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Website : www.cenlub.in  
CIN : L67120HR1992PLC035087

( Regd. Office-cum-Unit - I )

**CENLUB INDUSTRIES LTD.**  
(Machine Lub. Division)  
Plot No. 233-234, Sector-58, Ballabgarh  
Faridabad - 121 004, Haryana, India

Ref:CIL/AR/25/SECT:-17

05.10.2017

THE SECRETARY,  
BOMBAY STOCK EXCHANGE LIMITED  
DEPARTMENT OF CORPORATE SERVICES  
PHIROZE JEEJEEBHOY TOWERS  
DALAL STREET,  
MUMBAI-400 001

Our Scrip Code No.522251

**Sub: Annual Report for the Financial Year 2016-17.**

Dear Sir,

In compliance of Regulation 34 (1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find attached herewith annual report for the financial year 2016-17, duly approved and adopted by the shareholders at the 25<sup>th</sup> Annual General Meeting of the Company held on September 23, 2017.

This is for your information and further dissemination.

Thanking you

Yours faithfully  
For Cenlub Industries Limited

  
(V.K. Mittal)  
Managing Director  
Din:00006398

Encl: As above

## ENGINEERS OF CENTRALISED LUBRICATION SYSTEM

### SALES & SERVICE OFFICES :

BANGALORE : 09845025144	BHOPAL : 07879457701	CHANDIGARH : 09711107357	CHENNAI : 09841295967
COIMBATORE : 09843269053	DHANBAD : 09431376028	HYDERABAD : 09849164156	JAMSHEDPUR : 09431472664
KOLHAPUR : 09960426926	KOLKATA : 09831006150	MUMBAI : 09323992597	PUNE : 08484990060
RAJKOT : 09313872253	VISHAKHAPATNAM : 09000252288		

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

# EXISTING FOR LAST 40 YEARS



25th ANNUAL REPORT  
**2016 - 2017**

# **CORPORATE** Information

**BANKERS**

HDFC Bank Limited

**AUDITORS****SINGLA TAYAL & CO.**  
Chartered Accountants**COMPANY SECRETARY****KOMAL GUPTA****REGISTERED OFFICE :**

Plot No- 233 & 234 , Sector-58,  
Ballabgarh, Faridabad – 121 004(Haryana)  
Ph: 91-8826794470-73  
Fax : +91-129-2307263  
E mail : cenlub@ceclub.in  
Website : www.cenlub.in

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**AGM-2017**

**DATE : 23.9.2017**  
**DAY : Saturday**  
**TIME : 9:30 A.M.**

**VENUE**

**AGARWAL SEWA SADAN**  
**D-48, SECTOR-11,**  
**FARIDABAD 121006**  
**(HARYANA ) INDIA**

## BOARD of directors



**Vijendra Kumar Mittal**  
Chairman and Managing Director



**Virendra Kumar Gupta**  
Executive Director



**Madhu Mittal**  
Executive Director



**Aman Mittal**  
Executive Director



**Ansh Mittal**  
Executive Director



**Dinesh Kaushal**  
Director



**K.G. Gupta**  
Director



**O.P. Verma**  
Director



**Ashok Kumar Agarwal**  
Director



**Sujata Arora**  
Director

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## Chairman's Letter

### CHAIRMAN-CUM MANAGING DIRECTOR'S ADDRESS TO SHARE HOLDERS



*I convey my sincere thanks to all share holders, employees as well as board members for having faith in the company and giving support from time to time. I expect the same spirit in the future too to achieve greater heights in coming years.*

*As you are well aware that after amalgamation of our company with two subsidiaries, we expect better yields both in terms of top line as well as in bottom line. This process shall take some time. We expect to get approval of this amalgamation from Hon'ble High Court of Chandigarh in near future. Apart from supplying machine tools lubricators with more than 90% market share, gradually your company entering to supply lubrication system to power plants with higher market share. Now, Vehicle lubrication is a new venture for us.*

*As regards GST, we expect good business, particularly from MNCs and big companies. However, very small company where there is still a dilemma and uncertainty to have smooth rolling.*

*In the coming year our vision is to become a trust worthy, innovative company for supply of lubrication system manufacturing. This is possible with the hard work of our Managers, Staff and Workers.*

*I am quite optimistic to achieve this milestone with all your support and heartedly thankful and grateful to them.*

*With warm regards*

**V.K. MITTAL**

**Chairman-Cum-Managing Director**

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## NOTICE

Notice is hereby given that the 25<sup>th</sup> (Twenty- fifth) Annual General Meeting ("AGM") of the Members of **Cenlub Industries Limited** will be held on Saturday, **September 23<sup>rd</sup>, 2017 at 9.30 a.m (I.S.T)** at Agarwal Sewa Sadan, D-48, Sector-11, Faridabad (Haryana ) 121006 to transact the following business:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the Financial Year ended March 31<sup>st</sup>, 2017 together with the reports of the Board of Directors' and Auditors' thereon and the Audited consolidated Financial Statements of the Company for the Financial Year ended March 31<sup>st</sup>, 2017 and the report of the Auditors thereon.
2. To Appoint a director in the place of **Shri Aman Mittal** (DIN 00006435), who retires by rotation and being eligible, offers himself for re-appointment.
3. To Appoint a director in place of **Smt. Madhu Mittal** (DIN 00006418), who retires by rotation and being eligible offers himself for re-appointment.
4. To Appoint Statutory Auditors of the Company, to fix their remuneration and to pass the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Section 139 read with Rule 3 of the Companies (Audit and Auditors) Rules, 2014 and pursuant to the recommendations of the Audit Committee, M/s Sanmarks & Associates, Chartered Accountants (Firm Registration No. 003343N) be and are hereby appointed as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting ( AGM) until the conclusion of the Sixth consecutive AGM of the Company ( subject to ratification by members at every AGM held after this AGM) at such remuneration (including fees for certification) and reimbursement of out of pocket expenses as may be recommended by the Audit Committee and approved by the Board of Directors of the Company from time to time."

### SPECIAL BUSINESS:

#### 5. TO FIX REMUNERATION OF COST AUDITOR OF THE COMPANY

To appoint and fix the remuneration of Cost Auditors of the Company and to pass the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, M/ s. Ritu Gupta & Associates , Cost Accountants appointed as Cost Auditors by the Board of Directors of the Company for the Financial Year 2017-18, the members do hereby confirm and

ratify the remuneration approved by the Board of Directors on the recommendations of the Audit Committee of Rs.60,000/- (Rupees sixty thousand only) plus applicable Goods and service tax/any other tax as applicable and out of pocket expenses, as may be incurred during the performance of such audit.

**"RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

#### 6. RE-APPOINTMENT OF SHRI VIRENDRA KUMAR GUPTA AS WHOLE TIME DIRECTOR :

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

**"RESOLVED THAT** pursuant to the provisions of Sections 196,197, 203 and all applicable provisions of the Companies Act, 2013 read with Schedule V and the Companies ( Appointment and Remuneration of Managerial Personnel ) Rules ,2014 (including any statutory modification(s) or re – enactment(s) thereof for the time being in force), Consent of the Company be and s hereby accorded to the re-appointment of Shri Virendra Kumar Gupta (DIN: 00006461) as Whole Time Director , Executive Director of the Company for a period of 3 years with effect from 1<sup>st</sup> August 2017 ,liable to retire by rotation , on the following terms and conditions including remuneration :

##### I. Salary:

Salary of Rs. 1,00,000/- Per month (Rupees One Lakh only).

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

##### II Perquisites :

Perquisites will be added to salary and will be subject to the condition that the monetary value of those under Part A shall be restricted to an amount equal to the annual salary.

##### Part-A

###### Housing I :

The expenditure incurred by the Company on hiring unfurnished accommodation will be subject to the ceiling of 50% of salary.

###### 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 subject to the ceiling laid down in housing I .

**Explanation:**

The expenditure incurred by the Company on gas, electricity, water and furnishings will be valued as per the Income Tax Rules, 1962. This will, however, be subject to a ceiling prescribed under the Rules.

**2. Medical reimbursement:**

As per the rules of the Company.

**3. Leave travel concession:**

For self and family once in a year subject to a maximum of one month's salary.

**4. Club fees:**

Fees of clubs subject to a maximum of two clubs, admission and life membership fees not being allowed.

**5. Personal accident insurance:**

Premium for 60 months basic salary, as per the prevailing rates.

**6. Mediclaim Policy:**

Premium, as per the amount allowed under IT Rules per annum for self and family.

**PART – B**

Contribution to Provident Fund, Superannuation Fund, Annuity Fund, Gratuity 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.

**PART – C**

Provision of (i) car with driver, and (ii) telephone at residence. Personal long distance calls on telephone, and use of car for private purpose, shall be billed by the Company to the Executive Director .”

**“RESOLVED FURTHER THAT** that in the event of loss or inadequacy of profits of the company in any financial year, the above stated remuneration shall be considered as minimum remuneration to be paid to the Executive Director, subject to the maximum limits prescribed under Part ii Schedule V to the Companies Act, 2013 or any statutory modification(s) or re-enactment(s) thereof or relaxation granted there under.”

**“RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to increase, vary or amend the remuneration and other terms of the appointment from time to time provided that such revised remuneration shall also be conformity with Part II of Schedule V to the Companies Act, 2013 or any statutory modification(s) or re-enactment(s) thereof or relaxation granted there under.”

**7. REMUNERATION OF SHRI. VIJENDRA KUMAR MITTAL , MANAGING DIRECTOR OF THE COMPANY:**

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 Section 196, 197 of the Companies Act, 2013 and all other applicable

provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof for the time being in force) subject to such other consents, approvals and permissions if any needed, remuneration of Shri. Vijendra Kumar Mittal , Managing Director be and is hereby revised on the terms and conditions hereinafter mentioned with effect from 1<sup>st</sup> October, 2016 for the remaining period.

Consolidated Salary : Upto a Maximum of Rs. 42.00/-Lakhs p.a. which includes the variable pay and perquisites, with the authority to Board to fix the salary within the said maximum amount from time to time.

Benefits over annual CTC: Long Term Incentive, Accident Insurance Coverage, Medical Insurance Coverage, Life time Insurance Coverage and Gratuity: as per company policy.

**“RESOLVED FURTHER THAT** pursuant to provisions of the Section 197 of the Companies Act, 2013 read with Schedule V to the Companies Act, 2013 the revised remuneration of Shri. Vijendra Kumar Mittal , Managing Director is hereby confirmed that it is well within the prescribed limit mentioned in the said section.

**“RESOLVED FURTHER THAT** all the Directors of the Company be and are hereby severally authorized to file necessary forms with the Registrar of Companies, Delhi and Haryana and to do or cause to do such other acts, deeds and things as may be considered necessary in connection with or incidental to the above.”

**OTHER TERMS AND CONDITIONS:**

No sitting fees will be paid to the Managing Director for attending meeting of the Board of Directors or any committee thereof.

**8. REMUNERATION OF SMT . MADHU MITTAL, EXECUTIVE DIRECTOR OF THE COMPANY:**

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 Section 196 ,197 of the Companies Act, 2013 and all other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof for the time being in force) subject to such other consents, approvals and permissions if any needed, remuneration of Smt. Madhu Mittal , Executive Director be and is hereby revised on the terms and conditions hereinafter mentioned with effect from 1<sup>st</sup> October, 2016 for the remaining period.

Consolidated Salary : Upto a Maximum of Rs. 12.00/-Lakhs p.a. which includes the variable pay and perquisites, with the authority to Board to fix the salary within the said maximum amount from time to time.



Benefits over annual CTC: Long Term Incentive, Accident Insurance Coverage, Medical Insurance Coverage, Life time Insurance Coverage and Gratuity: as per company policy.

**"RESOLVED FURTHER THAT** pursuant to provisions of the Section 197 of the Companies Act,2013 read with Schedule V to the Companies Act,2013 the revised remuneration of Smt. Madhu Mittal , Executive Director is hereby confirmed that it is well within the prescribed limit mentioned in the said section.

**"RESOLVED FURTHER THAT** all the Directors of the Company be and are hereby severally authorized to file necessary forms with the Registrar of Companies, Delhi and Haryana and to do or cause to do such other acts, deeds and things as may be considered necessary in connection with or incidental to the above."

**OTHER TERMS AND CONDITIONS:**

No sitting fees will be paid to the Whole Time Director for attending meeting of the Board of Directors or any committee thereof.

**9. REMUNERATION OF SHRI AMAN MITTAL , EXECUTIVE DIRECTOR OF THE COMPANY:**

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 196,197 of the Companies Act, 2013 and all other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment there of for the time being in force) subject to such other consents, approvals and permissions if any needed, remuneration of Shri Aman Mittal , Executive Director be and is hereby revised on the terms and conditions hereinafter mentioned with effect from 1<sup>st</sup> October, 2016 for the remaining period.

Consolidated Salary :Upto a Maximum of Rs. 24.00/-Lakhs p.a. which includes the variable pay and perquisites, with the authority to Board to fix the salary within the said maximum amount from time to time.

Benefits over annual CTC: Long Term Incentive, Accident Insurance Coverage, Medical Insurance Coverage, Life time Insurance Coverage and Gratuity: as per company policy.

**"RESOLVED FURTHER THAT** pursuant to provisions of the Section 197 of the Companies Act,2013 read with Schedule V to the Companies Act,2013 the revised remuneration of Shri Aman Mittal , Executive Director is hereby confirmed that it is well within the prescribed limit mentioned in the said section.

**"RESOLVED FURTHER THAT** all the Directors of the Company be and are hereby severally authorized to file necessary forms with the Registrar of Companies, Delhi and Haryana and to do or cause to do such other acts, deeds and things as may be

considered necessary in connection with or incidental to the above."

**OTHER TERMS AND CONDITIONS:**

No sitting fees will be paid to the Whole Time Director for attending meeting of the Board of Directors or any committee thereof.

**10. REMUNERATION OF SHRI ANSH MITTAL , EXECUTIVE DIRECTOR OF THE COMPANY:**

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 Section 196 , 197 of the Companies Act, 2013 and all other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment there of for the time being in force) subject to such other consents, approvals and permissions if any needed, remuneration of Shri Ansh Mittal , Executive Director be and is hereby revised on the terms and conditions hereinafter mentioned with effect from 1<sup>st</sup> October, 2016 for the remaining period.

Consolidated Salary :Upto a Maximum of Rs. 24.00/-Lakhs p.a. which includes the variable pay and perquisites, with the authority to Board to fix the salary within the said maximum amount from time to time.

Benefits over annual CTC: Long Term Incentive, Accident Insurance Coverage, Medical Insurance Coverage, Life time Insurance Coverage and Gratuity: as per company policy.

**"RESOLVED FURTHER THAT** pursuant to provisions of the Section 197 of the Companies Act,2013 read with Schedule V to the Companies Act,2013 the revised remuneration of Shri Ansh Mittal , Executive Director is hereby confirmed that it is well within the prescribed limit mentioned in the said section.

**"RESOLVED FURTHER THAT** all the Directors of the Company be and are hereby severally authorized to file necessary forms with the Registrar of Companies, Delhi and Haryana and to do or cause to do such other acts, deeds and things as may be considered necessary in connection with or incidental to the above."

**OTHER TERMS AND CONDITIONS:**

No sitting fees will be paid to the Whole time Director for attending meeting of the Board of Directors or any committee thereof.

**11. REMUNERATION OF SHRI VIRENDRA KUMAR GUPTA , EXECUTIVE DIRECTOR OF THE COMPANY:**

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 Section 196, 197 of the Companies Act, 2013 and all other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment there of for the time being in force) subject to such other consents, approvals and permissions if any needed, remuneration of Shri Virendra Kumar Gupta , Executive Director be and is hereby revised on the terms and conditions hereinafter mentioned with effect from 1<sup>st</sup> October, 2016 for the remaining period.

Consolidated Salary : Upto a Maximum of Rs. 12.00/-Lakhs p.a. which includes the variable pay and perquisites, with the authority to Board to fix the salary within the said maximum amount from time to time.

Benefits over annual CTC: Long Term Incentive, Accident Insurance Coverage, Medical Insurance Coverage, Life time Insurance Coverage and Gratuity: as per company policy.

**"RESOLVED FURTHER THAT** pursuant to provisions of the Section 197 of the Companies Act,2013 read with Schedule V to the Companies Act,2013 the revised remuneration of Shri Virendra Kumar Gupta , Executive Director is hereby confirmed that it is well within the prescribed limit mentioned in the said section.

**"RESOLVED FURTHER THAT** all the Directors of the Company be and are hereby severally authorized to file necessary forms with the Registrar of Companies, Delhi and Haryana and to do or cause to do such other acts, deeds and things as may be considered necessary in connection with or incidental to the above."

**OTHER TERMS AND CONDITIONS:**

No sitting fees will be paid to the Whole Time Director for attending meeting of the Board of Directors or any committee thereof.

Place : Faridabad            ON BEHALF OF THE BOARD OF DIRECTORS  
Date : 11th August 2017        FOR CENLUB INDUSTRIES LIMITED

**Vijendra Kumar Mittal**  
Managing Director  
DIN: 00006398

**Virendra Kumar Gupta**  
Whole time Director  
DIN: 00006461

**NOTES:**

- 1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND ON A POLL TO VOTE INSTEAD OF HIMSELF. SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING. A PERSON CAN ACT AS A PROXY ON BEHALF OF MEMBERS NOT**

**EXCEEDING FIFTY AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY. A MEMBER HOLDING MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS PROXY FOR ANY OTHER PERSON OR SHAREHOLDER.**

- 2.** The Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013, in respect of the special business under item Nos. 5 to 11 of the notice is annexed herewith.
- 3.** Relevant documents referred to in the accompanying Notice and the Statement pursuant to Section 102 of the Act, shall be available for inspection at the Registered Office and the copies thereof at the Registered Office of the Company during normal business hours (between 11.00 A.M. to 1.00 P.M.) on all working days upto 22<sup>nd</sup> September 2017 and also at the venue of the Meeting.
- 4.** The Register of Members and the Share Transfer Books of the Company will remain closed from 15<sup>th</sup> September to 23<sup>rd</sup> September, 2017 (both days inclusive).
- 5.** In furtherance of the Go Green Initiative of the Government, electronic copy of the Annual Report for 2016-17, the Notice of the 25th AGM of the Company along with Admission Slip and Proxy Form are being sent to all the members whose email addresses are registered with the Company/Depository Participants (Physical copy of the aforesaid documents may be sent on request by any such Member).
- 6.** Physical copy of the Annual Report for 2016-17, the Notice of the 25th AGM of the Company along with Admission Slip and Proxy Form are being sent to those members who have not registered their email addresses with the Company/Depository Participants. The Annual Report for 2016-17 and the Notice of the 25th AGM will also be available on the Company's website [www.cenlub.in](http://www.cenlub.in).
- 7. Members who have not registered their email addresses so far are requested to register their e-mail addresses for receiving all communications including Annual Report, Notices, Circulars, etc. from the Company electronically. Any such member may use registration form attached with this Notice.**
- 8. Unclaimed Dividend:**  
Dividends unclaimed and unpaid for over 7 years will be transferred to the Investor Education and Protection Fund. Further, shares of such shareholders, who have not encashed any dividend warrant/instrument during the last 7 years, will be transferred to the Investor Education and Protection Fund.  
Therefore, Please refer to the company website ([www.cenlub.in](http://www.cenlub.in)) for the list of unclaimed and unpaid dividend warrant(s)/ instrument(s). Shareholders, who have not so far en-cashed

the dividend warrant(s)/ instrument(s), are requested to seek revalidation of expired and unclaimed dividend warrant(s)/ instrument(s).

Information in respect of unclaimed dividend and the last date for claiming the same are given below:

Dividend for the Year	Date of declaration	Last date of claiming
2010-11Final	31.08.2011	30.09.2018
2011-12Final	05.09.2012	05.10.2019

9. The Securities and Exchange Board of India (SEBI) has made it mandatory for every participant in the securities / capital market to furnish Income Tax Permanent Account Number (PAN) for transactions involving transfer of shares. Therefore, members holding shares in physical form are requested to furnish their PAN along with self-attested photocopy of PAN Card to the STA. Members holding shares in demat form are requested to register the details of their PAN with their DPs.
10. As per the provisions of the Act, the facility for making /varying/ cancelling nominations is available to individuals holding shares in the Company. Nominations can be made in Form SH-13 and any variation /cancellation thereof can be made by giving notice in Form SH-14, prescribed under the Companies (Share Capital and Debentures) Rules, 2014 for the purpose. The Forms can be obtained from the Share Department of the Company /Registrar and Share Transfer Agent or from the Website of the Ministry of Corporate Affairs at [www.mca.gov.in](http://www.mca.gov.in).
11. In terms of Section 101 and 136 of the Act, read together with the Rules made there under, the Listed Companies may send the notice of Annual General Meeting and the Annual Report, including Financial Statements, Board Report, etc. by electronic mode. The Company is accordingly forwarding copies of the above referred documents to all those members who have registered their email ids with their respective DPs or with the STA by electronic mode.
12. The Company has designated an exclusive e-mail ID viz. [investors@cenlub.in](mailto:investors@cenlub.in) to enable the investors to post their grievance, if any, and monitor its redressal.
13. As regards the re-appointment of retiring directors viz. Shri Aman Mittal and Smt Madhu Mittal referred to in item No. 2 & 3 of the Notice, their brief resumes, as per the requirements of Regulation 36(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR, 2015") and paragraph 1.2.5 of Secretarial Standard-2 on General Meetings, are provided in "Details of Directors seeking Appointment/ Reappointment at the Annual General Meeting" annexed herewith as **Annexure I**.
14. The members who did not exercise their vote by E-Voting shall have an option to cast their vote on poll that will be conducted at the AGM Venue. Further there shall not be any voting through Show of Hands.

15. The Company has appointed Ms. Apoorva Singh, Practicing Company Secretary as the Scrutinizer for conducting the electronic voting process in a fair and transparent manner.
  16. The Scrutinizer shall, immediately after the conclusion of the e-voting period, unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make not later than three(3) days of conclusion of the meeting, a consolidated Scrutinizer's Report of the votes cast in favour or against , if any forthwith to the Chairman of the Company, who shall counter-sign the same .
  17. The result shall be declared at or after the Annual General Meeting of the Company . The result declared along with the Scrutinizer's Report shall be placed on the Company's website [www.cenlub.in](http://www.cenlub.in) immediately after the result is declared by the Chairman and communicated to BSE Limited.
  18. Route map for directions to the venue of the meeting is provided in the Annual Report.
  19. For more details on shareholders' matters, please refer to the section on Shareholders' Information, included in the Report on Corporate Governance forming part of the Directors' Report.
  20. **Voting through electronic means(E-voting) :**  
In terms of the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended (hereinafter called 'the Rules' for the purpose of this section of the Notice) and Regulation 44 of SEBI LODR, 2015, the Company is providing facility to exercise votes on the items of business given in the Notice through electronic voting system, to members holding shares as on 16<sup>th</sup> September, 2017 (End of Day) being the cut-off date for the purpose of Rule 20(4)(vii) of the Rules fixed for determining voting rights of members, entitled to participate in the remote e-voting process, through the e-voting platform provided by Beetal or to vote at the Annual General Meeting. Person who is not a member as on the cut-off date should treat this Notice for information purpose only.
- The instructions for shareholders voting electronically are as under:**
- (i) The voting period begins on 20<sup>th</sup> September 2017 on 9:00 am and ends on 22<sup>nd</sup> September 2017 on 5:00 pm. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 16<sup>th</sup> September 2017 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
  - (ii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
  - (iii) Click on Shareholders.
  - (iv) Now Enter your User ID
    - a. For CDSL: 16 digits beneficiary ID,



- b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
- c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

**For Members holding shares in Demat Form and Physical Form**

PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders). Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter R400000001 in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach "Password Creation" menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xvii) If a demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) **Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.**
- (xix) **Note for Non-Individual Shareholders and Custodians**
  - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on



approval of the accounts they would be able to cast their vote.

- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

(xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e52546-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

Place : Faridabad            ON BEHALF OF THE BOARD OF DIRECTORS  
Date : 11th August 2017            FOR CENLUB INDUSTRIES LIMITED

**Vijendra Kumar Mittal**  
Managing Director  
DIN: 00006398

**Virendra Kumar Gupta**  
Whole time Director  
DIN: 00006461

#### ANNEXURE TO THE NOTICE

#### INFORMATION AS REQUIRED UNDER SECTION 102 (1) OF THE COMPANIES ACT, 2013 READ WITH SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

#### ITEM NO. 5 : TO FIX APPOINTMENT AND RESIGNATION OF COST AUDITOR OF THE COMPANY

The Board at its meeting held on 11<sup>th</sup> August, 2017, on the recommendation of the Audit Committee, has approved the appointment and remuneration of the Cost Auditors M/s. Ritu Gupta & Associates , Cost Accountant (Firm Registration No.001168 )to audit the cost records of the company for the Financial Year ending March 31st ,2018, on a remuneration of Rs.60,000/- (Rupees sixty thousand only) plus reimbursement of travelling and other out of pocket expenses plus Goods and Service tax as applicable.

In accordance with the provisions of Section 148 of the Companies Act, 2013 ("the Act") read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has been recommended by the Audit Committee, considered and approved by the Board and is required to be ratified by the shareholders of the Company.

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item No. 5 of the Notice for ratification of the remuneration payable to the Cost Auditors for the Financial Year ending March 31, 2018.

None of the Directors, Key Managerial Personnel or their relatives is directly or indirectly concerned or interested, financially or otherwise, except to the extent of his/her respective shareholding, if any, in the Company, in the resolution set out in item no. 5 of the Notice.

The Board recommends passing of the Resolution at Item No. 5 of the Notice as Ordinary Resolution.

#### ITEM NO.6 RE-APPOINTMENT OF SHRI VIRENDRA KUMAR GUPTA AS WHOLE TIME DIRECTOR

The current term of Shri Virendra Kumar Gupta as Executive Director expires on 31<sup>st</sup> July , 2017. In view of the excellent progress achieved by the Company under his guidance even though he will attain the age of 70 years on 16<sup>th</sup> November,2017 , on the recommendations of the Nomination and Remuneration Committee, the Board of Directors at their meeting held on 28<sup>th</sup> July, 2017 have reappointed Shri Virendra Kumar Gupta as Executive Director of the Company for a further period of 3 years with effect from 1<sup>st</sup> August, 2017 and approved the remuneration package as stated in the proposed resolution, subject to the approval of shareholders by Special Resolution.

Approval of the Members is sought for re-appointment and payment of remuneration to Shri. 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 details are:

Shri Virendra Kumar Gupta, is a Diploma Holder in Mechanical Engineering having 27 years Post Qualification experience, running independently in its own unit and looking after finance and administration matters of the company for the last 21years. He has been entrusted with the responsibilities of Finance ,Accounts and Legal matters of the company.

Other Directorships. Shri Virendra Kumar Gupta, is also Director on the Board of Directors of the Subsidiaries of the Company, viz. Ganpati Hand Tex Pvt. Ltd .

Committee memberships: NIL.

**Shri Virendra Kumar Gupta** Holds 20050 Equity Shares of Rs. 10 each of the Company.

#### Statement containing required information as per Part II of Section II of Schedule V to the Companies Act, 2013

##### I. General Information

##### 1. Nature of Industry:

Machine Tool Lubrication Systems and Oil Circulatory System.

##### 2. Date of commencement of Commercial production:

Commercial production commenced several years ago.

### 3. Financial performance based on given indicators:

(Rs. In lakhs)

Particulars	2016-17	2015-16
Total Income	3638.33	3207.15
Profit Before Interest, Depreciation & Tax	472.01	397.79
Profit/(Loss) Before Tax	302.53	153.02
Profit/(Loss) After Tax	193.15	99.97
Net Worth	1804.57	1611.42

### 4. Foreign Investments or collaborators, if any.: Nil

## II. Information about the appointee

### 1. Background details:

Shri Virendra Kumar Gupta, is a Diploma Holder in Mechanical Engineering having 27 years Post Qualification experience, running independently in its own unit and looking after finance and administration matters of the company for the last 21years. He has been entrusted with the responsibilities of Finance ,Accounts and Legal matters of the company.

### 2. Past remuneration:

Rs. 70 thousand per month as approved by the shareholders at the 22<sup>nd</sup> Annual General Meeting of the Company held on 27th September, 2014.

### 3. Remuneration Proposed:

As set out in the proposed resolution in item number 6.

### 4. Job profile and suitability:

Shri Virendra Kumar Gupta, was appointed as Executive Director as well as CFO of the company . In view of the excellent progress achieved by the Company since then under his guidance, even though he will attain the age of 70 years on 16th November, 2017, the Board has decided to re-appoint him as Executive Director for a period of three years with effect from 1<sup>st</sup> August, 2017, with a remuneration as recommended by the Nomination and Remuneration Committee, subject to the approval of the shareholders by Special Resolution.

### 5. Comparative remuneration profile with respect to industry, size of the company, profile of the position and person:

Considering the profile of Shri Virendra Kumar Gupta , and current trend of compensation package in Corporates, the remuneration proposed is in line with comparable remuneration levels in the industry.

### 6. Pecuniary relationship directly or indirectly with the company or relationship with the managerial personnel, if any.:

Relevant Information is provided in the "Corporate Governance" part of the Directors Report.

## III. Other information

**1. Reasons of loss or inadequate profits:** The cyclical nature of the lead industry and volatility in the international prices for lead affect the profitability of the company. Lack of availability of raw materials at economical prices also affect the profitability.

**2. Steps taken or proposed to be taken for improvement:** The company will pursue all available means of reducing costs, including by way of energy conservation, diversify action of customer base, alternate sources of raw material etc.

**3. Expected increase in productivity and profit in measurable terms:** All necessary steps will be taken to ensure that productivity will improve to the levels required to return the company to profitability.

None of the directors of the company except Shri Virendra Kumar Gupta himself is concerned or interested in the above said resolution.

The Board recommends passing of the Resolution at Item No. 6 of the Notice as Special Resolution.

## ITEM NO.7 : REMUNERATION OF SHRI VIJENDRA KUMAR MITTAL , MANAGING DIRECTOR OF THE COMPANY

The Company appointed Shri Vijendra Kumar Mittal as Managing Director for a period of three years from 1<sup>st</sup> June 2016 to 31<sup>st</sup> May 2019 and remuneration was fixed at Rs.30.00 Lakhs p.a. which was approved by the Shareholders at the Annual General Meeting held on 30<sup>th</sup> September 2016.

Nomination and Remuneration Committee at its meeting held on 5<sup>th</sup> October 2016 approved the payment of remuneration of maximum Rs.42.00/-Lakhs p.a to Shri Vijendra Kumar Mittal , Managing Director, which was approved by the Board of Directors at their meeting, held on 8<sup>th</sup> October 2016 taking into account the excellent performance and dedication of Shri Vijendra Kumar Mittal , Managing Director, who has justified the position assigned to him.

The Board recommends the passing of the resolution by the Members of the Company, as set out in the above item of the Notice.

Shri Vijendra Kumar Mittal, Managing Director of the Company is concerned or interested in the above resolution.

Smt. Madhu Mittal, Shri Aman Mittal & Shri Ansh Mittal Director's and his relative are interested in the above stated matter.

No other directors, Key Managerial Personnel of the Company and their relatives, in any way, concerned or interested financially or otherwise in the above said resolutions.

The Board recommends passing of the Resolution at Item No. 7 of the Notice as Ordinary Resolution.

**ITEM NO.8 REMUNERATION OF SMT. MADHU MITTAL ,EXECUTIVE DIRECTOR OF THE COMPANY**

The Company appointed Smt. Madhu Mittal as Executive Director for a period of three years from 1<sup>st</sup> April 2016 to 31<sup>st</sup> March 2019 and remuneration was fixed at Rs.8.40 Lakhs P.A. which was approved by the Shareholders at the Annual General Meeting held on 30<sup>th</sup> Sept., 2016.

Nomination and Remuneration Committee at its meeting held on 5<sup>th</sup> October 2016 approved the payment of remuneration of maximum Rs. 12.00/- Lakhs p.a to Smt. Madhu Mittal, Executive Director, which was approved by the Board of Directors at their meeting, held on 8<sup>th</sup> October 2016 taking into account the excellent performance and dedication of Smt. Madhu Mittal, Executive Director, who has justified the position assigned to her.

Smt. Madhu Mittal, Executive Director of the Company is concerned or interested in the above resolution.

Shri Vijendra Kumar Mittal, Shri Ansh Mittal & Shri Aman Mittal Director's and her relative are interested in the above stated matter.

No other directors, Key Managerial Personnel of the Company and their relatives, in any way, concerned or interested financially or otherwise in the above said resolutions.

The Board recommends passing of the Resolution at Item No. 8 of the Notice as Ordinary Resolution.

**ITEM NO.9 REMUNERATION OF SHRI AMAN MITTAL ,EXECUTIVE DIRECTOR OF THE COMPANY**

The Company appointed Shri Aman Mittal as Executive Director for a period of three years from 1<sup>st</sup> August 2016 to 31<sup>st</sup> July 2019 and remuneration was fixed at Rs. 12.00 Lakhs P.A. which was approved by the Shareholders at the Annual General Meeting held on 30<sup>th</sup> September 2016.

Nomination and Remuneration Committee at its meeting held on 5<sup>th</sup> October, 2016 approved the payment of remuneration of maximum Rs. 24.00/-Lakhs p.a to Shri Aman Mittal, Executive Director, which was approved by the Board of Directors at their meeting, held on 8<sup>th</sup> October, 2016 taking into account the excellent performance and dedication of Shri Aman Mittal, Executive Director, who has justified the position assigned to him.

Shri Aman Mittal, Executive Director of the Company is concerned or interested in the above resolution .

Shri Vijendra Kumar Mittal, Shri Ansh Mittal & Smt. Madhu Mittal Director's and his relative is concerned or interested in the above resolution.

No other directors, Key Managerial Personnel of the Company and their relatives, in any way, concerned or interested financially or otherwise in the above said resolutions.

The Board recommends passing of the Resolution at Item No. 9 of the Notice as Ordinary Resolution.

**ITEM NO.10 REMUNERATION OF SHRI ANSH MITTAL ,EXECUTIVE DIRECTOR OF THE COMPANY**

The Company appointed Shri Ansh Mittal as Executive Director for a period of three years from 1<sup>st</sup> May 2016 to 30<sup>th</sup> April 2019 and remuneration was fixed at Rs.12.00 Lakhs P.A. which was approved by the Shareholders at the Annual General Meeting held on 30<sup>th</sup> September 2016.

Nomination and Remuneration Committee at its meeting held on 5<sup>th</sup> October 2016 approved the payment of remuneration of maximum Rs.24.00/-Lakhs p.a to Shri Ansh Mittal , Executive Director, which was approved by the Board of Directors at their meeting, held on 8<sup>th</sup> October 2016 taking into account the excellent performance and dedication of Shri Ansh Mittal , Executive Director, who has justified the position assigned to him.

Shri Ansh Mittal, Executive Director of the Company is concerned or interested in the above resolution.

Shri Vijendra Kumar Mittal, Shri Aman Mittal & Smt. Madhu Mittal Director's and his relative is concerned or interested in the above resolution.

No other directors, Key Managerial Personnel of the Company and their relatives, in any way, concerned or interested financially or otherwise in the above said resolutions.

The Board recommends passing of the Resolution at Item No. 10 of the Notice as Ordinary Resolution.

**ITEM NO.11 REMUNERATION OF SHRI VIRENDRA KUMAR GUPTA, EXECUTIVE DIRECTOR OF THE COMPANY**

The Company appointed Shri Virendra Kumar Gupta as Executive Director for a period of three years from 1<sup>st</sup> August, 2014 to 31<sup>st</sup> July, 2017 and remuneration was fixed at Rs.8.40 Lakhs P.A. which was approved by the Shareholders at the Annual General Meeting held on 27<sup>th</sup> September 2014.

Nomination and Remuneration Committee at its meeting held on 5<sup>th</sup> Oct., 2016 approved the payment of remuneration of maximum Rs. 12.00/- Lakhs p.a to Shri Virendra Kumar Gupta, Executive Director, which was approved by the Board of Directors at their meeting, held on that date taking into account the excellent performance and dedication of Shri Virendra Kumar Gupta, Executive Director, who has justified the position assigned to him.

The Board recommends the passing of the resolution by the Members of the Company, as set out in the above item of the Notice.

Shri Virendra Kumar Gupta, Director and his relative are interested in the above stated matter.

No other directors, Key Managerial Personnel of the Company and their relatives, in any way, concerned or interested financially or otherwise in the above said resolutions.

The Board recommends passing of the Resolution at Item No. 11 of the Notice as Ordinary Resolution.

## BOARD REPORT

For the year ended March 31<sup>st</sup> 2017

Your Directors have pleasure in presenting the 25<sup>th</sup> Annual Report on the Business and operations of the Company together with the Audited Accounts for the Financial Year ended 31<sup>st</sup> March 2017.

### 1. PERFORMANCE OF THE COMPANY

#### a) Total Income(on stand-alone basis):

2016-17	2015-16	% Change
3638.33	3207.15	+13.44%

During the year under review, total income of the Company was Rs. 3638.33 Lacs (previous year Rs. 3207.15 Lacs) representing a increased of 13.44%.

#### b) FINANCIAL SUMMARY(STANDALONE AND CONSOLIDATED)

In Rs. Lacs

Particulars	Stand Alone	
	2016-17	2015-16
1. Sales and other income	3638.33	3207.15
2. Profit before Depreciation, Finance Cost and Tax	472.00	397.79
Less: Depreciation	50.49	54.87
3. Finance Cost	118.98	189.90
4. Profit before Tax	<b>302.53</b>	<b>153.02</b>
Less: Provision for Tax(Including Income Tax , Prior period tax and Deferred Tax)	109.37	53.05
5. Profit after Tax	<b>193.15</b>	<b>99.97</b>
6. Add: Balance Brought forward from the previous year	1199.42	1093.04

In Rs. Lacs

Particulars	Consolidated	
	2016-17	2015-16
1. Sales and other income	3608.33	3174.81
2. Profit before Depreciation, Finance Cost and Tax	<b>537.64</b>	<b>424.42</b>
3. Less: Depreciation	72.13	54.87
4. Finance Cost	181.30	328.80
5. Profit before Tax	<b>284.21</b>	<b>153.65</b>
6. Less: Provision for Tax(Including Income Tax, Prior period tax and Deferred Tax)	109.38	53.17
7. Profit after Tax	<b>174.83</b>	<b>100.48</b>
8. Add: Balance Brought forward from the previous year	1371.69	1196.86





During the Financial Year ended 31<sup>st</sup> March 2017, Your Company's total income was 3638.33 Lakhs against Rs. 3207.15 Lakhs in the previous year ended 31<sup>st</sup> March, 2016. The Net profit for the Financial Year was 193.15 Lakhs as against 99.97 Lakhs in the previous period.

**2. DIVIDEND**

Due to additional borrowings made during the year, there is an increase in the commitments towards repayments to the leading Banks. As Such, Board of Directors feels appropriate not to recommend any dividend for the Financial Year 2016-17.

**3. PERFORMANCE AND FINANCIAL POSITION OF EACH OF THE SUBSIDIARY COMPANY**

The Company does not have any Holding, Associate company or Joint venture Company. However, Ganpati Handtex Private Limited is the Subsidiary company of our company. The details of financial performance of Subsidiary Company is furnished in **Annexure-I** in prescribed form **AOC 1** and attached to this report.

**4. DEPOSITS**

The Company has not accepted / renewed any fixed deposits from the public or the Members, within the meaning of Section 73 of the Companies Act, 2013, read with Chapter V of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014, during the Financial Year 2016-2017, and, as such, no amount of principal or interest on deposits from public or the Members, was outstanding as of the Balance Sheet date.

**5. MATERIAL CHANGES AND COMMITMENTS IF ANY, AFFECTING FINANCIAL POSITION OF THE COMPANY FROM THE END OF THE FINANCIAL YEAR AND TILL THE DATE OF THIS REPORT:**

No material changes and commitments which could affect the Company's financial position have occurred since the close of the financial year, i.e., 31<sup>st</sup> March 2017 till the date of this Board's Report. Further, it is hereby confirmed that there has been no change in the nature of business of the Company.

**6. DISCLOSURE OF INTERNAL FINANCIAL CONTROLS:**

The Internal Financial Controls with reference to Financial Statements as designed and implemented by the Company are adequate, and commensurate with the size, scale and complexity of its operation. The internal controls are tested for adequacy, efficiency and effectiveness through audits by the in-house internal audit department and the observations, corrective and preventive actions are reviewed by the management and Audit Committee of the Board of Directors.

During the Financial Year under review, no material or serious observation has been received from the Internal Auditors of the Company for inadequacy or ineffectiveness of such controls.

**7. INDIAN ACCOUNTING STANDARDS:**

Your Company shall adopt Indian Accounting Standards ("Ind AS") with effect from 1st April 2017 pursuant to Ministry of Corporate Affairs notification dated 16th February 2015, notifying the Companies (Indian Accounting Standards) Rules, 2015. The implementation of IND AS in 2017 will be a major change process and the Company is well positioned to ensure a smooth transition.

**8. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNAL:**

There are no significant and/or material orders passed by the Regulator(s) or Court(s) or Tribunal(s) impacting the going concern status of the Company and its business operations in future.

**9. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES**

The company has not entered into any contracts or arrangements with related parties during the Financial Year under review, which falls within the purview of Section 188 of the Companies Act, 2013.

Related Party disclosures as per AS-18 have been provided in Note-37 to the financial statement.

**10. PARTICULARS OF LOANS, GUARANTEE, INVESTMENTS AND SECURITIES:**

The company has not provide any loans, give guarantees or made any investments during the Financial Year under review, which falls within the purview of Section 186 of the Companies Act, 2013.

**11. DISCLOSURE UNDER SECTION 43(a)(ii) OF THE COMPANIES ACT, 2013:**

The Company has not issued any shares with differential rights and hence no information as per provisions of Section 43(a)(ii) of the Act read with Rule 4(4) of the Companies (Share Capital and Debenture) Rules, 2014 has been furnished.

**12. DISCLOSURE UNDER SECTION 54(1)(d) OF THE COMPANIES ACT, 2013:**

The Company has not issued any sweat equity shares during the financial year under review and hence no information as per provisions of Section 54(1)(d) of the Act read with Rule 8(13) of the Companies (Share Capital and Debenture) Rules, 2014 has been furnished.

**13. DISCLOSURE UNDER SECTION 62(1)(b) OF THE COMPANIES ACT, 2013:**

The Company has not issued any equity shares under Employees Stock Option Scheme during the financial year under review and hence no information as per provisions of Section 62(1)(b) of the Act read with Rule 12(9) of the Companies (Share Capital and Debenture) Rules, 2014 has been furnished.

**14. DISCLOSURE UNDER SECTION 67(3) OF THE COMPANIES ACT, 2013:**

During the financial year under review, there were no instances of non-exercising of voting rights in respect of shares purchased directly by employees under a scheme pursuant to Section 67(3) of the Act read with Rule 16(4) of Companies (Share Capital and Debentures) Rules, 2014 and hence no information has been furnished.

**15. BOARD OF DIRECTORS & KEY MANAGERIAL PERSONNEL:**

In accordance with the provisions of Section 152 of the Companies Act, 2013, Shri. Aman Mittal (DIN 00006435) and Smt. Madhu Mittal (DIN 00006418), being longest in the office, shall retire by rotation at the ensuing 25th Annual General Meeting and being eligible, offers themselves for re-appointment.

Smt. Sujata Arora who was appointed as Additional Director by the Board of Directors on 13<sup>th</sup> August 2016 has been appointed as Director of the Company on the 24<sup>th</sup> Annual General Meeting of the Company held on 30<sup>th</sup> September 2016.

The term of office of Shri. Virendra Kumar Gupta (DIN 00006461), Whole-time Director, designated as "Executive Director" of the Company, expired on 31<sup>st</sup> July, 2017. The Board of Directors on the recommendation of the Nomination and Remuneration Committee, at their respective meeting held on July 28, 2017, have accorded their approval to re-appoint Mr. Virendra Kumar Gupta as Whole-time Director, designated as "Executive Director" of the Company, for a further period of three (3) years w.e.f. August 01, 2017, subject to the approval of Members of the Company. His re-appointment and remuneration is in terms of Section 196, 197, 198, 200 and 203 read with Section II Part II, of Schedule V of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013. The detailed terms and conditions including remuneration have been mentioned in the Notice convening 25th Annual General Meeting.

Except as explained hereinabove, there were no changes in Directorship of the Company as well as in Key Managerial Personnel category during the period under review.

As on March 31, 2017, your Company has Ten (10) Directors consisting of (5) Executive Directors including one (1) Woman Director and five (5) Independent Directors, including one (1) Woman Director.

None of the Directors of your Company is disqualified under the provisions of Section 164(2)(a) and (b) of the Companies Act, 2013.

During the period under review, no Non-Executive Director of the Company had any pecuniary relationship or transactions with the Company.

Further, necessary resolutions relating to Directors who are seeking appointment/re-appointment, as required under Regulation 36 of the Listing Regulations, is disclosed as part of the Notice dated 11<sup>th</sup> August , 2017 of the ensuing 25<sup>th</sup> Annual General Meeting.

**16. DECLARATIONS BY INDEPENDENT DIRECTORS:**

Pursuant to the provisions of Section 149(7) of the Companies Act, 2013 and Regulation 16 (1) (b) of the Listing Regulations, the Company has received individual declarations from all the Independent Directors, whose names are appended herein below, confirming that they fulfill the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013 and the rules made there under to hold the office of Independent Director of the Company for the Financial Year ended 31<sup>st</sup> March ,2017.

1. Shri. Dinesh Kaushal ;
2. Shri. Krishna Gopal Gupta ;
3. Shri. Om Prakash Varma ;
4. Shri. Ashok Kumar Agarwal ; and
5. Smt. Sujata Arora

There has been no change in the circumstances which may affect their status as Independent director during the Financial Year under review.

**17. NUMBER OF MEETINGS OF THE BOARD:**

A notice of the Board Meeting is circulated well in advance with the Agenda, including detailed explanation to be discussed, to enable the Board to take an informed decision.

The Board met eight (8) times during the Financial Year ended 31<sup>st</sup> March 2017 viz., on 30<sup>th</sup> April 2016, 28<sup>th</sup> May 2016 , 30<sup>th</sup> July 2016, 13<sup>th</sup> August 2016, 8<sup>th</sup> October 2016, 14<sup>th</sup> November 2016, 11<sup>th</sup> February 2017 and 31<sup>st</sup> March 2017, in accordance with the provisions of the Companies Act, 2013 and rules made there under and Listing Regulations. Detailed information on the Board Meetings with regard to their dates and attendance of each of the Directors thereat have been included in the Corporate Governance Report, which forms part of this Board's Report.

Additionally, during the Financial Year ended 31<sup>st</sup> March 2017 a separate meeting of the Independent Directors was convened on 18<sup>th</sup> March 2017, in compliance with the requirements of Schedule IV of the Companies Act, 2013 and Regulation 25(3) and 25(4) of the Listing Regulations. Post the Independent Directors Meeting, the collective feedback of each of the Independent Director was discussed, covering performance of the Board as a whole, performance of the Non-Independent Directors and performance of the Chairman.

**18. AUDIT COMMITTEE**

An Audit Committee was comprised of Shri. Dinesh Kaushal (Chairman) ,Shri. Ashok Kumar Agarwal (Member) and Shri. Krishna Gopal Gupta . However the Committee was reconstituted by the Board of Directors of the Company on its meeting held on 11<sup>th</sup> August 2017 in accordance with the provisions of Section 177 of the Companies Act, 2013, comprises Independent Directors, namely :

1. Shri. Dinesh Kaushal (Chairman) (DIN: 00006490);
2. Shri. Ashok Kumar Agarwal (Member) (DIN: 00006512); and
3. Smt. Sujata Arora (Member) (DIN: 07585453).

All the recommendations made by the Audit Committee during the Financial Year under review were accepted by the Board.

The Audit Committee met 6 (six ) times during the year i.e 26<sup>th</sup> May 2016 , 11<sup>th</sup> August 2016 , 8<sup>th</sup> October 2016 , 12<sup>th</sup> November 2016, 10<sup>th</sup> February 2017 and 31<sup>st</sup> March 2017.

**19. NOMINATION AND REMUNERATION COMMITTEE**

An Nomination and Remuneration Committee ('NRC') was comprised of Shri Krishna Gopal Gupta (Chairman) ,Shri. Om Prakash Varma (Member) and Shri Ashok Kumar Agarwal (Member). However the Committee was reconstituted by the Board of Directors of the Company on its meeting held on 11th August 2017 in accordance with the provisions of Section 178(3) of the Companies Act, 2013, comprises:

1. Mr. Krishna Gopal Gupta (Chairman) (DIN: 00222525);
2. Mr. Ashok Kumar Agarwal (Member) (DIN: 00006512); and
3. Smt. Sujata Arora (Member) (DIN: 07585453).

Further the NRC has formulated necessary policy on appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a Director. The details of "Nominations and Remuneration Policy" are explained in the Report on Corporate Governance along with the other details, which forms part of this Board's Report and are also available on the website of the Company : <http://www.cenlub.in>

The Nomination and Remuneration Committee met 5 (Five ) times during the year i.e 28<sup>th</sup> April 2016 , 25<sup>th</sup> May 2016 , 27<sup>th</sup> July 2016 , 11<sup>th</sup> August 2016 and 5<sup>th</sup> October 2016.

**20. STAKEHOLDER RELATIONSHIP COMMITTEE**

An Stakeholder Relationship Committee ('SRC') was comprised of Shri. Ashok Kumar Agarwal (Chairman) , Shri Vijendra Kumar Mittal (Member) and Shri Krishna Gopal Gupta (Member). However the Committee was reconstituted by the Board of Directors of the Company on its meeting held on 11th August 2017 in accordance with the provisions of Section 178 of the Companies Act, 2013, comprises:

1. Shri. Ashok Kumar Agarwal (Chairman) (DIN: 00006512);
2. Smt. Madhu Mittal (Member) (DIN: 00006418); and
3. Smt. Sujata Arora (Member) (DIN:07585453);

The detailed terms of reference and other information about the Committee has been provided in the Corporate Governance Report

The Stakeholder Relationship Committee ('SRC') met 4 (Four ) times during the year i.e 30<sup>th</sup> April 2016 , 30<sup>th</sup> July 2016 , 14<sup>th</sup> November 2016 and 31<sup>st</sup> March 2017.

**21. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:**

The provisions of Corporate Social Responsibility is not applicable to the company.

**22. EVALUATION OF DIRECTORS, COMMITTEE AND BOARD:**

Pursuant to the provisions of the Companies Act, 2013 and the Listing Regulations, the Board of Directors has carried out evaluation of its own performance, its Committees and individual Directors. The evaluation process has been explained in the Report on Corporate Governance, which forms part of this Board's Report.

Also, the Independent Directors, at their meeting reviewed the performance of the Board, its Chairman and Non-Executive Directors of the Company.

**23. RISK MANAGEMENT POLICY:**

The Board of Directors of the Company has approved Risk Management Policy and Guidelines, wherein all material risks faced by the Company are identified and assessed. Moreover in the said Risk Management Policy the Board has defined a structured approach to manage uncertainty, cultivating the same in their decision making pertaining to all business divisions and corporate functions. For each of the risks identified, corresponding controls are assessed and policies and procedures are put in place for monitoring, mitigating and reporting on periodic basis.

**24. VIGIL MECHANISM POLICY:**

Pursuant to the provisions of Section 178(9) of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014, a "Vigil Mechanism Policy" for Directors and employees of the Company is in place, to report their genuine concern of any violations of legal or regulatory requirements, incorrect or misrepresentation of any financial statements and reports etc. During the Financial Year under review, no employee has been denied access to the Chairman of the Audit Committee. Also, Whistle blower complaints, if any and their redressal are discussed at the meeting of Audit Committee of the Board. During the financial year under review, no such complaints were received.

The details of "Vigil Mechanism Policy" are available on the website of the Company (<http://www.cenlub.in>)

**25. PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE**

Your Company has zero tolerance policy in case of sexual harassment at workplace and is committed to provide a healthy environment to each and every employee of the Company. The Company has in place '**Policy for Prevention and Redressal of Sexual Harassment**' in line with the requirements of Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 (hereinafter referred as "the said Act") and Rules made there under. As per the provisions of Section 4 of the said Act, the Board of Directors has constituted the Internal Complaints Committee ("ICC") at the Registered Office, Works and at all the Regional Offices of the Company to deal with the complaints received by the Company pertaining to gender discrimination and sexual harassment at workplace.

As per the provisions of Section 21 & 22 of the said Act, the Report on the details of the number of cases filed under Sexual Harassment and their disposal for the financial year under review, is as under:

Sr. No.	No. of cases pending as on the beginning of the Financial Year under review	No. of complaints filed during the financial year under review	No. of cases pending as on the end on the Financial Year under review
1	Nil	Nil	Nil

**26. DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to Section 134 (3)(c) of the Companies Act, 2013, the Directors confirm that:

- i. In the preparation of the annual accounts, the applicable accounting standards have been followed;
- ii. Appropriate accounting policies have been selected and applied consistently. Judgments and estimates that are reasonable and prudent have been made so as to give a true and fair view of the state of affairs of the Company as on 31<sup>st</sup> March 2017, and of the Loss of the Company for the year ended March 31, 2017;
- iii. Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. The Annual Accounts have been prepared on a going concern basis.
- v. Internal financial controls have been laid down and followed by the Company and that such controls are adequate and are operating effectively.
- vi. Proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

**27. INFORMATION ON REMUNERATION**

Information as per the provisions of Section 197(12) of the Companies Act, 2013 read with Rule 5(1), 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personal) Rules, 2014 are annexed as **Annexure-II** to this report.

**28. CORPORATE GOVERNANCE REPORT:**

In compliance with Regulation 34(3) read with Schedule V(C) of the Listing Regulations, a Report on Corporate Governance forms part of this Annual Report. The Auditors' certificate certifying compliance with the conditions of corporate governance as prescribed under Schedule V(E) of the Listing Regulations is annexed to the Corporate Governance Report.

**29. MANAGEMENT DISCUSSION & ANALYSIS:**

In compliance with Regulation 34(3) read with Schedule V(B) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), Management Discussion and Analysis forms part of this Annual Report.

**30. STATUTORY AUDITOR AND THEIR REPORT:**

In terms of Section 139(1) of the Companies Act, 2013, no listed Company can appoint or re-appoint an audit firm (including its affiliate firm) as auditor for more than two (2) terms of five (5) consecutive years. The Act also provided for additional transition period of three (3) years from the commencement of the Act, i.e. from April 1, 2014.

The Members are informed that M/S Singla Tayal & Co., Chartered Accountants, having Registration No. 000882N, were appointed as the Statutory Auditors of the Company. Accordingly, M/s Singla Tayal & Co., have completed period of ten (10) years and will also be completing the additional transition period of three (3) years at the conclusion of ensuing 25th Annual General Meeting, and the Company therefore need to appoint a new auditor in their place.

Pursuant to and in light of the above, the Company has identified M/s Sanmarks & Associates, Chartered Accountants (Firm Registration Number : 003343N), Faridabad as the new Statutory Auditors of the Company and subsequently the Board of Directors on the recommendation of Audit Committee, at their respective Meeting held on 11th August 2017, has appointed M/s Sanmarks & Associates, Chartered Accountants as Statutory Auditors of the Company, for a period of five (5) years from the conclusion of 25th Annual General Meeting till the conclusion of the 30th Annual General Meeting of the Company, subject to the ratification at the Annual General Meeting in each of the subsequent years during the aforementioned term of their appointment.

M/s Sanmarks & Associates, Chartered Accountants have confirmed that their appointment, if made, shall be in accordance with the limits specified under Section 141(3)(g) of the Act and that they are not disqualified to be appointed as statutory auditors in terms of the provisions of the proviso to Section 139(1), Section 141(2) and Section 141(3) of the Act and the provisions of the Companies (Audit and Auditors) Rules.

The Audit Committee and the Board of Directors wishes to place on record their deep appreciation for the professional services rendered by M/s Singla Tayal & Co. during their long association with the Company while maintaining the ethical standards and zenithal level of governance.

**31. OBSERVATIONS OF STATUTORY AUDITORS ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017:**

The Auditor's report given by M/s Singla Tayal & Co., Statutory Auditors, on the Financial Statements of the Company, for the year ended 31<sup>st</sup> March 2017, forms part of the Annual Report. There has been no qualification, reservation or adverse remark or any Disclaimer in their Report.

**32. REPORTING OF FRAUDS:**

There have been no frauds reported by the Auditors, under sub section (12) of Section 143 of the Companies Act, 2013 (including amendments), during the financial year under review, to the Audit Committee or the Board of Directors and hence, as such there is nothing to report by the Board under Section 134 (3)(ca) of the Companies Act, 2013.

**33. EXTRACT OF ANNUAL RETURN:**

Pursuant to the provisions of Section 134(3)(a) of the Companies Act, 2013, the Extract of the Annual Return for the financial year ended March 31, 2017 made under the provisions of Section 92(3) of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014, is attached as **Annexure III**, which forms part of this Board's Report.

**34. COST AUDITORS AND THEIR REPORT:**

Pursuant to the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Amendment Rules, 2014 (including any amendment(s), modification(s), variation or re-enactment thereof for the time being in force), and as per



the recommendation of the Audit Committee, the Board of Directors at their meeting dated 11th August, 2017, have appointed M/s Ritu Gupta & Associates, Cost Accountants (Firm Registration No.: 001168), as the Cost Auditors of the Company, for the Financial Year 2017-2018. A resolution for ratification of the payment to be made for such appointment is included in the Notice of the ensuing 25th Annual General Meeting.

A Certificate from M/s Ritu Gupta & Associates., has been received to the effect that their appointment as Cost Auditors of the Company, if made, would be in accordance with the limits specified under Section 141 of the Companies Act, 2013 and the Rules framed there under.

**35. SECRETARIAL AUDITORS AND THEIR REPORT:**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, your Company had appointed M/s Shreyansh Jain & Associates, Practicing Company Secretaries, Delhi (Membership No.: 25359), as its Secretarial Auditor to conduct the Secretarial Audit of the Company for the financial year 2016-2017.

The Report on Secretarial Audit for the financial year 2016-2017, in Form MR-3, as **Annexure IV** forms integral part of this Board's Report. There has been no qualification, reservation or adverse remark or any Disclaimer in their Report.

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

The particulars as required under the provisions of Section 134(3) (m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 in respect of conservation of energy, technology absorption, foreign exchange earnings and outgo etc. are furnished in **Annexure -V** which forms part of this Board's Report.

**37. ACKNOWLEDGEMENT:**

Your Company takes pride in all of its highly motivated officers, employees and workers, who have been wholeheartedly supporting and sincerely contributing their best for the sustained success and growth of your Company as well as maintaining harmonious relations throughout the Company.

Your Directors also place on record their sincere thanks and appreciation for the continuing support and assistance received from the financial institutions, banks, Government as well as non-government authorities, customers, vendors, stock exchange and members during the period under review.

Place : Faridabad

Date : 11th August 2017

ON BEHALF OF THE BOARD OF DIRECTORS

for **CENLUB INDUSTRIES LIMITED**

**VIJENDRA KUMAR MITTAL**  
Managing Director  
DIN: 00006398

**VIRENDRA KUMAR GUPTA**  
Whole time Director  
DIN: 00006461

**Form AOC-1**

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

**Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures**
**Part "A": Subsidiaries 1**

(Information in respect of each subsidiary to be presented with Rs. In Million)

Sl. No.	Particulars	Details
1.	Name of the subsidiary	<b>GANPATI HANDTEX PRIVATE LIMITED</b>
	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	<b>N.A.</b>
	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	<b>N.A.</b>
	Share capital	<b>100,000</b>
	Reserves & surplus	<b>2,087,983</b>
	Total assets	<b>82,268,124</b>
	Total Liabilities	<b>84,256,107</b>
	Investments	-
	Turnover (including other income)	<b>9,999,359</b>
	Profit before taxation	<b>1,832,123</b>
	Provision for taxation	-
	Profit after taxation	<b>1,832,123</b>
	Proposed Dividend	-
	% of shareholding	<b>100% Subsidiary</b>

**Place : Faridabad**
**Date : 11<sup>th</sup> August 2017**
**ON BEHALF OF THE BOARD OF DIRECTORS  
FOR CENLUB INDUSTRIES LIMITED**
**VIJENDRA KUMAR MITTAL  
MANAGING DIRECTOR  
DIN: 00006398**
**VIRENDRA KUMAR GUPTA  
WHOLE TIME DIRECTOR  
DIN: 00006461**



**1. Disclosure in Board's Report as per the provisions of Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (as amended)**

Sl. No.	Disclosure Requirement	Disclosure Details		
1.	The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year	<b>Name of the Directors</b> Mr. V.K.Mittal  Smt. Madhu Mittal Mr. Aman Mittal Mr. Ansh Mittal	<b>Category</b> Chairman & Managing Director Executive Director Executive Director Executive Director	<b>Ratio</b> 7.02  1.99 3.51 3.51
2.	The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year	<b>Name of the Directors</b> Mr. V.K.Mittal  Smt. Madhu Mittal Mr. Aman Mittal Mr. Ansh Mittal Mr. V.K.Gupta Ms. Komal Gupta	<b>Category</b> Chairman & Managing Director Executive Director Executive Director Executive Director Chief Financial Officer Company Secretary	<b>% increase in remuneration</b> 40.00 42.86 100 100 42.86 -
3.	The percentage increase in the median remuneration of employees in the financial year	The median remuneration of the employees of the Company in the Financial year 2016-2017 is 51246709/- p.a.  The median remuneration of the employees for the year under review increased by <b>0</b> % compared to previous financial year.		
4.	The number of permanent employees on the rolls of Company	There were 120 permanent employees of Cenlub Industries Limited as on March 31, 2017.		
5.	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	For the employees other than managerial personnel who were in employment the whole of FY 2015-2016 and FY 2016-2017, the average increase is <b>0</b> %.  Average increase for managerial personnel is 23.37 %.		
6.	Affirmation that the remuneration is as per the remuneration policy of the Company	Yes/		



2. Statement Pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(2) of Companies (Appointment And Remuneration of Managerial Personnel) Rules, 2014 & the Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016

Name of employee	Designation of employee/Nature of employment, whether contractual or otherwise	Qualification and experience of the employee	Date of commencement of employment	Age of such employee	Last employment held by such employee before joining the Company	% of equity shares held by the employee in the Company	Remuneration (Amount in Rs.)
V.K.MITTAL	Chairman & Managing Director	M.Sc.(Physics) M.Sc.(Mech.Engg)	26.05.1992	74	Senior Position in Telco for 10 Years	10.64	3600000/-
Aman Mittal	Executive Director	B.E. (Electronics)	01.09.1994	43	Nil	4.28	1800000/-
Ansh Mittal	Executive Director	B.Tech (C.SC.)	04.04.2007	33	Nil	8.31	1800000/-
Madhu Mittal	Executive Director	M.A	26.05.1992	62	Cenlub Engineers Promoter	11.91	1020000/-
V.K.Gupta	Executive Director	Diploma Holder Mechanical Engineers	17.12.2002	70	General Manager Neo Poly Pack P. Ltd 19 Years	0.49	1020000/-

Mr.V.K.Mittal and Smt. Madhu Mittal and Mr. Aman Mittal And Mr. Ansh Mittal are related to each other.

Place : Faridabad  
Date : 11<sup>th</sup> August 2017

ON BEHALF OF THE BOARD OF DIRECTORS  
FOR CENLUB INDUSTRIES LIMITED

VIJENDRA KUMAR MITTAL  
MANAGING DIRECTOR  
DIN: 00006398

VIRENDRA KUMAR GUPTA  
WHOLE TIME DIRECTOR  
DIN: 00006461

**EXTRACT OF ANNUAL RETURN**  
**As on Financial Year ended on March 31, 2017**  
**[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies**  
**(Management and Administration) Rules, 2014]]**

**I. REGISTRATION AND OTHER DETAILS:**

<b>CIN</b>	L67120HR1992PLC035087
<b>Registration Date</b>	<b>26.03.1992</b>
<b>Name of the Company</b>	M/s Cenlub Industries Limited
<b>Category/Sub – Category of the Company</b>	Public Company Limited by Shares
<b>Address of the Registered office and contact details</b>	Plot No- 233-234 Sec -58 Ballabgarh Faridabad-121004 Haryana Ph no : 08826794470, 71, 72 ,73Fax no: 01292307263 E-mail: cenlub @cenlub.inWeb: www.cenlub.in
<b>Whether listed company</b>	Yes
<b>Name, Address and Contact details of Registrar and Transfer Agent, if any</b>	Beetal Financial & Computer Services(P) Ltd Beetal House, 3 <sup>rd</sup> Floor, 99, Madangir, Behind Local Shopping Centre, Near Dada Harsukhdas Mandir, New Delhi-110062 <b>Tel.:+9111-29961281-83</b> <b>E-mail:beetal@beetalfinancial.com</b> <b>Web:www.beetalfinancial.com</b>

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

SL.No.	Name and Description of main products/ services	NIC Code of the product / service	% to total turnover of the Company"
1.	Centralized Lubrication System Machine Tools, Press Tools, Die Casting, Pharmaceutical machines,	2912	100%

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**

Sl. No.	Name and address of the Company	CIN/GLN	Holding/subsidiary/ associate	% of shares held	Applicable Section
1.	GANPATI HANDTEX PRIVATE LIMITED PLOT NO-233-234 SECTOR-58 FARIDABAD, HARYANA	U29100HR2007PTC036973	Subsidiary	100%	2(87)

**IV. SHARE HOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY)**
**i. Category-wise Share Holding:**

Category of shareholders	No. of Shares held at the beginning of the year				No of shares held at the end of the year				% Changed During the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
<b>A. Promoters Group</b>									
<b>(1) Indian</b>									
a) Individual	1652543	-	1652543	40.11	1645665	-	1645665	39.94	(0.17)
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt.(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	131461	-	131461	3.19	131461	-	131461	3.19	-
e) Banks/ FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
<b>Sub-total (A)(1)</b>	<b>1784004</b>	<b>-</b>	<b>1784004</b>	<b>43.30</b>	<b>1777126</b>	<b>-</b>	<b>1777126</b>	<b>43.13</b>	<b>(0.17)</b>
<b>(2) Foreign</b>									
a) NRIs-Individual	-	-	-	-	-	-	-	-	-
b) Others-Individual	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Bank/ FI	-	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-
<b>Sub-total (A)(2)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total shareholding of Promoter (A) =</b>									
<b>(A)(1)+(A)(2)</b>	<b>1784004</b>	<b>-</b>	<b>1784004</b>	<b>43.30</b>	<b>1777126</b>	<b>-</b>	<b>1777126</b>	<b>43.13</b>	<b>(0.17)</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	-	2700	2700	0.07	-	2700	2700	0.07	-
b) Venture Capital Funds	-	-	-	-	-	-	-	-	-
c) Alternate Investment Funds	-	-	-	-	-	-	-	-	-
d) Foreign Venture Capital Investors	-	-	-	-	-	-	-	-	-
e) Foreign Portfolio Investors	-	-	-	-	-	-	-	-	-
f) Financial Inst/ banks	-	-	-	-	-	-	-	-	-
g) Insurance Companies	-	-	-	-	-	-	-	-	-
h) Provident Fund / Pension Fund	-	-	-	-	-	-	-	-	-
i) Any other	-	-	-	-	-	-	-	-	-
j) Other-Foreign Fin Inst/bank	-	600	600	0.01	-	600	600	0.01	-
<b>Sub-total (B) (1)</b>	<b>-</b>	<b>3300</b>	<b>3300</b>	<b>0.08</b>	<b>-</b>	<b>3300</b>	<b>3300</b>	<b>0.08</b>	<b>-</b>

2. Central Govt/ State Govt/ President of India									
<b>Sub-total (B)(2)</b>									
<b>3. Non-Institutions</b>									
a) (i) Individual- Holding Nom. Val. Upto Rs. 2 lakhs.	1049700	635960	1685660	40.91	985600	620160	1605760	38.98	(1.93)
(ii) Individual- Holding Nom. Val. greater then Rs. 2 lakhs	337574	-	337574	8.20	484882	-	484882	11.77	3.57
Kailashben Ashok Kumar Patel	139000	-	139000	3.37	132000	-	132000	3.20	(0.17)
Shyam Sunder Gupta	71863	-	71863	1.74	71863	-	71863	1.74	-
Rajeev Jawahar	-	-	-	-	41434	-	41434	1.00	1.00
b) NBFC Registered With RBI	-	-	-	-	-	-	-	-	-
(c-i) Employees Trust	-	-	-	-	-	-	-	-	-
(d)Overseas Depository Holding DRs	-	-	-	-	-	-	-	-	-
<b>(e) Any Other Other-Body Corp Other-Clearing Member Other-N R I- Non-Repatri- able</b>	<b>98353</b>	<b>7600</b>	<b>105953</b>	<b>2.57</b>	<b>62204</b>	<b>7600</b>	<b>69804</b>	<b>1.69</b>	<b>(0.88)</b>
<b>Other N R I</b>	<b>200</b>	<b>-</b>	<b>200</b>	<b>0.00</b>	<b>8265</b>	<b>-</b>	<b>8265</b>	<b>0.20</b>	<b>0.20</b>
<b>Dr. Sanjeev Arora</b>	<b>59002</b>	<b>-</b>	<b>59002</b>	<b>1.43</b>	<b>59002</b>	<b>-</b>	<b>59002</b>	<b>1.43</b>	<b>-</b>
<b>Other-Individual HUF</b>	<b>119216</b>	<b>-</b>	<b>119216</b>	<b>2.89</b>	<b>97175</b>	<b>-</b>	<b>97175</b>	<b>2.36</b>	<b>(0.53)</b>
Sub Total (B) (3)	1676936	655760	2332696	56.70	1699614	639960	2339574	56.79	0.09
Total Public Shareholding (B)=(B)(1)+(B) (2)+(B)(3)	1676936	659060	2335996	56.70	1699614	643260	2342874	56.86	0.16
<b>Total (A)+(B)</b>	<b>3460940</b>	<b>659060</b>	<b>4120000</b>	<b>100</b>	<b>3476740</b>	<b>643260</b>	<b>4120000</b>	<b>100</b>	<b>-</b>
C. Non-Promoter – Non-Public	-	-	-	-	-	-	-	-	-
1) Custodian/Dr Holder									
2) Employee Benefit Trust (Under SEBI (Share based Employee Benefit) Regulation,2014)									
<b>Grand Total (A+B+C)</b>	<b>3460940</b>	<b>659060</b>	<b>4120000</b>	<b>100</b>	<b>3476740</b>	<b>643260</b>	<b>4120000</b>	<b>100</b>	<b>-</b>

**ii). Shareholding of Promoters:**

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year (as on 1 April, 2016)			Shareholding at the end of the year (a on 31 March, 2017)			% Change in Share holding during the year
		No of shares	% of total shares of the company	% of total pledged/ encumbered to total shares/	No of shares	% of total shares of the company	% of total pledged/ encumbered to total shares	
1.	Vijendra Kumar Mittal	444857	10.80	Nil	438379	10.64	Nil	(0.16)
2.	Madhu Mittal	491168	11.92	Nil	490668	11.91	Nil	(0.01)
3.	Aman Mittal	176439	4.29	Nil	176439	4.29	Nil	-
4.	Ansh Mittal	342342	8.31	Nil	342342	8.31	Nil	-
5.	Leena Mittal	146270	3.55	Nil	146270	3.55	Nil	-
6.	Nilu Mittal	15283	0.37	Nil	15283	0.37	Nil	-
7.	Swabi Mittal	14450	0.35	Nil	14450	0.35	Nil	-
8.	Virendra Kumar Gupta	19950	0.48	Nil	20050	0.48	Nil	-
9.	Santosh Gupta	1784	0.04	Nil	1784	0.04	Nil	-
10.	Minihyd Hydraulics Ltd	131461	3.19	Nil	131461	3.19	Nil	-
	<b>Total</b>	1784004	43.30	0	1777126	43.13	0	(0.17)

**iii). Change in Promoter and Promoter Group Shareholding**

Sr No.	Shareholders Name	Shareholding		Date*	Increase/ (Decrease) in shareholding	Reason	Cumulative shareholding during the year 01.04.16 to 31.03.17	
		No of Shares at the begging (01.04.2016)	% of total Shares of the company end of the year (31.03.2017)				No of shares	% of total Shares of the Company
1.	Vijendra Kumar Mittal	444857	10.80	29.04.16 06.05.16 13.05.16 23.09.16 30.09.16 14.10.16	750 250 400 4689 1534 1877	Purchase	438379	10.64
		438379	10.64	02.12.16 09.12.16 16.12.16 23.12.16	2000 3520 5458 5000	Sale		
2.	Madhu Mittal	491168	11.92	27.01.17	500	Market Sale	490668	11.91
		490668	11.91					
3.	Virendra Kumar Gupta	19950	0.48	13.01.17	100	Purchase	20000	0.48
		20050	0.48					

**iv). Shareholding pattern of top ten shareholders ( other than Directors, promoters and holders of GDRs and ADRs)**

Sr No.	Shareholders Name  For each of the top Ten Shareholders	Shareholding		Date*	Increase/ (Decrease) in share-holding	Reason	Cumulative shareholding during the year 01.04.16 to 31.03.17	
		No of Shares at the begging (01.04.2016) end of the year (31.03.2017)	% of total Shares of the company				No of shares	% of total Shares of the Company
1.	Kailashben Ashok Kumar Patel	139000#	3.37	10.06.16 24.06.16 30.06.16 10.02.17 17.02.17 24.02.17 03.03.17 24.03.17 31.03.17	16000       11000	Purchase  Sale	132000	3.20
2.	Shyam Sunder Gupta	71863 # 71862*	1.74 1.74			No Change	71863	1.74
3.	Vandana Vyomesh Shah	34250 # 34250*	0.83 0.83			No Change	34250	0.83
4.	Vinaben	29255 #	0.71	10.06.16 17.06.16 02.12.16 20.01.17 10.02.17 10.03.17 24.03.17 31.03.17	6228  2000 6000 4093 1000 1000 2000	Purchase  Sale	23000	0.56
5.	Prashant Yashvantlal Sheth	22500 # 22500 *	0.55 0.55		0	No Change	22500	0.55
6.	Vyomesh Natvarlal Shah (HUF)	38000 # 38000 *	0.92 0.92		0	No Change	38000	0.92
7.	Dr.Sanjeev Arora	59002 # 59002 *	1.43 1.43			No Change	59002	1.43
8.	Rajeev Jawahar	8085 # 41434*	0.20 1.01	31.12.16 06.01.17 13.01.17	14811 7784 10754	Purchase	41434	1.01
9.	Satya Bhama Madaanlal Raika	39783# 39783 *	0.97 0.97		0	No Change	39783	0.97
10.	Utsav Pramod Kumar Shrivastav	6000# 37000 *	0.17 0.90	24.03.17 31.03.17	1000 30000	Purchase	37000	0.90

# AS ON 01.04.2016

\* AS ON 31.03.2017

**V) Shareholding of Directors and Key Managerial Personnel:**
**Shareholding of Directors:**

Sr. No.	For each of the Director and KMP	Shareholding at the beginning of the year		Cumulative Shareholder during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
01.	Vijendra Kumar Mittal As on 01.04.2016	444857	10.80	444857	10.53
	As on 31.03.2017	<b>438379</b>	<b>10.64</b>	+750 +400 +250 +4689 +1534 +1877 - 2000 -3520 -5458 -5000 <b>438379</b>	<b>10.64</b>
02.	Madhu Mittal As on 01.04.2016	491168	11.92	491168	11.91
	As on 31.03.2017	<b>490668</b>	<b>11.91</b>	500 <b>490668</b>	<b>11.91</b>
03.	Aman Mittal As on 01.04.2016	176439	4.29	176439	4.29
	As on 31.03.2017	<b>176439</b>	<b>4.29</b>	<b>176439</b>	<b>4.29</b>
04.	Ansh Mittal As on 01.04.2016	342342	8.31	342342	8.31
	As on 31.03.2017	<b>342342</b>	<b>8.31</b>	<b>342342</b>	<b>8.31</b>
05.	Virendra Kumar Gupta As on 01.04.2016	19950	0.48	19950	0.48
	As on 31.03.2017	<b>20050</b>	<b>0.48</b>	<b>100</b> <b>20050</b>	<b>0.48</b>
06.	Dinesh Kaushal As on 01.04.2016	8500	0.20	8500	0.20
	As on 31.03.2017	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>
07.	Ashok Kumar Agarwal As on 01.04.2016	300	0.007	300	0.007
	As on 31.03.2017	<b>300</b>	<b>0.007</b>	<b>300</b>	<b>0.007</b>
08	K.G.Gupta As on 13.11.2016	1000	0.02	1000	0.02
	As on 31.03.2017	<b>1000</b>	<b>0.02</b>	<b>1000</b>	<b>0.02</b>

Mr. O.P.Verma Non-Executive Director, Smt. Sujata Arora Non-Executive Director, & Ms. Komal Gupta, Company Secretary do not hold any shares of the company at the beginning of the year as well as at the end of the year .They have neither acquired any shares not sold any shares during the year under review.



**VI) INDEBTEDNESS**

Indebtedness of the Company including interest outstanding / accrued but not due for payment

(In Rs.Lacs)

	Secured Loans excluding deposits	Unsecured Loan	Deposits	Total Indebtedness
<b>Indebtedness as at April 1, 2016</b>				
i) Principle Amount	1104.52	-	-	1104.52
ii) Interest due but not paid	-	-	-	
iii) Interest accrued but not due				
Total (i+ ii+ iii)	1104.52	-	-	1104.52
<b>Change in indebtedness during the financial year*</b>				
<b>Addition</b>			-	
<b>(Reduction)</b>	(53.07)	-	-	(53.07)
<b>Net Change</b>			-	
<b>Indebtedness as at March 31, 2017</b>	1051.45	-	-	1051.45
i) Principle Amount		-	-	
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (I + ii+ iii)	1051.45	-	-	1051.45

\* includes exchange difference and interest movement.

**VII) REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**
**A. Remuneration to Managing Director, Whole- time Director and /or Manager**

(In Rs. Lac)

Sr. No.	Particulars of Remuneration	Name of the Managing Director/ Whole-time Director/ Manger				Total Amount
		Mr. V.K. Mittal Chairman & Managing Director	Mrs. Madhu Mittal Executive Director	Mr. Aman Mittal Executive Director	Mr. Ansh Mittal Executive Director	
1.	Gross Salary	36.00	10.20	18.00	18.00	82.20
	a. Salary as per provisions contained in section 17(1) of the Income Tax Act 1961					
	b. Value of Perquisites u/s 17(2) Income Tax Act 1961	-	-	0	0	0
	c. Profits in lieu of salary under section 17(3) Income Tax Act 1961	-	-	0	0	0
2.	Stock option	-	-	-	-	-
3.	Sweat Equity	-	-	-	-	-
4.	Commission:	-	-	-	-	-
	-As a % of Net [Profit	-	-	-	-	-
	-others, specify	-	-	-	-	-
5.	Other, please specify	-	-	-	-	-
Total A						

**B. Remuneration to other Director**

(In Rs. Lac)

	Particulars of Remuneration	Name of Directors					Total
		Dinesh Kaushal	O.P. Verma	Sujata Arora	Ashok Kumar Agarwal	K.G. Gupta	
1.	Independent Director / other non-executive Directors						
	- Fee for attending board meeting	0.20	0.20	0.20	0.12	0.12	0.84
	-commission	-	-	-	-	-	-
	-others, please specify	-	-	-	-	-	-
	<b>Total B</b>						<b>0.84</b>
	<b>Total Managerial Remuneration (A)+ (B)</b>						<b>83.04</b>

**C. Remuneration to Key Managerial Personnel other than M/D/Manager /WTD**

(In Rs. Lac)

	Particulars of Remuneration	Key Managerial Personnel		
		CFO	CS	Total
1.	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act,1961	10.20	2.64	12.84
	(b) Value of perquisites u/s 17(2) Income-tax Act,1961	-	-	-
	(c) Profit in lieu of salary under section 17(3) Income-tax Act,1961	-	-	-
2.	Stock Option			
3.	Sweat Equity			
4.	Commission			
	-as% of profit			
	Others, specify...			
	Others, please specify			
	<b>Total c</b>	<b>10.20</b>	<b>2.64</b>	<b>12.84</b>
	<b>Total Managerial Remuneration (A)+ (B+C)</b>			<b>95.88</b>

**VII. PENALTIES /PUNISHMENT/COMPOUNDING OF OFFENCES**

Type	Selection of Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority (RD/NCLT/ COURT)	Appeal made if any (give details)
A. Company Penalty Punishment Compounding	NIL				
B. Directors Penalty Punishment Compounding	NIL				
C. Other Officers in default Penalty Punishment Compounding	NIL				

Place : Faridabad  
Date : 11<sup>th</sup> August 2017

ON BEHALF OF THE BOARD OF DIRECTORS  
FOR CENLUB INDUSTRIES LIMITED

**VIJENDRA KUMAR MITTAL**  
MANAGING DIRECTOR  
DIN: 00006398

**VIRENDRA KUMAR GUPTA**  
WHOLE TIME DIRECTOR  
DIN: 00006461



**FORM No. MR-3**

**SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31<sup>st</sup> MARCH 2017**

[Pursuant to section 204(1) of Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,  
**The Members,**  
**CENLUB INDUSTRIES LIMITED**  
**(CIN No.: L67120HR1992PLC035087)**  
**PLOT NO. -233 & 234,**  
**SECTOR-58,**  
**FARIDABAD -121004**

We have conducted the secretarial audit of the compliance of **CENLUB INDUSTRIES LIMITED**, applicable statutory provisions and adherence to good corporate practices by **CENLUB INDUSTRIES LIMITED** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

**We report that**

- a) Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
- b) We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed, provide a reasonable basis for our opinion.
- c) We have not verified the correctness and appropriateness of the financial statements of the Company.
- d) Wherever required, we have obtained the Management representation about the compliances of laws, rules and regulations and happening of events etc.
- e) The compliance of the provisions of the corporate and other applicable laws, rules, regulation and standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.
- f) The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended 31<sup>st</sup> March, 2017 complied with the statutory provisions listed hereunder. The Company has proper Board – processes and compliance –mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended March 31<sup>st</sup>, 2017 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made there under/ Companies Act, 1956 (wherever applicable);
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;

- iii. The Depositories Act, 1996 and the Regulations and Bye- laws Framed there under;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings (wherever applicable);
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992('SEBI Act') :-
  - a) The securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
  - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
  - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - d) The Securities and Exchange Board of India (Share based Employee Benefits) Regulations, 2014; **(Not applicable to the Company during the Audit Period)**;
  - e) The securities and Exchange Board of India (Issue and Listing Of Debt Securities ) Regulations, 2008 **(Not applicable to the Company during the Audit Period)**;
  - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 **(Not applicable to the Company during the Audit Period)** and
  - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 **(Not applicable to the Company during the Audit Period)**
  - i) The Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015;

We have also examined compliance with the applicable clauses of the following:

- i. Secretarial Standard on Meetings of the Board of Directors issued by The Institute of Company Secretaries of India.
- ii. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

**We further report that** The Board of directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors and that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.



Majority decisions are carried through while the dissenting member's views are captured and recorded as a part of minutes.  
**Many of the decisions at the Board Meetings were passed unanimously.**

**We further report that** there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**We further report that** during the audit period the Company has following specific event/action a major bearing on the Company's affair in pursuance of the above referred laws, rules, regulations, guidelines, standard etc referred to above:

- (i) The Company in pursuance to the scheme of Amalgamation between the Company and M/s MINIHYD HYDRAULICS LIMITED (Transferor Company 1) & its wholly owned subsidiary M/s GANPATI HANDTEX PRIVATE LIMITED (Transferor Company 2) and the respective shareholders and creditors (Both secured & unsecured) of the amalgamating Companies, received the order of the dated 15th May, 2017 of the Chandigarh Bench of Hon'ble National Company Law Tribunal (NCLT) with respect to first motion application regarding convene the Meeting of the Shareholder and creditors secured and un-secured for approving the scheme of Amalgamation and arrangements on July 13, 2017 .

The meeting of the Shareholder and creditors secured and un-secured for approving the scheme of amalgamation and arrangements has duly convened & held as per the direction of the Hon'ble National Company Law Tribunal & approved the scheme with requisite majority of the shareholders & secured and un secured creditors of the amalgamating Companies.

**FOR SHREYANSH JAIN & ASSOCIATES**  
**Company Secretaries**

**(SHREYANSH PRATAP JAIN)**  
**Company Secretary**  
**Membership No.: F8621**  
**Certificate of Practice No.: 9515**

**Place: Delhi**  
**Date: 11<sup>th</sup> August, 2017**

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

**(A) Conservation of energy-**

**(i) the steps taken or impact on conservation of energy;**

Our company has taken the following steps to reduce consumption of electricity:

- The electrical appliance/motor for products as well as internal testing is done and supplied with IE2 motor which consumes low energy by 10%.
- In place of DG sets, VFD appliances are used which gives 100% utilization of power against loss of 50 to 60% power by DG sets.
- Optimum utilization of manufacturing units to save energy
- The company is planning to generate and use solar power as alternate/green energy.

**(ii) the steps taken by the company for utilising alternate sources of energy;**

Our company proposed to initiate energy audit and is also exploring use of solar energy in various units.

**(iii) the capital investment on energy conservation equipments;**

All the expenditures on capital equipments incurred by the company during the financial year under review, is on energy conservation equipments. Most of the equipments installed by the company are energy saving and best in industry.

**(B) Technology absorption-**

**(i) the efforts made towards technology absorption;**

Our company is working to make valuable equipments viable by undertaking value engineering projects. Our company is also designing products that will be most efficient on consumption of power and our equipments are protected by IP45/IP54 measures.

**(ii) the benefits derived like product improvement, cost reduction, product development or import substitution;**

The efforts made towards technology absorption will enable the business to be sustainable in the future. Our company is also developing such products suitable for operations in adverse Indian power supply conditions.

**(iii) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-**

Our Company has not imported any new technology during the year.

**(iv) the expenditure incurred on Research and Development.**

Our company has a well equipped R&D department which is engaged in activities related to development of company's products. R&D is also engaged in the development of our products/equipments that is expected to provide cutting edge in this new technology.

**Expenditure on R&D:** The R & D is done by our regular employees and no separate expenditure is being incurred on such activities.

**(C) Foreign exchange earnings and Outgo-**

The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows are given hereunder:

	2016-17	2015-16	In Rs. lacs
Foreign exchange earnings	106.87	156.88	
Foreign exchange outgoing	-	-	

Place : Faridabad  
Date : 11<sup>th</sup> August 2017

**ON BEHALF OF THE BOARD OF DIRECTORS  
FOR CENLUB INDUSTRIES LIMITED**

**VIJENDRA KUMAR MITTAL  
MANAGING DIRECTOR  
DIN: 00006398**

**VIRENDRA KUMAR GUPTA  
WHOLE TIME DIRECTOR  
DIN: 00006461**

## CORPORATE GOVERNANCE

### 1. Company's Philosophy on Corporate Governance:

**Corporate Philosophy:** Cenlub continues to uphold its commitment to adhere to high standards of Corporate Governance. The Company strives to ensure transparency in all its operations, make disclosures and comply with various laws and regulations. Emphasis therefore, is on adding value to its shareholders, investors, employees, suppliers, customers and the community. Your Company is in full compliance with the norms and disclosures that have to be made from time to time with the requirements of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 [SEBI LODR, 2015].

### 2. BOARD OF DIRECTORS AND BOARD MEETINGS

#### a. Composition :

The Company's policy is to maintain an optimum combination of Executive and Non –Executive Directors. As on March 31, 2017, Cenlub Board comprises of ten (10) Directors. The Board consists of the five (5) Executive Directors (including Chairman and Managing Director, who is a promoter Director) and five (5) Non–executive Independent Directors. The composition of the Board is in conformity with Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Details of the composition of the Board of Directors are given in **Table1**.

#### b. Board Meetings

In the Financial Year 2016-17, eight (8) Board of Directors meeting were held on the following dates :

1. April 30,2016
2. May 28,2016
3. July 30,2016
4. August 13,2016
5. October 08,2016
6. November 14,2016
7. February 11, 2017
8. March 31,2017

**Table1 : The composition of the Board, Directorships/Membership of Committee of other Companies as on March 31,2017, no. of meetings held and attended During the financial year are under:**

Sr. No.	Name of the Director	Category of Directorship	No. of Board Mtgs. attended	Attendance last AGM held on 30 Sept. 2016	No. of Directorship other Companies		Membership of Committees of other Companies	Sitting Fee for Board meetings (Rs)	No. of Equity Shares held as on March, 31
					As Member	As Member			
1.	Mr. Vijendra Kumar Mittal Managing Director (Din00006398)	Executive Promoter	8/8	Yes	2	1	-	-	438379
2.	Mrs. Madhu Mittal (Din00006418)	Executive Promoter	8/8	Yes	1	-	-	-	490668



3.	Mr. Aman Mittal (Din 00006435)	Executive	8/8	No	-	-	-	-	176439
4.	Mr. Virendra Kumar Gupta (Din 00006435)	Executive	8/8	Yes	1	-	-	-	20050
5.	Mr. Ansh Mittal (Din 00041986)	Executive	8/8	Yes	1	-	-	-	342342
6.	Mr. Dinesh Kaushal (Din 00006490)	Independent Non-Executive	8/5	No	9	-	-	20,000	-
7.	Mr. Ashok Kumar Agarwal (Din 00006512)	Independent Non-Executive	8/3	Yes	-	-	-	12,000	300
8.	Mr. Om Prakash Verma (Din 00149756)	Independent Non-Executive	8/5	No	-	-	-	20,000	-
9.	Mr. Krishna Gopal Gupta (Din 0022525)	Independent Non-Executive	8/3	No	2	-	-	12,000	1000
10.	Smt. Sujata Arora (Din07585453)	Independent Non-Executive	5/2	No	-	-	-	8,000	-

Other directorships do not include foreign companies. In accordance with Regulation 26(1)(b) of Sebi (Listing Obligations and Disclosure Requirements) Regulations, 2015 Memberships/Chairmanships of only the Audit Committee and Stakeholders' Relationship Committee in all Indian Public limited companies have been considered.

**c. Appointment/Re-appointment of Directors:**

Pursuant to the provisions of Section 152 read with Section 149(13) of the Companies Act, 2013 and Regulation 36 (3) of the Listing Regulations, Mr. Aman Mittal and Smt. Madhu Mittal Director's, being longest in the office, is liable to retire by rotation.

The term of office of Mr. Virendra Kumar Gupta (DIN 00006461), as Whole-time Director, designated as "Executive Director" of the Company, expired on July 31, 2017. The Board of Directors on the recommendation of the Nomination and Remuneration Committee, at their respective meeting held on July 28, 2017, subject to the approval of Members of the Company, have accorded their approval to re-appoint Mr. Virendra Kumar Gupta as Whole-time Director, designated as "Executive Director" of the Company, for a further period of three (3) years w.e.f. August 01, 2017. His re-appointment and remuneration is in terms of Section 196, 197, 198, 200 and 203 read with Section II Part II, of Schedule V of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013.

**d. Code of Conduct:**

The Company has adopted a Code of Conduct for its Board Members and Senior Management and has posted the Code on the website of the Company in terms of Regulation 17 (5) of the Securities and Exchange of Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations). The Managing Director has affirmed the compliance of the Code of Conduct by the Board Members and Senior Management for the year under review. A declaration to this effect signed by the Managing Director, Mr. Vijendra Kumar Mittal forms part of this report.

**e. Board Independence:**

Based on the confirmation/disclosures received from the Directors, 5 Non-Executive Directors are independent in terms of Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the Listing Regulations. There are no material pecuniary relationships or transactions between the independent Directors and the Company, except for sitting fees drawn by them for attending the Meetings of the Board and Committees thereof.

During the financial year, a separate meeting of the Independent Directors was held on March 18, 2017, without the presence of Managing Directors, Whole time Directors and Management to discuss inter alia:

- 1) Review the performance of the Chairperson of the Company, taking into account the views of the Executive Directors and Non-Executive Directors;
- 2) Review the performance of Non-Independent Directors and the Board as a whole;
- 3) Assess the quality, quantity and timelessness of flow of information between the management of the Company and the Board of Directors that is necessary for the Board of Directors to effectively perform their duties.

The terms and conditions of appointment of the Independent Directors are disclosed on the Company's website <http://www.cenlub.in>

**f. Directors' Induction & Familiarisation:**

The Independent Directors are familiarized, with the Company, their duties, roles and responsibilities, the nature of the industry, the business model of the Company, in line with the "Familiarisation programme of Independent Directors", the details of which can be viewed at <http://www.cenlub.in>

Also, familiarization programme details for the financial year 2016-2017 has been hosted on <http://www.cenlub.in>

**g. Board Evaluation:**

During the financial year under review, the Board of Directors /Independent Directors/Nomination and Remuneration Committee (as applicable) has carried out an annual evaluation of its own performance, performance of all individual Directors including Independent Directors, the performance of its Committees and the evaluation of Chairman of the Board, in terms of provisions of the Companies Act, 2013 and Regulation 25(3) and (4) of the Listing Regulations.

The Board's functioning was evaluated on various aspects, including inter alia degree of fulfillment of key responsibilities, Board structure and composition, establishment and delineation of responsibilities to various Committees, effectiveness of Board processes, information and functioning.

Separate exercise was carried out to evaluate the performance of individual Directors including the Board Chairman who were evaluated on parameters such as attendance, contribution at the meetings and otherwise, independent judgment, safeguarding of minority shareholders interest etc. The performance evaluation of the Independent Directors was carried out by the entire Board, excluding the Director being evaluated. The performance evaluation of the Chairman and the Non-Independent Directors was carried out by the Independent Directors who also reviewed the performance of the Board as a whole.

**3. Audit Committee:**

The Audit Committee comprised of Mr. Dinesh Kaushal (Chairman), Mr. Ashok Kumar Agarwal and Mr. Krishna Gopal Gupta. This was reconstituted on 11.08.2017 due to resignation of Mr. K.G.Gupta from the committee of the company. After such reconstitution, the committee consisting of the following of the directors.

1. Mr. Dinesh Kaushal— Chairman & Independent Director
2. Mr. Ashok Kumar Agarwal — Independent Director
3. Smt. Sujata Arora — Independent Director

All members of the Audit Committee are financially literate and Mr. Dinesh Kaushal, a Chartered Accountant has the relevant accounting and related financial management expertise.

Ms. Komal Gupta Company Secretary is the Secretary of the Committee.

The Managing Directors, General Manager: Internal Audit, General Manager – Cost and Management Accounting and Senior General Manager: Finance attend the Audit Committee meetings by invitation. Statutory Auditors are also invited to attend the meetings.

**a. Meetings & Attendance:**

The Audit Committee had Six (6) meetings during the Financial year 2016-17 and were held on the following dates

1. May 26, 2016;
2. August 11, 2016;
3. October 08, 2016;
4. November 12, 2016
5. February 10, 2017; and
6. March 31, 2017.

Mr. Dinesh Kaushal, Mr. K.G.Gupta and Mr. Ashok Kumar Agarwal has attended all Six (6) meetings held during the year.

- b.** The terms of reference of the Audit Committee are in line with Section 177 of the Companies Act, 2013 and Regulation 18 of the Listing Regulations.

**The terms of reference of audit committee are briefly described as follows:**

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the Company.
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013.
  - 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.
5. Reviewing, with the Management, the quarterly financial statements before submission to the Board for approval;
6. Reviewing, with the Management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document /prospectus /notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;

7. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the Company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the Company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems.
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
13. 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.
14. Discussion with internal auditors of any significant findings and follow up there on.
15. 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.
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
18. To review the functioning of the Whistle Blower mechanism;
19. Approval of appointment of 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 and background, etc. of the candidate.
20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

#### **4. Nomination and Remuneration Committee (NRC):**

The Nomination and Remuneration Committee comprised of Mr. Krishna Gopal Gupta (Chairman ), Mr. Ashok Kumar Agarwal and Mr. Om Prakash Verma . However the Committee was reconstituted by the Board of Directors of the Company on its meeting held on 11th August 2017 in accordance with the provisions of Section 178(3) of the Companies Act, 2013, comprise of:

1. Mr. K.G.Gupta — Chairman & Independent Director
2. Mr. Ashok Kumar Agarwal — Independent Director
3. Smt. Sujata Arora — Independent Director

The Nomination and Remuneration Committee met 5 (Five ) times during the year on the following dates:

1. April 28, 2016
2. May 25, 2016
3. July 27, 2016
4. August 11, 2016
5. October 05, 2016

All the members has attended all the 5 (five) Nomination and Remuneration Committee meetings.

**a. The terms of reference and role of the Nomination & Remuneration Committee are under as per the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations):**

- i. Formulation of the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy, relating to the remuneration of the Directors, key managerial personnel and other employees;
- ii. Formulation of criteria for evaluation of Independent Directors and the Board;
- iii. Devising a policy on Board diversity;
- iv. Identifying persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.
- v. Whether to extend or continue the term of appointment of the Independent Director on the basis of the report of performance evaluation of Independent Directors.

**b. Remuneration of Executive Directors:**

The total remuneration payable to the Managing Directors/Executive Director for the financial year 2016-2017 is as under:

	<b>Salary (in Rs.)</b>	<b>Perquisites (in Rs.) FY2016-2017</b>	<b>Commission Payable for the</b>	<b>Total (in Rs.)</b>
Mr. V.K.Mittal	<b>36,00,000</b>	-	-	<b>36,00,000</b>
Mrs. Madhu Mittal	<b>10,20,000</b>	-	-	<b>10,20,000</b>
Mr. V.K.Gupta	<b>10,20,000</b>	-	-	<b>10,20,000</b>
Mr. Aman Mittal	<b>18,00,000</b>	-	-	<b>18,00,000</b>
Mr. Ansh Mittal	<b>18,00,000</b>	-	-	<b>18,00,000</b>

the present criteria, only sitting fees is paid to the Non-Executive Directors for attending the Meetings.

**c. Performance Evaluation criteria for Independent Directors:**

Pursuant to Section 149 of the Companies Act, 2013 read with Schedule IV, annual performance evaluation of Independent Directors was carried out by the entire Board of Directors excluding the Directors being evaluated.

Evaluation form(s) duly finalised by Smt. Sujata Arora, Non-Executive Independent Director along with Ms. Komal Gupta, Company Secretary & Senior General Manager and was circulated to the respective Directors with a request to send the completed forms addressed to the Chairman of the Board of Directors.

The Board thereafter reviewed the evaluation of each Independent Director and expressed that the performance of each Independent Director was good and that the established process of evaluation was also satisfactory.

**d. Nomination & Remuneration Policy:**

The Company has a Nomination and Remuneration Policy and the same has been displayed on the website of the Company i.e. [www.cenlub.in](http://www.cenlub.in)

**Objective**

The Nomination and Remuneration Committee and this Policy shall be in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto. The objective of this policy is to lay down a framework in relation to the nomination and remuneration of Directors, KMP, Senior management personnel and other employees. The Key Objectives of the Committee would be:

- 1.1. To guide the Board in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management.
- 1.2. Formulate the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy relating to the remuneration of Directors, key managerial personnel and other employees.
- 1.3. Formulation of criteria for evaluation of Independent Director and the Board.
- 1.4. To evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation of the Board.
- 1.5. To recommend to the Board on Remuneration payable to the Directors, Key Managerial Personnel and Senior Management.
- 1.6. To provide to Key Managerial Personnel and Senior Management reward linked directly to their effort, performance, dedication and achievement relating to the Company's operations.
- 1.7. To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.
- 1.8. To develop a succession plan for the Board and to regularly review the plan.
- 1.9. To assist the Board in fulfilling responsibilities.
- 1.10. To Implement and monitor policies and processes regarding principles of corporate governance.

**Constitution of Committee**

The Board of Directors of the Company (the Board) has constituted the committee to be known as the Nomination and Remuneration Committee (NRC) consisting of three or more Non-Executive Directors out of which not less than one-half are independent Directors. The Chairman of the Committee is an Independent Director. However, the Chairperson of the Company (whether Executive or Non-Executive) may be appointed as a member of the NRC but shall not chair such Committee. The meetings of the Committee shall be held at such regular intervals as may be required. The Company Secretary of the Company shall act as Secretary of the Committee.

**Applicability**

- a) Directors (Executive and Non-Executive)
- b) Key Managerial Personnel
- c) Senior Management Personnel

**Definitions**

"Act" means the Companies Act, 2013 and Rules framed there under, as amended from time to time.

"Board" means Board of Directors of the Company.

"Directors" mean Directors of the Company.

"Key Managerial Personnel" means

- i. Managing Director, or Chief Executive Officer or Manager and in their absence, a Whole-time Director;
- ii. Chief Financial Officer/Vice President : Finance;
- iii. Company Secretary; and
- iv. Such other officer as may be prescribed.

"Senior Management" means the personnel of the Company who are members of its core management team excluding Board of Directors comprising all members of management one level below the Managing/Executive Directors, including the functional heads.

Unless the context otherwise requires, words and expressions used in this policy and not defined herein but defined in the Companies Act, 2013 as may be amended from time to time shall have the meaning respectively assigned to them therein.

### **Policy for Appointment and Removal of Director, KMP and Senior Management**

#### **1. Appointment Criteria and Qualifications**

- a) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his/her appointment.
- b) A person should possess adequate qualification, expertise and experience for the position he/she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient /satisfactory for the concerned position.
- c) The Company shall not appoint or continue the employment of any person as Whole-time Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.

#### **2. Term/Tenure**

##### **a) Managing Director/Whole-time Director:**

The Board shall appoint or re-appoint any person as its Chairman (Executive/Non-Executive), Managing Director or Executive Director for a term not exceeding three years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

##### **b) Independent Director:**

- An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.
- No Independent Director shall hold office for more than two consecutive terms of up to maximum of 5 years each, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.

- At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed Company or such other number as may be prescribed under the Act.
3. Evaluation  
The Committee shall carry out evaluation of performance of every Director, KMP and Senior Management Personnel at regular intervals as may be decided by them.
  4. Removal  
Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, rules and regulations there under, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.
  5. Retirement  
The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position/remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

**Policy for Remuneration to Directors/KMP/Senior Management Personnel**

1. Remuneration to Managing/Whole-time/Executive/Managing Director, KMP and Senior Management Personnel:  
The Remuneration/Compensation/Commission etc. to be paid to Director/Managing Director etc. shall be governed as per provisions of the Companies Act, 2013 and rules made there under or any other enactment for the time being in force.
2. Fixed pay:  
The Whole-time Director/KMP and Senior Management Personnel shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee. The breakup of the pay scale and quantum of perquisites including employer's contribution to PF, pension scheme, medical expenses, club fees, etc. shall be decided and approved by the Board/the person authorized by the Board on the recommendation of the Committee and approved by the Shareholders and Central Government, wherever required.
3. Minimum Remuneration:  
If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Whole-time Director in accordance with the provisions of Schedule V of the Act and if it is not able to comply with such provisions, with the previous approval of the Central Government.
4. Provisions for excess remuneration:  
If any Whole-time Director draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limit prescribed under the Act or without the prior sanction of the Central Government, where required, he/she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government.
5. Increments to the existing remuneration structure may be recommended by the Committee to the Board which should be within the slabs approved by the Shareholders in the case of Whole-time Director.



6. Where any insurance is taken by the Company on behalf of its Whole-time Director, Chief Executive Officer, Chief Financial Officer, the Company Secretary and any other employees for indemnifying them against any liability, the premium paid on such insurances shall not be treated as part of the remuneration payable to any such personnel. Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.
7. Remuneration to Non-Executive/Independent Director: The Non-Executive Independent Director may receive remuneration/compensation/commission as per the provisions of Companies Act, 2013. The amount of sitting fees shall be subject to ceiling/ limits as provided under Companies Act, 2013 and rules made there under or any other enactment for the time being in force.

#### **Duties in Relation to Nomination Matters**

The duties of the Committee in relation to nomination matters include:

1. Ensuring that there is an appropriate induction in place for new Directors and members of Senior Management and reviewing its effectiveness;
2. Ensuring that on appointment to the Board, Non-Executive Directors receive a formal letter of appointment in accordance with the Guidelines provided under the Act;
3. Identifying and recommending Directors who are to be put forward for retirement by rotation;
4. Determining the appropriate size, diversity and composition of the Board;
5. Developing a succession plan for the Board and Senior Management and regularly reviewing the plan;
6. Evaluating the performance of the Board members and Senior Management in the context of the Company's performance from business and compliance perspective;
7. Making recommendations to the Board concerning any matters relating to the continuation in office of any Director at any time including the suspension or termination of service of an Executive Director as an employee of the Company subject to the provision of the law and their service contract.
8. Delegating any of its powers to one or more of its members or the Secretary of the Committee;
9. Recommend any necessary changes to the Board; and
10. Considering any other matters, as may be requested by the Board.

#### **Duties in Relation to Remuneration Matters**

The duties of the Committee in relation to remuneration matters include:

Considering and determining the Remuneration Policy, based on the performance and also bearing in mind that the remuneration is reasonable and sufficient to attract retain and motivate members of the Board and such other factors as the Committee shall deem appropriate all elements of the remuneration of the members of the Board.

Approving the remuneration of the Senior Management including key managerial personnel of the Company maintaining a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company.

Delegating any of its powers to one or more of its members or the Secretary of the Committee. Considering any other matters as may be requested by the Board.

**Minutes of Committee Meetings:**

Proceedings of all NRC meetings must be minutes and signed by the Chairman of the Committee at the subsequent meetings. Minutes of the NRC meetings will be tabled at the subsequent Board and Committee meetings.

**Review and Amendment:**

- i. The NRC or the Board may review the Policy as and when it deems necessary.
- ii. The NRC may issue the guidelines, procedures, formats, reporting mechanism and manual in supplement and better implementation to this Policy, if it thinks necessary.
- iii. This Policy may be amended or substituted by the NRC or by the Board as and when required and also by the Compliance Officer where there is any statutory changes necessitating the change in the policy.

**5. Stakeholders Relationship Committee:**

The Stakeholders' Relationship Committee comprised of Mr. Ashok Kumar Agarwal (Chairman ), Mr. V.K.Mittal and Mr. Ankur Garg . However the Committee was reconstituted by the Board of Directors of the Company on its meeting held on 11th August 2017 in accordance with the provisions of Section 178 of the Companies Act, 2013, comprises of :

1. Mr. Ashok Kumar Agarwal - Chairman & Independent Director
2. Smt. Madhu Mittal - Executive Director
3. Smt. Sujata Arora— Independent Director

The Stakeholder Relationship Committee ('SRC') met 4 (Four ) times during the year on the following dates:

1. April 30, 2016
2. July 30, 2016
3. November 14,2016
4. March 31,2017

Wherein all members were present. The total number of grievances received and resolved by the Committee to the satisfaction of the shareholders, all related to non-receipt of dividend and Annual Report. There were no requests for share transfer /transmission/deletions of names etc. pending as on 31st March, 2017 and all such requests were processed and delivered within thirty days (30 days) of lodgment with the Company.

Mr. V.K. Mittal Managing Director and Ms. Komal Gupta Secretary has been designated as the Compliance Officer of the Company as per the requirement of the Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015.

**a. Terms of Reference:**

The Committee looks into redressing grievances of Shareholders pertaining to transfer of shares, non-receipt of balance sheet, non-receipt of dividend, dematerialisation of shares, complaints received from SEBI and the Stock Exchanges etc.

The Board of Directors has also delegated the power of approving transfer/transmission /issue of duplicate share certificates to a Share Transfer Committee.

**6. Separate Meeting of Independent Directors:**

During the financial year a separate meeting of Independent Directors was held on March 18, 2017 and was attended by Mr. O.P.Verma (Chairman), Mr. Dinesh Kaushal, Mr. K.G. Gupta, Mr. Ashok Kumar Agarwal and Smt. Sujata Arora, without the attendance of Non-Independent Directors and members of management, inter alia to:

1. Review the performance of Non-Independent Directors and the Board as a whole;

2. Review the performance of the Chairperson of the Company taking into account the views of the Executive Director and the Non-Executive Director;
3. Assess the quality, quantity and functions of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

#### 7. Annual General Meetings:

The last three Annual General Meetings were held as under:

Financial Year	Date	Time	Venue	Special Resolutions Passed
2013-14	27/09/2014	9.00A.M	Aggarwal Sewa Sadan D-48,Sector-11, Faridabad,(Haryana)	<ol style="list-style-type: none"> <li>1. Reappointment of Smt. Madhu Mittal as a whole time director</li> <li>2. Reappointment of Mr. V.K Gupta as a whole time Director</li> <li>3. Authority to the for mortgage of properties of Company</li> <li>4. Authority to the Board to Borrow money.</li> <li>5. Related Party Transactions of the Company with Minihyd Hydraulics Limited</li> <li>6. Related Party Transactions of the Company with Shree Ganpati Boxmaker Pvt. Limited</li> <li>7. Related Party Transactions of the Company with Ganpati Handtex Pvt.Limited</li> </ol>
2014-15	30/09/2015	9.15A.M	Aggarwal Sewa Sadan D-48,Sector-11, Faridabad,(Haryana)	<ol style="list-style-type: none"> <li>1. Alteration in Memorandum of Association as per Companies Act, 2013. Adoption of new set of Article of Association of the Company as per Companies Act 2013.</li> </ol>
2015-16	30/09/2016	9.15 A.M	Terapanth Bhawan, D-2/13, Anuvrat Marg, Sector-10, DLF, Faridabad(Haryana)	<ol style="list-style-type: none"> <li>1. Appoint of Mrs. Sujata Arora As Director.</li> <li>2. Appointment of Mrs. Sujata Arora As an Independent Director.</li> <li>3. Re-Appointment of Smt. Madhu Mittal as Executive Director.</li> <li>4. Re-Appointment of Mr. Ansh Mittal as Executive Director.</li> <li>5. Re-Appointment of Mr. V.K.Mittal as Managing Director.</li> <li>6. Re-Appointment of Mr. Aman Mittal as Executive Director.</li> <li>7. Appointment of Mr. Dinesh Kaushal as an Independent Director.</li> <li>8. Appointment of Mr.Ashok Kumar Agarwal as an Independent Director.</li> <li>9. Appointment of Mr. O.P. Verma as an Independent Director.</li> <li>10. Service of Documents to the Shareholders of the Company.</li> </ol>

**8. Postal Ballot:**

No Resolution is proposed to be passed through postal ballot under the provisions of the Companies Act, 2013.

During the financial year under review, no special resolution was passed through Postal Ballot.

**9. Vigil Mechanism/Whistle Blower Policy:**

The Company promotes ethical behavior in all its business activities and has put in place a mechanism for reporting illegal or unethical behavior. The Company has adopted a Whistle Blower Policy and has established the necessary Vigil Mechanism for employees and Directors to report concerns about unethical behavior. The Whistle Blower Policy complies with the requirements of Vigil Mechanism as stipulated under Section 177(9) of the Companies Act, 2013. The policy comprehensively provides an opportunity for an employee and Director to report the instances of unethical behavior, actual or suspected fraud or any violation of the Code of Conduct and/or laws applicable to the Company and seek redressal. The policy provides for a mechanism to report such concerns to the Audit Committee through specified channels. The policy is being communicated to the employees and also posted on Company's intranet. The details of establishment of Whistle Blower Policy/Vigil Mechanism have been disclosed on the Company's website.

**10. Disclosures:**

- i. At the Board Meeting, the Directors disclose the names of the Companies/Parties in which they are interested, and accordingly the Register of Contracts under Section 184, 188 & 189 of the Companies Act, 2013 is tabled and signed. Related party transactions as per Note No. 37 appearing in Financial Statements of the financial year are approved by the Audit Committee and recommended to the Board of Directors for their approval. During the financial year there were no transactions of material nature with the Directors or the Management or relatives that had potential conflict with the interests of the Company. The Policy on Related party Transactions is hosted on the website of the Company, i.e. <http://www.cenlub.in>
- ii. Quarterly Disclosures – Results and notes thereon.
- iii. Risk Management activities are driven by a stated risk management policy and a process that is overseen by a Risk Management coordinator. The status of risk management is reviewed with the Board members periodically.
- iv. There were no instances of non-compliance on any matter related to the Capital Markets, nor were any penalties or strictures imposed on the Company by SEBI or any Stock Exchanges or any statutory authority for non-compliance on any matter related to the Capital Markets during the last 3 years.
- v. No member of the Senior Management has a potential conflict with the interest of the Company at large relating to any material financial and commercial transaction.
- vi. The Company affirms that no employee has been denied access to the Audit Committee.
- vii. The Company has complied with all mandatory requirements as stipulated in Schedule V (C) of the Listing Regulations. The disclosures of the compliance with Corporate Governance requirements specified in Regulation 17 to 27 of the Listing Regulations, have been made in this Corporate Governance report. All the details required under clauses (b) to (i) (except clause (h), since not applicable) of sub-regulation (2) of Regulation 46 of the said Regulations are displayed on the website of the Company .

The Company has complied with the mandatory requirements as required under Listing Regulations.

Compliance Report on Non-Mandatory requirements as stipulated in Part E of Schedule II of the Listing Regulations.

- a. The Board – The Chairman of the Company is a Non-Executive Director. The Company has adequate facilities at its registered office to maintain an office for the Chairman but presently no such entitlement is explicitly given.
  - b. Shareholder Rights – The quarterly and year to date financial statements are disseminated through Stock Exchanges, published in newspaper and also uploaded on Company's website.
  - c. Modified opinion(s) in audit report – The Statutory Auditors of the Company have issued an unmodified Audit Report on the financial statements of the Company for the financial year ended March 31, 2017.
  - d. Separate posts of Chairman and CEO – The Company has maintained separate posts of a Non-Executive Independent Chairman and Managing Director.
  - e. Reporting of Internal Auditor – The Internal auditor reports directly to the CFO and is present in most Audit Committee Meetings. He has direct access to the Audit Committee.
- ix. The shares held by the promoters have not been pledged with any Banks, Financial Institutions or with any third party.

#### **11. Communication to Shareholders:**

- i. Quarterly/half yearly/annual results and information relating to convening of Board meetings/Annual General Meetings are published in Financial Express and Jansatta and are also notified to the Stock Exchanges. Half yearly report is not sent to each shareholder in view of its publication in newspapers. All such financial results are also posted on Company's website [www.cenlub.in](http://www.cenlub.in). The Stock Exchanges are also informed of all materially significant events which have taken place during the financial year under review. No official releases of any disclosures have been made during the financial year which does not form part of this report.
- ii. The Company has made no presentation to any Institutional Investors/Analysts during the financial year.
- ii. Management Discussion and Analysis is covered as part of this Annual Report.
- iv. Further, SEBI has in place the (Prohibition of Insider Trading) Regulations, 2015 which came into force from May 15, 2015. Accordingly the Directors have approved and adopted the 'Code of internal procedures and conduct for regulating, monitoring and reporting of trading by insiders' in terms of SEBI (Prohibition of Insider Trading) Regulations, 2015 ("Code"). Company Secretary and Senior General Manager, Legal, is the Compliance officer for the purpose of this Code.

The Company has its own website, [www.cenlub.in](http://www.cenlub.in)

#### **12. General Shareholders Information:**

##### **i. Annual General Meeting:**

**Day :** Saturday

**Date :** September 23, 2017

**Time :** 9.30 a.m.

**Venue :** Aggarwal Sewa Sadan D-48, Sector-11 Faridabad (Haryana)

**ii. Financial Year:**

April 1, 2016 to March 31, 2017.

For the year ended March 31, 2017, results were announced on:

- August 13, 2016 : First quarter
- November 14, 2016 : Half yearly
- February 11, 2017 : Third quarter
- May 28, 2017 : Annual

Quarterly results of the Company are published in Millennium Post and Samachar Jagat and Financial Express and Jansatta (all editions) and are displayed on the Company's website: [www.cenlub.in](http://www.cenlub.in)

**Key financial reporting dates for the financial year 2017-18:**

Quarter ending June 30, 2017	: on or before August 15, 2017
Quarter ending September 30, 2017	: on or before November 15, 2017
Quarter ending December 31, 2017	: on or before February 14, 2018
Audited results for the Financial Year 2017-2018	: on or before May 30, 2018

**iii. Dates of Book Closure:**

Friday September 15, 2017 to Saturday September 23, 2017 (both days inclusive).

**iv. Dividend:**

Due to additional borrowings made during the year, there is an increase in the commitments towards repayments to the leading Banks. As Such, Board of Directors feels appropriate not to recommend any dividend for the Financial Year 2016-17.

**v. Unclaimed dividends**

The shareholders who have not encashed their dividend warrants for the years 2010-11 and 2011-2012 onwards are requested to claim the amount from Beetal Financial Services (P) Ltd/registered office of the Company.

As per section 205 C of the Companies Act, 1956, any money transferred by the Company to the unpaid dividend account and remaining unclaimed for a period of seven years from the date of such transfer shall be transferred to a fund called 'The Investor Education and Protection Fund' (IEPF) set up by the Central Government. No claims shall lie against the fund or the Company in respect of amount so transferred.

Further, the Ministry of Corporate Affairs vide its notification dated 10 May 2012 prescribed the Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012 which mandates all the companies to file the particulars of all the unclaimed and unpaid amounts through e-form 5 INV on the web portal of MCA <http://www.iepf.gov.in/IEPF/services.html> and subsequently also upload the data on the website of the Company, dividends for the past years 2010-11 to 2011-12 have been uploaded on the Company's website on [www.cenlub.in](http://www.cenlub.in)

**vi. Listing of Equity Shares on Stock Exchanges:**

**Name of Stock Exchange**

Bombay Stock Exchange

BSE Limited (BSE)

Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001.

Tel. Nos. : +91 22-2272 1233/34 Fax Nos. : +91 22-2272 1919

E-mail : is@bseindia.com • Website : www.bseindia.com

**Stock Code**

(BSE) 522251

**vii. Stock Price data at the Stock Exchanges:**

Month	BSE Ltd.(BSE)	
	Mont's High Price(In Rs)	Mont's Low Price(In Rs)
<b>April 2016</b>	21.25	18.10
<b>May 2016</b>	23.15	19.50
<b>June 2016</b>	30.40	24.00
<b>July 2016</b>	42.00	31.70
<b>August 2016</b>	37.00	25. 25
<b>September 2016</b>	28.85	20.50
<b>October 2016</b>	37.90	24.65
<b>November 2016</b>	43.90	25.10
<b>December 2016</b>	42.80	34.10
<b>January 2017</b>	48.80	37.00
<b>February 2017</b>	58.65	37.30
<b>March 2017</b>	68.00	43.00

\*Price in ` per Equity Share

**viii. Registrar and Transfer Agents:**

Beetal Financial & Computer Services (P) Limited

Beetal House ,3<sup>rd</sup> Floor, 99 Madangir , Behind LSC ,

Near Dada Harshukhdas Mandir,

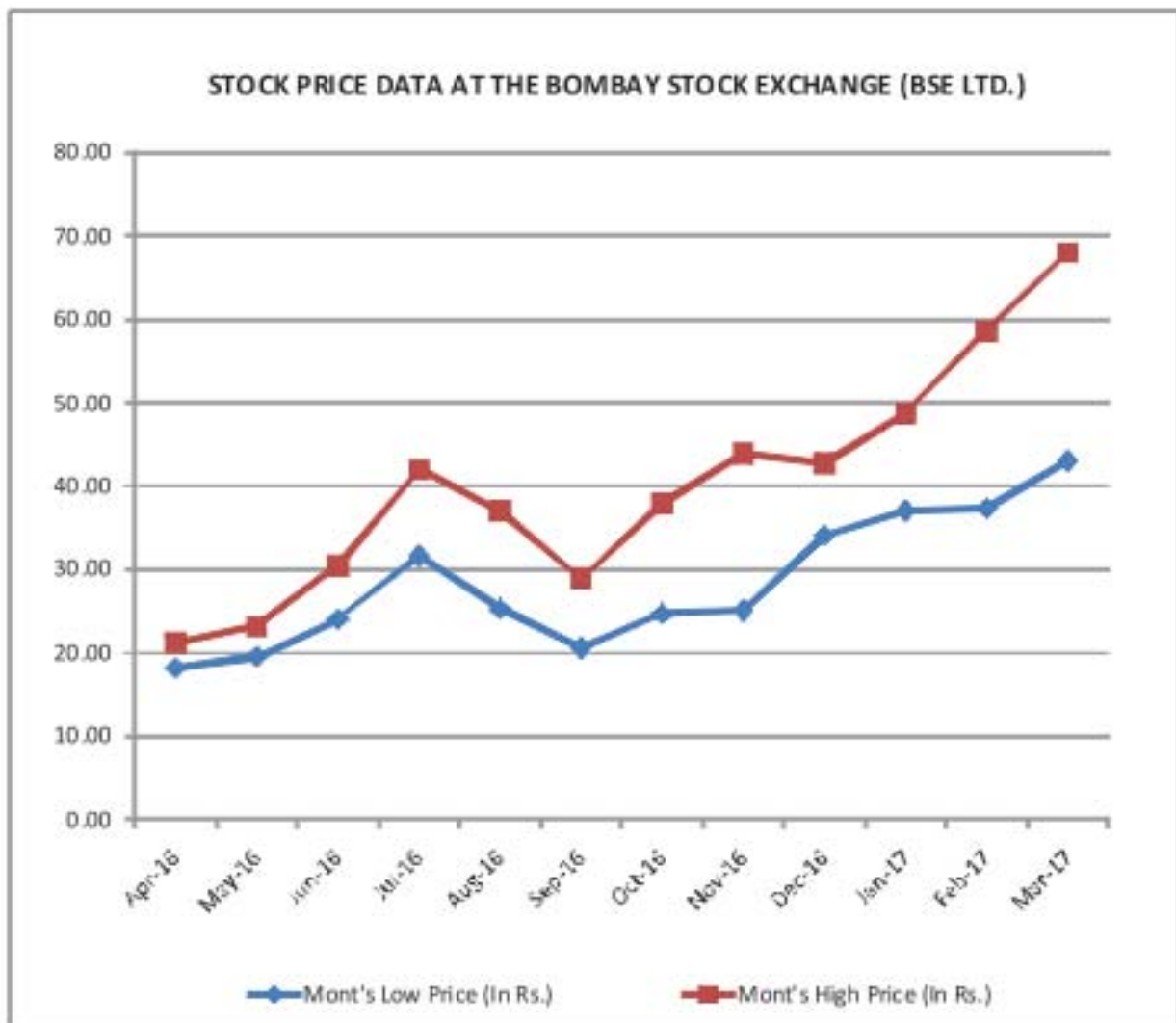
New Delhi -110062., India.

Telephone: +91 11-29961281-83 Fax: +91 11-29961281

E-mail id : cenlub@cenlub.in • Website : www.cenlub.in

**ix. Share Transfer System:**

The Board has constituted a Share Transfer Committee and has delegated the requisite power to the Committee to attend to share transfer matters. All share transfer and share related issues are approved by a share transfer committee comprising 3 Directors and Approvals are obtained at intervals not exceeding 15 days.



**x. Distribution Schedule as on March 31, 2017**

Categories(Shares)	No of shareholders	Number of shares held	Shareholding%
1 to 5000	4293	747128	18.13
5001 to 10000	309	265496	6.44
10001 to 20000	122	191379	4.65
20001 to 30000	46	118804	2.88
30001 to 40000	21	74195	1.80
40001 to 50000	21	100410	2.44
50001 to 100000	18	134199	3.26
100001 and above	33	2488389	60.40
	4863	4120000	100.00



**xi. Shareholding Pattern as on 31.03.2017**

Categories	No. of Shareholders	31 March 2017	
		No of shares	% to total capital
<b>Promoters</b>	<b>10</b>	<b>1777126</b>	<b>43.13</b>
<b>Institutions</b>			
<b>Mutual Funds/UTI</b>	<b>2</b>	<b>2700</b>	<b>0.07</b>
<b>Foreign Institutional Investors</b>	<b>1</b>	<b>600</b>	<b>0.01</b>
<b>Bodies Corporate</b>	<b>73</b>	<b>69804</b>	<b>1.69</b>
<b>Public</b>	<b>4676</b>	<b>2091457</b>	<b>50.77</b>
<b>NRI</b>	<b>28</b>	<b>72873</b>	<b>1.77</b>
<b>HUF</b>	<b>57</b>	<b>97175</b>	<b>2.36</b>
<b>CLEARING MEMBERS</b>	<b>16</b>	<b>8265</b>	<b>0.20</b>
<b>TOTAL</b>	<b>4863</b>	<b>4120000</b>	<b>100</b>

**xii. Dematerialization of shares and liquidity:**

Your Company's shares are traded compulsorily in electronic form and the Company has established connectivity with both the depositories. i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India)Limited (CDSL).

As on 31st March, 2017, 84.37% of shares have been held in dematerialized form and the rest are in physical form.

All promoters' shareholding are in dematerialised form (100%).

**xiii.** The Company has no outstanding GDR's/ADR's/Warrants or any convertible instruments, since not issued.

**xiv. Commodity price risk or foreign exchange risk and hedging activities:**

To control and minimize foreign exchange risk, the Company has formulated "Foreign Exchange Management Policy", according to which each eligible foreign transaction is individually hedged without resorting to natural hedges across transactions, i.e., netting off of inflows and outflows and hedging the net flows will not be resorted to.

**xv. PLANT LOCATIONS:**

**I.** Plot No-233 & 234, Sector-58, Ballabgarg  
**Faridabad – 121 004, Haryana, India**  
 Tel. : +91-8826794470-73  
 Fax. : +91-129-2307263

45-B, PHASE – II, PEENYA INDL.AREA  
**BANGALORE – 560 058, KARNATAKA**

PLOT NO. 29, BALAJI PARK, STREET OF RADHE WAY BRIDGE,  
 VILL. VAJDI (VAD) TAL. LODHIKA,  
**RAJKOT-360021, GUJRAT**



**II. INVESTOR CORRESPONDENCE ADDRESS  
SECRETARIAL DEPARTMENT**

Plot No-233 & 234, Sector-58, Balalgarh  
**Faridabad – 121 004, Haryana, India**  
Tel : +91-8826794470-73  
Fax : +91-129-2307263  
Email : Investors@cenlub.in  
**Corporate website: www.cenlub.in**

**Place :Faridabad  
11<sup>th</sup> August 2017**

**ON BEHALF OF THE BOARD OF DIRECTORS  
FOR CENLUB INDUSTRIES LIMITED  
CIN:L67120HR1992PLC035087**

**V.K.Mittal  
Managing Director  
DIN: 00006398**

**V.K.Gupta  
Whole time Director  
DIN: 00006461**



## CEO CFO CERTIFICATION 2017

The Board of Directors  
**Cenlub Industries Limited**

Dear Sirs,

We, the Chairman & Managing Director, Mr. Vijendra Kumar Mittal the CEO and Mr. Virendra Kumar Gupta the CFO & Executive Director, hereby certify in terms of Regulation 17 (8) of SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015:

- A. We have reviewed financial statements and the cash flow statement for the year ended March 31, 2017 and that to the best of our knowledge and belief:
1. these statements do not contain any materially untrue statement or omit any material act or contain statements that might be misleading.
  2. 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 the year 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 they have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and they have disclosed to the auditors and the Audit Committee, deficiencies in the design or they have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the auditors and the Audit Committee:
1. significant changes in internal control over financial reporting during the year;
  2. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  3. instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

**V.K.Mittal**  
**Managing Director/CEO**  
**DIN: 00006398**

**V.K.Gupta**  
**CFO&Executive Director**  
**DIN: 00006461**

**Faridabad**  
**August 11, 2017**



### **CERTIFICATE OF COMPLIANCE WITH THE CODE OF CONDUCT POLICY**

As required under Schedule V (D) of the Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, all the Members of the Board of Directors and the Senior Management Personnel have confirmed compliance with the Code of Conduct for the financial year ended March 31, 2017.

**For Cenlub Industries Limited**

**V.K.Mittal**

**Chairman & Managing Director**

**DIN:00006398**

**Place: Faridabad  
August 11, 2017**



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**Auditors' Certificate regarding compliance of conditions of Corporate Governance To the Members of  
Cenlub Industries Limited**

We have examined the compliance of conditions of Corporate Governance by **Cenlub Industries Limited** for the year ended March 31, 2017 as stipulated in Regulations 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (collectively referred to as "SEBI Listing Regulations, 2015").

The compliance of conditions of Corporate Governance is the responsibility of the Company's management. Our examination was carried out in accordance with the Guidance Note on Certification of Corporate Governance, issued by the Institute of Chartered Accountants of India and was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations, 2015.

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

For and on behalf of

**Singla Tayal & Co.**

Chartered Accountants

Firm Registration Number: 000882N

**Satish Singla**

Partner

Membership No: 080836

Place : Faridabad

Date: August 11,2017

## MANAGEMENT DISCUSSION AND ANALYSIS

### 1. Global Economics

During the FY 2016-17 global economy is gradually picking up. However, Brexit has shown negative impact on European business. As regards other countries like South East Asia, our company's business is picking up gradually.

**2. Industry Structure**Your company is dealing with various sectors as regards lubrication system is concerned. These sectors are mainly – Machine Tools, Steel Plant, Power Plant etc. The company has developed Electronic Rail Greasing System through in-house research & development. The same has been supplied to Delhi Metro and has successfully commissioned. The company is now anxious to get further business from this sector.

**3. Industry Structure and Developments** : Your company caters to various Industrial sectors. Initially the company were catering to Machine Tools and more than 10,00,000 Lubrication system have installed so far. We have 90% market share in India for machine tool lubrication. Subsequently we have catered to Power Sector and then Railway Lubrication started. By our own R & D under "Make in India" campaign we are doing this job. We are now trying to develop Wind Turbine Lubrication. Recently we have completed the supply / installation of Railway Lubrication System for Delhi Metro. We hope to get orders from other Metro Railways now onwards.

**4. Opportunities and threats** :This is very clear and accepted in the business opportunities as well as threats go side by side. The company should anticipate any adverse situation in advance. We, at CENLUB Industries Limited, are very clear on this matter and that is the reason we are covering various sectors as our customers. These are basically Power Plant, Steel Plant, Machine Tools, Paper Plants and now Railways and Wind Turbine (under development).

**Threats** :As regards other threats are concerned, the main is competition by multinationals coming and jolting us. These multinationals wants to enter into this filed and spoiling the market by giving very tough competition at very low price. We are well aware of it. Moreover, due to unorganized sector, we are also getting competition with cheaper product and most of them are copied.

### 5. Outlook

During the FY 2016-17, the company has earned a profit of Rs.193.15 lacs against the net profit of Rs.99.97 lacs of last year. Our main motive is to maintain a high quality product. But as mentioned above, because of competition and our R & D effort, we should be needed to balance our business strategy.

### 6. Risks and concerns

The risks are not limited to economic condition but to labour shortage, competitive market and threats from new entrants in the market. We are quite confident of tackling the slowing economy and facing challenging market conditions in most efficient manner and that is the reason we have three manufacturing units in India i.e. Faridabad, Bangalore and Rajkot.

## **7. Internal Control System**

To achieve better control and productivity, the company has various documented policy guidelines, defined authority levels and an exhaustive budgetary control system. It will ensure adequate internal checks and control levels. The internal audit function ensures the system of internal controls and checks, recording and reporting, safeguarding and protection of assets. An Internal Audit Committee was laid down with responsibilities and powers which are entrusted to them so that the Internal Audit Department can work independently. The department maintains various manuals, controls and checklists that are to be carried out before execution of any activity. Internal checks are exercised so that the various procedures laid at the time of delegation of authorities and other procedures 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 manuals for all the functional areas, viz., Administration, Personnel, Sales, Production, etc. These manuals contain elaborate procedures and checklist for the related activities. Necessary controls and checks are exercised by 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 checks and controls are exercised by the company as per the procedures prescribed in various manuals.

## **8. Innovation and intellectual property right**

From the beginning, the company is engaged in innovation by its own R&D activity. There are certain areas where innovation related to Lubrication is needed. Once such a goal is achieved, patent / intellectual property right also to be thought of.

## **9. Operational Performance**

This year operational performance of the company shall depend upon certain level because of GST (Goods and Service Tax). Besides this, national economic condition will also effect. As regards GST is concerned, it was more awaited and accepted by most of the manufacturing units. But the small scale units are finding it little difficult and cumbersome. The input coming to the company is less than the output tax. This is little confusing.

## **10. Dividend**

Due to the marginal increase of profit and the decrease in the cash accruals, there is an increased pressure on the cash flows. Also, due to the additional borrowings made for implementing the capital projects under expansion, there is an increase in the commitments towards repayments to the lending banks. As such, Board of Directors feel appropriate not to recommend any dividend for the FY 16-17.

## **11. Acknowledgement**

Your Directors acknowledge and thank the Company's customers, shareholders, vendors, state government authorities, business associates and banks for the support extended to the Company. Your Directors also record their appreciation for the commitment and dedication of the employees of your Company.



## INDEPENDENT AUDITOR'S REPORT

To the Members of  
CENLUB INDUSTRIES LIMITED

### Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **CENLUB INDUSTRIES LIMITED** ("the Company") which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

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

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these (Standalone) financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, 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 standalone financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. 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 the 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 financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, 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 on the standalone financial statements.

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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, of the state of affairs of the Company as at March 31, 2017, and its Profit/Loss and its Cash Flow for the year ended on that date.



### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143 (3) of the Act, we report that:
  - a. we have sought and 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 it appears from our examination of those books;
  - c. the Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - d. in our opinion, the aforesaid (Standalone) financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
  - e. On the basis of written representations received from the directors as on March 31, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.
  - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**" to this report.
  - g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements;
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
    - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
    - iv. The company has provided requisite disclosures in note 41 to these financial statements as to the holding of specified bank notes on November 8, 2016 and December 30, 2016 as well as dealings in specified bank notes during the period from November 8, 2016 to December 30, 2016. Based on our audit procedures and relying on the management representation regarding the holding and nature of cash transactions, including specified bank notes, we report that these disclosures are in accordance with the books of accounts maintained by the company and as produced to us by the management

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

PLACE: FARIDABAD  
DATE: 28.05.2017

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

## "Annexure A" to the Independent Auditors' Report

Referred to in paragraph 1 under the heading 'Report on Other Legal & Regulatory Requirement' of our report of even date to the financial statements of the Company for the year ended March 31, 2017, we report that:

### 1. In respect of the fixed assets of the Company:

- (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - (b) The Fixed Assets have been physically verified by the management in a phased manner, designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the company and nature of its business. Pursuant to the program, a portion of the fixed asset has been physically verified by the management during the year and no material discrepancies between the books records and the physical fixed assets have been noticed.
  - (c) The title deeds of immovable properties are held in the name of the company.
2. The management has conducted the physical verification of inventory at reasonable intervals. No material discrepancies were noticed on physical verification of the inventory as compared to books records.
  3. The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (C) 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, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 In respect of loans, investments, guarantees, and security.
  5. The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
  6. As informed to us, the maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the company.
- ### 7. According to the information and explanations given to us, in respect of statutory dues:
- (a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2017 for a period of more than six months from the date on when they become payable.

- (b) According to the information and explanation given to us, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise, except Value Added Tax (as detailed below) outstanding on account of any dispute.

Name of the Statute	Nature of Dues	Forum where pending	Period	Amount
VAT Laws	VAT	Commissioner Appeals	2010-11	5,76,466

8. In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks.



9. Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon.
10. Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.
11. Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act;
12. In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3 (xii) of the Order are not applicable to the Company.
13. In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
14. Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.
15. Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.
16. In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

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

PLACE: FARIDABAD  
DATE: 28.05.2017

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



## "Annexure B" to the Independent Auditor's Report

### Report on the Internal Financial Controls under Clause (i) of Sub-section 143 of the Companies Act, 2013 ("the Act") **As At 31st March 2017**

We have audited the internal financial controls over financial reporting of Cenlub Industries Limited ("the Company") as of March 31, 2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

#### Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

#### Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in



accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

#### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

#### **Opinion**

In our opinion, the Company broadly has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. There is always scope for further improvement.

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

PLACE: FARIDABAD  
DATE: 28.05.2017

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



## BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2017

Particulars	Note		As At 31st March, 2016
<b><u>EQUITY AND LIABILITIES</u></b>			
<b>Shareholder's Funds</b>			
(a) Share Capital	3	4,12,00,000	4,12,00,000
(b) Reserves and Surplus	4	13,92,57,307	11,99,41,915
<b>Non-Current Liabilities</b>			
(a) Long-Term Borrowings	5	1,30,26,882	1,83,75,448
(b) Deferred Tax Liabilities (Net)	6	26,05,690	28,83,871
(c) Long Term Provisions	7	80,90,279	95,18,601
<b>Current Liabilities</b>			
(a) Short-Term Borrowings	8	9,21,18,171	9,20,77,281
(b) Trade Payables	9	6,58,11,053	6,54,28,180
(c) Other Current Liabilities	10	1,41,71,392	1,05,54,394
(d) Short-Term Provisions	11	1,28,55,529	97,63,832
<b>Total Equity &amp; Liabilities</b>		<b><u>38,91,36,303</u></b>	<b><u>36,97,43,521</u></b>
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
(a) Fixed Assets			
Tangible Assets	12	9,57,23,570	9,77,89,303
Intangible Assets	12	5,86,757	8,08,715
Capital Work in Progress		-	-
		<u>9,63,10,327</u>	<u>9,85,98,018</u>
(b) Non-current investments	13	1,68,73,520	1,59,69,993
(c) Long term loans and advances	14	3,18,47,839	2,77,52,044
<b>Current Assets</b>			
(a) Current investments			
(b) Inventories	15	5,05,03,498	6,13,92,292
(c) Trade receivables	16	10,44,55,911	8,23,17,770
(d) Cash and cash equivalents	17	8,30,39,531	7,27,41,798
(e) Short-term loans and advances	18	45,25,558	1,02,37,017
(f) Other current assets	19	15,80,119	7,34,589
<b>Total Assets</b>		<b><u>38,91,36,303</u></b>	<b><u>36,97,43,521</u></b>
<b>Significant Accounting Policies</b>	2		

The accompanying notes are an integral part of the financial statements

As per our report of even date

**FOR CENLUB INDUSTRIES LIMITED**

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

**VIJENDRA KUMAR MITTAL**  
MANAGING DIRECTOR  
(DIN: 00006398)

**CA SATISH SINGLA**  
(Partner)  
Membership No.: 080836  
Firm Reg. No.: 000882N

**KOMAL GUPTA**  
COMPANY SECRETARY  
Membership No.: 42613

**VIRENDRA KUMAR GUPTA**  
DIRECTOR  
(DIN: 00006461)

Place : Faridabad  
Date : 28-05-2017



## PROFIT & LOSS STATEMENT FOR THE YEAR ENDING 31<sup>ST</sup> MARCH, 2017

Particulars	Note	As At 31st March, 2017	As At 31st March, 2016
<b>INCOME</b>			
Revenue from operations	20	35,53,42,563	31,34,06,113
Other Income	21	84,89,962	73,08,595
<b>Total Revenue(I)</b>		<b>36,38,32,525</b>	<b>32,07,14,708</b>
<b>EXPENSES</b>			
Cost of materials consumed		18,80,70,460	18,68,87,909
Purchase of Stock-in-Trade		-	-
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	22	1,60,36,791	(84,30,538)
Employee Benefit Expense	23	5,54,73,540	5,32,27,593
Other Expenses	24	5,70,51,669	4,92,51,129
<b>Total Expenses (II)</b>		<b>31,66,32,460</b>	<b>28,09,36,093</b>
<b>Profit before Interest, Depreciation &amp; Tax</b>	(I - II)	<b>4,72,00,065</b>	<b>3,97,78,615</b>
Financial Costs	25	1,18,98,451	1,89,90,438
Depreciation and Amortization Expense	12	50,48,598	54,86,740
<b>Profit before Exceptional Items and tax</b>		<b>3,02,53,016</b>	<b>1,53,01,437</b>
Extraordinary Items		-	-
<b>Profit before tax</b>		<b>3,02,53,016</b>	<b>1,53,01,437</b>
Tax expense:			
Current tax		1,03,41,758	51,44,174
Income Tax Earlier Years		8,74,046	3,645
Deferred tax		(2,78,181)	1,56,854
<b>Profit/(Loss) for the period</b>		<b>1,93,15,392</b>	<b>99,96,764</b>
Earning per equity share:			
(1) Basic		4.69	2.43
(2) Diluted		4.69	2.43

The accompanying notes are an integral part of the financial statements

As per our report of even date

**FOR CENLUB INDUSTRIES LIMITED**

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

**VIJENDRA KUMAR MITTAL**  
MANAGING DIRECTOR  
(DIN: 00006398)

**CA SATISH SINGLA**  
(Partner)  
Membership No.: 080836  
Firm Reg. No.: 000882N

**KOMAL GUPTA**  
COMPANY SECRETARY  
Membership No.: 42613

**VIRENDRA KUMAR GUPTA**  
DIRECTOR  
(DIN: 00006461)

Place : Faridabad  
Date : 28-05-2017


**CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH 2017**

Sr. No.	Particulars	As At 31st March, 2017	As At 31st March, 2016
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>			
	Net Profit Before Tax & Extraordinary Items	3,02,53,016	1,53,01,437
	Adjustment For :		
	Depreciation And Amortisation Expenses	50,48,598	54,86,740
	Finance Costs	1,18,98,451	1,89,90,438
	(Profit)/Loss On Sale Of Assets	3,03,945	66,356
	Interest/Dividends Received	(79,23,614)	(72,36,214)
	Operating Profit Before Working Capital Changes	<u>3,95,80,396</u>	<u>3,26,08,757</u>
	(Increase)/Decrease In trade & Other Receivables	(2,29,83,669)	(1,56,49,806)
	(Increase)/Decrease In Inventories	1,08,88,794	(43,48,713)
	Increase/(Decrease) In Liabilities & Provisions	56,63,246	60,19,908
	Cash Generated From Operations	<u>3,31,48,767</u>	<u>1,86,30,146</u>
	Direct Taxes (Net)	(1,12,15,804)	(51,47,819)
	Net Cash From/ (Used In) Operating Activities	<u>2,19,32,963</u>	<u>1,34,82,327</u>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>			
	Purchase Of Fixed Assets	(33,14,852)	(3,53,83,263)
	Sale Of Fixed Assets	2,50,000	6,23,354
	Movement In Loan	16,15,664	5,75,15,005
	Purchase Of Investments	(9,03,528)	2,96,51,253
	Interest Received	79,17,551	72,19,748
	Dividend Received	6,063	16,466
	Net Cash Used In Investing Activities	<u>55,70,897</u>	<u>5,96,42,563</u>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>			
	Proceeds From Borrowings	-	-
	Repayment Of Borrowings	(53,07,677)	(2,96,12,672)
	Finance Costs Paid	(1,18,98,451)	(1,89,90,438)
	Dividend Paid (Including Dividend Tax)	-	-
	Net Cash From Financing Activities	<u>(1,72,06,128)</u>	<u>(4,86,03,110)</u>
	Net Increase/(Decrease) In Cash And Cash Equivalents	1,02,97,732	2,45,21,780
	Cash And Cash Equivalents As At The Beginning Of The Year	7,27,41,798	4,82,20,019
	Cash And Cash Equivalents As At The End Of The Year	8,30,39,530	7,27,41,799
<b>NOTES :</b>			
	Cash And Cash Equivalents Include :		
	- Cash, Cheques In Hand And Remittances In Transit	5,18,712	5,18,626
	- Balances With Banks	8,25,20,819	7,22,23,172

For and on behalf of

For an on behalf of the Board

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

**VIJENDRA KUMAR MITTAL**  
 MANAGING DIRECTOR  
 (DIN: 00006398)

**CA SATISH SINGLA**  
 (Partner)  
 Membership No.: 080836  
 Firm Reg. No.: 000882N

**KOMAL GUPTA**  
 COMPANY SECRETARY  
 Membership No.: 42613

**VIRENDRA KUMAR GUPTA**  
 DIRECTOR  
 (DIN: 00006461)

 Place : Faridabad  
 Date : 28-05-2017



## Notes to financial statements for the year ended 31 March 2017

### 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 (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013.

#### 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 II 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 on fixed assets is calculated on the basis of the estimated useful lives of property, plant and equipment which is equal to the life prescribed under Schedule II of Companies Act, 2013.

## 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, 2017

### NOTE : 3 SHARE CAPITAL

Sr. No.	Particulars	As At 31st March, 2017	As At 31st March, 2016
<b>1</b>	<b>AUTHORIZED CAPITAL</b>		
	50,00,000 Equity Shares of Rs. 10/- each	5,00,00,000	5,00,00,000
		<u>5,00,00,000</u>	<u>5,00,00,000</u>
<b>2</b>	<b>ISSUED , SUBSCRIBED &amp; FULLY PAID UP CAPITAL</b>		
	41,20,000 Equity Shares of Rs. 10/- each	4,12,00,000	4,12,00,000
	Total	<u>4,12,00,000</u>	<u>4,12,00,000</u>

#### 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 any dividend during the year.

#### 3 Reconciliation of the Number of shares

Particulars	31st March, 2017 No. of Shares	31st March, 2016 No. of Shares
Outstanding at the beginning of the year	41,20,000	41,20,000
Outstanding at the end of the year	41,20,000	41,20,000

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

Promoters' Holding	31st March 2017		31st March 2016	
	% Holding	No. of Shares	% Holding	No. of Shares
1 Vijendra Kumar Mittal	10.64	4,38,379	10.80	4,44,857
2 Madhu Mittal	11.91	4,90,668	11.92	4,91,168
3 Ansh Mittal	8.31	3,42,342	8.31	3,42,342

### NOTE : 4 RESERVE & SURPLUS

Sr. No.	Particulars	As At 31st March, 2017	As At 31st March, 2016
1	General Reserve	-	-
2	Surplus (Profit & Loss Account)	13,92,57,307	11,99,41,915
	Balance brought forward from previous year	11,99,41,915	10,93,04,295
	Add: Profit for the period after Tax as per Profit & Loss Account	1,93,15,392	99,96,764
	Add: Appropriations		
	Depreciation Write Back extra charged in earlier years	-	6,40,856
	<b>Total</b>	<u>13,92,57,307</u>	<u>11,99,41,915</u>



**NOTE : 7 LONG TERM PROVISIONS**

Sr. No.	Particulars	As At 31st March, 2017	As At 31st March, 2016
<b>1</b>	<b>Provision for Employee Benefits</b>		
	Gratuity	70,29,187	81,64,014
	Leave Encashment	10,61,092	13,54,587
	<b>Total in</b>	<b>80,90,279</b>	<b>95,18,601</b>

**NOTE : 8 SHORT TERM BORROWINGS**

Sr. No.	Particulars	As At 31st March, 2017	As At 31st March, 2016
	<b>From Bank</b>		
	Cash Credit	8,95,11,338	7,96,59,150
	Bill Discounting From HDFC Bank	26,06,833	1,24,18,131
	<b>Total in</b>	<b>9,21,18,171</b>	<b>9,20,77,281</b>

Secured By

- i) Hypothecation of all current assets of the Company
- ii) Equitable Mortgage of Land, building at Faridabad, Thane, Rajkot & Bengaluru and pledge of Fixed deposits of Rs. 27.00 Lac.
- iii) Guaranteed by (5) Directors

**NOTE : 9 TRADE PAYABLE**

Sr. No.	Particulars	As At 31st March, 2017	As At 31st March, 2016
1	Micro & Small Enterprises	1,46,76,185	1,66,73,290
2	Others (Includes Rs. 33,66,523/- for Services, Previous Year Rs. 49,98,512/-)	5,11,34,869	4,87,54,890
	<b>Total</b>	<b>6,58,11,053</b>	<b>6,54,28,180</b>

**NOTE : 10 OTHER CURRENT LIABILITIES**

Sr. No.	Particulars	As At 31st March, 2017	As At 31st March, 2016
1	Advance From Customers	59,95,175	31,75,178
2	Statutory Liabilities	31,66,114	26,42,112
3	Current Maturities of Long Term Debt		
	From Banks	26,76,641	22,26,278
	From Others	7,85,369	9,58,983
4	Unpaid Dividend	15,48,093	15,51,843
	<b>Total</b>	<b>1,41,71,392</b>	<b>1,05,54,394</b>

**NOTE : 11 SHORT TERM PROVISIONS**

Sr. No.	Particulars	As At 31st March, 2017	As At 31st March, 2016
1	Provision for Taxation	37,00,000	13,00,000
2	Others Provisions	81,75,693	84,63,832
3	Gratuity Short Term Provision	7,22,673	-
4	Leave Encashment Short Term Provision	2,57,163	-
	<b>Total</b>	<b>1,28,55,529</b>	<b>97,63,832</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 31.03.2017	WDV as on 31.03.2016
<b>Tangible Assets</b>												
1	Plant and Equipment		3,31,41,879	12,16,381	-	3,43,58,260	1,72,01,030	11,98,612	-	1,83,99,642	1,59,58,618	1,59,40,849
2	Furniture & Fixtures		39,15,409	7,038	-	39,22,447	24,48,647	3,37,931	-	27,86,578	11,35,869	14,66,762
3	Office Equipment		24,52,700	14,141	-	24,66,841	19,59,599	1,70,660	-	21,30,759	3,36,562	4,93,101
4	Land		3,89,64,070	-	-	3,89,64,070	-	-	-	-	3,89,64,070	3,89,64,070
5	Buildings		4,00,11,022	-	-	4,00,11,022	72,84,456	11,84,878	-	84,69,334	3,15,41,688	3,27,26,566
6	Tools & Equipments		46,35,174	77,090	-	17,12,264	13,82,959	98,058	-	14,81,017	2,31,247	2,52,215
7	Electrical Installation		11,34,892	92,605	-	12,27,497	5,02,655	1,65,574	-	6,08,229	4,19,268	6,32,237
8	Vehicles		1,14,22,595	19,07,597	8,68,844	1,34,61,348	41,09,092	17,30,927	3,14,899	55,25,120	69,36,228	73,11,503
	<b>SUB TOTAL (A)</b>		<b>13,26,77,741</b>	<b>33,14,852</b>	<b>8,68,844</b>	<b>13,51,23,749</b>	<b>3,48,88,438</b>	<b>48,26,640</b>	<b>3,14,899</b>	<b>3,94,00,179</b>	<b>9,57,23,570</b>	<b>9,77,89,303</b>
<b>Intangible Assets</b>												
1	Goodwill		15,00,000	-	-	15,00,000	15,00,000	-	-	15,00,000	-	-
2	Software		17,17,354	-	-	17,17,354	9,08,639	2,21,958	-	11,30,597	5,86,757	8,08,715
	<b>SUB TOTAL (B)</b>		<b>32,17,354</b>	<b>-</b>	<b>-</b>	<b>32,17,354</b>	<b>24,08,639</b>	<b>2,21,958</b>	<b>-</b>	<b>28,30,597</b>	<b>5,86,757</b>	<b>8,08,715</b>
	<b>Total (A + B) (Current Year)</b>		<b>13,58,95,095</b>	<b>33,14,852</b>	<b>8,68,844</b>	<b>13,83,41,103</b>	<b>3,72,97,077</b>	<b>50,48,598</b>	<b>3,14,899</b>	<b>4,28,30,776</b>	<b>9,63,10,327</b>	<b>9,85,98,018</b>
	<b>(Previous Year)</b>		<b>10,14,77,820</b>	<b>3,53,83,263</b>	<b>9,65,988</b>	<b>13,58,95,095</b>	<b>3,27,27,471</b>	<b>54,86,749</b>	<b>2,76,278</b>	<b>3,73,97,077</b>	<b>9,85,98,018</b>	<b>6,87,50,349</b>

\*Note: Adjustment is on Account of (excess)/ short depreciation charged in previous years

**NOTE : 13 NON CURRENT INVESTMENT**

Sr. No.	Particulars	As At 31st March, 2017	As At 31st March, 2016
	<b>AT COST</b>		
1	Advance for Flat at Noida & Fbd	1,00,45,469	1,00,45,469
2	Flat 4111 (Prestige)	61,76,906	45,68,105
3	Shares (Unquoted)	1,00,000	1,00,000
4	Shares (Quoted)	5,51,145	12,56,420
	<b>Total</b>	<b>1,68,73,520</b>	<b>1,59,69,993</b>

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

Sr. No.	Particulars	As At 31st March, 2017	As At 31st March, 2016
	<b>(Unsecured - Considered Good unless otherwise stated)</b>		
I)	Loan to Subsidiary	2,79,05,396	2,45,53,274
II)	<b>Security Deposit</b>		
	a) Government Authorities	6,98,681	1,24,846
	b) Others	23,39,449	22,47,499
III)	<b>Earnest Money Deposit</b>	9,04,313	8,26,425
IV)	<b>Other Loans &amp; Advances</b>	-	-
	<b>Total</b>	<b>3,18,47,839</b>	<b>2,77,52,044</b>

**NOTE:15 INVENTORIES**

Sr. No.	Particulars	As At 31st March, 2017	As At 31st March, 2016
1	Raw Material	3,49,07,712	2,97,49,675
2	Work-In-Progress	1,39,85,762	3,00,48,214
3	Finished Goods	26,661	-
4	Stock-in-Trade	14,77,713	14,78,713
5	Stores & Spares	1,05,650	1,15,690
	<b>Total</b>	<b>5,05,03,498</b>	<b>6,13,92,292</b>

**NOTE : 16 TRADE RECEIVABLES**

Sr. No.	Particulars	As At 31st March, 2017	As At 31st March, 2016
	<b>(Unsecured, Considered Good )</b>		
1	Outstanding for a period exceeding six months from due date	62,82,958	1,90,49,354
2	Others	9,81,72,953	6,32,68,416
	<b>Total</b>	<b>10,44,55,911</b>	<b>8,23,17,770</b>

**NOTE : 17 CASH & CASH EQUIVALENT**

Sr. No.	Particulars	As At 31st March, 2017	As At 31st March, 2016
<b>1</b>	<b>Cash &amp; Cash Equivalents</b>		
	Cash on Hand	5,18,712	5,18,626
	Balance with Banks		
	In Current Accounts	87,64,928	42,01,892
	In Dividend Accounts	15,48,093	15,51,843
<b>2</b>	<b>Other bank Balance</b>		
	Term Deposits (Margin Money) ^	30,32,000	1,00,00,000
	Term Deposits (Others) Less than 1 year maturity	6,91,75,798	5,64,69,437
	<b>Total [ A + B + C ]</b>	<b>8,30,39,531</b>	<b>7,27,41,798</b>

**NOTE:**

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

**NOTE : 18 SHORT TERMS LOANS AND ADVANCES**

Sr. No.	Particulars	As At 31st March, 2017	As At 31st March, 2016
	(Unsecured, Considered Good)		
1	Tax Payment (Net of Provisions)	2,40,432	24,44,463
2	Taxes and Duties Recoverable / Adjustable	22,22,903	54,17,054
3	Prepaid Expenses	2,28,322	7,17,750
4	Other Advances	18,33,901	16,57,750
	<b>Total</b>	<b>45,25,558</b>	<b>1,02,37,017</b>

**NOTE :19 OTHER CURRENT ASSETS**

Sr. No.	Particulars	As At 31st March, 2017	As At 31st March, 2016
1	Interest Accrued on Fixed Deposits	8,84,266	6,97,908
2	Tata Capital Services Ltd	57,853	36,681
3.	Others	6,38,000	-
	<b>Total</b>	<b>15,80,119</b>	<b>7,34,589</b>

**NOTE: 20 REVENUE FROM OPERATIONS**

Sr. No.	Particulars	As At 31st March, 2017	As At 31st March, 2016
1	Sales	35,29,60,453	31,01,58,207
2	Installation & Erection	23,82,110	32,47,906
	<b>Total</b>	<b>35,53,42,563</b>	<b>31,34,06,113</b>



**NOTE: 21 OTHER INCOME**

Sr. No.	Particulars	As At 31st March, 2017	As At 31st March, 2016
1	Interest Recd.	79,17,551	72,19,748
2	Profit on sale of Assets (Net)	-	2,425
3	Dividend (On Current Investments)	6,063	16,466
4	Misc. Income	1,90,910	10,756
5	Rental Income	99,600	59,200
6	Interest on refund	2,05,757	-
7	Exchange Rate Difference	70,081	-
	<b>Total</b>	<b>84,89,962</b>	<b>73,08,595</b>

**NOTE : 22 CHANGE IN INVENTORIES**

Sr. No.	Particulars	As At 31st March, 2017	As At 31st March, 2016
<b>1</b>	<b>Opening Stock</b>		
	Work in progress	3,00,48,214	2,15,06,600
	Finished Goods	-	-
	Traded Goods	14,78,713	15,89,789
		<u>3,15,26,927</u>	<u>2,30,96,389</u>
<b>2</b>	<b>Closing Stock</b>		
	Work in progress	1,39,85,762	3,00,48,214
	Finished Goods	26,661	-
	Traded Goods	14,77,713	14,78,713
		<u>1,54,90,136</u>	<u>3,15,26,927</u>
	<b>(Increase)/ Decrease</b>	<b>1,60,36,791</b>	<b>-84,30,538</b>

**NOTE : 23 EMPLOYMENT BENEFIT EXPENSES**

Sr. No.	Particulars	As At 31st March, 2017	As At 31st March, 2016
1	Salary, Wages, Bonus & Leave Encashment	5,12,46,709	4,76,31,512
2	Gratuity	-2,77,673	15,38,264
3	Contribution to Provident and Other Funds	34,64,249	27,90,289
4	Staff Welfare Expenses	10,40,255	12,67,528
	<b>Total</b>	<b>5,54,73,540</b>	<b>5,32,27,593</b>

**NOTE : 24 OTHER EXPENSES**

Sr. No.	Particulars	As At 31st March, 2017	As At 31st March, 2016
1	Stores & Consumables	1,00,30,312	89,08,258
2	Power & Fuel	32,47,599	31,77,747
3	Processing Charges	28,46,447	27,65,643
4	Rates & Taxes	3,50,335	2,80,691
5	Rent	1,15,04,101	83,01,996
6	Travelling & Conveyance	54,18,937	54,71,871
	<b>Repair &amp; Maintenance</b>		
7	Plant & Machinery	6,88,893	7,47,428
8	Building	25,50,257	5,58,365
9	Others	7,72,828	6,43,682
10	Misc. Expenses	61,57,127	77,73,580
11	Communication Exp.	11,91,055	12,06,543
12	Selling Expenses	34,83,374	42,06,354
13	Sales Commission	4,44,708	4,29,141
14	Insurance Charges	4,70,725	4,53,167
15	Bad Debts	29,36,277	7,39,044
16	Freight Outward	34,73,075	30,01,538
17	Directors Sitting Fee	76,400	68,000
18	Auditors Remuneration	4,00,000	4,49,300
19	Loss on sale of Assets	3,03,945	68,781
20	Loss on Reduction on investment	7,05,274	-
	<b>Total</b>	<b>5,70,51,669</b>	<b>4,92,51,129</b>

**SCHEDULE :25 FINANCIAL COST**

Sr. No.	Particulars	As At 31st March, 2017	As At 31st March, 2016
1	Bank Charges	10,96,142	27,32,384
2	Interest on Term loan	19,56,556	37,98,089
3	Interest on unsecured loans	31,272	5,70,618
4	Interest on Other loans	88,14,482	1,18,89,347
	<b>Total</b>	<b>1,18,98,451</b>	<b>1,89,90,438</b>

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

a) Claims against the company not acknowledged as liabilities in respect of:		
<b>Particulars</b>	<b>31.3.2017</b>	<b>31.3.2016</b>
Sales tax Matters	8,23,523	8,23,523
Less: Advance Paid	2,47,057	2,47,057
	<u>5,76,466</u>	<u>5,76,466</u>
b) In respect of Bank Guarantees given by Bank for Rs. 268.00 Lacs (previous year Rs.172.89 Lacs).		

<b>27 Auditors Remuneration</b>	<b>Year ended</b>	<b>Year ended</b>
	<b>31.3.2017</b>	<b>31.3.2016</b>
Audit fees	3,00,000	3,00,000
Tax Audit Fees	1,00,000	1,00,000
	<u>4,00,000</u>	<u>4,00,000</u>

**28** 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.

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

	<b>31.03.2017</b>	<b>31.03.2016</b>
	<b>VALUE(Rs.)</b>	<b>VALUE(Rs.)</b>
MOTORS	1,94,80,716	1,88,18,271
MISCELLANEOUS ITEMS	16,85,89,744	16,80,69,638
	<u>18,80,70,460</u>	<u>18,68,87,909</u>

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

	<b>31.03.2017</b>		<b>31.03.2016</b>	
	<b>Percentage</b>	<b>VALUE</b>	<b>Percentage</b>	<b>VALUE</b>
	<b>%</b>	<b>Rupees</b>	<b>%</b>	<b>Rupees</b>
a) Raw Materials & Components				
i) Imported	4.05	76,08,381	3.16	58,97,693
ii) Indigenous	95.95	18,04,62,079	96.84	18,09,90,216
	<u>100.00</u>	<u>18,80,70,460</u>	<u>100.00</u>	<u>18,68,87,909</u>
b) Stores and Spares				
i) Imported	-	-	-	-
ii) Indigenous	100.00	1,00,30,312	100.00	89,08,258
	<u>100.00</u>	<u>1,00,30,312</u>	<u>100.00</u>	<u>89,08,258</u>

**31 CIF Value of imports**

	<b>31.03.2017</b>	<b>31.03.2016</b>
	<b>VALUE</b>	<b>VALUE</b>
	<b>Rupees</b>	<b>Rupees</b>
Raw Material & Components	<u>73,12,782</u>	<u>66,44,550</u>
	<u>73,12,782</u>	<u>66,44,550</u>



**32 Earning in Foreign Currency :-**

	<b>31.03.2017</b>	<b>31.03.2016</b>
	<b>VALUE</b>	<b>VALUE</b>
	<b>Rupees</b>	<b>Rupees</b>
FOB value of Exports (including exchange rate fluctuation Income Rs. 70,081/- Pr. Year Income Rs. 48,935/-)	<b>1,06,86,674</b>	1,56,87,586
	<b>1,06,86,674</b>	1,56,87,586

**33 Expenditure in foreign currency :-**

**Nil**

**Nil**

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

**35 Balance Confirmations:**

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

**36 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.

**37 Related Party Disclosures:**

1. The list of related parties as identified by the management is as under: (with whom transactions have occurred during the year).

<b>Name of Party</b>	<b>Relationship</b>
Mr. VJendra Kuamr Mittal	Managing Director
Mr. Virendra Kumar Gupta	Whole Time Director
Mrs. Madhu Mittal	Whole Time Director
Mr. Aman Mittal	Whole Time Director
Mr. Ansh Mittal	Whole Time Director
Mrs. Swati Mittal	Relative of Key Management Personnel
Ganpati Handtex Pvt. Ltd.	Subsidiary Company (Since 14/09/2011)
Minihyd Hydraulics Pvt. Ltd.	Companies overwhich Key Management Personnel have Significant Influence
Shree Ganpati Boxmaker Pvt. Ltd.	Companies overwhich Key Management Personnel have Significant Influence

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

(Rs. In Lacs)

PARTICULARS	KEY MANAGEMENT PERSONNEL		Subsidiary		Companies Overwhich Key Management Personnel have Significant Influence	
	31.03.2017	31.03.2016	31.03.2017	31.03.2016	31.03.2017	31.03.2016
	<b>REVENUE TRANSACTIONS</b>					
<b>Purchase of Goods</b>						
Minihyd Hydraulics Ltd.					205.61	179.37
<b>Printing &amp; Stationery</b>						
Shree Ganpati Boxmaker P Ltd.					8.73	8.50
<b>Rent</b>						
Ganpati Handtex Pvt. Ltd.			99.00	66.00		
<b>Interest Received</b>						
Ganpati Handtex Pvt. Ltd.			30.99	32.34		
<b>Remuneration to Directors</b>	92.40	70.80				
<b>Salary</b>	6.00	4.80				
<b>Contribution to PF</b>	10.66	7.75				
<b>BALANCES AS AT 31.03.17</b>						
<b>Loan Given</b>						
Ganpati Handtex Pvt. Ltd.			279.05	245.53		
<b>Creditors</b>						
Minihyd Hydraulics Ltd.					97.12	108.90
Shree Ganpati Boxmaker P Ltd.					0.20	0.45
Ganpati Handtex Pvt. Ltd.			0.37	29.40		

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.

### 38 Earning per share (EPS)

Earning per share has been computed as follows:-

	(Value in Rupees)	
	Year ended 31.03.17	Year ended 31.03.16
Net Profit/(Loss) attributable to Shareholders	1,93,15,392	99,96,764
Effect of Dilutive Securities	-	-
Diluted income available to Equity Shareholders	1,93,15,392	99,96,764
Weighted average shares outstanding	41,20,000	41,20,000
Effect of Dilutive Securities	-	-
Diluted weighted average shares outstanding	41,20,000	41,20,000
Nominal value of Equity shares	10	10
Basic earnings per share	4.69	2.43
Diluted earnings per share	4.69	2.43

### 39 Gratuity and other employee benefit plans

The Company has calculated the various benefits provided to employees as per Accounting Standard-15 Employee Benefits as under:

#### a. Defined Contribution Plans

The Company deposits an amount determined at a fixed percentage of basic pay every month to the State administered Provident Fund, Employee State Insurance (ESI) and Social Insurance for the Benefit of employees.

#### b. Defined Benefit Plans

##### Employees' Gratuity Fund:

Consequent to the Guidance on implementing Accounting Standard-15 "Employee Benefits" which clarifies the applicability of the Accounting Standard, gratuity liability and leave encashment liability has been determined by an Actuarial Valuer as at the date of the Balance Sheet. The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service receives gratuity on leaving the Company @ 15 days' salary (last drawn salary) for each completed year of service. The Company, as a prudent practice, has provided liability for leave encashment on the basis of actuarial valuation for unutilized leave balance as at Balance Sheet date.

The following table summarizes the assumptions made and the funded status and amounts recognized in the balance sheet for the respective plan:

Particulars	Leave Liability		Gratuity	
	31.03.2017	31.03.2016*	31.03.2017	31.03.2016*
Discount rate (per annum)	7.50%		7.50%	
Salary Growth Rate (per annum)	5.00%		5.00%	
Mortality	IALM 2006-08 Ultimate		IALM 2006-08 Ultimate	
Expected rate of return	0.00		0.00	
Withdrawal rate (Per Annum)	2.00%		2.00%	
Average remaining working lives of employees(Years)	<b>20.2 Years</b>		<b>20.2 Years</b>	

#### Present value of obligation

(in Lakhs)

Particulars	Leave Liability		Gratuity	
	31.03.2017	31.03.2016*	31.03.2017	31.03.2016*
Present value of the obligation at the beginning of the Year	13.55		81.64	
Interest cost	1.02		6.12	
Current service cost	1.92		6.57	
Benefits paid (if any)	(0.34)		(1.34)	
Actuarial (gain)/loss	(2.96)		(15.47)	
Present value of the obligation at the end of the Year	13.18		77.51	

**Net Asset/(Liability) to be recognized in Balance Sheet:**

Particulars	Leave Liability		Gratuity	
	31.03.2017	31.03.2016*	31.03.2017	31.03.2016*
Present value of the obligation at the end of the period	13.18		77.52	
Fair value of plan assets at end of period	-		-	
Net liability/(asset) recognized in Balance Sheet	13.18		77.52	
Funded Status	(13.18)		(77.52)	
Best estimate for contribution during next Period	0.19		4.06	

\*Note: Actuary Valuation for Leave Encashment and Gratuity has not been determined from the Actuary for 2016 by management, therefore amounts as at 31.03.16 are nil.

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

**41 Discloser on Specified Bank Notes (SBNs)**

During the year, the Company had specified bank notes or other denomination note as defined in the MCA notification G.S.R. 308(E) dated March 30, 2017 on the details of Specified Bank Notes (SBN) held and transacted during the period from November 8, 2016 to December 30, 2016, the denomination wise SBNs and other notes as per the notification is given below:

Particulars	SBN*	Other Denomination Note	Total
Opening Cash in Hand as on November 08, 2016	9,00,000	4,59,927	13,59,927
(+) Permitted Receipts	0	10,23,215	10,23,215
(-) Permitted Payments	1,00,000	12,25,663	13,25,663
(-) Amount Deposited in Banks	8,00,000	0	8,00,000
Closing Cash in Hand as on December 30, 2016	0	2,57,479	2,57,479

\* For the purposes of this clause, the term 'Specified Bank Notes' shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O. 3407(E), dated the 8th November, 2016.

For and on behalf of

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

**CA SATISH SINGLA**  
(Partner)  
Membership No.: 080836  
Firm Reg. No.: 000882N

Place : Faridabad  
Date : 28-05-2017

For an on behalf of the Board

**VIJENDRA KUMAR MITTAL**  
MANAGING DIRECTOR  
(DIN: 00006398)

**KOMAL GUPTA**  
COMPANY SECRETARY  
Membership No.: 42613

**VIRENDRA KUMAR GUPTA**  
DIRECTOR  
(DIN: 00006461)



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## INDEPENDENT AUDITOR'S REPORT

**To the Members of  
CENLUB INDUSTRIES LIMITED**

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

We have audited the accompanying Consolidated financial statements of **CENLUB INDUSTRIES LIMITED** ("*the Company*") which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

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

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("*the Act*") with respect to the preparation of these (Consolidated) financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, 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, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. 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 the 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 financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, 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 on the Consolidated financial statements



## Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated 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, of the state of affairs of the Company as at March 31, 2017, and its Profit/Loss and its Cash Flow for the year ended on that date.

## Report on Other Legal and Regulatory Requirements

1. As required by section 143 (3) of the Act, we report that:
  - a. we have sought and 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 it appears from our examination of those books;
  - c. the Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - d. in our opinion, the aforesaid (Consolidated) financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
  - e. On the basis of written representations received from the directors as on March 31, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.
  - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
  - g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements;
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
    - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
    - iv. The company has provided requisite disclosures in note 37 to these financial statements as to the holding of specified bank notes on November 8, 2016 and December 30, 2016 as well as dealings in specified bank notes during the period from November 8, 2016 to December 30, 2016. Based on our audit procedures and relying on the management representation regarding the holding and nature of cash transactions, including specified bank notes, we report that these disclosures are in accordance with the books of accounts maintained by the company and as produced to us by the management.

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

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

PLACE: FARIDABAD  
DATE: 28.05.2017



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## **"ANNEXURE A" TO THE INDEPENDENT AUDITOR'S REPORT**

### **Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of Cenlub Industries Limited ("the Company") as of March 31, 2017 in conjunction with our audit of the Consolidated financial statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI').] These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

### **Meaning of Internal Financial Controls Over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

In our opinion, the Company broadly has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. There is always scope for further improvement.

**For SINGLA TAYAL & CO.**

Firm Regn: No. 000882N  
(Chartered Accountants)

PLACE: FARIDABAD  
DATE: 28.05.2017

(CA. SATISH SINGLA)  
M.NO: 80836



## CONSOLIDATED BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2017

Particulars	Note	As At 31st March, 2017	As At 31st March, 2016
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholder's Funds</b>			
(a) Share Capital	3	4,12,00,000	4,12,00,000
(b) Reserves and Surplus	4	13,71,69,322	11,96,86,053
<b>Non-Current Liabilities</b>			
(a) Long-Term Borrowings	5	6,89,50,689	7,98,59,274
(b) Deferred Tax Liabilities (Net)	6	26,05,690	28,83,871
(c) Long Term Provisions	7	80,90,279	92,62,749
<b>Current Liabilities</b>			
(a) Short-Term Borrowings	8	9,21,18,171	9,20,77,281
(b) Trade Payables	9	6,58,13,553	6,63,34,510
(c) Other Current Liabilities	10	1,42,52,894	1,07,21,766
(d) Short-Term Provisions	11	1,31,98,431	71,23,613
<b>Total Equity &amp; Liabilities</b>		<b>44,33,99,029</b>	<b>42,91,49,116</b>
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
<b>(a) Fixed Assets</b>			
Tangible Assets	12	17,62,09,686	18,07,06,367
Intangible Assets	12	5,86,757	8,08,715
Capital Work in Progress		-	-
		17,67,96,443	18,15,15,082
(b) Non-current investments	13	1,67,73,521	1,58,69,993
(c) Long term loans and advances	14	41,99,843	36,10,974
<b>Current Assets</b>			
(a) Current investments			
(b) Inventories	15	5,05,03,498	6,13,92,292
(c) Trade receivables	16	10,44,55,911	8,23,35,438
(d) Cash and cash equivalents	17	8,30,58,016	7,27,72,278
(e) Short-term loans and advances	18	60,17,228	1,09,18,471
(f) Other current assets	19	15,94,570	7,34,589
<b>Total Assets</b>		<b>44,33,99,030</b>	<b>42,91,49,117</b>

### Significan Accounting Policies

2

The accompanying notes are an integral part of the financial statements

As per our report of even date

**FOR CENLUB INDUSTRIES LIMITED**

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

**VIJENDRA KUMAR MITTAL**  
MANAGING DIRECTOR  
(DIN: 00006398)

**CA SATISH SINGLA**  
(Partner)  
Membership No.: 080836  
Firm Reg. No.: 000882N

**KOMAL GUPTA**  
COMPANY SECRETARY  
Membership No.: 42613

**VIRENDRA KUMAR GUPTA**  
DIRECTOR  
(DIN: 00006461)

Place : Faridabad  
Date : 28-05-2017



## CONSOLIDATED PROFIT & LOSS STATEMENT FOR THE YEAR ENDING 31<sup>ST</sup> MARCH, 2017

Particulars	Note	As At 31st March, 2017	As At 31st March, 2016
<b>INCOME</b>			
Revenue from operations	20	35,53,42,563	31,34,06,113
Other Income	21	54,90,028	40,74,565
<b>Total Revenue(I)</b>		<b>36,08,32,591</b>	<b>31,74,80,678</b>
<b>EXPENSES</b>			
Cost of materials consumed		18,80,70,460	18,68,87,909
Purchase of Stock-in-Trade		-	-
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	22	1,60,36,791	(84,30,538)
Employee Benefit Expense	23	5,54,73,540	5,32,27,593
Other Expenses	24	4,74,87,874	4,33,53,349
<b>Total Expenses (II)</b>		<b>30,70,68,665</b>	<b>27,50,38,313</b>
<b>Profit before Interest, Depreciation &amp; Tax</b>	(I - II)	<b>5,37,63,926</b>	<b>4,24,42,365</b>
Financial Costs	25	1,81,29,533	2,15,90,866
Depreciation and Amortization Expense	12	72,13,500	54,86,740
<b>Profit before Exceptional Items and tax</b>		<b>2,84,20,893</b>	<b>1,53,64,759</b>
Extraordinary Items		-	-
<b>Profit before tax</b>		<b>2,84,20,893</b>	<b>1,53,64,759</b>
Tax expense:			
Current tax		1,03,41,758	51,56,240
Income Tax Earlier Years		8,74,046	3,645
Deferred tax		(2,78,181)	1,56,854
<b>Profit/(Loss) for the period</b>		<b>1,74,83,269</b>	<b>1,00,48,020</b>
Earning per equity share:			
(1) Basic		4.24	2.44
(2) Diluted		4.24	2.44

### Significan Accounting Policies

2

The accompanying notes are an integral part of the financial statements

As per our report of even date

**FOR CENLUB INDUSTRIES LIMITED**

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

**VIJENDRA KUMAR MITTAL**  
MANAGING DIRECTOR  
(DIN: 00006398)

**CA SATISH SINGLA**  
(Partner)  
Membership No.: 080836  
Firm Reg. No.: 000882N

**KOMAL GUPTA**  
COMPANY SECRETARY  
Membership No.: 42613

**VIRENDRA KUMAR GUPTA**  
DIRECTOR  
(DIN: 00006461)

Place : Faridabad  
Date : 28-05-2017



**CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH 2017**

Particulars	As At 31st March, 2017	As At 31st March, 2016
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit Before Tax & Extraordinary Items	2,84,20,893	1,53,64,759
Adjustment For :		
Depreciation And Amortisation Expenses	72,13,500	54,86,740
Finance Costs	1,81,29,533	2,15,90,866
(Profit)/Loss On Sale Of Assets	4,59,991	66,356
Interest/Dividends Received	(48,24,321)	(40,02,184)
Operating Profit Before Working Capital Changes	<u>4,93,99,596</u>	<u>3,85,06,537</u>
(Increase)/Decrease In trade & Other Receivables	(2,29,80,454)	(1,56,49,805)
(Increase)/Decrease In Inventories	1,08,88,794	(43,48,713)
Increase/(Decrease) In Liabilities & Provisions	<u>79,12,520</u>	<u>37,54,756</u>
Cash Generated From Operations	4,52,20,456	2,22,62,775
Direct Taxes (Net)	<u>(1,12,15,804)</u>	<u>(51,59,885)</u>
Net Cash From/ (Used In) Operating Activities	<u>3,40,04,652</u>	<u>1,71,02,890</u>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase Of Fixed Assets	(33,14,852)	(3,53,83,263)
Sale Of Fixed Assets	3,60,000	6,23,354
Movement In Loan	43,12,373	(19,38,431)
Purchase Of Investments	(9,03,528)	2,96,51,253
Interest Received	48,18,258	39,85,718
Dividend Received	6,063	16,466
Net Cash Used In Investing Activities	<u>52,78,313</u>	<u>(30,44,903)</u>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds From Borrowings	-	3,18,71,154
Repayment Of Borrowings	(1,08,67,695)	-
Finance Costs Paid	(1,81,29,533)	(2,15,90,866)
Dividend Paid (Including Dividend Tax)	-	-
Net Cash From Financing Activities	<u>(2,89,97,228)</u>	<u>1,02,80,288</u>
Net Increase/(Decrease) In Cash And Cash Equivalents	1,02,85,737	2,43,38,275
Cash And Cash Equivalents As At The Beginning Of The Year	7,27,72,278	4,84,34,003
Cash And Cash Equivalents As At The End Of The Year	8,30,58,015	7,27,72,278
<b>NOTES :</b>		
Cash And Cash Equivalents Include :		
- Cash, Cheques In Hand And Remittances In Transit	5,37,197	5,37,111
- Balances With Banks	8,25,20,819	7,22,35,167

As per our report of even date

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

**CA SATISH SINGLA**  
(Partner)  
Membership No.: 080836  
Firm Reg. No.: 000882N

Place : Faridabad  
Date : 28-05-2017

**FOR CENLUB INDUSTRIES LIMITED**

**VIJENDRA KUMAR MITTAL**  
MANAGING DIRECTOR  
(DIN: 00006398)

**KOMAL GUPTA**  
COMPANY SECRETARY  
Membership No.: 42613

**VIRENDRA KUMAR GUPTA**  
DIRECTOR  
(DIN: 00006461)

## Notes to Consolidated financial statements for the year ended 31 March 2017

### 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 un-realised 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 (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013.

#### 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 II 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 on fixed assets is calculated on the basis of the estimated useful lives of property, plant and equipment which is equal to the life prescribed under Schedule II of Companies Act, 2013.

**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.

## Notes to Consolidated Financial Statements for the year ended 31st March, 2017

### NOTE : 3 SHARE CAPITAL

Sr. No.	Particulars	As At 31st March, 2017	As At 31st March, 2016
<b>1</b>	<b>AUTHORIZED CAPITAL</b>		
	50,00,000 Equity Shares of Rs. 10/- each	5,00,00,000	5,00,00,000
		5,00,00,000	5,00,00,000
<b>2</b>	<b>ISSUED , SUBSCRIBED &amp; FULLY PAID UP CAPITAL</b>		
	41,20,000 Equity Shares of Rs. 10/- each	4,12,00,000	4,12,00,000
	<b>Total</b>	<b>4,12,00,000</b>	<b>4,12,00,000</b>

#### NOTE:

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

#### 3 Reconciliation of the Number of shares

Sr. No.	Particulars	31st March, 2017 No. of Shares	31st March, 2016 No. of Shares
	Outstanding at the beginning of the year	41,20,000	41,20,000
	Outstanding at the end of the year	41,20,000	41,20,000

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

Promoters' Holding	31st March 2017		31st March 2016	
	% Holding	No. of Shares	% Holding	No. of Shares
Vijendra Kumar Mittal	10.64	4,38,379	10.80	4,44,857
Madhu Mittal	11.91	4,90,668	11.92	4,91,168
Ansh Mittal	8.31	3,42,342	8.31	3,42,342

### NOTE : 4 RESERVE & SURPLUS

Sr. No.	Particulars	As At 31st March, 2017	As At 31st March, 2016
1	General Reserve	-	-
2	Surplus (Profit & Loss Account)	13,71,69,322	11,96,86,053
	Balance brought forward from previous year	11,96,86,053	10,89,97,177
	Add: Profit for the period after Tax as per Profit & Loss Account	1,74,83,269	1,00,48,020
	Add: Appropriations		
	Depreciation Write Back extra charged in earlier years	-	6,40,856
	<b>Total</b>	<b>13,71,69,322</b>	<b>11,96,86,053</b>

**NOTE : 5 LONG TERM BORROWINGS**

Sr. No.	Particulars	As At 31st March, 2017	As At 31st March, 2016
<b>1</b>	<b>Term Loan (Secured)</b>		
	- From Banks	6,97,24,350	7,86,71,677
	- From Other Parties (NBFC)	26,88,349	34,13,875
		<u>7,24,12,699</u>	<u>8,20,85,552</u>
	Less: Shown in Current Maturities of Long Term Debt (Sub Total A)	34,62,010	22,26,278
	(Secured by hypothecation of vehicles)	<u>6,89,50,689</u>	<u>7,98,59,274</u>
<b>2</b>	<b>Term Loan (Un Secured)</b>		
	- From Bank	-	-
	- From Other Parties (NBFC)	-	9,58,983
		-	<u>9,58,983</u>
	Less: Shown in Current Maturities of Long Term Debt (Sub Total B)	-	9,58,983
		-	-
	<b>Total</b>	<b><u>6,89,50,689</u></b>	<b><u>7,98,59,274</u></b>

**NOTE:**
**1 Terms of repayment and interest are as follows:-**

Loan From	No. of Install. Left	Year of Maturity	As At 31st March, 2017	As At 31st March, 2016
1 Bajaj Finance Ltd		2016-17	-	1,07,618
2 Tata Capital Financial Services Ltd.		2016-17	-	8,51,365
3 HDFC Bank (LAP)	33	2020-21	1,33,72,228	1,70,29,613
4 ICICI Bank Ltd.	17	2019-20	1,18,671	1,58,238
5 Volkswagen Finance (P) Ltd	25	2020-21	26,88,349	34,13,875
6 HDFC Bank	91	2023-24	5,59,23,807	6,14,83,826
6 HDFC BANK (MARUTI CAR LOAN)	18	2019-20	3,09,644	-
			<u>7,24,12,699</u>	<u>8,30,44,535</u>
			34,62,010	31,85,261
Less: Shown in current maturities of Long Term debt				
<b>Balance shown as above</b>			<b><u>6,89,50,689</u></b>	<b><u>7,98,59,274</u></b>

**NOTE : 6 DEFERRED TAX LAIABILITIES (NET)**

Sr. No.	Particulars	As At 31st March, 2017	As At 31st March, 2016
<b>1</b>	<b>Deferred Tax Liability</b>		
	Difference between carrying amount of Fixed assets in financial statement and income tax computation	59,24,117	62,88,459
	LESS:		
<b>2</b>	<b>Deferred Tax Asset</b>		
	Leave Encashment/ Gratuity/ Bonus	33,18,427	34,04,588
	<b>Total in</b>	<b><u>26,05,690</u></b>	<b><u>28,83,871</u></b>

**NOTE : 7 LONG TERM PROVISIONS**

Sr. No.	Particulars	As At 31st March, 2017	As At 31st March, 2016
<b>1</b>	<b>Provision for Employee Benefits</b>		
	Gratuity	70,29,187	81,64,014
	Leave Encashment	10,61,092	10,98,735
	<b>Total in</b>	<b>80,90,279</b>	<b>92,62,749</b>

**NOTE : 8 SHORT TERM BORROWINGS**

Sr. No.	Particulars	As At 31st March, 2017	As At 31st March, 2016
	<b>From Bank</b>		
	Cash Credit	8,95,11,338	7,96,59,150
	Bill Discounting From HDFC Bank	26,06,833	1,24,18,131
	<b>Total in</b>	<b>9,21,18,171</b>	<b>9,20,77,281</b>

Secured By

- i) Hypothecation of all current assets of the Company
- ii) Equitable Mortgage of Land, building at Faridabad, Thane, Rajkot & Bengaluru and pledge of Fixed deposits of Rs. 27 Lac.
- iii) Guaranteed by (5) Directors

**NOTE : 9 TRADES PAYABLE**

Sr. No.	Particulars	As At 31st March, 2017	As At 31st March, 2016
1	Micro & Small Enterprises	1,46,76,185	1,66,73,290
2	Others (Includes Rs. 33,66,523/- for Services, Previous Year Rs. 49,98,512/-)	5,11,37,369	4,96,61,220
	<b>Total</b>	<b>6,58,13,553</b>	<b>6,63,34,510</b>

**NOTE : 10 OTHER CURRENT LIABILITIES**

Sr. No.	Particulars	As At 31st March, 2017	As At 31st March, 2016
1	Advance From Customers	59,95,175	31,75,178
2	Statutory Liabilities	32,47,616	28,09,484
3	Current Maturities of Long Term Debt		
	From Banks	26,76,641	22,26,278
	From Others	7,85,369	9,58,983
4	Unpaid Dividend	15,48,093	15,51,843
	<b>Total</b>	<b>1,42,52,894</b>	<b>1,07,21,766</b>

**NOTE : 11 SHORT TERM PROVISIONS**

Sr. No.	Particulars	As At 31st March, 2017	As At 31st March, 2016
1	Provision for Taxation	37,00,000	13,19,332
2	Others Provisions	85,18,595	58,04,281
3	Gratuity Short Term Provision	7,22,673	-
4	Leave Encashment Short Term Provision	2,57,163	-
	<b>Total</b>	<b>1,31,98,431</b>	<b>71,23,613</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	Preduction during the year	Adjustment*	Value at the end	WDV as on 31.03.2017	WDV as on 31.03.2016
<b>TANGIBLE ASSETS</b>													
1	Plant and Equipment		3,59,12,196	12,16,381	-	3,71,28,577	1,76,51,478	12,11,236	-	-	1,88,62,714	1,82,65,863	1,82,60,718
2	Furniture & Fixtures		54,79,399	7,038	-	54,86,437	25,95,105	4,36,931	-	-	30,32,036	24,54,402	28,84,295
3	Office Equipment		24,52,700	14,141	-	24,66,841	19,59,599	1,80,682	-	-	21,40,281	3,26,559	4,93,100
4	Land		5,72,65,751	-	-	5,72,65,751	-	-	-	-	-	5,72,65,751	5,72,65,751
5	Buildings		10,11,86,368	-	-	10,11,86,368	78,47,865	32,28,134	-	-	1,10,75,999	9,01,10,369	9,33,38,503
6	Tools & Equipments		16,35,174	77,090	-	17,12,264	13,82,958	98,058	-	-	14,81,016	2,31,240	2,52,216
7	Electrical Installation		11,34,891	92,605	-	12,27,496	5,02,655	1,05,574	-	-	6,08,229	6,19,267	6,32,236
8	Vehicles		1,17,57,595	19,07,597	12,03,844	1,24,61,348	41,28,047	17,30,927	3,83,853	-	55,25,121	69,36,227	75,79,548
	<b>SUB TOTAL (A)</b>		<b>21,68,24,074</b>	<b>33,14,852</b>	<b>12,03,844</b>	<b>21,89,35,083</b>	<b>3,61,17,708</b>	<b>69,91,542</b>	<b>3,83,853</b>	<b>-</b>	<b>4,27,25,397</b>	<b>17,62,09,686</b>	<b>18,07,06,367</b>
<b>Intangible Assets</b>													
1	Goodwill		15,00,000	-	-	15,00,000	15,00,000	-	-	-	15,00,000	-	-
2	Software		17,17,354	-	-	17,17,354	9,08,639	2,21,958	-	-	11,30,597	5,86,757	8,08,715
	<b>SUB TOTAL (B)</b>		<b>32,17,354</b>	<b>-</b>	<b>-</b>	<b>32,17,354</b>	<b>24,08,639</b>	<b>2,21,958</b>	<b>-</b>	<b>-</b>	<b>26,30,597</b>	<b>5,86,757</b>	<b>8,08,715</b>
	<b>Total (A + B) (Current Year)</b>		<b>22,00,41,428</b>	<b>33,14,852</b>	<b>12,03,844</b>	<b>22,21,52,437</b>	<b>3,85,26,347</b>	<b>72,13,500</b>	<b>3,83,853</b>	<b>-</b>	<b>4,53,55,994</b>	<b>17,67,96,443</b>	<b>18,15,15,082</b>
	<b>(Previous Year)</b>		<b>18,56,24,152</b>	<b>3,53,83,263</b>	<b>9,65,988</b>	<b>22,00,41,427</b>	<b>3,39,56,740</b>	<b>54,86,740</b>	<b>2,76,278</b>	<b>-6,40,856</b>	<b>3,85,26,346</b>	<b>18,15,15,081</b>	<b>15,16,67,412</b>

\*Note: Adjustment is on Account of (excess)/ short depreciation charged in previous years

**NOTE : 13 NON CURRENT INVESTMENT**

Sr. No.	Particulars	As At 31st March, 2017	As At 31st March, 2016
	<b>AT COST</b>		
1	Advance for Flat at Noida & Fbd	1,00,45,469	1,00,45,469
2	Flat 4111 (Prestige)	61,76,906	45,68,105
3	Shares (Unquoted)	-	-
4	Shares (Quoted)	5,51,146	12,56,419
	<b>Total</b>	<b>1,67,73,521</b>	<b>1,58,69,993</b>

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

Sr. No.	Particulars	As At 31st March, 2017	As At 31st March, 2016
	<b>(Unsecured - Considered Good unless otherwise stated)</b>		
I)	Loan to Subsidiary	0	-
	<b>II) Security Deposit</b>		
a)	Government Authorities	9,56,081	1,24,846
b)	Others	23,39,449	26,59,703
	<b>III) Earnest Money Deposit</b>	9,04,313	8,26,425
	<b>IV) Other Loans &amp; Advances</b>	-	-
	<b>Total</b>	<b>41,99,843</b>	<b>36,10,974</b>

**NOTE : 15 INVENTORIES**

Sr. No.	Particulars	As At 31st March, 2017	As At 31st March, 2016
1	Raw Material	3,49,07,712	2,97,49,675
2	Work-in-Progress	1,39,85,762	3,00,48,214
3	Finished Goods	26,661	-
4	Stock-in-Trade	14,77,713	14,78,713
5	Stores & Spares	1,05,650	1,15,690
	<b>Total</b>	<b>5,05,03,498</b>	<b>6,13,92,292</b>

**NOTE : 16 TRADE RECEIVABLES**

Sr. No.	Particulars	As At 31st March, 2017	As At 31st March, 2016
	<b>(Unsecured, Considered Good )</b>		
1	Outstanding for a period exceeding six months from due date	62,82,958	1,90,49,354
2	Others	9,81,72,953	6,32,86,084
	<b>Total</b>	<b>10,44,55,911</b>	<b>8,23,35,438</b>

**NOTE : 17 CASH & CASH EQUIVALENT**

Sr. No.	Particulars	As At 31st March, 2017	As At 31st March, 2016
<b>1</b>	<b>Cash &amp; Cash Equivalents</b>		
	Cash on Hand	5,37,197	5,37,111
	Balance with Banks		
	In Current Accounts	87,64,928	42,13,887
	In Dividend Accounts	15,48,093	15,51,843
<b>2</b>	<b>Other bank Balance</b>		
	Term Deposits (Margin Money) ^	30,32,000	1,00,00,000
	Term Deposits (Others) Less than 1 year maturity	6,91,75,798	5,64,69,437
	<b>Total [ A + B + C ]</b>	<b>8,30,58,016</b>	<b>7,27,72,278</b>

**NOTE:**

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

**NOTE :18 SHORT TERMS LOANS AND ADVANCES**

Sr. No.	Particulars	As At 31st March, 2017	As At 31st March, 2016
	(Unsecured, Considered Good)		
1	Tax Payment (Net of Provisions)	15,74,623	31,25,917
2	Taxes and Duties Recoverable / Adjustable	23,80,382	54,17,054
3	Prepaid Expenses	2,28,322	7,17,750
4	Other Advances	18,33,901	16,57,750
	<b>Total</b>	<b>60,17,228</b>	<b>1,09,18,471</b>

**NOTE :19 OTHER CURRENT ASSETS**

Sr. No.	Particulars	As At 31st March, 2017	As At 31st March, 2016
1	Interest Accrued on Fixed Deposits	8,84,266	6,97,908
2	Tata Capital Services Ltd	57,853	36,681
3	others	6,52,451	-
	<b>Total</b>	<b>15,94,570</b>	<b>7,34,589</b>

**NOTE: 20 REVENUE FROM OPERATIONS**

Sr. No.	Particulars	As At 31st March, 2017	As At 31st March, 2016
1	Sales	35,29,60,453	31,01,58,207
2	Installation & Erection	23,82,110	32,47,906
	<b>Total</b>	<b>35,53,42,563</b>	<b>31,34,06,113</b>

**NOTE: 21 OTHER INCOME**

Sr. No.	Particulars	As At 31st March, 2017	As At 31st March, 2016
1	Interest Recd.	48,18,258	39,85,718
2	Profit on sale of Assets (Net)	-	2,425
3	Dividend (On Current Investments)	6,063	16,466
4	Misc. Income	2,75,959	10,756
5	Rental Income	99,600	59,200
6	Interest on refund	2,20,067	-
7	Exchange Rate Difference	70,081	-
	<b>Total</b>	<b>54,90,028</b>	<b>40,74,565</b>

**NOTE : 22 CHANGE IN INVENTORIES**

Sr. No.	Particulars	As At 31st March, 2017	As At 31st March, 2016
<b>1</b>	<b>Opening Stock</b>		
	Work in progress	3,00,48,214	2,15,06,600
	Finished Goods	-	-
	Traded Goods	14,78,713	15,89,789
		<u>3,15,26,927</u>	<u>2,30,96,389</u>
<b>2</b>	<b>Closing Stock</b>		
	Work in progress	1,39,85,762	3,00,48,214
	Finished Goods	26,661	-
	Traded Goods	14,77,713	14,78,713
		<u>1,54,90,136</u>	<u>3,15,26,927</u>
	<b>(Increase)/ Decrease</b>	<u><b>1,60,36,791</b></u>	<u><b>-84,30,538</b></u>

**NOTE : 23 EMPLOYMENT BENEFIT EXPENSES**

Sr. No.	Particulars	As At 31st March, 2017	As At 31st March, 2016
1	Salary, Wages, Bonus & Leave Encashment	5,12,46,709	4,76,31,512
2	Gratuity	-2,77,673	15,38,264
3	Contribution to Provident and Other Funds	34,64,249	27,90,289
4	Staff Welfare Expenses	10,40,255	12,67,528
	<b>Total</b>	<u><b>5,54,73,540</b></u>	<u><b>5,32,27,593</b></u>

**NOTE : 24 OTHER EXPENSES**

Sr. No.	Particulars	As At 31st March, 2017	As At 31st March, 2016
1	Stores & Consumables	1,00,30,312	89,08,258
2	Power & Fuel	32,47,599	31,77,747
3	Processing Charges	28,46,447	27,65,643
4	Rates & Taxes	3,82,533	2,90,208
5	Rent	16,04,101	17,01,996
6	Travelling & Conveyance	54,18,937	54,71,871
	<b>Repair &amp; Maintenance</b>		
7	Plant & Machinery	6,88,893	7,47,428
8	Building	25,50,257	12,03,165
9	Others	7,72,828	6,43,682
10	Misc. Expenses	63,00,088	78,06,483
11	Communication Exp.	11,91,055	12,06,543
12	Selling Expenses	34,83,374	42,06,354
13	Sales Commission	4,44,708	4,29,141
14	Insurance Charges	4,70,725	4,53,167
15	Bad Debts	29,36,277	7,39,044
16	Freight Outward	34,73,075	30,01,538
17	Directors Sitting Fee	76,400	68,000
18	Auditors Remuneration	4,05,000	4,64,300
19	Loss on sale of Assets	4,59,991	68,781
20	Loss on Reduction on Investment	7,05,274	-
	<b>Total</b>	<u><b>4,74,87,874</b></u>	<u><b>4,33,53,349</b></u>



**SCHEDULE :25 FINANCIAL COST**

Sr. No.	Particulars	As At 31st March, 2017	As At 31st March, 2016
1	Bank Charges	10,96,487	29,62,618
2	Interest on Term loan	81,87,293	61,68,283
3	Interest on unsecured loans	31,272	5,70,618
4	Interest on Other loans	88,14,482	1,18,89,347
	<b>Total</b>	<b>1,81,29,533</b>	<b>2,15,90,866</b>

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

a) Claims against the company not acknowledged as liabilities in respect of:

Particulars	31.3.2017	31.3.2016
Sales tax Matters	8,23,523	8,23,523
Less: Advance Paid	2,47,057	2,47,057
	<b>5,76,466</b>	<b>5,76,466</b>

a) In respect of Bank Guarantees given by Bank for Rs. 268.00 Lakhs (previous year Rs. 172.89 Lakhs).

**27 Auditors Remuneration**

	31.3.2017	31.3.2016
Audit fees	3,05,000	3,15,000
Tax Audit Fees	1,00,000	1,00,000
	<b>4,05,000</b>	<b>4,15,000</b>

**28** 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.

**29 Expenditure in foreign currency :-**

**Nil Nil**

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

**31 Balance Confirmations:**

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

**32 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.

**33 Related Party Disclosures:**

1. The list of related parties as identified by the management is as under: (with whom transactions have occurred during the year).

Name of Party	Relationship
Mr. Vijendra Kuamr Mittal	Managing Director
Mr. Virendra Kumar Gupta	Whole Time Director
Mrs., Madhu Mittal	Whole Time Director
Mr. Aman Mittal	Whole Time Director
Mr. Ansh Mittal	Whole Time Director
Mrs. Swati Mittal	Relative of Key Management Personnel
Ganpati Handtex Pvt. Ltd.	Subsidiary Company (Since 14/09/2011)
Minihyd Hydraulics Pvt. Ltd.	Companies overwhich Key Management Personnel have significant influence
Shree Ganpati Boxmaker Pvt. Ltd.	Companies overwhich Key Management Personnel have significant influence

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

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

(Rs. In Lacs)

PARTICULARS	KEY MANAGEMENT PERSONNEL		Companies Overwhich Key Management Personnel have Significant Influence	
	31.03.2017	31.03.2016	31.03.2017	31.03.2016
<b>REVENUE TRANSACTIONS</b>				
<b>Purchase of Goods</b>				
Minihyd Hydraulics Ltd.			205.61	179.37
<b>Printing &amp; Stationery</b>				
Shree Ganpati Boxmaker P Ltd.			8.73	8.50
<b>Remuneration to Directors</b>				
<b>Salary</b>	92.40	70.80		
<b>Contribution to PF</b>	6.00	4.80		
	10.66	7.75		
<b>BALANCES AS AT 31.03.17</b>				
<b>Creditors</b>				
Minihyd Hydraulics Ltd.			97.12	108.90
Shree Ganpati Boxmaker P Ltd.			0.20	0.45

**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.

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

Earning per share has been computed as follows:-

(Value in Rupees)

	Year ended 31.03.17	Year ended 31.03.16
Net Profit/(Loss) attributable to Shareholders	1,74,83,269	1,00,48,020
Effect of Dilutive Securities	-	-
Diluted income available to Equity Shareholders	<b>1,74,83,269</b>	<b>1,00,48,020</b>
Weighted average shares outstanding	41,20,000	41,20,000
Effect of Dilutive Securities	-	-
Diluted weighted average shares outstanding	<b>41,20,000</b>	<b>41,20,000</b>
Nominal value of Equity shares	<b>10</b>	10
Basic earnings per share	<b>4.24</b>	2.44
Diluted earnings per share	<b>4.24</b>	2.44

**35 Gratuity and other employee benefit plans**

The Company has calculated the various benefits provided to employees as per Accounting Standard-15 Employee Benefits as under:

**a. Defined Contribution Plans**

The Company deposits an amount determined at a fixed percentage of basic pay every month to the State administered Provident Fund, Employee State Insurance (ESI) and Social Insurance for the Benefit of employees.

**b. Defined Benefit Plans**
**Employees' Gratuity Fund:**

Consequent to the Guidance on implementing Accounting Standard-15 "Employee Benefits" which clarifies the applicability of the Accounting Standard, gratuity liability and leave encashment liability has been determined by an Actuarial Valuer as at the date of the Balance Sheet. The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service receives gratuity on leaving the Company @ 15 days' salary (last drawn salary) for each completed year of service. The Company, as a prudent practice, has provided liability for leave encashment on the basis of actuarial valuation for unutilized leave balance as at Balance Sheet date.

The following table summarizes the assumptions made and the funded status and amounts recognized in the balance sheet for the respective plan:

Particulars	Leave Liability		Gratuity	
	31.03.2017	31.03.2016*	31.03.2017	31.03.2016*
Discount rate (per annum)	7.50%		7.50%	
Salary Growth Rate (per annum)	5.00%		5.00%	
Mortality	IALM 2006-08 Ultimate		IALM 2006-08 Ultimate	
Expected rate of return	0.00		0.00	
Withdrawal rate (Per Annum)	2.00%		2.00%	
Average remaining working lives of employees(Years)	<b>20.2 Years</b>		<b>20.2 Years</b>	

Particulars	Leave Liability		Gratuity		(in Lakhs)
	31.03.2017	31.03.2016*	31.03.2017	31.03.2016*	
Present value of the obligation at the beginning of the Year	13.55		81.64		
Interest cost	1.02		6.12		
Current service cost	1.92		6.57		
Benefits paid (if any)	(0.34)		(1.34)		
Actuarial (gain)/loss	(2.96)		(15.47)		
Present value of the obligation at the end of the Year	13.18		77.51		

**Net Asset/(Liability) to be recognized in Balance Sheet:**

Particulars	Leave Liability		Gratuity	
	31.03.2017	31.03.2016*	31.03.2017	31.03.2016*
Present value of the obligation at the end of the period	13.18		77.52	
Fair value of plan assets at end of period	-		-	
Net liability/(asset) recognized in Balance Sheet	13.18		77.52	
Funded Status	(13.18)		(77.52)	
Best estimate for contribution during next Period	0.19		4.06	

\*Note: Actuary Valuation for Leave Encashment and Gratuity has not been determined from the Actuary for 2016 by management, therefore amounts as at 31.03.16 are nil.

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

**37 Discloser on Specified Bank Notes (SBNs)**

During the year, the Company had specified bank notes or other denomination note as defined in the MCA notification G.S.R. 308(E) dated March 30, 2017 on the details of Specified Bank Notes (SBN) held and transacted during the period from November 8, 2016 to December 30, 2016, the denomination wise SBNs and other notes as per the notification is given below:

Particulars	SBN*	Other Denomination Note	Total
Closing Cash in Hand as on November 08, 2016	9,00,000	4,78,412	13,78,412
(+) Permitted Receipts	0	10,23,215	10,23,215
(-) Permitted Payments	1,00,000	12,25,663	13,25,663
(-) Amount Deposited in Banks	8,00,000	0	8,00,000
Closing Cash in Hand as on December 30, 2016	0	2,75,964	2,75,964

\* For the purposes of this clause, the term 'Specified Bank Notes' shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O. 3407(E), dated the 8th November, 2016.

For and on behalf of

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

**CA SATISH SINGLA**  
(Partner)  
Membership No.: 080836  
Firm Reg. No.: 000882N

Place : Faridabad  
Date : 28-05-2017

For an on behalf of the Board

**VIJENDRA KUMAR MITTAL**  
MANAGING DIRECTOR  
(DIN: 00006398)

**KOMAL GUPTA**  
COMPANY SECRETARY  
Membership No.: 42613

**VIRENDRA KUMAR GUPTA**  
DIRECTOR  
(DIN: 00006461)



**CENLUB INDUSTRIES LIMITD**  
**CIN: (L67120HR1992PLC035087)**

Regd. Office & Works : Plot No. 233-234, Sector-58, Ballabgarh, Faridabad - 121004  
Phone No. : 08826794470, 71, 72, 73  
E-mail : cenlub@cenlub.in Website : www.cenlub.in

**ATTENDANCE SLIP**  
**TO BE COMPLETED AND HANDED OVER AT THE ENTRANCE OF THE AUDITORIUM**

I hereby record my presence at the 25th ANNUAL GENERAL MEETING of the company held at Aggarwal Sewa Sadan  
D-48, Sector-11, Faridabad (Haryana) on Saturday, September 23, 2017 at 9.30 A.M

<b>DPID*</b> <b>Client ID*</b>		<b>Folio No.</b> <b>No. of Shares</b>	
Shareholder(s) Name			
Address of the Shareholder(s)			
If Shareholder(s), please sign here		If proxy, please mention name and sign here	
Name of Proxy		Signature	
*Applicable for shareholders holding shares in electroic form			

**ELECTRONIC VOTING PARTICULARS**

Electronic Voting Sequence Number(EVSN)	User ID	*Default Sequence Number
*Members who have not updated their PAN with the Company/Depository Participant shall use default Sequence Number in the PAN field.		
Other members should use their PAN.		

**PROXY FORM****CENLUB INDUSTRIES LIMITD  
CIN: (L67120HR1992PLC035087)**

Regd. Office & Works : Plot No. 233-234, Sector-58, Ballabgarh, Faridabad - 121004  
 Phone No. : 08826794470, 71, 72, 73  
 E-mail : cenlub@cenlub.in Website : www.cenlub.in

**FORM NO. MGT-11**

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

Name of the Member(s):
Registered Address:
E-mail Id:
Folio No.:
Client ID:

I/We being the member(s) of \_\_\_\_\_ Shares of Cenlub Industries Limited, hereby appoint:

- 1) Name : \_\_\_\_\_  
 Address: \_\_\_\_\_  
 E-mail Id.: \_\_\_\_\_ Signature \_\_\_\_\_ or failing him:
- 2) Name : \_\_\_\_\_  
 Address: \_\_\_\_\_  
 E-mail Id.: \_\_\_\_\_ Signature \_\_\_\_\_ or failing him:
- 3) Name : \_\_\_\_\_  
 Address: \_\_\_\_\_  
 E-mail Id.: \_\_\_\_\_ Signature \_\_\_\_\_ or failing him

as my/our proxy to attend and vote (on poll) for me/us and on my/our behalf at the 25th (Twenty-Fifth) Annual General Meeting of the company, to be held on Saturday, September 23, 2017 at 9:30 a.m. (I.S.T.) at the Agarwal Sewa Sadan, D-48, Sector-11, Faridabad (Haryana ) 121006 India and at my adjournment thereof in respect of such resolutions as are indicated below:

Resolu- tion No	Brief detail of Resolutions	Vote (Optional-See Note 4)	
		For	Against
<b>ORDINARY BUSINESS</b>			
1	To consider and adopt: a. Audited financial Statement for the year ended March 31, 2017 and the reports of Board of Directors and Auditors thereon; and b. Audited consolidated financial statement for the year ended March 31, 2017		
2	Re-appointment of Mr. Aman Mittal (DIN 00006435) as a Director, who retires by rotation and being eligigle, offers himself for re-appointment.		



3	Re-appointment of Smt. Madhu Mittal (DIN 00006418) as a Director, who retires by rotation and being eligible, offers himself for re-appointment.		
4	Appointment of M/s Sanmarks & Associates, Chartered Accountants (Firm Registration No. 003343N) as Statutory Auditors of the Company and fix their remuneration.		
<b>SPECIAL BUSINESS:</b>			
5	To Fix Remuneration of Cost Auditor to be paid to Messrs.Ritu Gupta & Associates Firm Registration No.001168 ). For the financial year ending March 31,2018.		
6	Re-appointment of Shri Virendra Kumar Gupta (DIN No. 00006461) as Executive Director of the Company.		
7	Remuneration of Shri Vijendra Kumar Mittal (DIN 00006398) as Managing Director of the Company.		
8	Remuneration of Smt. Madhu Mittal (DIN 00006418) as Executive Director of the Company.		
9	Remuneration of Shri Aman Mittal (DIN 00006435) as Executive Director of the Company.		
10	Remuneration of Shri Ansh Mittal (DIN 00041986) as Executive Director of the Company.		
11	Remuneration of Shri Virendra Kumar Gupta (DIN 00006461) as Executive Director of the Company.		

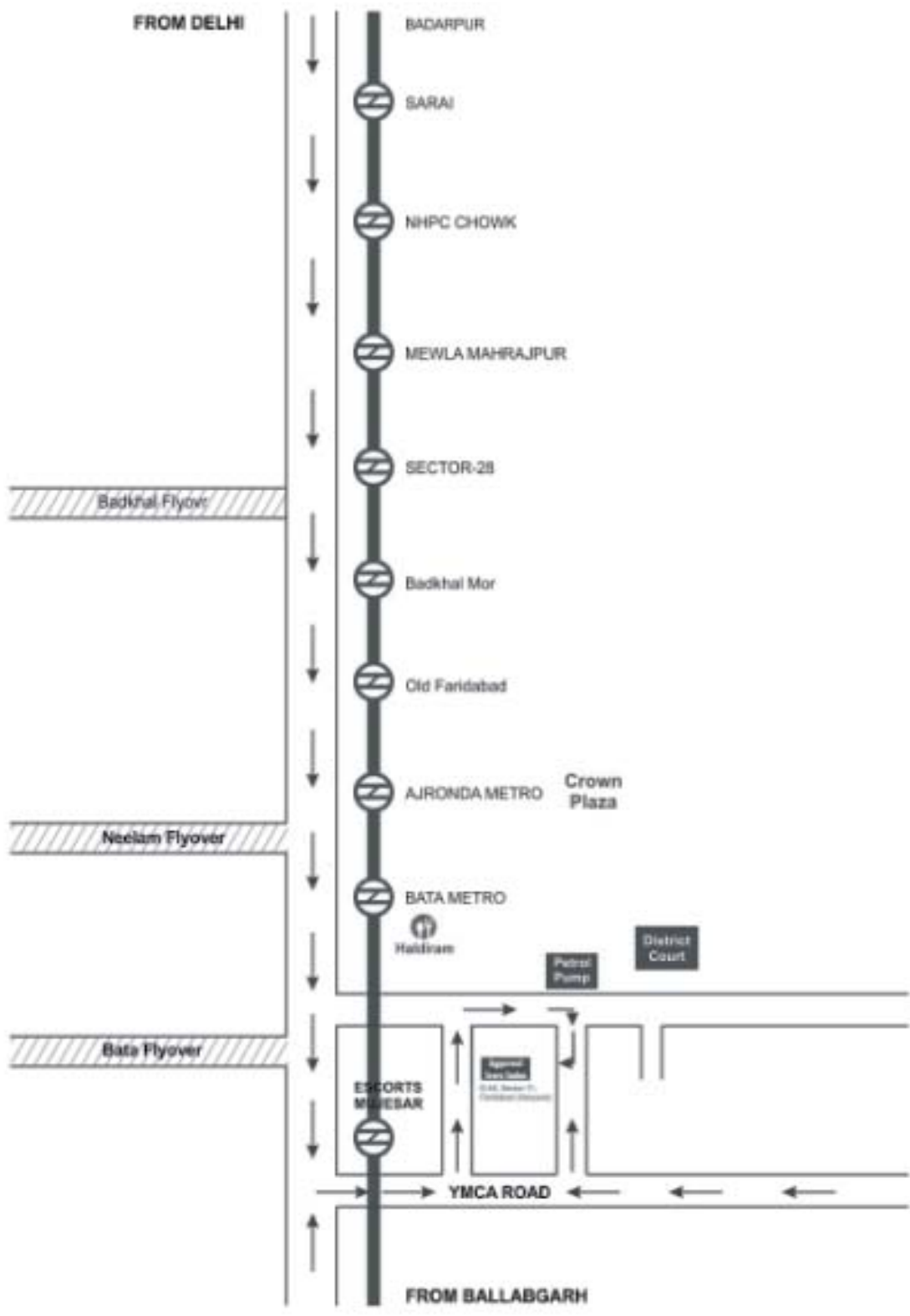
Signed this .....day of ....., 2017

Signature of Member(s)

Signature of the Proxy holder(s)

**Notes :**

- 1 This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less 48 hours before the commencement of the Meeting.
- 2 A Proxy need not be a Member of the Company
- 3 A person can act as a Proxy on behalf of Members not exceeding fifty and holding in the aggregate not more than 10% (ten percent) of the total share capital of the Company carrying voting rights. A member holding more than 10% (Ten percent) of the total share capital of the Company carrying voting rights, may appoint a single person as a proxy and such person shall not act as a proxy for any other person or shareholder.
- 4 It is optional to indicate your preferences. If you leave the 'For' or 'Against' column blank against any or all resolutions, your Proxy will be entitled to vote in the manner as he/she may deem appropriate.







# REGISTERED POST

*If undelivered, please return to :*

**CENLUB INDUSTRIES LTD.**

Plot No. 233 & 234, Sector-58, Ballabgarh, Faridabad-121004 (Haryana)

Tel. : +91-8826794470-73, Fax : +91-129-2307263

E-mail : [cenlub@cenlub.in](mailto:cenlub@cenlub.in), Website : [www.cenlub.in](http://www.cenlub.in)