>11,978,799</b>	<b>437,606</b>	<b>73,254,360</b>	<b>21,907,986</b>	<b>3,040,808</b>	<b>263,295</b>	<b>24,685,499</b>	<b>48,568,860</b>	<b>39,805,180</b>
<b>II</b>	<b>Intangible Assets</b>											
1	GOODWILL		1,500,000	-	-	1,500,000	1,500,000	-	-	1,500,000	-	-
	Software		500,150	106,086	-	606,236	172,045	89,673	-	261,718	344,518	328,105
	<b>SUB TOTAL (B)</b>		<b>2,000,150</b>	<b>106,086</b>	<b>-</b>	<b>2,106,236</b>	<b>1,672,045</b>	<b>89,673</b>	<b>-</b>	<b>1,761,718</b>	<b>344,518</b>	<b>328,105</b>
	<b>Total [A + B] (Current Year)</b>		<b>63,713,317</b>	<b>12,084,885</b>	<b>437,606</b>	<b>75,360,596</b>	<b>23,580,031</b>	<b>3,130,481</b>	<b>263,295</b>	<b>26,447,217</b>	<b>48,913,379</b>	<b>40,133,285</b>
	(Previous Year)		<b>65,536,099</b>	<b>2,854,362</b>	<b>4,677,144</b>	<b>63,713,317</b>	<b>22,329,025</b>	<b>2,808,614</b>	<b>1,557,607</b>	<b>23,580,03240</b>	<b>133,285</b>	<b>43,207,075</b>

**NOTE : 13 NON CURRENT INVESTMENT**

Sr. No.	Particulars	As At 31st March, 2013	As At 31st March, 2012
	AT COST		
1	Advance for Flat at Noida	5,212,049	3,697,414
2	Shares (Unquoted)	100,000	100,000
3	Shares (Quoted)	1,256,420	1,256,420
	<b>Total</b>	<b>6,568,468</b>	<b>5,053,834</b>

**NOTE : 14 LONG TERM LOANS AND ADVANCES**

Sr. No.	Particulars	As At 31st March, 2013	As At 31st March, 2012
	<b>(Unsecured - Considered Good unless otherwise stated)</b>		
I)	Loan to Subsidy	51,191,452	41,043,807
II)	Security Deposit		
a)	Government Authorities	428,254	394,961
b)	Others	1,601,301	3,074,055
III)	Earnest Money Deposit	278,936	370,906
IV)	Other Loans & Advances		-
	<b>Total</b>	<b>53,499,942</b>	<b>44,883,729</b>

**NOTE :15 CURRENT INVESTMENT**

Sr. No.	Particulars	As At 31st March, 2013	As At 31st March, 2012
	<b>Non Trade</b>		
	Silver (at lower of cost or fair value)	-	1,666,500
	<b>Total</b>	<b>-</b>	<b>1,666,500</b>

**NOTE : 16 INVENTORIES**

Sr. No.	Particulars	As At 31st March, 2013	As At 31st March, 2012
1	Raw Material	12,241,409	31,599,858
2	Work-in-Progress	14,830,359	13,205,937
3	Finished Goods	32,503	-
4	Stock-in-Trade	344,293	452,944
5	Stores & Spares	95,015	109,440
	<b>Total</b>	<b>27,543,579</b>	<b>45,368,179</b>

**NOTE : 17 TRADE RECIEVABLES**

Sr. No.	Particulars	As At 31st March, 2013	As At 31st March, 2012
	(Unsecured, Considered Good )		
1	Outstanding for a period exceeding six months from due date "(Excluding Rs. 0 Provision for doubtful debts. Previous Year "Rs. 3,39,657/-)"	10,486,639	4,548,302
2	Others	70,502,582	87,370,551
	<b>Total</b>	<b>80,989,221</b>	<b>91,918,853</b>

**NOTE : 18 CASH & CASH EQUIVALENT**

Sr. No.	Particulars	As At 31st March, 2013	As At 31st March, 2012
<b>1</b>	<b>Cash &amp; Cash Equivalents</b>		
	Cash on Hand	239,724	694,311
	Balance with Banks		
	In Current Accounts	8,145,969	5,424,102
	In Dividend Accounts	1,587,093	790,980
<b>2</b>	<b>Other bank Balance</b>		
	Term Deposits (Margin Money) ^	9,971,160	9,971,160
	Term Deposits (Others) Less than 1 year maturity	37,002,013	28,153,000
	<b>Total [ A + B + C ]</b>	<b>56,945,959</b>	<b>45,033,553</b>

**NOTE:**

^ Fixed deposits under lean marked in favour of the bank for CC limits & bank guarantee which are not available for use of the company

**NOTE : 19 SHORT TERMS LOANS AND ADVANCES**

Sr. No.	Particulars	As At 31st March, 2013	As At 31st March, 2012
	(Unsecured, Considered Good)		
1	Tax Payment (Net of Provisions)	52,181	52,181
2	Taxes and Duties Recoverable / Adjustable	2,144,242	4,341,653
3	Prepaid Expenses	121,607	108,398
4	Other Advances	3,682,048	2,720,704
	<b>Total</b>	<b>6,000,078</b>	<b>7,222,936</b>

**NOTE : 20 OTHER CURRENT ASSETS**

Sr. No.	Particulars	As At 31st March, 2013	As At 31st March, 2012
2	Interest Accrued on Fixed Deposits	1,803,810	846,545
	<b>Total</b>	<b>1,803,810</b>	<b>846,545</b>

**NOTE: 21 REVENUE FROM OPERATIONS**

Sr. No.	Particulars	As At 31st March, 2013	As At 31st March, 2012
1	Sales	330,290,920	351,883,139
2	Installation & Erection	2,018,949	2,247,222
3	Traded Goods	-	1,715,382
	<b>Total</b>	<b>332,309,868</b>	<b>355,845,744</b>



**NOTE: 22 OTHER INCOME**

Sr. No.	Particulars	As At 31st March, 2013	As At 31st March, 2012
1	Interest on FDR's	3,839,462	3,375,263
2	Provision for Doubtful Debt W/Back	339,658	-
3	Dividend (On Current Investments)	15,537	8,483
4	Misc. Income	85,508	144,070
5	Profit on sales of Fixed Assets	-	2,885,433
6	Profit on Sale of Investments	43,500	-
	<b>Total</b>	<b>4,323,665</b>	<b>6,413,249</b>

**NOTE : 23 CHANGE IN INVENTORIES**

Sr. No.	Particulars	As At 31st March, 2013	As At 31st March, 2012
1	Opening Stock		
	Work in progress	13,205,937	11,888,842
	Finished Goods	-	-
	Traded Goods	452,944	2,405,118
		<u>13,658,881</u>	<u>14,293,960</u>
2	Closing Stock		
	Work in progress	14,830,359	13,205,937
	Finished Goods	32,503	-
	Traded Goods	344,293	452,944
		<u>15,207,155</u>	<u>13,658,881</u>
	<b>(Increase)/ Decrease</b>	<b>(1,548,274)</b>	<b>635,079</b>

**NOTE : 24 EMPLOYEMENT BENEFIT EXPENSES**

Sr. No.	Particulars	As At 31st March, 2013	As At 31st March, 2012
	(Refer Note No.41 On Employee Benefits)		
1	Salary, Wages, Bonus & leave Encashment	40,537,286	38,220,238
2	Gratuity	905,202	1,196,967
3	Contribution to Provident and Other Funds	2,413,627	2,238,516
4	Staff Welfare Expenses	1,309,162	1,501,593
	<b>Total</b>	<b>45,165,277</b>	<b>43,157,314</b>

**SCHEDULE :25 FINANCIAL COST**

Sr. No.	Particulars	As At 31st March, 2013	As At 31st March, 2012
1	Bank Charges	706,790	1,314,744
2	Interest on Term loan	2,007,464	3,325,049
3	Interest on Other loans	10,897,270	7,082,414
	<b>Total</b>	<b>13,611,524</b>	<b>11,722,208</b>

**NOTE : 26 OTHER ADMINISTRATIVE EXPENSES**

Sr. No.	Particulars	As At 31st March, 2013	As At 31st March, 2012
1	Stores & Consumables	11,161,786	12,400,832
2	Power & Fuel	3,020,037	2,666,377
3	Processing Charges	4,203,182	4,141,671
4	Rates & Taxes	131,995	89,279
5	Rent	6,918,441	6,520,212
6	Travelling & Conveyance	5,054,505	4,774,198
	<b>Repair &amp; Maintt.</b>		
7	Plant & Machinery	357,775	236,697
8	Building	326,452	208,899
9	Others	476,310	691,383
10	Misc. Expenses	6,689,251	7,016,883
11	Communication Exp.	1,227,699	1,284,349
12	Selling Expenses	4,258,848	2,752,092
13	Sales Commission	1,125,830	909,287
14	Insurance Charges	224,415	215,176
15	Bad Debts	638,244	92,690
16	Freight Outwad	4,220,132	3,106,834
17	Directors Sitting Fee	72,000	70,000
18	Auditors Remuneration	400,000	300,000
19	Loss on sale of Fixed Assets	39,311	19,970
	<b>Total</b>	<b>50,546,214</b>	<b>47,496,829</b>

**27 Contingent liability not provided for:-**

- a) In respect of Bank Guarantees given by Bank for Rs. 106.49 Lacs (previous year Rs.123.38 Lacs).
- b) Corporate Guarantee given to SIDBI in favour of a subsidiary M/s Ganpatii Handtex Pvt. Ltd. Rs. 485 Lacs (Pr. Year 485 Lacs)

**28 Auditors Remuneration**

	Year ended 31.3.2013	Year ended 31.3.2012
Audit fees	300,000	225,000
Tax Audit Fees	100,000	75,000
	400,000	300,000

**29** As required by Accounting Standard (AS 28)"impairment of Assets", the management has carried out the assessment of impairment of assets and no impairment loss has been recognised during the year other than the assets discarded/ dismantled and written off to Profit and loss account

**30 Information regarding capacity,production,sales & closing stocks :**

a) **Licensed Capacity**

The Central Government has not prescribed the Licensed Capacity of the Company

**Installed Capacity**

It depends on product mix and in view of the varied nature of products, installed capacity can not be specified

b) **Production , Purchases , Sales & Stocks**

ITEMS	Opening Stock		Production/Purchase		Sales		Closing Stock	
	Qty. Nos.	Value Rupees	Qty. Nos.	Value Rupees	Qty. Nos.	Value Rupees	Qty. Nos.	Value Rupees
<b>MANUFACTURED GOODS</b>								
lubrication Equipment / Hand Pump	0	0	10559		10553	276168080	6	32503
(Previous Year)	0	0	(14404)		(14404)	(257639044)	0	0
Accessories & Other Goods	0	0	----		----	54122840	----	----
(Previous Year)	( ---- )	( ---- )	( ---- )		( ---- )	(94244095)	( ---- )	( ---- )
<b>TRADED GOODS</b>								
PPR	0	0	0	0	0	0	0	0
(Previous Year)	0	(2000500)	( ---- )	0	0	(1715382)	0	0
SCRIPS	130595	452944	0	0	0	0	130595	344293
(Previous Year)	(130595)	(473651)	0	0	0	0	(130595)	(452944)

**31 Raw Material Consumed during the year were as follows:-**

	31.03.2013		31.03.2012	
	QTY.(NO.)	VALUE(Rs.)	QTY.(NO.)	VALUE(Rs.)
MOTORS	11674	20,735,865	14144	22,010,407
MISCELLANEOUS ITEMS	NA	172,481,408	NA	197,331,438
		193,217,273		219,341,845

**32 The value of imported & indigenous Raw Materials, Components, Stores & Spares consumed is as follows : -**

	31.03.2013		31.03.2012	
	Percentage %	VALUE Rupees	Percentage %	VALUE Rupees
a) Raw Materials & Components				
i) Imported	2.45	4,730,057	2.20	4,834,776
ii) Indigenous	97.55	188,487,216	97.80	214,507,069
	<b>100.00</b>	<b>193,217,273</b>	100.00	219,341,845
b) Stores and Spares				
i) Imported	0.00	-	0.54	66,396
ii) Indigenous	100.00	11,161,786	99.46	12,334,436
	<b>100.00</b>	<b>11,161,786</b>	100.00	12,400,832

**33 CIF Value of imports**

	31.03.2013 VALUE Rupees	31.03.2012 VALUE Rupees
Raw Material & Components	4,557,617	4,525,152
	<b>4,557,617</b>	4,525,152

**34 Earning in Foreign Currency : -**

	31.03.2013 VALUE Rupees	31.03.2012 VALUE Rupees
FOB value of Exports (including exchange rate fluctuation income Rs. 69596/- Pr. Year Loss 89,512/-)	2,714,541	3,018,856
	<b>2,714,541</b>	3,018,856

**35 Expenditure in foreign currency :-**

	31.03.2013 VALUE Rupees	31.03.2012 VALUE Rupees
Travelling	195,188	-
Others (Bording Expenses)	101,832	119,718
	<b>297,020</b>	119,718

**36** Previous year figures have been regrouped/rearranged wherever considered necessary.

**37 Balance Confirmations:**

Sundry Debtors, Loans & Advances and Creditors balances are subject to confirmation, reconciliation and consequent adjustment, if any.

**38 Segment Reporting**

The Company's operating business is organised and managed according to a single primary reportable business segment namely ' Lubrication systems '. Accordingly, information relating to segmental reporting as per Accounting Standard-17 is not required to be furnished.

### 39 Related Party Disclosures:

Related party disclosures as required by AS-18 " Related Party Disclosures " are given below:-

#### 1. Relationship

- (i) Subsidiaries Ganpati Handtex Pvt. Ltd. (Since 14/09/2011)
- (ii) Joint Venture/Joint Control & Associates NIL
- (iii) Key management personnel :-
- a.) Mr. V.K.MITTAL - Managing Director
- b.) Mr. V.K.GUPTA - Whole Time Director
- c.) Mr. AMAN MITTAL - Whole Time Director
- d.) Mrs. MADHU MITTAL - Whole Time Director
- e.) Mr. ANSH MITTAL - Whole Time Director

Relatives of key management personnel ( With whom transactions have taken place) :- None

- (iv) Other related parties :-Minihyd Hydraulics Ltd

#### 2. The following transactions were carried out with related parties in the ordinary course of business:-

(Rs. In Lacs)

Particulars	Key Management Personnel	Relative of Key Mgmt. Personnel	Others	SUBSIDIARY	TOTAL
<b>Job Work Charges</b> Ganpati Handtex Pvt. Ltd.				14.42	14.42
<b>Purchase</b> Minihyd Hydraulics Ltd			215.67		215.67
<b>Salary</b>					
-- Mr. V.K.MITTAL	30.00				
-- MADHU MITTAL	8.40	----	----		
-- Mr. V.K.GUPTA	8.40				
-- Mr. AMAN MITTAL	12.00				
-- Mr. ANSH MITTAL	12.00			-	70.80
<b>Rent</b>					
-- Mr. AMAN MITTAL	2.10				
-- Mr. ANSH MITTAL	2.10	0.00	----		
-- Ganpati Handtex Pvt. Ltd.				9.00	13.20
<b>Contribution to PF</b>					
-- Mr. V.K.MITTAL	3.60				
-- MADHU MITTAL	0.67	----	----		
-- Mr. V.K.GUPTA	0.67				
-- Mr. AMAN MITTAL	1.44				
-- Mr. ANSH MITTAL	0.94				7.32
BALANCES AS AT 31.03.13					
<b>Creditors</b>					
Minihyd Hydraulics Ltd			28.95	-	28.95
<b>Advances</b>					
Ganpati Handtex Pvt. Ltd.	----	----	----	511.91	511.91

NOTE :-

1. Related party relationship is as identified and certified by the Management.
2. No amount has been provided as doubtful debts, written off or written back in the year in respect of debts due to above related parties.

**40. Earning per share (EPS)**

Earning per share has been computed as follows:-

(Value in Rupees)

	<b>Year ended 31.03.13</b>	Year ended 31.03.12
Net Profit/(Loss) attributable to Shareholders	22,427,821	25,492,172
Effect of Dilutive Securities	-	-
Diluted income available to Equity Shareholders	<u>22,427,821</u>	<u>25,492,172</u>
Weighted average shares outstanding	4,120,000	4,120,000
Effect of Dilutive Securities	-	-
Diluted weighted average shares outstanding	<u>4,120,000</u>	<u>4,120,000</u>
Nominal value of Equity shares	<b>10</b>	<b>10</b>
Basic earnings per share	<b>5.44</b>	<b>6.19</b>
Diluted earnings per share	<b>5.44</b>	<b>6.19</b>

**41 Employee Benefits**

Provision for Gratuity & Leave encashment has been made by management's own calculation & not by Actuary valuation which is not in conformity with Accounting Standard No. 15.

**42** No Interest has been paid/ provided on credit from Micro, Smal & Medium enterprises as no amount was overdue at any time.

As per our report of even date

**FOR CENLUB INDUSTRIES LIMITED**

**SATISH SINGLA & CO.**  
(Chartered Accountants)

**VIJENDRA KUMAR MITTAL**  
MANAGING DIRECTOR

**CA SATISH SINGLA**  
(Proprietor)  
Membership No.: 080836  
Firm Reg. No.: 000882N  
Place : Faridabad  
Date : 30-05-2013

**VIRENDRA KUMAR GUPTA**  
DIRECTOR

**MADHU MITTAL**  
DIRECTOR

## INDEPENDENT AUDITORS REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

### To The Board of Directors of Cenlub Industries Limited

We have audited the accompanying consolidated financial statements (the "Consolidated Financial Statements") of Cenlub Industries Limited ("the Company") and its subsidiary; hereinafter referred to as the "Group" (refer Note 1 to the attached consolidated financial statements) which comprise the consolidated Balance Sheet as at 31st March 2013, and the consolidated Statement of Profit and Loss and the consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information which we have signed under reference to this report.

#### Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

#### Auditor's Responsibility

Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the Company's preparation and fair presentation of the consolidated 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 consolidated financial statements.

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

#### Opinion

We report that the consolidated financial statements have been prepared by the Company's Management in accordance with the requirements of Accounting Standard (AS) 21 - Consolidated Financial Statements, notified under Section 211(3C) of the Companies Act, 1956.

Based on our audit and on consideration of reports of other auditors on separate financial statements and to the best of our information and according to the explanations given to us, in our opinion, read with the proviso and the effect of the matter referred to paragraph 8 below, the accompanying consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the consolidated Balance Sheet, of the state of affairs of the Group as at 31st March, 2013;
- (b) in the case of the consolidated Statement of Profit and Loss, of the profit for the year ended on that date; and
- (c) in the case of the consolidated Cash Flow Statement, of the cash flows for the year ended on that date.

#### Report on Other Legal and Regulatory Requirements

We did not audit the financial statements of subsidiary Ganpati Handtex Pvt. Ltd. included in the consolidated financial statements, whose financial statements reflect total assets of Rs. 890.08 Lakhs as at 31st March 2013, total revenue of Rs. 24.43 Lakhs, and net cash flow amounting to Rs. -71.98 Lakhs for the year then ended. These financial statements and other financial information have been audited by other auditor whose report have been furnished to us, and our opinion on the consolidated financial statements to the extent they have been derived from such financial statements is based solely on the report of such other auditor.

For **SATISH SINGLA & CO.**  
Firm Regn: No. 000882N  
(Chartered Accountants)

PLACE: FARIDABAD  
DATE: 30.05.2013

(CA. SATISH SINGLA)  
M.NO: 80836

## CONSOLIDATED BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2013

Particulars	Note	As At 31st March, 2013	As At 31st March, 2012
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholder's Funds</b>			
(a) Share Capital	3	41,200,000	41,200,000
(b) Reserves and Surplus	4	94,314,075	72,124,900
<b>Non-Current Liabilities</b>			
(a) Long-Term Borrowings	5	35,314,205	26,599,722
(b) Deferred Tax Liabilities (Net)	6	1,455,268	1,759,115
(c) Long Term Provisions	7	7,440,932	6,626,858
<b>Current Liabilities</b>			
(a) Short-Term Borrowings	8	82,232,075	64,585,745
(b) Trade Payables	9	36,596,614	59,017,007
(c) Other Current Liabilities	10	16,177,344	18,158,202
(d) Short-Term Provisions	11	5,250,449	15,852,321
<b>Total Equity &amp; Liabilities</b>		<b>319,980,961</b>	<b>305,923,870</b>
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
(a) Fixed Assets			
Tangible Assets	12	133,727,185	67,417,408
Intangible Assets	12	344,518	328,105
Capital Work in Progress		-	26,118,990
		134,071,703	93,864,503
(b) Non-current investments	13	6,468,468	4,953,833
(c) Long term loans and advances	14	2,720,695	4,075,922
<b>Current Assets</b>			
(a) Current investments	15	-	1,666,500
(b) Inventories	16	29,078,999	46,696,805
(c) Trade receivables	17	80,989,221	90,843,746
(d) Cash and cash equivalents	18	57,241,467	52,526,401
(e) Short-term loans and advances	19	7,606,598	8,484,995
(f) Other current assets	20	1,803,810	2,811,166
<b>Total Assets</b>		<b>319,980,961</b>	<b>305,923,870</b>

### Significan Accounting Policies

2

The accompanying notes are an integral part of the financial statements

As per our report of even date

**SATISH SINGLA & CO.**  
(Chartered Accountants)

**CA SATISH SINGLA**  
(Proprietor)  
Membership No.: 080836  
Firm Reg. No.: 000882N  
Place : Faridabad  
Date : 30-05-2013

**FOR CENLUB INDUSTRIES LIMITED**

**VIJENDRA KUMAR MITTAL**  
MANAGING DIRECTOR

**VIRENDRA KUMAR GUPTA**  
DIRECTOR

**MADHU MITTAL**  
DIRECTOR



## CONSOLIDATED PROFIT & LOSS STATEMENT FOR THE YEAR ENDING 31<sup>ST</sup> MARCH, 2013

Particulars	Note	As At 31st March, 2013	As At 31st March, 2012
<b>INCOME</b>			
Revenue from operations	21	332,410,738	355,837,772
Other Income	22	4,323,665	6,413,249
<b>Total Revenue(I)</b>		<b>336,734,403</b>	<b>362,251,021</b>
<b>EXPENSES</b>			
Cost of materials consumed		193,316,360	220,020,094
Purchase of Stock-in-Trade		-	-
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade <sup>23</sup>		(1,790,274)	(338,299)
Employee Benefit Expense	24	45,510,355	43,407,959
Other Expenses	25	49,773,496	47,272,790
<b>Total Expenses (II)</b>		<b>286,809,936</b>	<b>310,362,544</b>
<b>Profit before Interest, Depreciation &amp; Tax</b>	(I - II)	<b>49,924,466</b>	<b>51,888,476</b>
Financial Costs	26	14,046,894	11,722,208
Depreciation and Amortization Expense		3,605,179	3,077,607
<b>Profit before Exceptional Items and tax</b>		<b>32,272,393</b>	<b>37,088,661</b>
Extraordinary Items		-	-
<b>Profit before tax</b>		<b>32,272,393</b>	<b>37,088,661</b>
<b>Tax expense:</b>			
Current tax		10,350,000	11,742,000
Income Tax Earlier Years		37,065	2,206
Deferred tax		(303,847)	(97,275)
<b>Profit/(Loss) for the period</b>		<b>22,189,175</b>	<b>25,441,730</b>
<b>Earning per equity share:</b>			
(1) Basic		5.39	6.18
(2) Diluted		5.39	6.18

The accompanying notes are an integral part of the financial statements

As per our report of even date

**SATISH SINGLA & CO.**  
(Chartered Accountants)

**CA SATISH SINGLA**  
(Proprietor)  
Membership No.: 080836  
Firm Reg. No.: 000882N  
Place : Faridabad  
Date : 30-05-2013

**FOR CENLUB INDUSTRIES LIMITED**

**VIJENDRA KUMAR MITTAL**  
MANAGING DIRECTOR

**VIRENDRA KUMAR GUPTA**  
DIRECTOR

**MADHU MITTAL**  
DIRECTOR

**CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH 2013**

Particulars	As At 31st March, 2013	As At 31st March, 2012
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit Before Tax & Extraordinary Items	32,272,393	37,330,661
Adjustment For :		
Depreciation And Amortisation Expenses	3,605,179	3,077,607
Finance Costs	14,046,894	11,722,208
(Profit)/Loss On Sale Of Assets	39,311	(2,865,463)
Provision for Previous Years liability adjusted in earlier year surplus	-	(917,398)
Interest/Dividends Received	(3,854,999)	(3,383,746)
Operating Profit Before Working Capital Changes	<u>46,108,778</u>	<u>44,963,869</u>
(Increase)/Decrease In trade & Other Receivables	10,861,881	(20,946,680)
(Increase)/Decrease In Inventories	17,617,806	(5,380,226)
Increase/(Decrease) In Liabilities & Provisions	<u>(30,721,736)</u>	<u>37,732,486</u>
Cash Generated From Operations	43,866,729	56,369,449
Direct Taxes (Net)	<u>(10,387,065)</u>	<u>(11,744,206)</u>
Net Cash From/ (Used In) Operating Activities	<u>33,479,664</u>	<u>44,625,243</u>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase Of Fixed Assets	(43,986,690)	(32,906,525)
Sale Of Fixed Assets	135,000	5,985,000
Movement In Loan	2,233,624	(22,363,594)
Purchase Of Investments	151,865	(5,463,913)
Interest Received	3,839,462	3,375,263
Dividend Received	<u>15,537</u>	<u>8,483</u>
Net Cash Used In Investing Activities	<u>(37,611,202)</u>	<u>(51,365,288)</u>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds From Borrowings	34,885,227	56,470,281
Repayment Of Borrowings	(11,991,728)	(15,629,783)
Finance Costs Paid	(14,046,894)	(11,722,208)
Dividend Paid (Including Dividend Tax)	-	(11,971,175)
Net Cash From Financing Activities	<u>8,846,605</u>	<u>17,147,115</u>
Net Increase/(Decrease) In Cash And Cash Equivalents	4,715,067	10,407,071
Cash And Cash Equivalents As At The Beginning Of The Year	52,526,401	42,119,329
Cash And Cash Equivalents As At The End Of The Year	57,241,468	52,526,400
<b>NOTES :</b>		
Cash And Cash Equivalents Include :		
- Cash, Cheques In Hand And Remittances In Transit	278,323	733,152
- Balances With Banks	56,963,144	51,793,249

As per our report of even date

**SATISH SINGLA & CO.**  
(Chartered Accountants)

**CA SATISH SINGLA**  
(Proprietor)  
Membership No.: 080836  
Firm Reg. No.: 000882N  
Place : Faridabad  
Date : 30-05-2013

**FOR CENLUB INDUSTRIES LIMITED**

**VIJENDRA KUMAR MITTAL**  
MANAGING DIRECTOR

**VIRENDRA KUMAR GUPTA**  
DIRECTOR

**MADHU MITTAL**  
DIRECTOR

## Notes to Consolidated financial statements for the year ended 31 March 2013

### 1. Principles of Consolidation

The consolidated statements financial information is prepared in accordance with the principles and procedures prescribed by Accounting standard 21 - "Consolidated financial statements" ('AS 21') prescribed by the Companies (accounting Standards) Rules, 2006, for the purposes of preparation and presentation of consolidated financial statements.

The financial statements of the Company and its subsidiary have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income & expense after eliminating intra-group balances and transactions resulting in unrealised profits in full. Unrealised losses resulting from intra-group transactions have also been eliminated unless cost cannot be recovered in full. The amounts shown in respect of accumulated reserves comprise the amount of relevant reserves as per the balance sheet of the company and its share in the past acquisition reserves of its subsidiary. Goodwill arising on consolidation represents the excess of cost of investments to the Company over the Company's portion of equity of the respective subsidiary, at the date on which investment in the subsidiary is made. The losses applicable to minority that exceeds the minority interest in the equity of subsidiary have been adjusted in the majority interest.

These consolidated financial statements relate to Cenlub Industries Limited, the parent company and its subsidiary (hereinafter collectively referred as "the group"), which are as follows:

Name of Company	% Holding	Country of Incorporation
Ganpati Handtex Pvt. Ltd.	100%	India

### 2. Significant Accounting Policies

#### 2.1 Basis of preparation of financial statements

The financial statements are prepared on accrual basis under the historical cost convention, modified to include revaluation of certain assets, in accordance with applicable Accounting Standards (AS) specified in the Companies (Accounting Standards) Rules, 2006 and presentational requirements of the Companies Act, 1956.

This is the first year of application of the revised Schedule VI to the Companies Act, 1956 for the preparation of the financial statements of the company. The revised Schedule VI introduces some significant conceptual changes as well as new disclosures. These include classification of all assets and liabilities into current and non-current. The previous year figures have also undergone a major reclassification to comply with the requirements of the revised Schedule VI.

#### 2.2 Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent liabilities on the date of the financial statements and the reported amounts of revenue and expenses during the reporting year. Actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in current and future years.

#### 2.3 Revenue recognition

Revenue from sale of goods is recognised on transfer of all significant risks and rewards of ownership in the goods to the customer.

Revenue from services is recognised on rendering of services to customers.

Interest income is recognised using the time proportion method, based on underlying interest rates.

#### 2.4 Tangible fixed assets and capital work-in-progress

Fixed assets, including capital work in progress are stated at cost of acquisition or construction less accumulated depreciation. Cost comprises the purchase price and any directly attributable costs of bringing the asset to its working condition for the intended use. Tangible fixed assets under construction are disclosed as Capital work-in-progress.

## **2.5 Intangible assets**

Intangible assets comprising computer software are stated at cost, including taxes, less accumulated amortisation. Computer software is amortised on a straight line basis at the rates prescribed for the computers in schedule XIV of Companies Act.

## **2.6 Borrowing Cost**

Financing costs relating to borrowed funds attributable to construction or acquisition of qualifying assets for the period up to the completion of construction or acquisition of such assets are included in the cost of the assets. All borrowing costs are charged to Statement of Profit and Loss.

## **2.7 Impairment**

The carrying values of assets are reviewed at each reporting date to determine whether there is any indication of impairment. If such indication exists, the amount recoverable towards such asset is estimated. An impairment loss is recognised whenever the carrying amount of an asset or its cash generating unit exceeds its recoverable amount. Impairment losses are recognised in the Statement of Profit and Loss. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined net of depreciation or amortisation, if no impairment loss has been recognised.

## **2.8 Depreciation**

Depreciation is calculated on fixed assets on Straight line method in accordance with schedule XIV of the Companies Act, 1956 prorata from the month in which assets are acquired & put to use and in respect of deductions, upto and including the month in which such deductions are made.

## **2.9 Inventories**

Inventories are valued at the lower of cost and net realisable value. Cost includes all applicable costs incurred in bringing goods to their present location and condition, determined on a first in first out basis.

## **2.10 Foreign currency transactions**

Foreign currency transactions are recorded by applying the prevailing exchange rate on transaction date. All exchange rate differences are dealt with in Profit and Loss Account.

## **2.11 Provisions and contingencies**

A provision is created when there is a present obligation as a result of a past event that entails a probable outflow of resources and a reliable estimate can be made of the amount of the obligation. Disclosure of a contingent liability is made when there is a possible but not probable obligation or a present obligation that may, but probably will not, entail an outflow of resources. When there is an obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

## **2.12 Taxation**

Tax expenses for the period, comprising current tax and deferred tax, is included in determining the net profit/(loss) for the year. The company provides for deferred tax using the net liability method based on the tax effect of timing differences resulting from recognition of items in the financial statement. The deferred tax charge of credit is recognised using the tax rates and tax laws that have been enacted or substantially enacted by the balance sheet date.

## **2.13 Employee benefits**

### *(a) Defined-contribution plans*

Contributions to the Employees' Regional Provided Fund, Superannuation Fund, Employees Pension Scheme and Employees' state Insurance are recognised as defined contribution plant and charges as expenses during the period in which the employees perform the services.

### *(b) Defined-benefit plans*

Retirement benefits in the form of gratuity and Leave Encashment are considered as defined benefit plant and determined on actuarial valuation using the Projected Unit Credit Method at the balance sheet date. Actuarial Gains and Losses are recognised immediately in the Profit & Loss Accounts.

### *(c) Short term employee benefits:*

Short term benefits are charged off at the undiscounted amount in the year in which the related service is rendered.

**2.14 Investments**

Long term investments are valued at cost. Any decline other than temporary, in the value of long-term investments, is adjusted in the carrying value of such investments. Diminution, if any, is determined individually for each long-term investment. Current investments are valued at the lower of cost and fair value of individual scrips.

**2.15 Earnings per share**

Basic earnings per share are computed by dividing the net profit/(loss) for the year attributable to the equity shareholders with the weighted average number of equity shares outstanding during the year. Diluted earnings per share are computed using the weighted average number of equity and dilutive potential equity shares outstanding during the year, except where the results would be anti-dilutive.

**2.16 Leases**

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are classified as operating leases. Lease rents under operating leases are recognized in the Statement of Profit and Loss on a straight line basis over the lease term.

**2.17 Events occurring after the balance sheet date**

Adjustment to assets and liabilities are made for events occurring after the balance sheet date that provide additional information materially affecting the determination of the amount of assets and liabilities relating to condition existing at the balance sheet date.

**For SATISH SINGLA & CO.**  
(Chartered Accountants)

Place: FARIDABAD

Date: 30.05.2013

**(CA. SATISH SINGLA)**  
**M.NO : 80836**

## Notes to Consolidated Financial Statements for the year ended 31st March, 2013

### NOTE : 3 SHARE CAPITAL

Sr. No.	Particulars	As At 31st March, 2013	As At 31st March, 2012
<b>1</b>	<b>AUTHORIZED CAPITAL</b>		
	50,00,000 Equity Shares of Rs. 10/- each	50,000,000	50,000,000
		50,000,000	50,000,000
<b>2</b>	<b>ISSUED , SUBSCRIBED &amp; FULLY PAID UP CAPITAL</b>		
	41,20,000 Equity Shares of Rs. 10/- each	41,200,000	41,200,000
	<b>Total</b>	<b>41,200,000</b>	<b>41,200,000</b>

#### NOTE:

- The Company has only one class of shares referred to as equity shares having a par value of Rs. 10. Each holder of equity shares is entitled to one vote per share.
- The Company has not declares and dividend during the year.

#### 3 Reconciliation of the Number of shares

Sr. No.	Particulars	As At 31st March, 2013 No. of Shares	As At 31st March, 2012 No. of Shares
	Outstanding at the beginning of the year	4,120,000	4,120,000
	Outstanding at the end of the year	4,120,000	4,120,000

#### 4 Shares held by each shareholder holding more than 5% shares

Promoters' Holding	31st March 2013		31st March 2012	
	% Holding	No. of Shares	% Holding	No. of Shares
Vijendra Kumar Mittal	9.92	408,608	7.87	324,043
Madhu Mittal	11.71	482,526	11.42	470,665
Ansh Mittal	8.31	342,342	8.31	342,342

### NOTE : 4 RESERVE & SURPLUS

Sr. No.	Particulars	As At 31st March, 2013	As At 31st March, 2012
1	General Reserve	-	-
2	Surplus (Profit & Loss Account)	94,314,075	72,124,900
	Balance brought forward from previous year	72,124,900	59,571,743
	Add: Profit for the period after Tax as per Profit & Loss Account	22,189,175	25,441,730
	Less: Appropriations		
	Provisions for Earlier year (Leave encashment)	-	917,398
	Proposed Dividend	-	10,300,000
	Dividend tax	-	1,671,175
	<b>Total</b>	<b>94,314,075</b>	<b>72,124,900</b>



**NOTE : 7 LONG TERM PROVISIONS**

Sr. No.	Particulars	As At 31st March, 2013	As At 31st March, 2012
<b>1</b>	<b>Provision for Employee Benefits</b>		
	Gratuity	6,118,393	5,385,228
	Leave Encashment	1,322,539	1,241,630
	<b>Total in</b>	<b>7,440,932</b>	<b>6,626,858</b>

**NOTE : 8 SHORT TERM BORROWINGS**

Sr. No.	Particulars	As At 31st March, 2013	As At 31st March, 2012
	<b>From Bank</b>		
	Cash Credit	82,232,075	64,585,745
	<b>Total in</b>	<b>82,232,075</b>	<b>64,585,745</b>

Secured By

- i) Hypothecation of Stocks of Raw material, Stocks - In Process & Finished Goods, Plant & Machinery
- ii) Equitable Mortgage of Land, building at Faridabad, Thane & Pune and pledge of Fixed deposits of Rs. 0.997 Crore
- iii) Guaranteed by (5) Directors, Minihyd Hydraulics Pvt. Ltd.

**NOTE : 9 TRADES PAYABLE**

Sr. No.	Particulars	As At 31st March, 2013	As At 31st March, 2012
1	Micro & Small Enterprises	5,943,851	8,168,532
2	Others (Includes Rs. 19,96,478/- for Services, Previous Year Rs. 44,09,777/-)	30,652,763	50,848,474
	<b>Total</b>	<b>36,596,614</b>	<b>59,017,007</b>

**NOTE : 10 OTHER CURRENT LIABILITIES**

Sr. No.	Particulars	As At 31st March, 2013	As At 31st March, 2012
1	Advance From Customers	4,359,945	3,738,381
2	Statutory Liabilities	1,631,431	1,562,652
3	Current Maturities of Long Term Debt		
	From Banks	2,773,806	3,775,451
	From Others	5,825,069	8,290,738
4	Unpaid Dividend	1,587,093	790,980
	<b>Total</b>	<b>16,177,344</b>	<b>18,158,202</b>

**NOTE : 11 SHORT TERM PROVISIONS**

Sr. No.	Particulars	As At 31st March, 2013	As At 31st March, 2012
1	Proposed Dividend	-	10,300,000
2	Tax on Proposed Dividend	-	1,671,175
3	Provision for Taxation	308,191	322,642
4	Others Provisions	4,942,258	3,558,504
	<b>Total</b>	<b>5,250,449</b>	<b>15,852,321</b>



**NOTE : 12 FIXED ASSETS**
**II. FIXED ASSETS**

Sr. No.	Particulars	Rate	Gross Block				Depreciation				Net Block			
			Value at the beginning	Addition during the year	Deduction during the year	Value at the end	Value at the beginning	Addition during the year	Deduction during the year	Value at the end	WDV as on 31.03.2013	WDV as on 31.02.2012		
<b>I</b>	<b>Tangible Assets</b>													
1	Plant and Equipment		26,377,053	6,056,361	-	32,433,414	11,652,686	1,342,690	-	12,995,376	19,438,038	14,724,367		
2	Furnitures & Fixtures		3,446,970	1,574,799	-	5,021,769	1,491,146	264,413	-	1,755,559	3,266,210	1,955,824		
3	Office Equipment		2,128,512	-	-	2,128,512	1,084,145	102,441	-	1,186,586	941,926	1,044,367		
4	Land		21,456,031	825,000	-	22,281,031	-	-	-	-	22,281,031	21,456,031		
5	Buildings		27,892,742	60,497,564	-	88,390,306	3,452,492	1,078,693	-	4,531,185	83,859,121	24,440,250		
6	Tools & Equipments		1,323,078	72,198	-	1,395,276	968,437	63,585	-	1,032,022	363,254	354,641		
7	Electrical Instalation		494,531	219,828	-	714,359	199,141	41,004	-	240,145	474,213	295,389		
8	Vehicles		6,475,471	753,844	437,606	6,791,709	3,328,932	622,680	263,295	3,688,317	3,103,392	3,146,539		
	<b>SUB TOTAL (A)</b>		<b>89,594,388</b>	<b>69,999,594</b>	<b>437,606</b>	<b>159,156,376</b>	<b>22,176,980</b>	<b>3,515,506</b>	<b>263,295</b>	<b>25,429,191</b>	<b>133,727,185</b>	<b>67,417,408</b>		
<b>II</b>	<b>Intangible Assets</b>													
1	GOODWILL		1,500,000	-	-	1,500,000	1,500,000	-	-	1,500,000	-	-		
	Software		500,150	106,086	-	606,236	172,045	89,673	-	261,718	344,518	328,105		
	<b>SUB TOTAL (B)</b>		<b>2,000,150</b>	<b>106,086</b>	<b>-</b>	<b>2,106,236</b>	<b>1,672,045</b>	<b>89,673</b>	<b>-</b>	<b>1,761,718</b>	<b>344,518</b>	<b>328,105</b>		
	<b>Total [A + B ] (Current Year)</b>		<b>91,594,538</b>	<b>70,105,680</b>	<b>437,606</b>	<b>161,262,612</b>	<b>23,849,025</b>	<b>3,605,179</b>	<b>263,295</b>	<b>27,190,909</b>	<b>134,071,703</b>	<b>67,745,513</b>		
	<b>(Previous Year)</b>		<b>89,460,631</b>	<b>6,811,051</b>	<b>4,677,144</b>	<b>91,594,538</b>	<b>22,329,025</b>	<b>3,077,607</b>	<b>1,557,607</b>	<b>23,849,025</b>	<b>67,745,513</b>	<b>67,131,607</b>		

**NOTE : 13 NON CURRENT INVESTMENT**

Sr. No.	Particulars	As At 31st March, 2013	As At 31st March, 2012
	AT COST		
1	Advance for Flat at Noida	5,212,049	3,697,414
2	Shares (Unquoted)	0	0
3	Shares (Quoted)	1,256,420	1,256,420
	<b>Total</b>	<b>6,468,468</b>	<b>4,953,834</b>

**NOTE : 14 LONG TERM LOANS AND ADVANCES**

Sr. No.	Particulars	As At 31st March, 2013	As At 31st March, 2012
	<b>(Unsecured - Considered Good unless otherwise stated)</b>		
I)	Loan to Subsidy	-	-
II)	Security Deposit		
a)	Government Authorities	428,254	394,961
b)	Others	2,013,505	3,310,055
III)	Earnest Money Deposit	278,936	370,906
IV)	Other Loans & Advances	-0	-
	<b>Total</b>	<b>2,720,695</b>	<b>4,075,922</b>

**NOTE :15 CURRENT INVESTMENT**

Sr. No.	Particulars	As At 31st March, 2013	As At 31st March, 2012
	<b>Non Trade</b>		
	Silver (at lower of cost or fair value)	-	1,666,500
	<b>Total</b>	<b>-</b>	<b>1,666,500</b>

**NOTE : 16 INVENTORIES**

Sr. No.	Particulars	As At 31st March, 2013	As At 31st March, 2012
1	Raw Material	12,561,451	31,940,606
2	Work-in-Progress	14,830,359	12,963,937
3	Finished Goods	32,503	-
4	Stock-in-Trade	1,559,671	1,668,322
5	Stores & Spares	95,015	123,940
	<b>Total</b>	<b>29,078,999</b>	<b>46,696,805</b>

**NOTE : 17 TRADE RECIEVABLES**

Sr. No.	Particulars	As At 31st March, 2013	As At 31st March, 2012
	(Unsecured, Considered Good )		
1	Outstanding for a period exceeding six months from due date "(Excluding Rs. 0 Provision for doubtful debts. Previous Year "Rs. 3,39,657/-)"	10,486,639	4,548,302
2	Others	70,502,582	86,295,444
	<b>Total</b>	<b>80,989,221</b>	<b>90,843,746</b>

**NOTE : 18 CASH & CASH EQUIVALENT**

Sr. No.	Particulars	As At 31st March, 2013	As At 31st March, 2012
<b>1</b>	<b>Cash &amp; Cash Equivalnts</b>		
	Cash on Hand	278,323	733,152
	Balance with Banks		
	In Current Accounts	8,402,878	12,878,109
	In Dividend Accounts	1,587,093	790,980
<b>2</b>	<b>Other bank Balance</b>		
	Term Deposits (Margin Money) ^	9,971,160	9,971,160
	Term Deposits (Others) Less than 1 year maturity	37,002,013	28,153,000
	<b>Total [ A + B + C ]</b>	<b>57,241,467</b>	<b>52,526,401</b>

**NOTE:**

^ Fixed deposits under lean marked in favour of the bank for CC limits & bank guarantee which are not available for use of the company

**NOTE :19 SHORT TERMS LOANS AND ADVANCES**

Sr. No.	Particulars	As At 31st March, 2013	As At 31st March, 2012
	(Unsecured, Considered Good)		
1	Tax Payment (Net of Provisions)	176,346	52,181
2	Taxes and Duties Recoverable / Adjustable	3,351,498	5,461,340
3	Prepaid Expenses	121,607	108,398
4	Other Advances	3,957,147	2,863,077
	<b>Total</b>	<b>7,606,598</b>	<b>8,484,996</b>

**NOTE :20 OTHER CURRENT ASSETS**

Sr. No.	Particulars	As At 31st March, 2013	As At 31st March, 2012
1	Pre-Operative Expenses	-	1,964,621
2.	Interest Accrued on Fixed Deposits	1,803,810	846,545
	<b>Total</b>	<b>1,803,810</b>	<b>2,811,166</b>

**NOTE: 21 REVENUE FROM OPERATIONS**

Sr. No.	Particulars	As At 31st March, 2013	As At 31st March, 2012
1	Sales	330,391,790	353,090,545
2	Instalation & Erection	2,018,949	2,247,222
3	Traded Goods	-	500,004
	<b>Total</b>	<b>332,410,738</b>	<b>355,837,772</b>

**NOTE: 22 OTHER INCOME**

Sr. No.	Particulars	As At 31st March, 2013	As At 31st March, 2012
1	Interest on FDR's	3,839,462	3,375,263
2	Provision for Doubtful Debt W/Back	339,658	-
3	Dividend (On Current Investments)	15,537	8,483
4	Misc. Income	85,508	144,070
5	Profit on sales of Fixed Assets	-	2,885,433
6	Profit on Sale of Investments	43,500	-
	<b>Total</b>	<b>4,323,665</b>	<b>6,413,249</b>

**NOTE : 23 CHANGE IN INVENTORIES**

Sr. No.	Particulars	As At 31st March, 2013	As At 31st March, 2012
1	Opening Stock		
	Work in progress	12,963,937	11,888,842
	Finished Goods	-	-
	Traded Goods	1,668,322	2,405,118
		<u>14,632,259</u>	<u>14,293,960</u>
2	<b>Closing Stock</b>		
	Work in progress	14,830,359	12,963,937
	Finished Goods	32,503	-
	Traded Goods	1,559,671	1,668,322
		<u>16,422,533</u>	<u>14,632,259</u>
	<b>(Increase)/ Decrease</b>	<u>(1,790,274)</u>	<u>(338,299)</u>

**NOTE : 24 EMPLOYEMENT BENEFIT EXPENSES**

Sr. No.	Particulars	As At 31st March, 2013	As At 31st March, 2012
	(Refer Note No.41 On Employee Benefits)		
1	Salary, Wages, Bonus & leave Encashment	40,791,446	38,470,883
2	Gratuity	905,202	1,196,967
3	Contribution to Provident and Other Funds	2,413,627	2,238,516
4	Staff Welfare Expenses	1,400,080	1,501,593
	<b>Total</b>	<b>45,510,355</b>	<b>43,407,959</b>

**SCHEDULE :25 FINANCIAL COST**

Sr. No.	Particulars	As At 31st March, 2013	As At 31st March, 2012
1	Bank Charges	706,790	1,314,744
2	Interest on Term loan	2,442,834	3,325,049
3	Interest on Other loans	10,897,270	7,082,414
	<b>Total</b>	<b>14,046,894</b>	<b>11,722,208</b>

**NOTE : 26 OTHER ADMINISTRATIVE EXPENSES**

Sr. No.	Particulars	As At 31st March, 2013	As At 31st March, 2012
1	Stores & Consumables	11,462,470	12,636,731
2	Power & Fuel	3,602,488	2,773,142
3	Processing Charges	2,831,556	3,344,861
4	Rates & Taxes	158,315	98,370
5	Rent	6,018,441	6,520,212
6	Travelling & Conveyance	5,108,162	4,804,145
<b>Repair &amp; Maint</b>			
7	Plant & Machinery	366,598	250,751
8	Building	326,452	208,899
9	Others	476,310	691,383
10	Misc. Expenses	7,184,934	7,158,708
11	Communication Exp.	1,230,899	1,291,449
12	Selling Expenses	4,258,848	2,752,092
13	Sales Commission	1,125,830	909,287
14	Insurance Charges	224,415	215,176
15	Bad Debts	638,244	92,690
16	Freight Outwad	4,220,132	3,106,834
17	Directors Sitting Fee	72,000	70,000
18	Auditors Remuneration	428,090	328,090
19	Loss on sale of Fixed Assets	39,311	19,970
<b>Total</b>		<b>49,773,496</b>	<b>47,272,790</b>

**27 Contigent liability not provided for:-**

- a) In respect of Bank Guarantees given by Bank for Rs. 106.49 Lacs (previous year Rs.123.38 Lacs).
- b) Corporate Guarantee given to SIDBI in favour of a subsidiary M/s Ganpatii Handtex Pvt. Ltd. Rs. 485 Lacs (Pr. Year 485 Lacs)

28 Auditors Remuneration	Year ended 31.3.2013	Year ended 31.3.2012
Audit fees	322,472	247,472
Tax Audit Fees	105,618	80,618
	<u>428,090</u>	<u>328,090</u>

29 As required by Accounting Standard (AS 28)"impairment of Assets", the management has carried out the assessment of impairment of assets and no impairment loss has been recognised during the year other than the assets discarded/ dismantled and written off to Profit and loss account

30 Expenditure in foreign currency :-	Current Year	Previous Year
Travelling	195,188	-
Others (Bording Expenses)	101,832	119,718
	<u>297,020</u>	<u>119,718</u>

31 Previous year figures have been regrouped/rearranged wherever considered necessary.

**32 Balance Confirmations:**

Sundry Debtors, Loans & Advances and Creditors balances are subject to confirmation, reconciliation and consequent adjustment, if any

**33 Segment Reporting**

The Company's operating business is organised and managed according to a single primary reportable business segment namely ' Lubrication systems ". Accordingly, information relating to segmental reporting as per Accounting Standard-17 is not required to be furnished.

**34 Related Party Disclosures:**

Related party disclosures as required by AS-18 " Related Party Disclosures " are given below:-

1. Relationship

- (i) Joint Venture/Joint Control & Associates NIL
- (ii) Key management personnel :-
- a.) Mr. V.K.MITTAL - Managing Director
- b.) Mr. V.K.GUPTA - Whole Time Director
- c.) Mr. AMAN MITTAL - Whole Time Director
- d.) Mrs. MADHU MITTAL - Whole Time Director
- e.) Mr. ANSH MITTAL - Whole Time Director

Relatives of key management personnel ( With whom transactions have taken place ) :- None

- (iv) Other related parties :- Minihyd Hydraulics Ltd

2.The following transactions were carried out with related parties in the ordinary course of business:- (Rs. In Lacs)

PARTICULARS	KEY MANAGEMENT PERSONNEL	RELATIVES OF KEY MGMT. PERSONNEL	OTHERS		TOTAL
<b>Purchase of goods</b>					
Minihyd Hydraulics Ltd.			215.67		215.67
<b>Salary</b>					
-- Mr. V.K.MITTAL	30.00				
-- MADHU MITTAL	8.40	----		----	
-- Mr. V.K.GUPTA	8.40				
-- Mr. AMAN MITTAL	12.00				
-- Mr. ANSH MITTAL	12.00			-	70.80
<b>Rent</b>					
-- Mr. AMAN MITTAL	2.10				
-- Mr. ANSH MITTAL	2.10	0.00	----		
-- Ganpati Handtex Pvt. Ltd.				9.00	13.20
<b>Contribution to PF</b>					
-- Mr. V.K.MITTAL	3.60				
-- MADHU MITTAL	0.67	----		----	
-- Mr. V.K.GUPTA	0.67				
-- Mr. AMAN MITTAL	1.44				
-- Mr. ANSH MITTAL	0.94				7.32
BALANCES AS AT 31.03.13					
<b>Creditors</b>				----	-
Minihyd hydraulics Ltd.				28.95	28.95

NOTE :-

1. Related party relationship is as identified and certified by the Management.
2. No amount has been provided as doubtful debts, written off or written back in the year in respect of debts due to above related parties.

### 35. Earning per share (EPS)

Earning per share has been computed as follows:-

(Value in Rupees)

	Year ended 31.03.13	Year ended 31.03.12
Net Profit/(Loss) attributable to Shareholders	22,189,175	25,441,730
Effect of Dilutive Securities	-	-
Diluted income available to Equity Shareholders	<u>22,189,175</u>	<u>25,441,730</u>
Weighted average shares outstanding	4,120,000	4,120,000
Effect of Dilutive Securities	-	-
Diluted weighted average shares outstanding	<u>4,120,000</u>	<u>4,120,000</u>
Nominal value of Equity shares	10	10
Basic earnings per share	5.39	6.18
Diluted earnings per share	5.39	6.18

### 36 Employee Benefits

Provision for Gratuity & Leave encashment has been made by management's own calculation & not by Actuary valuation which is not in conformity with Accounting Standard No. 15.

37 No Interest has been paid/ provided on credit from Micro, Smal & Medium enterprises as no amount was overdue at any time.

As per our report of even date

**SATISH SINGLA & CO.**  
(Chartered Accountants)

**CA SATISH SINGLA**  
(Proprietor)  
Membership No.: 080836  
Firm Reg. No.: 000882N  
Place : Faridabad  
Date : 30-05-2013

**FOR CENLUB INDUSTRIES LIMITED**

**VIJENDRA KUMAR MITTAL**  
MANAGING DIRECTOR

**VIRENDRA KUMAR GUPTA**  
DIRECTOR

**MADHU MITTAL**  
DIRECTOR





## ATTENDANCE SLIP

### CENLUB INDUSTRIES LIMITED

**Registered Office :** Plot No. 233 & 234, Sector-58, Faridabad-121004 (Haryana)

<b>NAME OF THE MEMBER / PROXY*</b>			
<b>DPID / CLIENT ID**</b>		<b>No. of Shares held</b>	
<b>FOLIO NO.</b>			

I hereby record my presence at the Twenty-First Annual General Meeting held at the Agarwal Sewa Sadan, D-48, Sector-11, Faridabad, Haryana, India, on Saturday, September 28, 2013 at 9.00 a.m. (I.S.T.)

SIGNATURE OF THE MEMBER/PROXY\*

\*Strike out whichever is not applicable.

\*\* Applicable for Members holding shares in Dematerialised form.

**Note :** Please handover this slip at the entrance of the Meeting Venue.

## PROXY FORM

### CENLUB INDUSTRIES LIMITED

**Registered Office :** Plot No. 233 & 234, Sector-58, Faridabad-121004 (Haryana)

I/We \_\_\_\_\_ of \_\_\_\_\_

being a Member(s) of Cenlub Industries Limited, Faridabad,

hereby appoint \_\_\_\_\_ of \_\_\_\_\_

falling him/her \_\_\_\_\_ of \_\_\_\_\_

or, falling him/her \_\_\_\_\_ of \_\_\_\_\_

as my/our Proxy to attend and vote for me/us and on my/our behalf at the Twenty-First Annual General Meeting to be held on Saturday, September 28, 2013 at 9.00 a.m. (I.S.T.) and at any adjournment thereof.

<b>DPID / CLIENT ID**</b>		<b>No. of Shares held</b>	
<b>FOLIO NO.</b>			

Please  
Affixe  
Revenue  
Stampe

\*Applicable for Members holding shares in Dematerialised form.

**NOTE :** The Proxy must be deposited at the Registered Office of the Company not less than 48 hours before the time fixed for the meeting.





September 5, 2013

DCS-CRD  
BSE Limited  
Phiroze Jeejeebhoy Towers  
Dalal Street  
Mumbai- 400001

Fax No-022-2723354

Dear Sir/Madam

Ref.: Scrip Code No.522251

Sub.: Form A pursuant to SEBI circular no. CIR/CFD/DIL/7/2012 dated 13.08.2012

With reference to the above, following is the information as required in Form A:

1.	Name of the Company	Cenlub Industries Limited
2.	Annual Financial Statements for the year ended	31 <sup>st</sup> March, 2013
3.	Type of Audit observation	Un-qualified
4.	Frequency of observation	Not applicable

The above is for your kind information and record.

For Cenlub Industries Limited

  
V.K.Mittal  
Managing Director & CEO

  
Dinesh Kaushal  
Chairman of the Audit Committee

  
V.K.Gupta  
Chief Financial Officer/Director

For Satish Singla & Co.

Chartered Accountants

Firm Registration No-000882N

  
Satish Singla  
(Proprietor)  
  
M.No-80836

**ENGINEERS OF CENTRALISED LUBRICATION SYSTEM**

**SALES & SERVICE OFFICES :**

BANGALORE : 09845025144    CHANDIGARH : 09711107357    CHENNAI : 09841295967    COIMBATORE : 09843269053  
HYDERABAD : 09849164156    JAMSHEDPUR : 09431472664    MUMBAI : 09323992597    PUNE : 09325636845  
RAJKOT : 09313872253    VISHAKHAPATNAM : 09000252288

REGD. OFFICE : FARIDABAD : 35, DLF Industrial Estate - 1, Faridabad; Tel. : 0129-4113701 - 704; Telefax : 2275484, 2260524  
UNIT-II : 45-B, 2nd Phase, Peenya Industrial Area, BANGALORE-560 058; TEL.: +91-80-65584624, 28374704, TELEFAX : +91-80-28374704  
UNIT-III : G-2116-2117/A, Near Kadvani Forge, Gate No. 3, G.I.D.C., Metoda, RAJKOT-360 021; M: 09725654006