

**32<sup>nd</sup>**

**ANNUAL REPORT 2014 - 15**

**IGIL**

***INDO GULF INDUSTRIES LIMITED***



# INDO GULF INDUSTRIES LIMITED

## 32<sup>nd</sup> ANNUAL REPORT 2014-2015

### BOARD OF DIRECTORS

Dr. Arvind Krishna Saxena  
Mr. Vimal Kumar Jain  
Mr Rajesh Jain

Mr. Shyam Lal Gouniyal  
Mr. Gorachand Dutta

### AUDIT COMMITTEE

Mr. Vimal Kumar Jain, *Chairman*  
Dr Arvind Krishna Saxena  
Mr Shyam Lal Gouniyal

### STAKEHOLDERS' RELATIONSHIP COMMITTEE

Mr Shyam Lal Gouniyal, *Chairman*  
Dr Arvind Krishna Saxena  
Mr Vimal Kumar Jain

### NOMINATION & REMUNERATION COMMITTEE

Mr Shyam Lal Gouniyal, *Chairman*  
Dr Arvind Krishna Saxena  
Mr Vimal Kumar Jain  
Mr Gorachand Dutta

### SHARE TRANSFER COMMITTEE

Mr Shyam Lal Gouniyal  
Dr Arvind Krishna Saxena  
Mr Vimal Kumar Jain

### STATUTORY AUDITORS

### **M/S. Vipin Aggarwal & Associates**

Chartered Accountants  
E-4, II<sup>nd</sup> Floor, Defence Colony,  
New Delhi - 110 024

### **BANKERS**

HDFC Bank

### **FACTORIES EXPLOSIVE DIVISION**

#### **Babina Plant**

Village Koti  
Sukhwa & Prithi Pura, Babina  
Distt. Jhansi (U.P.)

### **SMS DIVISION**

Singrauli Plant (SMS)  
Near Central Workshop  
Jayant, Village - Garda  
Singrauli, Distt. Sidhi, (M.P.)

Korba Plant(SMS)  
Vill. Goberaghora  
(Dipka) Korba  
Distt. Bilaspur (C.G.)

Talcher Plant(SMS)  
Plot No. 2, IDCO Industrial Estate  
Village Ghanipura, Distt. Dhenkanal,  
Talchar, (Orissa)

I.B.Valley  
Vill. Sarandamal  
Tehsil - Lakhanpur,  
Distt. Sambalpur, (Orissa)

### **ACCESSORIES UNIT (Detonating Fuse etc.)**

Village Koti, Sukhwa & Prithi Pura,  
Babina, Distt. Jhansi (U.P.)

### **REGISTERED OFFICE**

213, Rectangle 1, D-4, District Centre,  
Saket, New Delhi - 110 017

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**NOTICE**

Notice is hereby given that the 32<sup>nd</sup> Annual General Meeting of the Company will be held as follows:

<b>Day</b>	: Monday
<b>Date</b>	: 10 <sup>th</sup> August, 2015
<b>Time</b>	: 10.00 A.M
<b>Place</b>	: Shri Ram Barat Ghar, 505/3 Devli, Bandh Road, New Delhi – 110062

to transact the following businesses :

**ORDINARY BUSINESS**

1. To receive, consider and adopt the financial statements of the company for the year ended 31<sup>st</sup> March, 2015, including the audited Balance Sheet as at 31<sup>st</sup> March, 2015 and the Statement of Profit & Loss for the year ended on that date together with the Report of Directors and Auditors thereon.
2. To appoint a Director in place of Dr. Arvind Krishna Saxena who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint Auditors and fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

“Resolved that pursuant to the provisions of Section 139 of the Companies Act, 2013, M/s MANV & Associates, Chartered Accountants (Regn. No 007351N) be and are hereby appointed as Auditors of the Company to hold office from the conclusion of 32<sup>nd</sup> Annual General Meeting until the conclusion of 37<sup>th</sup> Annual General Meeting in place of retiring Auditors, M/s Vipin Aggarwal & Associates, Chartered Accountants (Firm Registration No.014454N), on such remuneration as shall be fixed by the Board of Directors of the Company”

**By Order of the Board**

Place: New Delhi  
Date : 20.06.2015

Sd/-  
**Dr. Arvind Krishna Saxena**  
Director

**NOTES :**

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXY FORM, IN ORDER TO BE EFFECTIVE, MUST BE DULY COMPLETED, STAMPED AND LODGED WITH THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF 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 CARRYING VOTING RIGHTS.**
2. The Register of Members and Share Transfer Books of the Company will remain closed from 4<sup>th</sup> August, 2015 to 10<sup>th</sup> August, 2015 (both days inclusive).
3. There will be no distribution of gifts/coupons at the meeting.
4. Shareholders seeking any information with regard to Accounts are requested to write to the Company at least 7 days before the date of the Meeting so as to enable the management to keep the information ready.
5. Members are requested to notify any change in their address including pin code and e-mail addresses to the Company.
6. Corporate members are requested to send a duly certified copy of the Board Resolution authorizing their representative to attend and vote at the AGM.
7. The Company has allotted 1 equity share of Re.1 each of the Company for every 1 equity share of Rs.10 each held in the company pursuant to Rehabilitation Scheme approved by Hon'ble BIFR vide Order dated 24th June, 2010. If any shareholder has not yet received the share certificate of the Company so allotted are requested to write to the Company for non-receipt of such share certificate.
8. All documents referred to in the accompanying notice shall be open for inspection at the Registered Office of the Company during normal business hours on all working days except Saturday.

**PROFILE OF DIRECTOR SEEKING RE-APPOINTMENT PURSUANT TO CLAUSE 49 OF THE LISTING AGREEMENT****Dr. Arvind Krishna Saxena (Item No. 2)**

Date of Birth : 26.08.1951

Qualification : M.Sc., Ph.D. (Botany)

Expertise and experience in specific functional area : He has specialization in Industrial Mycology, Bio-composting, Mushroom Production and Processing from Horst, Holland. He has wide experience of 41 years. He held previously prestigious position in various organisations and was also associated with scientific and research activities.

Dr. Arvind Krishna Saxena is whole time Director in Balrampur Chini Mills Ltd. He is not member of any other Board Committees. He is not holding any shares of the company as on 31.03.2015.

**DIRECTORS' REPORT**

Dear Members,

Your Directors are presenting the Thirty Second Annual Report and Audited Accounts of the Company for the year ended 31<sup>st</sup> March, 2015.

**Financial Review****(Amount in ₹ )**

<b>Financial Results</b>	<b>2014-15</b>	<b>2013-14</b>
Net Sales	–	–
Other Income	<b>56,51,168</b>	5,70,086
Profit before finance costs, depreciation and tax	<b>51,81,161</b>	50,484
Finance Costs	–	–
Depreciation and amortization expense	<b>31,67,245</b>	13,24,629
Tax expense	–	–
<b>Profit/(Loss) before exceptional and extra-ordinary items</b>	<b>20,13,916</b>	<b>(12,74,145 )</b>
Exceptional items	<b>3,62,25,000</b>	–
<b>Net Profit/(loss)</b>	<b>3,82,38,916</b>	<b>(12,74,145 )</b>
Add: Balance brought forward from the previous year	<b>(7,03,68,945 )</b>	(6,90,94,800)
Less: Deduction on account of depreciation adjustment due to transitional provisions	<b>33,610</b>	–
<b>Balance to be carried forward to next year's account</b>	<b>(3,21,63,639 )</b>	<b>(7,03,68,945 )</b>

**Performance, Future Outlook & Prospects**

None of the Unit of the Company is in operation during the year. The Company is continuing to make all efforts to restart the explosive units.

The Hon'ble Board for Industrial and Financial Reconstruction (BIFR) had permitted, transfer of 20% equity shares of IGIL held by the Balrampur Chini Mills Ltd. as well as induction of co-promoter/strategic investor in IGIL, under a Modified Draft Rehabilitation Scheme (MDRS) to be approved by the Hon'ble BIFR. Hon'ble BIFR in a recent hearing sought more details from the co-promoters and the matter of induction of strategic investors/co-promoters is pending. The company filed a petition to the Appellate Authority for Industrial & Financial Reconstruction (AAIFR) for necessary relief. The Hon'ble AAIFR in the pending appeal directed circulation of Modified Draft Rehabilitation Scheme (MDRS) to all concerned for their consideration. As envisaged in the MDRS, after the said transfer of shares, IGIL will cease to be a subsidiary of Balrampur Chini Mills Ltd.

**Dividend**

In view of loss suffered by the Company, the Directors regret for their inability to recommend dividend for the year under review. No amount transferred to the reserve.

**Fixed Deposits**

The Company has not accepted any deposit from the public, and as such, there are no outstanding deposits in terms of the Companies (Acceptance of Deposits) Rules, 2014.

**Directors**

Dr. Arvind Krishna Saxena, director of the company, retire from the board by rotation and is eligible for re-election.

The company received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013.

The members in the last AGM approved appointment of Mr. Vimal Kumar Jain, Mr. Shyam Lal Gouniyal, Mr. Rajesh Jain and Mr. Gorachand Dutta as Independent Directors.

Directors' responsibility statement

**The Directors state that:**

- In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;

- iii. The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. The Directors have prepared the annual accounts on a *going concern basis*;
- v. The Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- vi. There is a proper system to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

**Corporate Governance**

As per SEBI Circular dated 15.09.2014, as the paid up share capital of the company is Rs.95.67 lacs and net worth is negative as on the last day of the previous financial year, the compliance with the provisions of Clause 49 of the Listing Agreement is not mandatory. Therefore, the Company has not enclosed the Corporate Governance Report, certificate on the compliance of the Corporate Governance and Management Discussion and Analysis.

**Listing of equity shares**

The Company's Equity Shares are listed on the Bombay and Ahmedabad Stock Exchanges. Annual listing fees from year 2012-13 has not been paid to Bombay Stock Exchange as no bill was received.

**Share Capital**

The Company did not issue equity shares during the year and the paid up share capital of the Company is Rs.9567270/-

**Particulars of employees**

The Company is a sick industrial Company registered with BIFR. There are no employees in the Company whose particulars are to be given as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) and 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. Directors are not being paid any remuneration.

**Conservation of energy, technology absorption and foreign exchange earnings and outgo**

The Company is a sick industrial Company and all the manufacturing units are closed since December, 2000. The Company is making efforts to restart its explosive units. Therefore, no steps were taken for conservation of energy, capital investment in energy conservation equipment and technology absorption. Expenditure on research and development was nil. There were no foreign exchange earnings and outgo during the year.

**Key managerial personnel**

In compliance of the provision of Section 203 of the Companies Act, 2013, Company being a sick industrial company could not appoint any key managerial personnel.

**Number of meetings of the Board**

The Board met four times during the financial year 2014-15 on 28.04.2014, 05.08.2014, 30.10.2014 and 30.01.2015.

**Audit Committee**

The Audit Committee was constituted by the Company on the details terms of reference as provided in the Companies Act, 2013. The Audit Committee met four times during the financial year 2014-15 on 28.04.2014, 05.08.2014, 30.10.2014 and 30.01.2015. The composition of the Audit Committee is Mr. Vimal Kumar Jain, Chairman (Independent Director), Dr. Arvind Krishna Saxena, Member (Non-executive Director) and Mr. Shyam Lal Gouniyal (Independent Director). During the financial year ended 31.03.2015, there were no any instance of the Board had not accepting the recommendations of the Audit Committee.

The Company is a sick industrial Company registered with BIFR. There is no employee in the Company. However, the Company has in place a whistleblower policy to deal with unethical behavior, victimization, fraud and other grievances or concerns, if any.

**Nomination & Remuneration Committee**

A Nomination & Remuneration Committee was constituted by the Company. The Board on the recommendation of Nomination & Remuneration Committee framed policy for selection of directors and the remuneration policy. The policy on selection of directors is to have an appropriate mix of directors to maintain independence of the Board. The composition of the Board shall meet the conditions prescribed under the Companies Act, 2013 and other provisions as may be prescribed time to time. The proposed appointee shall possess the director identification number and meet the criteria as laid down in the Companies Act, 2013. The Nomination and Remuneration Committee will review, annually, the appropriate skills and characteristics of Board members in the context of the current structure of the Board. A variety and balance of skills, background and experience is desirable commensurate with the business and size of the company. As the company is a sick industrial company, directors are not being paid any remuneration. There are no employees in the company, so no remuneration is being paid.

**Board evaluation**

Pursuant to the provisions of the Companies Act, 2013, the Board has carried out an annual evaluation of its own performance, of the individual directors as well as the working of its Audit Committee, Nomination & Remuneration committee and Stakeholders' Relationship Committee. The Nomination & Remuneration committee also reviewed the performance of all directors. Evaluation was done on the basis of questionnaire prepared, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees etc.

Independent Directors in its separate meeting also reviewed the performance of Non-Independent Directors and the Board as a whole and also assessed the quality, quantity and timeliness of flow of information between the company management and the Board.

**Extract of annual return**

The extract of annual return as per Form MGT- 9 is annexed herewith as **Annexure – 'I'**.

**Secretarial Audit Report**

Pursuant to the provisions of Section 204 of the Companies Act, 2013, the Company has appointed M/s. Anjali Yadav & Associates, Company Secretaries, to undertake the secretarial audit of the Company for the financial year 2014-15. The Secretarial Audit Report for the financial year ended 31st March, 2015 is attached as **Annexure 'II'** and forms a part of the reports of the Directors. In relation to observations made in the Secretarial Audit Report we inform that the Company is a sick industrial company registered with Hon'ble BIFR. During the year, the Company has no operations and all the units of the company are closed. Consequently, the Company has no funds and the cash loss during the year was ₹ 469966.99. Further, the accumulated losses are ₹ 32163639.91 against the shareholders' fund of ₹ 9567270/-, which exceeds its net worth. Therefore, in view of the non-availability of funds, the company could not comply with the provisions of the Companies Act, 2013 and the Listing Agreement. However, the Company made application to Hon'ble BIFR for induction of strategic investors/co-promoters through a Modified Draft Rehabilitation Scheme (MDRS) to meet requirement of funds for the start/revival of its units.

**Auditors & Auditors' Report**

M/s Vipin Aggarwal & Associates, Chartered Accountants, auditors of the Company have expressed their unwillingness to be re-appointed as statutory auditors of the Company. The Board of Directors at its meeting held on 21.05.2015 has recommended appointment of M/s MANV & Associates, Chartered Accountants (Firm Regn. No 007351N) as Auditors of the Company. As required under the provisions of section 139 of the Companies Act, 2013 the Company has obtained confirmation from M/s MANV & Associates, Chartered Accountants, that their appointment, if made, would be in conformity with the limits specified in that section.

The observations of Auditors in their report read with the relevant notes to accounts are self-explanatory and do not require further explanation.

**General**

- a) The Company is not required to constitute CSR Committee under the provisions of the Companies Act, 2013
- b) The Company has not lent out any money or made any investments or provided any guarantees during the year under review.
- c) The Company does not have any related party transactions which may have potential conflict with the interests of the Company at large.
- d) The company being a sick company having no commercial activity during the year under review, has not laid down policy on risk assessment and minimization procedures.
- e) There were no material changes and commitments between the end of financial year and date of report.
- f) The Company has in place adequate internal financial control with reference to the financial statements.

**ACKNOWLEDGEMENTS**

Your directors wish to place on record their appreciation for co-operation and support extended by the Bankers and stakeholders.

By order of the Board  
For **INDO GULF INDUSTRIES LIMITED**

Place : New Delhi  
Date : 21.05.2015

Sd/-  
**Shyam Lal Gouniyal**  
Director

Sd/-  
**Vimal Kumar Jain**  
Director

**Annexure I to the Directors' Report**

**FORM MGT.9**  
**EXTRACT OF ANNUAL RETURN**  
**as on the financial year ended on 31.03.2015**

*[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:**

i)	CIN	L74900DL1981PLC011425
ii)	Registration Date	05/03/1981
iii)	Name of the Company	Indo Gulf Industries Limited
iv)	Category / Sub-Category of the Company	Public Company / Limited by shares
v)	Address of the Registered office and contact details	213, Rectangle One Building, D-4 District Centre, Saket, New Delhi-110 017. Phone: (91)-9711991047 Email id: igilmaizapur@rediffmail.com
vi)	Whether listed company: Yes / No	Yes
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	In-house. Address & contact details – same as above

**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	Explosives	20292-Manufacture of explosive, ammunition and fire works	Nil (Gross Turnover – Nil)

**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	Balrampur Chini Mills Ltd FMC Fortuna, 2nd Floor, 234/3A, A.J.C. Bose Road, Kolkata – 700020.	L15421WB1975PLC030118	Holding	53.96%	Section 2(46)

**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 [As on 01-April -2014]				No. of Shares held at the end of the year [As on 31-March-2015]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
(1) Indian									
a) Individual/HUF	–	–	–	–	–	–	–	–	–
b) Central Govt	–	–	–	–	–	–	–	–	–
c) State Govt(s)	–	–	–	–	–	–	–	–	–
d) Bodies Corp.	–	5162470	5162470	53.96	–	5162470	5162470	53.96	0.00
e) Banks / FI	–	–	–	–	–	–	–	–	–
f) Any other	–	–	–	–	–	–	–	–	–
<b>Sub-total (A)(1)</b>	–	<b>5162470</b>	<b>5162470</b>	<b>53.96</b>	–	<b>5162470</b>	<b>5162470</b>	<b>53.96</b>	<b>0.00</b>
(2) Foreign									
a) NRI-Individuals	–	–	–	–	–	–	–	–	–
b) Other-Individuals	–	–	–	–	–	–	–	–	–
c) Bodies Corporate	–	–	–	–	–	–	–	–	–



Category of Shareholders	No. of Shares held at the beginning of the year [As on 01-April -2014]				No. of Shares held at the end of the year [As on 31-March-2015]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
d) Banks / FIs	-	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-
<b>Sub-total (A)(2)</b>	-	-	-	-	-	-	-	-	-
<b>Total shareholding of Promoter (A)= (A)(1)+ (A)(2)</b>	-	5162470	5162470	53.96	-	5162470	5162470	53.96	0.00
<b>B. Public Shareholding</b>									
1. Institutions									
a) Mutual Funds	-	370	370	0.00	-	370	370	0.00	0.00
b) Banks / FI	-	94378	94378	0.99	-	94378	94378	0.99	0.00
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	20000	20000	0.21	-	20000	20000	0.21	-
g) FIs	-	1298	1298	0.01	-	1298	1298	0.01	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(1):-</b>	-	<b>116046</b>	<b>116046</b>	<b>1.21</b>	-	<b>116046</b>	<b>116046</b>	<b>1.21</b>	<b>0.00</b>
<b>2. Non-Institutions</b>									
a) Bodies Corporate									
i) Indian		946486	946486	9.89		898436	898436	9.39	-0.50
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs.1 lakh	-	3111696	3111696	32.52	-	3156296	3156296	32.99	+0.47
ii) Individual shareholders holding nominal share capital in excess of Rs.1 lakh	-	132964	132964	1.39	-	132964	132964	1.39	0.00
c) Others (specify)									
Non Resident Indians	-	96758	96758	1.01	-	96758	96758	1.01	0.00
Trusts	-	850	850	0.01	-	4300	4300	0.04	+0.03
<b>Sub-total (B)(2):-</b>	-	<b>4288754</b>	<b>4288754</b>	<b>44.83</b>	-	<b>4288754</b>	<b>4288754</b>	<b>44.83</b>	<b>0.00</b>
<b>Total Public Shareholding (B)=(B)(1)+ (B)(2)</b>	-	<b>4404800</b>	<b>4404800</b>	<b>46.04</b>	-	<b>4404800</b>	<b>4404800</b>	<b>46.04</b>	<b>0.00</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	-	-	-	-	-	-	-	-	-
<b>Grand Total (A+B+C)</b>		<b>9567270</b>	<b>9567270</b>	<b>100.00</b>		<b>9567270</b>	<b>9567270</b>	<b>100.00</b>	<b>0.00</b>

**ii) Shareholding of Promoter-**

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year [As on 01-April -2014]			Shareholding at the end of the year [As on 31-March-2015]			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Balrampur Chini Mills Limited	5162470	53.96	Nil	5162470	53.96	Nil	Nil

**iii) Change in Promoters' Shareholding (please specify, if there is no change)**

Sl.No.	Shareholding at the beginning of the year (As on 01.04.2014)		Cumulative Shareholding during the year (01.04.2014 to 31.03.2015)	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year	5162470	53.96		
Change in % of holding	Nil	Nil		
At the end of the year			5162470	53.96

**iv) Shareholding Pattern of top ten Shareholders:**
**(other than Directors, Promoters and Holders of GDRs and ADRs):**

Sl. No.	Name of the Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
<b>1</b>	<b>HB Stock Holdings Limited</b>				
	At the beginning of the year	170850	1.79		
	No change during the year	-	-		
	At the end of the year			170850	1.79
<b>2</b>	<b>Picup Limited</b>				
	At the beginning of the year	167536	1.75		
	No change during the year	-	-		
	At the end of the year			167536	1.75
<b>3</b>	<b>Mahendra Girdharilal</b>				
	At the beginning of the year	132964	1.39		
	No change during the year	-	-		
	At the end of the year			132964	1.39
<b>4</b>	<b>HB Leasing and Finance Co. Ltd</b>				
	At the beginning of the year	109469	1.14		
	No change during the year	-	-		
	At the end of the year			109469	1.14
<b>5</b>	<b>Logic Infotech Ltd</b>				
	At the beginning of the year	100000	1.05		
	No change during the year	-	-		
	At the end of the year			100000	1.05
<b>6</b>	<b>Sajjan Lal Kanodia</b>				
	At the beginning of the year	94250	0.98		
	No change during the year	-	-		
	At the end of the year			94250	0.98

Sl. No.	Name of the Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
<b>7</b>	<b>Laxmi Devi Kanoria</b>				
	At the beginning of the year	94250	0.98		
	No change during the year	–	–		
	At the end of the year			94250	0.98
<b>8</b>	<b>Oriental Bank of Commerce</b>				
	At the beginning of the year	84800	0.88		
	No change during the year	–	–		
	At the end of the year			84800	0.88
<b>9</b>	<b>RRB Securities Limited</b>				
	At the beginning of the year	66500	0.69		
	No change during the year	–	–		
	At the end of the year			66500	0.69
<b>10</b>	<b>Amrex Marketing Pvt Ltd</b>				
	At the beginning of the year	60800	0.64		
	No change during the year	–	–		
	At the end of the year			60800	0.64

**(v) Shareholding of Directors and Key Managerial Personnel:**

Sl. No.	Name of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
<b>1</b>	<b>Arvind Krishna Saxena, Non-executive Director</b>				
	At the beginning of the year	–	–		
	Nil holding/ changes during the year	–	–		
	At the end of the year			–	–
<b>2</b>	<b>Vimal Kumar Jain, Independent Non-executive Director</b>				
	At the beginning of the year	–	–		
	Nil holding/ changes during the year	–	–		
	At the end of the year			–	–
<b>3</b>	<b>Shyam Lal Gouniyal, Independent Non-executive Director</b>				
	At the beginning of the year	–	–		
	Nil holding/ changes during the year	–	–		
	At the end of the year			–	–
<b>4</b>	<b>Gorachand Dutta, Independent Non-executive Director</b>				
	At the beginning of the year	–	–		
	Nil holding/ changes during the year	–	–		
	At the end of the year			–	–
<b>5</b>	<b>Rajesh Jain, Independent Non-executive Director</b>				
	At the beginning of the year	–	–		
	Nil holding/ changes during the year	–	–		
	At the end of the year			–	–

**V. INDEBTEDNESS**

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

Rs. in lacs

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	–	670.63	–	670.63
ii) Interest due but not paid	–	–	–	–
iii) Interest accrued but not due	–	41.32	–	41.32
<b>Total (i+ii+iii)</b>	–	<b>711.95</b>	–	<b>711.95</b>
<b>Change in Indebtedness during the financial year</b>				
• Addition	–	–	–	–
• Reduction*	–	403.57	–	403.57
<b>Net Change</b>	–	<b>403.57</b>	–	<b>403.57</b>
<b>Indebtedness at the end of the financial year</b>	–		–	–
i) Principal Amount	–	308.38	–	308.38
ii) Interest due but not paid	–	–	–	–
iii) Interest accrued but not due	–	–	–	–
<b>Total (i+ii+iii)</b>	–	<b>308.38</b>	–	<b>308.38</b>

\* Amount written back during the year

**A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager				Total Amount
1	Gross salary	–	–	–	–	–
	(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	–	–	–	–	–
	(c) Profits 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...	–	–	–	–	–
5	Others, please specify	–	–	–	–	–
	Total (A)	–	–	–	–	–
	Ceiling as per the Act	–	–	–	–	–

Note: The Company has no Managing Director, Whole-time Directors and/or Manager during the year as the Company is a sick industrial company registered with Hon'ble BIFR.

**B. Remuneration to other directors:**

Sl. No.	Particulars of Remuneration	Name of Directors					Total Amount
		Dr. Arvind Krishna Saxena	Mr. Vimal Kumar Jain	Mr. Shyam Lal Gouniyal	Mr. Gorachand Dutta	Mr. Rajesh Jain	
1	Independent Directors						
	Fee for attending board/ committee meetings	-	-	-	-	-	-
	Commission	-	-	-	-	-	-
	Others, please specify	-	-	-	-	-	-
	Total (1)	-	-	-	-	-	-
2	Other Non-Executive Directors	-	-	-	-	-	-
	Fee for attending board/ committee meetings	-	-	-	-	-	-
	Commission	-	-	-	-	-	-
	Others, please specify	-	-	-	-	-	-
	Total (2)	-	-	-	-	-	-
	Total (B)=(1+2)	-	-	-	-	-	-
	Total Managerial Remuneration						
	Overall	Ceiling as per the Act Overall ceiling for Non-executive Directors is 1% of the net profit. But the Company is a sick industrial company registered with Hon'ble BIFR. Therefore, no any remuneration including sitting fees has been paid.					

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

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			
					Total
1	Gross salary				
	(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	-	-	-	-
	(c) Profits 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...	-	-	-	-
5	Others, please specify	-	-	-	-
	Total	-	-	-	-

Note: The Company has no Key Managerial Personnel during the year as the Company is a sick industrial company registered with Hon'ble BIFR.

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

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
<b>A. COMPANY</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
<b>B. DIRECTORS</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

By order of the Board  
For **INDO GULF INDUSTRIES LIMITED**

Sd/-  
**Shyam Lal Gouniyal**  
Director

Sd/-  
**Vimal Kumar Jain**  
Director

Place : New Delhi  
Date : 21.05.2015

**Annexure II to the Directors' Report**

**Form No. MR-3**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED 31<sup>st</sup> March, 2015**  
[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED 31<sup>st</sup> March, 2015**

To,  
The Members,  
Indo Gulf Industries Limited  
213, Rectangle One  
D-4 District Centre, Saket  
New Delhi- 110017

I, Anjali Yadav, Proprietor of Anjali Yadav & Associates, Company Secretaries have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Indo Gulf Industries Limited (L74900DL1981PLC011425) (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2015 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2015 according to the provisions of:

- (i) The Companies Act, 2013 ('the Act') and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder; -  
Not applicable to the Company as all the shares are in physical form.
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; - Not applicable to the Company during the period of audit
- (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, 1992;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; - Not applicable to the Company during the period of audit
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; - Not applicable to the Company during the period of audit
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; - Not applicable to the Company during the period of audit
  - (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; - Not applicable to the Company during the period of audit
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; - Not applicable to the Company during the period of audit and
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; - Not applicable to the Company during the period of audit
- (vi) Indian Explosives Act, 1884

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India; (Not applicable as the same was not notified).
- (ii) The Listing Agreements entered into by the Company with BSE Limited and Ahmedabad Stock Exchange Limited.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations/qualification:

I report that during the audit period the Company's net worth has been fully eroded as accumulated losses of ₹ 32163639.91 exceeds its shareholders' funds of ₹ 9567270/-.

The Hon'ble Board for Industrial and Financial Reconstruction (BIFR) in a recent hearing sought more details from the co-promoters and the matter of induction of strategic investors/co-promoters is pending. The Company has filed an appeal before the Hon'ble AAIFR for necessary relief. The Hon'ble AAIFR in the pending appeal directed circulation of Modified Draft Rehabilitation Scheme (MDRS) to all concerned for their consideration. As envisaged in the MDRS to be circulated, after the transfer of shares, the Company will cease to be a subsidiary of Balrampur Chini Mills Ltd. and the co-promoter shall invest in terms of provisions contained in the MDRS to meet the requirement of funds for the revival. Accordingly the Company has considered that it will be able to continue as a going concern entity.

- (i) The Companies Act, 2013 ('the Act') and the rules made thereunder;
  - No website has been maintained by the Company
  - No Key managerial personnel has been appointed in terms of provisions of Section 203 of the Act
  - Internal auditor has not been appointed in terms of provisions of Section 138 of the Act
  - No woman director appointed in terms of provisions of Section 149 of the Act
- (ii) The Listing Agreements
  - Listing fees has not been paid from the year 2012-13 to the Bombay Stock Exchange
  - Trading of the shares of the Company is suspended from Bombay Stock Exchange Limited and Ahmedabad Stock Exchange Limited
  - All the shares of the Company are in physical form
  - The Company has not applied for ISIN number for providing the facility of dematerialization of shares.

During the period covered by the audit, the Company has received a notice from Bombay Stock Exchange Limited on imposing fine of ₹ 50,000/- (Rupees Fifty Thousand) for not appointing a woman director on the Board of the Company. The Company in its reply has stated that as it has negative net worth, so it is exempted from the provision of appointment of woman director.

The matter is under consideration with the Bombay Stock Exchange Limited.

I 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 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 decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

I 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.

For Anjali Yadav & Associates

Sd/-  
Anjali Yadav  
proprietor  
FCS No.: 6628  
C P No.: 7257  
Place : New Delhi  
Date : 21<sup>st</sup> May, 2015



**INDEPENDENT AUDITOR'S REPORT**

To  
The Members of  
**INDO GULF INDUSTRIES LIMITED**

**Report on the Financial statements**

We have audited the accompanying financial statements of **INDO GULF INDUSTRIES LIMITED**, which comprise the Balance Sheet as at March 31, 2015, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

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

The Board of Directors of the company are responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with rule 7 of Companies (Accounts) Rules, 2014. This responsibility 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 judgements and estimates that are reasonable and prudent; design, implementation and maintenance of adequate internal financial controls, that are 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 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 there under. 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 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 and fair presentation of the financial statements, that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's management and Board of 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.

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 31st March 2015, its profit and its cash flows for the year ended on that date

**Emphasis Matter**

We draw attention to the following matter in the note to the financial statements:

Note 16(3b) in the financial statements which indicates that the Company has accumulated losses and its net worth has been substantially eroded, the Company has incurred a net loss/net cash loss during the current and previous year(s) and, the Company's current liabilities exceeded its current assets as at the balance sheet date. This condition indicates the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. However, the financial statements of the Company have been prepared on a going concern basis for the reasons stated in the said Note

Our opinion is not modified in respect of the aforesaid matter.

**Report on Other Legal and Regulatory Requirements**

As required by the Companies (Auditor's Report) Order, 2015 ("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 statement on the matters Specified in paragraphs 3 and 4 of the Order.

As required by section 143(3) of the Act, we further 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 appears from our examination of those books;
- c. the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- d. in our opinion, the aforesaid financial statements comply with the applicable 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, 2015, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015, from being appointed as a director in terms of Section 164(2) of the Act
- f. In our opinion and to the best of our information and according to the explanations given to us, we report as under with respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014:;
  - i. The Company does not have any pending litigations which would impact its financial position
  - ii. The Company did not have any long-term contracts including derivative contracts; as such the question of commenting on any material foreseeable losses thereon does not arise
  - iii. There has not been an occasion in case of the Company during the year under report to transfer any sums to the Investor Education and Protection Fund. The question of delay in transferring such sums does not arise

For **VIPIN AGGARWAL & ASSOCIATES**

*Chartered Accountants*

FRN NO. 014454N

**Sd/-**

**(VIPIN AGGARWAL)**

*Partner*

*Membership No. : 016544*

**Place :** New Delhi

**Date :** 21<sup>st</sup> May, 2015

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**The Annexure referred to in our Independent Auditors Report to the members of INDO GULF INDUSTRIES LIMITED on the accounts of the company for the year ended 31st March, 2015**

On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we report that:

1. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.
  - (b) As explained to us, fixed assets have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification. However, in respect of the fixed assets of the explosive units, could not be physically verified due to seizure of the plants.
  - (c) In our opinion and according to the information and explanations given to us, no fixed asset has been disposed during the year and therefore does not affect the going concern assumption.
2. According to the information and explanations given to us and on the basis of our examination of the books of account, the Company does not have inventory during the year and as on 31.03.2015. Consequently, the paragraph 3(ii) of the order is not applicable to the Company.
3. According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not granted any loans, secured or unsecured, to companies, firms or other parties listed in the register maintained under Section 189 of the Companies Act, 2013. Consequently, the paragraph 3(iii) of the order is not applicable to the Company.
4. In our opinion and according to the information and explanations given to us, there is generally an adequate internal control procedure commensurate with the size of the company and the nature of its business, for the purchase of inventories & fixed assets and payment for expenses & for sale of goods and services. During the course of our audit, no major instance of continuing failure to correct any weaknesses in the internal controls has been noticed.

5. The Company has not accepted any deposits from the public covered under section 73 to 76 of the Companies Act, 2013.
6. As per information & explanation given by the management, maintenance of cost records has not been prescribed by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013.
7. (a) According to the records of the company, undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, cess to the extent applicable and any other statutory dues have generally been regularly deposited with the appropriate authorities. According to the information and explanations given to us there were no outstanding statutory dues as on 31st of March, 2015 for a period of more than six months from the date they became payable. However, due to non availability of records on account of seizure of explosive units, we are unable to comment whether in respect of earlier years any undisputed statutory dues were outstanding at the year end.  
(b) According to the information and explanations given to us, there is no amounts payable in respect of income tax, wealth tax, service tax, sales tax, customs duty and excise duty which have not been deposited on account of any disputes.  
(c) There has not been an occasion in case of the company during the year under report to transfer any sums to the Investors Education and Protection Fund. The question of reporting delay in transferring such sums does not arise.
8. The accumulated losses are Rs.3,21,63,639.91 against the shareholders' fund of Rs. 95,67,270.00, which exceeds its net worth. Further, it has incurred cash loss of Rs. 469966.99 during the year under consideration.
9. Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that, the Company has not defaulted in repayment of dues to a financial institution, bank or debenture holders.
10. According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions.
11. Based on our audit procedures and on the information given by the management, we report that the company has not raised any term loans during the year.
12. In our opinion and according to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year that causes the financial statements materially misstated..

For **VIPIN AGGARWAL & ASSOCIATES**

*Chartered Accountants*

FRN NO. 014454N

Sd/-

**(VIPIN AGGARWAL)**

*Partner*

*Membership No. : 016544*

**Place :** New Delhi

**Date :** 21<sup>st</sup> May, 2015

**BALANCE SHEET AS AT 31ST MARCH 2015**

				(₹)
	Particulars	Note No.	As At 31 <sup>st</sup> March, 2015	As At 31 <sup>st</sup> March, 2014
<b>I.</b>	<b>EQUITY AND LIABILITIES</b>			
(1)	<b>Shareholders' funds</b>			
	(a) Share capital	2	9,567,270.00	9,567,270.00
	(b) Reserves and surplus	3	(32,163,639.91)	(22,596,369.91)
				(70,368,945.40)
(2)	<b>Non - current liabilities</b>			
	Long-term borrowings	4	30,838,240.63	30,838,240.63
(3)	<b>Current Liabilities</b>			
	(a) Short - term borrowings	5	-	36,225,000.00
	(b) Trade payables	6	-	1,102,591.40
	(c) Other current liabilities	7	3,401,317.38	7,933,113.06
	(d) Short - term provisions	8	4,345,144.35	4,345,144.35
			7,746,461.73	49,605,848.81
	<b>TOTAL</b>		<b>15,988,332.45</b>	<b>19,642,414.04</b>
<b>II.</b>	<b>ASSETS</b>			
(1)	<b>Non - current assets</b>			
	Fixed assets			
	Tangible assets	9	15,705,547.47	18,906,403.07
(2)	<b>Current Assets</b>			
	(a) Cash and cash equivalents	10	279,284.98	731,850.97
	(b) Short - term loans and advances	11	3,500.00	3,500.00
	(c) Other current assets	12	-	660.00
			282,784.98	736,010.97
	<b>TOTAL</b>		<b>15,988,332.45</b>	<b>19,642,414.04</b>
	Significant accounting policies	1		
	Other disclosures	16		
	The accompanying notes 1 to 16 are an integral part of the financial statements.			

As per our report of even date attached.

FOR VIPIN AGGARWAL & ASSOCIATES  
**Chartered Accountants**  
 Firm's Registration Number - 014454N

For and on behalf of the Board of Directors  
 Indo Gulf Industries Limited

Sd/-  
**(CA. Vipin Aggarwal**  
**Membership No. 016544)**  
*Partner*

Sd/-  
**Shyam Lal Gouniyal**  
 Director

Sd/-  
**Vimal Kumar Jain**  
 Director

Place: New Delhi,

Date : 21<sup>st</sup> May, 2015

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2015**

(₹)				
	Particulars	Note No.	Year ended 31 <sup>st</sup> March, 2015	Year ended 31 <sup>st</sup> March, 2014
I.	Other income	13	5,651,168.08	570,086.00
II.	<b>Total revenue</b>		<b>5,651,168.08</b>	<b>570,086.00</b>
III.	<b>Expenses:</b>			
	Depreciation expense	9	3,167,245.23	1,324,629.00
	Other expenses	14	470,006.99	519,602.41
	<b>Total expenses</b>		<b>3,637,252.22</b>	<b>1,844,231.41</b>
IV.	<b>Profit/(Loss) before exceptional and extraordinary items and tax (III - II)</b>		<b>2,013,915.86</b>	<b>(1,274,145.41)</b>
V.	Exceptional item	15	36,225,000.00	-
VI.	<b>Profit/(Loss) before extraordinary items and tax (IV - V)</b>		<b>38,238,915.86</b>	<b>(1,274,145.41)</b>
VII.	Extraordinary items		-	-
VIII.	<b>Profit/(Loss) before tax (VI - VII)</b>		<b>38,238,915.86</b>	<b>(1,274,145.41)</b>
IX.	Tax expense		-	-
X.	<b>Profit/(Loss) for the year (VIII - IX)</b>		<b>38,238,915.86</b>	<b>(1,274,145.41)</b>
XI.	<b>Earnings per share</b> (Nominal value per equity share ₹ 1/-) [Refer Note No. 16 (7) ]			
	- Basic & Diluted (₹)		4.00	(0.13)
	Number of shares used in computing <b>Earnings per share</b>			
	- Basic & Diluted		9,567,270	9,567,270
	Significant accounting policies	1		
	Other disclosures	16		
	The accompanying notes 1 to 16 are an integral part of the financial statements.			

As per our report of even date attached.

FOR VIPIN AGGARWAL & ASSOCIATES  
*Chartered Accountants*  
Firm's Registration Number - 014454N

For and on behalf of the Board of Directors  
Indo Gulf Industries Limited

Sd/-  
**(CA. Vipin Aggarwal**  
**Membership No. 016544)**  
*Partner*

Sd/-  
**Shyam Lal Gouniyal**  
Director

Sd/-  
**Vimal Kumar Jain**  
Director

Place: New Delhi,

Date : 21<sup>st</sup> May, 2015

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2015**

(₹)		
Particulars	Year ended 31 <sup>st</sup> March, 2015	Year ended 31 <sup>st</sup> March, 2014
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>Profit/(Loss) before exceptional and extraordinary items and tax</b>	2,013,915.86	(1,274,145.41)
<i>Adjustments to reconcile loss before exceptional items and extra ordinary items and tax to net cash flow provided by operating activities :</i>		
Depreciation expense	3,167,245.23	1,324,629.00
Interest income	(40.00)	(121.00)
Unspent liabilities /balances written back	(5,651,128.08)	-
	<u>(2,483,922.85)</u>	<u>1,324,508.00</u>
<b>Operating loss before working capital changes</b>	(470,006.99)	50,362.59
<i>Adjustments to reconcile operating loss to cash flow provided by changes in working capital :</i>		
Other current liabilities	16,741.00	(259,402.00)
<b>Cash generated from / (used in) operations</b>	(453,265.99)	(209,039.41)
Tax expense		
Direct taxes (paid)/refund received	700.00	2,400.00
<b>Cash flow before exceptional and extraordinary items</b>	(452,565.99)	(206,639.41)
Exceptional / extraordinary items	-	-
<b>Net cash (used in) / generated from operating activities</b>	(452,565.99)	(206,639.41)
<b>B CASH FLOW FROM INVESTING ACTIVITIES</b>		
Net cash generated from investing activities	-	-
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds of loan from holding company	-	700,000.00
<b>Net cash (used in) / generated from financing activities</b>	-	700,000.00
<b>Net (decrease)/increase in cash and cash equivalents (A+B+C)</b>	(452,565.99)	493,360.59
Opening cash and cash equivalents	731,850.97	238,490.38
<b>Closing cash and cash equivalents [Refer Note No. 10]</b>	279,284.98	731,850.97

**Notes :**

- 1) The above Cash Flow Statement has been prepared under the " Indirect Method " as set out in the Accounting Standard - 3 on Cash Flow Statement.
- 2) Cash and cash equivalents do not include any amount which is not available to the Company for its use.
- 3) Figure in bracket represent cash outflow from respective activities.
- 4) As amount of Cash and cash equivalents is also available in Note No. 10, reconciliation of amount of Cash and cash equivalents as per Cash Flow Statement with the equivalent amount reported in the Balance Sheet is not required and hence not provided.
- 5) Previous year's figures have been reworked, regrouped, rearranged and reclassified wherever necessary to make them comparable with those of the current year.

**This is the Cash Flow Statement referred to in our report of even date.**

**FOR VIPIN AGGARWAL & ASSOCIATES**  
**Chartered Accountants**  
Firm's Registration Number - 014454N

Sd/-  
**(CA. Vipin Aggarwal**  
**Membership No. 016544)**  
*Partner*

**Place :** New Delhi,

**Date :** 21<sup>st</sup> May, 2015

**For and on behalf of the Board of Directors**  
**Indo Gulf Industries Limited**

Sd/-  
**Shyam Lal Gouniyal**  
Director

Sd/-  
**Vimal Kumar Jain**  
Director

**NOTE NO. 1****SIGNIFICANT ACCOUNTING POLICIES****1.1 Basis of preparation of Financial Statements**

The Financial Statements of the Company are prepared in accordance with the Generally Accepted Accounting Principles (GAAP) in India.

The Financial Statements have been prepared on an accrual basis and under the historical cost convention.

GAAP comprises applicable Accounting Standards specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014, other pronouncements of the Institute of Chartered Accountants of India, relevant applicable provisions of the Companies Act, 1956, and Companies Act, 2013 to the extent applicable and the applicable guidelines issued by Securities and Exchange Board of India (SEBI).

Accounting policies have been consistently applied except where a newly issued Accounting Standard is initially adopted or a revision to an existing Accounting Standard requires a change in the accounting policy hitherto in use.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. The Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

**2. Use of estimates**

The preparation of the Financial Statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported balances of assets, liabilities and disclosures relating to contingent liabilities as at the date of the Financial Statements and reported amounts of revenue and expenses during the period. Actual results might differ from the estimates. Difference between the actual results and estimates are recognised in the period in which the results are known/ materialise.

**3. Fixed assets and capital work-in-progress**

- a) Tangible fixed assets are stated at their original cost less accumulated depreciation. Cost includes acquisition price, import duties, other non- refundable taxes and levies, directly attributable expenses and pre-operational expenses including finance costs, wherever applicable for bringing the assets to its working condition for their intended use.
- b) Expenditure during construction period: Directly attributable expenditure (including finance costs relating to borrowed funds for construction or acquisition of fixed assets) incurred on projects under implementation are treated as Pre-operative expenses pending allocation to the assets and are shown under "Capital work-in-progress". Capital work-in-progress is stated at the amount expended upto the date of Balance Sheet for the cost of fixed assets that are not yet ready for their intended use.

**4. Depreciation and amortisation**

- a) Depreciation on tangible fixed assets is provided on straight line basis so as to charge the cost of the assets less its residual value over the useful life of the respective asset as prescribed under Part C of Schedule II to the Companies Act, 2013, other than for Mobile Phones.  
Residual value has been considered as 5% of the cost of the respective asset. The management is of the view that the useful life of Mobile Phones is three years. Hence, Mobile Phones are depreciated over a period of three years on straight line basis.
- b) Lease hold land in the nature of perpetual lease are not amortised.
- c) Depreciation/amortisation on assets added, sold or discarded during the year is provided on pro-rata basis.
- d) Useful life and residual value of the assets are reviewed at each Balance Sheet date.

**5. Revenue recognition**

- a) Interest income is recognized on time proportion basis taking into account the amount outstanding and the interest rate applicable.
- b) All other income are accounted for on accrual basis.

**6. Expenses**

All the expenses are accounted for on accrual basis.



**7. Provisions, contingent liabilities and contingent assets**

A provision is recognised in respect of obligations where, based on the evidence available, their existence at the Balance Sheet date is considered probable as a result of a past event, and the Company has a present legal obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are measured by best estimate of the outflow of economic benefits required to settle the obligation at the Balance Sheet date.

Provisions, contingent liabilities and contingent assets are reviewed at each Balance Sheet date.

Re-imburement expected in respect of expenditure to settle a provision is recognised only when it is virtually certain that the re-imburement will be received.

A Contingent Asset is neither recognised nor disclosed in the Financial Statements.

**8. Impairment of assets**

An asset is treated as impaired when the carrying amount of asset exceeds its recoverable value.

The Company assesses at each Balance Sheet date whether there is an indication that an asset may be impaired. Impairment loss, if any, is recognised to the extent, the carrying amount of assets exceed its recoverable value being higher of an asset's net selling price and its value in use. Value in use is computed at net present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life.

The Company also assesses at each Balance Sheet date whether there is an indication that the impairment losses recognised in earlier years no longer exist or have decreased. If such indication is there, then impairment losses recognised in prior years are reversed.

Such reversals are recognised as an increase in carrying amount of assets to the extent that it does not exceed the carrying amount that would have been determined (net of depreciation or amortization) had no impairment loss been recognised in previous years.

**9. Taxes on income**

Tax expense for the period comprises of current income tax and deferred tax.

Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961.

Deferred tax is recognised, subject to the consideration of prudence in respect of deferred tax assets, on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realized in future. However, when there is a brought forward loss or unabsorbed depreciation under taxation laws, deferred tax assets are recognised only if there is virtual certainty of realization of such assets. Deferred tax assets are reviewed at each Balance Sheet date and written down or written up to reflect the amount that is reasonably/virtually certain to be realized.

The deferred tax for timing differences between the book and tax profit for the period is accounted for using the tax rates and laws that have been enacted or substantively enacted as of the Balance Sheet date.

**10. Earnings per share**

Basic earnings per share are computed by dividing the net profit/(loss) after tax (including the post-tax effect of extra ordinary items, if any) by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share are computed by dividing the net profit/(loss) after tax (including the post-tax effect of extra ordinary items, if any) by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares which could be issued on the conversion of all dilutive potential equity shares. Dilutive potential equity shares are determined as at the end of each period presented.

**11. Cash flow statement**

Cash flows are reported using the indirect method, whereby profit/loss before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing flows. The cash flows from operating, investing and financing activities of the Company are segregated.

**12. Cash and cash equivalents**

Cash and cash equivalents include cash in hand, cheques in hand, balance with banks on current accounts and short term, highly liquid investments with an original maturity of three months or less and which carry insignificant risk of changes in value.

**Notes to Accounts**
**Note No.: 2 Share Capital**

(₹)

Particulars	As At 31st March, 2015		As At 31st March, 2014	
	No. of Shares	Amount	No. of Shares	Amount
<b>(a) Authorised</b>				
Equity shares of par value ₹ 1/- each	197,500,000	197,500,000.00	197,500,000	197,500,000.00
10% Convertible Cumulative Preference Shares of par value ₹ 100/- each	25,000	2,500,000.00	25,000	2,500,000.00
		<u>200,000,000.00</u>		<u>200,000,000.00</u>
<b>(b) Issued, subscribed and fully paid up</b>				
Equity shares of par value ₹ 1/- each *	9,567,270	9,567,270.00	9,567,270	9,567,270.00
		<u>9,567,270.00</u>		<u>9,567,270.00</u>

\* There was no movement in number and amount of equity shares during the year, hence reconciliation statement is not required to be disclosed.

(c) The Company has only one class of equity shares. The Company declares and pays dividend in Indian Rupees. The holders of equity shares are entitled to receive dividend as declared from time to time and are entitled to one vote per share.

(d) In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amount. The distribution will be in proportion to the number of equity shares held by the shareholders.

(e) 51,62,470 equity shares of par value ₹ 1/- each are held by Balrampur Chini Mills Ltd., the Holding Company.

(f) Shareholders holding more than 5 % of the equity shares in the Company :

Name of Shareholder	As At 31st March, 2015		As At 31st March, 2014	
	No. of Shares held	% of holding	No. of Shares held	% of holding
Balrampur Chini Mills Limited	5,162,470	53.96%	5,162,470	53.96%

(g) The company has not issued equity shares without payment being received in cash in 5 years immediately preceding the balance sheet date.

(h) The company has neither issued bonus shares nor has bought back equity shares in 5 years immediately preceding the balance sheet date.

**Note No.: 3 Reserves & Surplus**

(₹)

Particulars	As At 31st March, 2015		As At 31st March, 2014	
<b>Surplus in the Statement of Profit and Loss</b>				
Balance as per last account		(70,368,945.40)		(69,094,799.99)
Less: Deduction on account of depreciation *		33,610.37		-
		<u>(70,402,555.77)</u>		<u>(69,094,799.99)</u>
Add/(Less): Profit/(Loss) for the year		38,238,915.86		(1,274,145.41)
Balance as at the balance sheet date		<u>(32,163,639.91)</u>		<u>(70,368,945.40)</u>

\* Represents adjustment as per transitional provisions of Schedule II to the Companies Act 2013 in relation to assets where useful life has already expired

**Notes to accounts (contd.)**
**Note No.: 4 Long-term borrowings**

(₹)

Particulars	As At 31 <sup>st</sup> March, 2015	As At 31 <sup>st</sup> March, 2014
Deferred sales tax loan		
Unsecured	30,838,240.63	30,838,240.63
	<u>30,838,240.63</u>	<u>30,838,240.63</u>

Pursuant to sanction of the Rehabilitation Scheme by the Hon'ble Board for Industrial and Financial Reconstruction (BIFR), the aforesaid loan is to be treated as interest free and to be repaid in 5 yearly installments after the restart of the Company's explosive unit.

**Note No.: 5 Short-term borrowings**

(₹)

Particulars	As At 31 <sup>st</sup> March, 2015	As At 31 <sup>st</sup> March, 2014
Loan from related party repayable on demand		
Unsecured		
Holding Company	–	36,225,000.00
	–	<u>36,225,000.00</u>

**Note No.: 6 Trade Payables**

(₹)

Particulars	As At 31 <sup>st</sup> March, 2015	As At 31 <sup>st</sup> March, 2014
Total outstanding dues of other than Micro, Small & Medium Enterprises [Refer Note No.: 16(2)]	–	1,102,591.40
	–	<u>1,102,591.40</u>

**Note No.: 7 Other Current Liabilities**

(₹)

Particulars	As At 31 <sup>st</sup> March, 2015	As At 31 <sup>st</sup> March, 2014
Interest accrued but not due on borrowings		
Holding Company	–	4,131,872.00
Other payables		
Statutory liabilities	1,500.00	–
Accrued expenses	43,471.00	28,230.00
Others	3,356,346.38	3,773,011.06
	<u>3,401,317.38</u>	<u>3,801,241.06</u>
	<u>3,401,317.38</u>	<u>7,933,113.06</u>

**Note No.: 8 Short-term Provisions**

(₹)

Particulars	As At 31 <sup>st</sup> March, 2015	As At 31 <sup>st</sup> March, 2014
Provision for contingencies [Refer Note No. 16(10)]	4,345,144.35	4,345,144.35
	<u>4,345,144.35</u>	<u>4,345,144.35</u>

**Notes to accounts (contd.)**
**Note No.: 9 Fixed Assets**

(₹)

Particulars	Tangible assets							Capital work-in-Progress	Grand total
	Land (Free hold)	Land (Lease hold)	Buildings	Plant and equipment	Office equipments	Computers	Total		
<b>Gross block</b>									
Gross carrying amount as at 01.04.2014	1,657,999.99	3,145,430.01	40,055,273.00	116,602,893.88	34,649.73	-	161,496,246.61	-	161,496,246.61
Additions during the year	-	-	-	-	-	-	-	-	-
Interhead adjustments during the year	-	-	(20,500.00)	20,500.00	-	-	-	-	-
Disposals/deductions during the year	-	-	-	-	-	-	-	-	-
<b>Gross carrying amount as at 31.03.2015</b>	<b>1,657,999.99</b>	<b>3,145,430.01</b>	<b>40,055,273.00</b>	<b>116,602,893.88</b>	<b>14,149.73</b>	<b>20,500.00</b>	<b>161,496,246.61</b>	<b>-</b>	<b>161,496,246.61</b>
<b>Depreciation</b>									
Opening accumulated depreciation	-	-	27,618,822.02	114,952,133.31	18,888.21	-	142,589,843.54	-	142,589,843.54
Depreciation for the year	-	-	3,186,826.57	-	10,918.53	3,110.50	3,200,855.60	-	3,200,855.60
Interhead adjustments during the year	-	-	-	-	(16,364.50)	16,364.50	-	-	-
Disposals/deductions during the year	-	-	-	-	-	-	-	-	-
Closing accumulated depreciation	-	-	30,805,648.59	114,952,133.31	13,442.24	19,475.00	145,790,699.14	-	145,790,699.14
<b>Net carrying amount</b>									
<b>Net block as at 31.03.2015</b>	<b>1,657,999.99</b>	<b>3,145,430.01</b>	<b>9,249,624.41</b>	<b>1,650,760.57</b>	<b>707.49</b>	<b>1,025.00</b>	<b>15,705,547.47</b>	<b>-</b>	<b>15,705,547.47</b>

**Fixed assets (contd.) - Previous year**

(₹)

Particulars	Tangible assets							Capital work-in-Progress	Grand total
	Land (Free hold)	Land (Lease hold)	Buildings	Plant and equipment	Office equipments	Computers	Total		
<b>Gross block</b>									
Gross carrying amount as at 01.04.2013	1,657,999.99	3,145,430.01	40,055,273.00	116,602,893.88	34,649.73	-	161,496,246.61	-	161,496,246.61
Additions during the year	-	-	-	-	-	-	-	-	-
Disposals/deductions during the year	-	-	-	-	-	-	-	-	-
<b>Gross carrying amount as at 31.03.2014</b>	<b>1,657,999.99</b>	<b>3,145,430.01</b>	<b>40,055,273.00</b>	<b>116,602,893.88</b>	<b>34,649.73</b>	<b>-</b>	<b>161,496,246.61</b>	<b>-</b>	<b>161,496,246.61</b>
<b>Depreciation</b>									
Opening accumulated depreciation	-	-	26,298,188.02	114,952,133.31	14,893.21	-	141,265,214.54	-	141,265,214.54
Depreciation for the year	-	-	1,320,634.00	-	3,995.00	-	1,324,629.00	-	1,324,629.00
Disposals/deductions during the year	-	-	-	-	-	-	-	-	-
Closing accumulated depreciation	-	-	27,618,822.02	114,952,133.31	18,888.21	-	142,589,843.54	-	142,589,843.54
<b>Net carrying amount</b>									
<b>Net block as at 31.03.2014</b>	<b>1,657,999.99</b>	<b>3,145,430.01</b>	<b>12,436,450.98</b>	<b>1,650,760.57</b>	<b>15,761.52</b>	<b>-</b>	<b>18,906,403.07</b>	<b>-</b>	<b>18,906,403.07</b>

**Notes:**

- 1) Lease deed for 50 acres of land (Out of total land of 705 acres) for Jhansi plant has not been executed. In respect of some other land, the registration formalities are under process.
- 2) No depreciation has been provided on plant and equipment as the same has been depreciated upto 95% of its value.
- 3) **Other disclosure**

(₹)

Particulars	Year ended 31 <sup>st</sup> March, 2015	Year ended 31 <sup>st</sup> March, 2014
Depreciation for the year includes depreciation adjusted with the retained earnings (Refer Note No. 3)	33,610.37	-

- 4) Depreciation for the current year has been aligned to meet the requirements of Schedule -II to the Companies Act, 2013 and accordingly an amount of ₹ 33,610.37 in relation to the assets whose useful life has already exhausted has been adjusted with Retained Earnings.

Had the Company continued to charge depreciation based on rates and manner as specified under the erstwhile Schedule XIV to the Companies Act, 1956, depreciation expense for the year ended 31st March, 2015 would have been lower by ₹ 18,42,616.23, Profit before Tax and the net value of Fixed Assets as at that date would have been higher by like amount.

Notes to accounts (contd.)

**Note No.: 10 Cash and cash equivalents**

(₹)

Particulars	As At 31st March, 2015	As At 31st March, 2014
Cash and cash equivalents		
Balances with banks		
On current accounts	279,107.14	729,140.13
Cash in hand	177.84	2,710.84
	<u>279,284.98</u>	<u>731,850.97</u>

**Note No.: 11 Short - term loans and advances (Unsecured, considered good)**

(₹)

Particulars	As At 31st March, 2015	As At 31st March, 2014
Security deposit	3,500.00	3,500.00
	<u>3,500.00</u>	<u>3,500.00</u>

**Note No.: 12 Other current assets (Unsecured, considered good)**

(₹)

Particulars	As At 31st March, 2015	As At 31st March, 2014
TDS refundable	–	660.00
	<u>–</u>	<u>660.00</u>

**Note No.: 13 Other income**

(₹)

Particulars	Year ended 31st March, 2015	Year ended 31st March, 2014
Profit from dealing in commodities	–	569,965.00
Interest income (Gross)		
On income tax refund	40.00	121.00
Other non-operating income		
Unspent liabilities/balances written back	5,651,128.08	–
	<u>5,651,168.08</u>	<u>570,086.00</u>

**Notes to accounts (contd.)**
**Note No.: 14 Other expenses**

(₹)

Particulars	Year ended 31 <sup>st</sup> March, 2015	Year ended 31 <sup>st</sup> March, 2014
Rent	50,400.00	46,200.00
Repairs - Others	3,300.00	4,600.00
Rates and taxes (excluding taxes on income)	11,135.00	6,726.00
Audit fees		
As auditor for statutory audit	21,348.40	21,348.40
For other services (Limited reviews and certifications)	6,741.60	6,741.60
	<u>28,090.00</u>	<u>28,090.00</u>
Legal and professional expense	43,946.00	103,770.00
Printing and stationery	132,735.00	117,389.00
Miscellaneous expenses	200,400.99	212,827.41
	<u>470,006.99</u>	<u>519,602.41</u>

**Note No.: 15 Exceptional Items**

(₹)

Particulars	Year ended 31 <sup>st</sup> March, 2015	Year ended 31 <sup>st</sup> March, 2014
Loan from Holding Company written back	36,225,000.00	-
	<u>36,225,000.00</u>	<u>-</u>

**Notes to accounts (contd.)**
**Note No.: 16 - Other Disclosures**
**1. Contingent liabilities and commitments (to the extent not provided for) (₹)**

Particulars	As At 31 <sup>st</sup> March, 2015	As At 31 <sup>st</sup> March, 2014
<b>a) Contingent liabilities:</b>		
Claims against the Company not acknowledged as debts	—	—
<b>b) Commitments :</b>		
Estimated amount of Contracts remaining to be executed on Capital Account and not provided for	—	—

2. Based on the information / documents available with the Company, no amount (Previous year: Nil) is/was due to Micro, Small and Medium Enterprises as defined in the “ Micro, Small and Medium Enterprises Development Act, 2006”

Hence, information as per the requirements of Section 22 of the aforesaid act is not required to be disclosed.

3. a) The Government of Uttar Pradesh has initiated recovery proceedings for recovery of Sales Tax dues related to Explosive unit at Jhansi, pursuant to which, the factory at Jhansi has been seized by the Government authorities. All the assets located at factory including records there at remain seized till the year end. Out of the above assets, certain assets pertaining to the said unit have been auctioned by the office of the labour commissioner, Jhansi, against which a sum of ₹ 8,03,000.00 (previous year: ₹ 8,03,000.00) is lying with them. Pending availability of relevant information, no adjustment in this respect has been carried out in these accounts.
- b) The Company's net worth has been fully eroded as the accumulated losses of ₹ 3,21,63,639.91 exceeded its shareholders' fund of ₹ 95,67,270.00.

The Hon'ble Board for Industrial and Financial Reconstruction (BIFR) vide its order dated 07.01.2014 had permitted, transfer of 20% equity shares of the Company held by Balrampur Chini Mills Ltd. as well as induction of co-promoter / strategic investor in IGIL, under a Modified Draft Rehabilitation Scheme (MDRS) to be approved by the Hon'ble BIFR. However the Hon'ble BIFR vide its order dated 04.08.2014 reviewed its directions and directed the Operating Agency to submit its report after conducting due-diligence of co-promoter/ Strategic Investor and reserved its order for pronouncement.

The order in the subject matter was pronounced on 23.01.2015 whereby the Bench observed that induction of co-promoter/strategic investor was not in transparent manner and was not in accordance of the Law. The Hon'ble BIFR fixed the next date of hearing for further hearing in the matter. Aggrieved by the BIFR's order dated 23.01.2015, the Company has preferred an Appeal before the Hon'ble AAIFR which is pending adjudication before the Hon'ble AAIFR as on date. The Hon'ble AAIFR in the pending appeal has passed a direction vide its order dated 15.05.2015 directing circulation of MDRS to all concerned for their consideration. As envisaged in the MDRS to be circulated, after the said transfer of shares, the Company will cease to be a subsidiary of Balrampur Chini Mills Ltd and the Co-Promoter shall invest in terms of the provisions contained in the MDRS to meet the requirement of funds for the revival. Accordingly, the Company has considered that it will be able to continue as a going concern entity.

**4. Segment information as per Accounting Standard - 17 on 'Segment Reporting' :**

The company is in the business of industrial explosive. Considering the core activities of the company, the management is of the view that it is a single reportable business segment and hence, information relating to primary segment is not required to be disclosed.

The information about secondary segment has not been furnished as there is no export revenue of the Company.

**Notes to accounts (contd.)**
**5. Related party disclosures as per Accounting Standard - 18 are given below:**

a) Transaction with Related Parties:

(₹)

Nature of Transaction	Year ended 31 <sup>st</sup> March, 2015	Year ended 31 <sup>st</sup> March, 2014
<b>Transactions with - Balrampur Chini Mills Limited (Holding Company)</b>		
i) Inter-corporate loan received	–	700,000.00
ii) Balance outstanding		
- Interest (payable)	–	4,131,872.00
- Inter-corporate deposit (payable)	–	36,225,000.00

b) During the year, the Company has written back Inter-corporate deposit amounting to ₹ 3,62,25,000.00 and Interest amounting to ₹ 41,31,872.00 in respect of due to its Holding Company, Balrampur Chini Mills Limited, a related party.

**6. Disclosure under clause 32 of the Listing Agreement:**

Loans received from Holding Company:

(₹)

Name of the Company	Amount outstanding as at 31 <sup>st</sup> March 2015	Amount outstanding as at 31 <sup>st</sup> March 2014	Maximum amount outstanding at any time during the year	
			Year ended 31 <sup>st</sup> March 2015	Year ended 31 <sup>st</sup> March 2014
Balrampur Chini Mills Limited	–	36,225,000.00	36,225,000.00	36,225,000.00

Refer Note No. 16 (5b) above for other disclosure.

**7. Earnings per Share**

Earnings per share - The numerators and denominators used to calculate Basic/ Diluted Earning per share:

(₹)

Particulars	Year ended 31 <sup>st</sup> March, 2015	Year ended 31 <sup>st</sup> March, 2014
a) Amount used as the numerator (₹) <b>Profit/(Loss) after tax and before extraordinary items- (A)</b>	<b>38,238,915.86</b>	(1,274,145.41)
b) Weighted average number of Equity shares outstanding used as the denominator for computing Basic Earnings per share - (B)	<b>9,567,270</b>	9,567,270
c) Weighted average number of Equity shares outstanding used as the denominator for computing Diluted Earnings per share - (C)	<b>9,567,270</b>	9,567,270
d) Nominal value of equity shares (₹)	<b>1.00</b>	1.00
e) Basic earnings per share (₹) (A/B)	<b>4.00</b>	(0.13)
f) Diluted earnings per share (₹) (A/C)	<b>4.00</b>	(0.13)

8. In accordance with Accounting Standard 22 "Accounting for taxes on Income Tax", the company has not accounted for deferred tax during the year.

Though, the Company has significant amount of carried forward losses and unabsorbed depreciation under the Income Tax Act, 1961. However, as a matter of prudence deferred tax assets have not been recognized.



**Notes to accounts (contd.)**
**9. Disclosure pursuant to AS - 28 on "Impairment of Assets"**

Due to seizure of Company's explosive plant at Jhansi, the condition of the plant & machineries and other fixed assets there at and the impairment loss, if any, in respect thereof could not be determined, pending which no provision for such impairments, if any, could be made in the accounts.

**10. Disclosure in terms of Accounting Standard – 29 on Provisions, Contingent Liabilities and Contingent Assets:**
**Movement for Provision for contingencies:**

(₹)

Particulars	Duties & taxes	Others	Total
Balance as at 1st April, 2014	4,345,144.35	–	4,345,144.35
Provided during the year	–	–	–
Amount used during the year	–	–	–
Reversed during the year	–	–	–
Balance as at 31st March, 2015	4,345,144.35	–	4,345,144.35
Balance as at 1st April, 2013	4,345,144.35	–	4,345,144.35
Provided during the year	–	–	–
Amount used during the year	–	–	–
Reversed during the year	–	–	–
Balance as at 31st March, 2014	4,345,144.35	–	4,345,144.35

It is not possible to estimate the timing / uncertainties relating to the utilisation /reversals from the provision for contingencies. Future cash outflow in respect of the above is determinable only upon disposal of appeals etc.

The Company does not expect any reimbursement in respect of the above provisions.

**11. Expenditure on Corporate Social Responsibilities (CSR) Activities**

The provisions of Section 135 of the Companies Act, 2013 are not applicable to the Company.

**12. There are no transactions which are required to be disclosed as prescribed under paragraph 5 (viii) to general instructions for preparation of Statement of Profit and Loss under Schedule III to the Companies Act, 2013.**
**13. Previous year's figures have been reworked, regrouped, rearranged and reclassified wherever necessary to make them comparable with those of the current year.**

As per our report of even date attached.

**FOR VIPIN AGGARWAL & ASSOCIATES**

*Chartered Accountants*

Firm's Registration Number - 014454N

**For and on behalf of the Board of Directors**

**Indo Gulf Industries Limited**

Sd/-

**(CA. Vipin Aggarwal**  
**Membership No. 016544)**

*Partner*

Sd/-

**Shyam Lal Gouniyal**  
 Director

Sd/-

**Vimal Kumar Jain**  
 Director

Place: New Delhi,

Date : 21<sup>st</sup> May, 2015

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**INDO GULF INDUSTRIES LIMITED**  
**CIN:** L74900DL1981PLC011425  
**Registered Office:** 213, Rectangle 1, D - 4, District Centre, Saket, New Delhi - 110 017, Phone: (91)-9711991047  
**Fax:** (011)41029017, Email: igilmaizapur@rediffmail.com

**Form No. MGT-11**  
**Proxy form**  
*[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:  
DP ID:

I/We, being the member (s) of .....shares of the above named company, hereby appoint:

- Name:.....Address:.....  
E-mail Id:..... Signature: ....., or failing him;
- Name:.....Address:.....  
E-mail Id:..... Signature: ....., or failing him;
- Name:.....Address:.....  
E-mail Id:..... Signature: .....

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 32<sup>nd</sup> Annual general meeting of the company, to be held on the 10<sup>th</sup> day of August 2015 At 10:00 a.m. at Shri Ram Barat Ghar, 505/3 Devli, Bandh Road, New Delhi - 110062 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	RESOLUTIONS	Optional	
		For	Against
1.	Adoption of Financial Statements for the year ended 31 <sup>st</sup> March, 2015		
2.	Re-appointment of Dr. Arvind Krishna Saxena who retires by rotation		
3.	Appointment of M/s MANV & Associates, Chartered Accountants, as Statutory Auditors and fixing their remuneration		

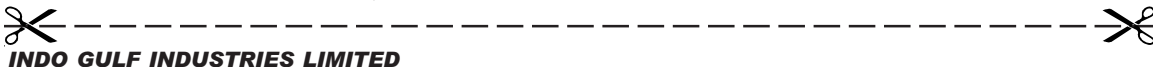
Signed this..... day of..... 2015.

Signature of shareholder :

Signature of Proxy holder(s) :

Please  
Affix  
Revenue  
Stamp

**Note:** This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.



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**Fax:** (011)41029017, Email: igilmaizapur@rediffmail.com

Name of the Shareholder / Proxy: .....  
Registered Address:.....  
E-mail Id: :.....  
Folio No/ Client Id: ..... DP ID: .....

I hereby record my presence at the 32<sup>nd</sup> Annual General Meeting held at Shri Ram Barat Ghar 505/3, Devli, Bandh Road, New Delhi - 110 062 on Monday the 10<sup>th</sup> day of August 2015 at 10.00 A.M.

\_\_\_\_\_  
Signature of the Shareholder / Proxy

NOTES: PLEASE COMPLETE THIS ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL. SHAREHOLDERS MAY KINDLY NOTE THAT NO GIFT WILL BE DISTRIBUTED AT THE AGM

**BOOK-POST**

*If undelivered please return to:-*  
**INDO GULF INDUSTRIES LIMITED**  
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D-4, District Centre, Saket, New Delhi - 110 017