



INDRA INDUSTRIES LTD.
FERTILIZER | POLYMER

29th Annual Report

2012-2013

CONTENTS

Notice	2
Directors' Report	4
Management Discussion and Analysis Report	8
Corporate Governance Report	10
CEO/CFO Certification	19
Auditors' Report	21
Balance Sheet	25
Profit & Loss A/c.	26
Notes to Accounts	35
Cash Flow Statement	40
Attendance Slip & Proxy Form	41

BOARD OF DIRECTORS

Mr. Virendra Kumar Jain	Managing Director
Smt. Astha Devi Jain	Director
Shri Shantilal Gupta	Independent Non Executive Director
Shri Shashikant Jain	Independent Non Executive Director

REGISTERED OFFICE

406, Airen Heights, Opp. Orbit Mall,
Scheme No. 54, Vijaynagar, A.B.Road,
Indore - 452010

FACTORIES:

1. Village Sandla, Tehsil Badnawar,
Dist. Dhar, Madhya Pradesh
2. Plot No. 17-A - 18- B,
Industrial Area No. 1, A.B.Road,
Dewas, Madhya Pradesh

AUDITORS

P.K.Shishodiya & Co. Chartered Accountants, Indore

REGISTRARS & SHARE TRANSFER AGENTS:

Purva Sharegistry (I) Pvt. Ltd.
9 Shiv Shakti Ind. Estt.,
J R Boricha Marg, Lower Parel (E), Mumbai - 400011

BANKERS:

Union Bank of India
Diamond Colony, SSI Branch,
Indore, Madhya Pradesh

SHARES LISTED AT:

Madhya Pradesh Stock Exchange

NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the 29th Annual General Meeting of the members of **INDRA INDUSTRIES LIMITED** will be held on Monday, the 30th September, 2013 At 2.00 P.M. at 406, Airen Heights , Scheme No. 54, A. B. Road, Indore M.P. 452010 .

ORDINARY BUSINESSSES:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March 2013 and the profit & Loss Account for the year ended on same date and the Reports of Board of Directors & Auditors thereon.
2. To appoint Directors in place of Smt. Astha Jain, who retires by rotation and being eligible offer herself for reappointment.
3. To appoint Auditors of the Company and to fix their remuneration.

Place; Indore
Date: 20/08/2013

By Order of the Board.
For Indra Industries Limited

Sd/-

Regd Office:
406, Airen Heights, Opp. Orbit Mall
Scheme No. 54, Vijaynagar, A.B.Road,
Indore - 452010

Virendra Jain
Managing Director

NOTES:

- ❖ **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH A PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXIES IN ORDER TO VALID MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAT 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**
- ❖ In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
- ❖ Corporate Members are requested to forward a Certified Copy of Board Resolution authorizing their representatives to attend and vote at the Annual General Meeting.
- ❖ Register of the members and share transfer books of the company will be remain closed from Wednesday, the 25th Day of September, 2013 to Monday, 30th Day of September, 2013 (both days inclusive) in terms of section 154 of the Companies Act, 1956.
- ❖ Members are requested to send their queries, if any at least 7 days in advance so that the information can be made available at the meeting and to bring their copies of the Annual Report at the time of attending the Annual General Meeting.

- ❖ The Company has designated an exclusive email ID shriindra@gmail.com, which would enable the members to post their grievances and monitor its redressed. Any member having any grievance may post the same to the said Email address for its quick redressal.
- ❖ Members who wish to dematerialization and matter connected with company's shares are requested to contact the Registrar and Share Transfer Agent at Purva Sharegistry (India) Private Limited, 9, Shiv Shakti Industrial Estate, J.R.Boricha Marg, Lower Parel(East), Mumbai M.H.
- ❖ SEBI have made it mandatory for every participant in the securities/ capital market to furnish the detail of Income Tax Permanent Account Number (PAN). Accordingly, all shareholders holding shares in the physical form are requested to submit details of PAN along with a photocopy of both the sides of the PAN Card, duly attested, to the Registrar and Share Transfer Agent.
- ❖ Pursuant to Section 109A of the Companies Act, 1956, shareholders are entitled to make nomination in respect of shares held by them in physical form Shareholders desirous of making nominations are requested to fill and send form 2B (Copy of which will be made available on request).
- ❖ In all correspondence with the Company, members are requested to quote their Account/Folio numbers and in case their shares are held in dematerialized form, they must quote their client ID number and their DP ID number.
- ❖ Details under clause 49 of the Listing Agreement with the Stock Exchange in respect of Directors seeking re-appointment at the Annual General Meeting is given in corporate governance report forming part of this annual report.

Place: Indore
Date: 20/08/2013

By Order of the Board.
For Indra Industries Limited

Virendra Jain
Managing Director

DIRECTOR'S REPORT

Dear Members,

Your Directors hereby present the 29th Annual Report of the Company together with the Audited Accounts for the year ended 31st March, 2013.

FINANCIAL PERFORMANCE & REVIEW:

	In lacs.	
	Year ended 31/3/2013	Year Ended 31/3/2012
Income from Operation	4588.08	4289.87
Total Expenditure	4522.95	4224.00
Profit or loss before exceptional and extraordinary item	65.13	65.87
Exceptional Items	0.00	1.12
Profit or Loss before extraordinary items and tax	65.13	64.75
Extraordinary Items	-	-
Profit or Loss before tax	65.13	64.75
Tax expense		
1.current tax	13.64	13.63
2.deferred tax	36.96	28.67
3.Reversak if Excess provision	(1.19)	
Profit/(Loss) after tax	15.71	22.45
Earning per share		
1. Basic	0.23	0.33
2.Diluted	0.23	0.33

During the year under review your Company has achieved total income of Rs. 45.88 Crores in comparison to previous financial year's total income of Rs.42.89 crores which has been increased by 7%. Further during the year Company has earned net profit of Rs. 15.71 lacs in comparison to previous year's net profit of Rs.22.45 Lacs.

Further company is moving towards automation as well capacity utilization for Dewas unit and for this purpose ten additional looms and one automatic machine have been purchased to increase full capacity of the plant as well as turnover and profitability of the company.

Further Badnawar unit is under construction for GSSP plant for which majors construction work have completed and machines have been purchased and only approval from pollution control Board is pending.

DIVIDEND

To provide more strength to the Company, Your Directors have not recommended any dividend for the year under review.

PUBLIC DEPOSIT

During the period the company did not invite public deposits within the meaning of section 58A of the companies Act, 1956 and rules made there under.

DIRECTORS

During the year Smt. Astha Jain, retires by rotation at the forthcoming Annual General Meeting, and being eligible, offer herself for re-appointment.

DIRECTOR'S RESPONSIBILITIES STATEMENT.

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956, with respect to Director's Responsibility statement, it is hereby confirmed:

i) that in the preparation of the annual accounts for financial year ended 31st March 2013 the applicable accounting standards have been followed along with proper explanation relating to material departure;

ii) that the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of financial year and of the Profit of the Company for the year and review.

iii) that the Directors have taken proper and sufficient care of the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

iv) that the Directors have prepared the annual accounts on a going concern basis.

AUDITORS

The Auditors P.K. Shishodiya & Company, Chartered Accountants, Statutory Auditors of the company, retires and being eligible, offers themselves for re-appointment.

AUDITOR'S REPORT

The Auditors in their report have referred to the notes forming part of the Accounts which are self-explanatory and do not require any explanation.

COST AUDITORS

As per the requirements of the Central Government and pursuant to the provisions of Section 233B of the Companies Act, 1956 the audit of the Cost Accounting record maintained by the company for product and services covered under MCA cost Audit orders. The Company has appointed M/s. Sudeep Saxena & Associates, Cost Auditor, Indore to audit the cost accounts for the year 2012-13 commencing from 1st April, 2012 to 31st March, 2013 for which approval from the Central Government is pending. The Cost Audit Report in respect of financial year 2012-13 will be filled on or before the due date.

PARTICULARS OF CONSERVATION OF ENERGY TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGOING

A statement giving details of Conservation of Energy, Technology Absorption, Export and Foreign Exchange Earning and Outgoing, in accordance with the Companies Act 1956. The particulars prescribe under clause (e) of subsection (1) of Sec. 217 of the companies. (Disclosure of Particulars in Report of Board of Directors) Rules, 1988 are given in annexure "A" of this report

PARTICULARS OF THE EMPLOYEE

The Company did not have any employee, during the year drawing remuneration attracting the provision of section 217 (2A) of the Companies Act, 1956 read with the Companies (particulars of employees) Rule 1975. The company continued to have cordial and harmonious relations with employees. In totality our employees have shown a high degree of maturity and responsibility in responding to the changing environment, economic and the market condition.

CORPORATE GOVERNANCE

A separate section titled "Corporate Governance" including a certificate from the Auditors of the Company confirming compliance of the conditions of the Corporate Governance as stipulated under clause 49 of the Listing Agreement and also the Management Discussion and Analysis Report and CEO certification are annexed hereto and form part of the report.

INSURANCE

The Company's assets are adequately insured against the loss of fire and other risk, as considered necessary by the Management from time to time. The Company has made necessary arrangements for adequately insuring its insurable interests.

AUDIT COMMITTEE

Under the provisions of Companies Act, 1956 and Listing Agreement with the Stock Exchanges a Audit Committee Comprises of Shri Shashikant Jain, Smt. Astha Jain and Shri Shanti Lal Gupta.

CODE OF CONDUCT

The Company has laid down a code of conduct for all Board members and senior management of the Company. All the Board members and senior management personnel have affirmed compliance with the code of conduct.

LISTING OF THE SHARES

Equity shares of the company are listed on Madhya Pradesh Stock Exchange Ltd., Indore.

ACKNOWLEDGEMENTS

Your Directors wish to place on record their gratitude to Shareholders for the confidence reposed by them and thank all the shareholders, customers, dealers, suppliers, vendors, MPFC, Union Bank of India, business associates, regulatory and government authorities and other business associates for their contribution to your Company's growth. The Directors also wish to place on record their appreciation of the valuable services rendered by the executives, staff and workers of the Company.

Place: Indore
Date: 27.05.2013

By Order of the Board.
For Indra Industries Limited

Virendra Jain
Managing Director

Astha Jain
Director

STATEMENT PERTAINING PARTICULARS PURSUANT TO COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF THE BOARD OF DIRECTORS) RULES 1988, AND PERFORMING PART OF DIRECTORS REPORT

A. Conservation of Energy

Energy Conservation measures taken and proposals for saving of energy in future, efforts are continuing towards reduction in energy consumption by undertaking preventive maintenance, up gradation of various machines and review of manufacturing process.

FORM - A

Form for Discloser of Particulars of Conservation of Energy

A. POWER AND FUEL CONSUMPTION

Particulars	Current Year 12-13	Previous Year 11-12
1. Electricity		
Purchased (Unit in KWH)	23,29,983	16,17,250
Amount (In Rs.)	1,55,08,689.00	1,06,64,276.00
Average Rate (Per Unit) (In Rs.)	6.66	6.59
II) Furnace (Oil/LDO)/Gas		
Gas Purchased (In KG's)	0.00	0.00
Amount (In Rs.)	0.00	0.00
Average Rate (Per KG's) (In Rs.)	0.00	0.00
Diesel Purchased (In Ltr)	27,400.00	39,817.00
Amount (In Rs.)	13,38,644.00	17,79,380.00
Average Rate (Per Ltr. (In Rs.)	48.86	44.69

B. TECHNOLOGY ABSORPTION

The Company has not made any substantial expenses or investment towards the technology absorption or development

C. FOREIGN EXCHANGE EARNING AND OUTGOING

During the year under review the company did not earn any foreign currency as there was no direct export.

MANAGEMENT DISCUSSION & ANALYSIS AND CORPORATE GOVERNANCE FORMING PART OF ANNUAL REPORT FOR THE YEAR ENDED ON 31ST MARCH 2013.**ECONOMIC SCENARIO**

The world economy is on the brink of another recession. The problems stalking the global economy are multiple and interconnected. The rapidly cooling economy is both a cause and an effect of the debt crises and fiscal problems. Economic growth rate in India, slowed to around 5.0% for the year 2012-13 fiscal year compared with 6.2% in previous fiscal. Rupee depreciation has been contributing to inflationary pressures. Monetary and liquidity conditions have eased so far in 2012-13 after the Reserve Bank of India slashed its policy rates. The economy has several positives and several negatives as we move forward in 2013 and look to 2014. The plus side begins with the economy's normal tendency to expand, India's GDP growth is estimated to rise to 6% in the upcoming fiscal but inflationary pressures may remain high due to high food prices.

INDUSTRY STRUCTURE

The fertilizer industry has played a major role for mass production of food grains. Today, India stands as the third largest fertilizer consumer and producer of the world. It has been observed that the subsidies on Indian fertilizer have been rising at constant rate. This is due to the rise in the cost of production and the inability of the government to raise the maximum retail price of the fertilizers. The Indian chemical fertilizer industry is developing fast in terms of using the latest world class technology. The fertilizer industry presents one of the most energy intensive sectors within the Indian economy and is therefore of particular interest in the context of both local and global environmental discussions. Increases in productivity through the adoption of more efficient and cleaner technologies in the manufacturing sector will be most effective in merging economic, environmental, and social development objectives. The growth of Indian fertilizer has been largely determined by the policies pursued by the government which mainly confine to controls on the pricing, distribution and movement of fertilizers. The industry is capital intensive and the production process energy intensive with the combined cost of feedstock and fuel accounting for anywhere between 55 and 80 per cent of cost of production, depending on the type of fertilizers.

COMPANY OVERVIEW

Your company is moving towards automation as well as capacity utilization to boost its profitability and reduce its dependency on workers. Additional 10 number of looms have been purchased for its Dewas unit which will increase the capacity of the plant up to 300 kg/hr. One automatic machine has already been purchased along with one BCH machine. Company is further planning to diversify in new segment of BOPP (bi-axially oriented polypropylene), its future packaging unit; for which company is planning to buy auto over machine for printing of films having BOPP. Currently company is getting film printed from outsources. Moving on to Badnawar unit Company is taking all effective steps for setting up of GSSP plant. Meeting of TOR for clearances has been conducted and company is hopeful that it would receive consent in two or three months. Company is expected to increase its sale by converting into GSSP from SSP. Zinc project is under process and is expected to take time.

OPPORTUNITIES

The growing demand for fertilizers makes the Indian market highly attractive for domestic and foreign manufacturers. Recent policy changes by the government are a welcome step and will open up opportunities for local companies to strengthen their domestic presence and meet global aspirations. India is one of the major regions contributing to rising fertilizer demand. The fertilizer demand in India is expected to increase at about 4.3% per annum from FY 08 to FY 13, higher than the global growth rate of 2.8% per annum during the same period.

OUTLOOK

By 2015, India is expected to face a demand-supply deficit of 8-9-mt of urea. The recent initiatives may result in relieving its heavy dependence on imports in the near future. It is a commendable initiative by the Government to deregulate expansion and promoting revamp of capacities. In upcoming years fertilizer demand in the country is projected to increase and is expected to grow at a faster rate in eastern and southern region compared with north and west. To meet the increasing fertilizer requirements of the country, a conducive and stable policy environment, availability of raw materials, capital resources, and price incentives will play a critical role.

SAFTY AND HEALTH CARE

Health & safety management system in the Company aims to reduce, eliminate or control workplace hazards and associated risks of accidents or injuries to the workers. Your Company is committed to ensure healthy and safe working environment for all concerned and to make continual improvement in its health and safety performance. We provide sufficient information, instructions, training and supervision to enable all workers to identify, minimize and manage hazards and contribute positively to safety at works.

INTERNAL CONTROL SYSTEM

The Companies Internal control/supervisory system is established to ensure that board and management are able to achieve their business objectives in a prudent manner, safeguarding the interest of Companies shareholders and other stakeholders whilst minimizing the key risk such as fraud, misleading financial statements, breach of legal and contractual obligation, unauthorized business activity.

HUMAN RESOURCES

Your Company follows a strategy of attracting and retaining the best talent and keep employees engaged, motivated and innovative. The Company continues to have cordial relations with its employees and provide personnel development opportunities for all round exposure to them.

FINANCIAL AND OPERATIONAL PERFORMANCE

Financial and Operational performance forms part of the Annual Report and is presented elsewhere in the report.

CAUTIONARY STATEMENT

Some of the Statements in Management discussion and Analysis describing companies objective may be "forward looking statement" within the meaning of applicable Securities law and Regulations. Actual results may differ substantially or materially from those expressed or implied. Important factors that could influence companies operation include various global and domestic economic factors.

REPORT ON CORPORATE GOVERNANCE

A report of the financial year ended 31st march, 2013 on the compliance by the company with the corporate governance requirement under clause 49 of the Listing agreement, is furnished below:

COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

INDRA INDUSTRIES LIMITED is committed to high standards of corporate governance in all its activities. The basic objective of corporate governance policies adopted by the company is to attain the highest levels of transparency, accountability and integrity. The company believes that all its actions must serve the underlying goal of enhancing overall shareholder value over a sustained period of time.

A. BOARD OF DIRECTORS

i) The Company's policy is to maintain an optimum combination of Executive and non Executive Independent directors. The Composition of your Company's Board, which comprises of 4 (four) directors, is given in the table below and is in conformity with clause 49 of the listing agreement and with stock exchange.

As will be seen from the following table, none of the directors hold directorship in more than 15 public limited company, nor is any of them a member of more than ten committees of the prescribed nature or holds chairmanship of more than five such committee across all public limited companies in which they are directors. The Board does not have any nominee director representing any institution.

Name of Director	Category	No. of Board Meetings Attended	Other Directorship		Committee Position		Whether attended last AGM held on 28.09.2012
			Chairman	Member	Chairman	Member	
Shri Shanti Lal Gupta	ID	5	-	-	---	3	No
Shri Virendra Jain	MD	12	-	-	---	---	Yes
Shri Shashikant Jain	ID	5	-	-	---	3	No
Smt. Astha Jain	NED	12	-	-	3	3	Yes

MD = Managing Director, NED = Non Executive Director,
ID = Independent Director

Note This includes directorship in public limited companies and subsidiary of public limited companies and excludes directorship in private Limited companies, overseas companies, companies under section 25 of the Companies Act, 1956 and alternate directorship.

During the year 2012-13 the Board met 12 (Twelve) times on the following dates, namely:

30/04/2012	05/06/2012	15/06/2012	12/07/2012
30/07/2012	20/08/2012	11/11/2012	30/11/2012
22/01/2013	25/01/2013	28/01/2013	30/03/2013

ii) Inter-se relationship among directors

Mr. Virendra Jain is husband of Mrs. Astha Jain. Except for this, there is no inter-se relationship among the directors.

iii) Role of Independent Director

Independent Directors play a key role in the decision making process of the Board and in shaping various strategic initiatives of the Company. The Independent directors are committed to act in what they believe to be in the best interest of the Company and its stakeholders.

iv) Shareholding of Non-executive Director

The Number of equity shares held by Non-Executive Directors as on 31.3.2013 were as under:

Name of Director	No. of shares
Mrs.Astha Jain	658000
Shri Shanti Lal Gupta	-
Shri Shashikant Jain	-

v) Details of the Directors seeking re-appointment at the forthcoming Annual General Meeting as per Clause 49(1) (A) of the Listing Agreement.

Name & Designation of Appointee	Age	Qualification	Expertise/ Experience	Date of Appointment	Directorship in other company
Smt. Astha Jain	46	Post Graduate	Administration	15/06/2006	-

Board Procedure

A detailed agenda folder is sent to each Director in advance of Board and Committee meetings. To enable the Board to discharge its responsibilities effectively, the Managing Director briefs the Board at every meeting on the overall Company performance and compliance of the company wherever applicable.

Committees of the board**(I) Audit Committee (Mandatory Committee)**

The Company has constituted a qualified and independent Audit committee under section 292A of the Companies Act, 1956 read with clause 49 of the listing agreement. All the members of the committee, including committee chairman are Non Executive director. All the members of the committee are financial literate.

(i) Meeting and Composition

The Composition of Audit Committee as on 31.3.2013 and attendance record of the members at the meetings held during the year was as under:

Name of the Member	Category	Status	No. of meetings attended	
			Held during tenure	Attended
Smt Astha Jain	Non executive Director	Chairman	4	4
Shri Shanti Lal Gupta	Non executive Independent Director	Member	4	4
Shri Shashikant Jain	Non executive Independent Director	Member	4	4

During the year the committee met on four occasions during the year on following dates namely:

30/04/2012	30/07/2012	11/11/2012	28/01/2013
------------	------------	------------	------------

As mandated by clause 49 of the Listing agreement

1. The representative of statutory and internal auditors of the company are also invited in the audit committee meetings.
2. The gap between two audit committee meetings was not more than four months.

Terms of reference of the Audit Committee

The terms of reference of Audit Committee are as under:

- Overseeing the Company's financial reporting process and disclosure of financial information to ensure that the financial statement is correct, sufficient and credible.
- Recommending the appointment and removal of external auditor, fixation of audit fee and approval of payment of any other services:
- Reviewing with management, the annual financial statement before submission to the Board for approval, with particular reference to:
 - a. Matters required to be included in the Directors responsibility statement to be included in the boards report as per Section 217(2AA) of the Companies Act, 1956.
 - b. Changes in the Accounting policies and practices and the reasons for the same, major accounting entries and significant adjustments made in the financial statements arising out of audit findings.
 - c. Compliance with listing and other legal requirements relating to financial statements.
 - d. Disclosure of any related party transactions.
 - e. Qualifications in the draft audit report if any.
- Discussing with external auditors before the audit commences on the nature and scope of audit, as well as having post-audit discussion to ascertain any area of concern,
- Reviewing the management discussion and analysis of the financial conditions and results of operations.
- Reviewing with the management and the statutory auditors anticipated changes in the Accounting Standards.
- Reviewing the Company's financial and risk management policies;
- Undertake such other functions as may be entrusted to it by the Board from time to time.

(II) Shareholder/ Investors Grievance Committee

Pursuant to clause 49 of the listing agreement, the Company has constituted a Board Committee designated as shareholder's/investor's Grievance Committee under the Chairmanship of Non Executive independent director to specifically look in the redressal of shareholder's/investor's

complaints like transfer of shares, non receipt of balance sheet, non receipt of declared dividend and other ancillary matters. Shri Virendra Jain is the compliance Officer of the company.

(i) Meeting and Composition

The Composition of Committee as on 31.3.2013 and attendance record of the members at the meetings held during the year was as under:

Name of the Member	Category	Status	No. of meetings attended	
			Held during tenure	Attended
Smt Astha Jain	Non executive Director	Chairman	1	1
Shri Shanti Lal Gupta	Non executive Independent Director	Member	1	1
Shri Shashikant Jain	Non executive Independent Director	Member	1	1

The Committee met one time during the year under review.

- (ii) During the year under review no complaint was received from shareholders and there was no complaint pending unresolved as at the end of the year.
- (iii) Share transfer in physical form are registered by the Company in house and returned to respective Transferee/person within a period ranging from one to two weeks provided the documents lodged with Company are clear in all respects.

(III) Remuneration Committee (Non mandatory Committee)

The Company has constituted a remuneration committee under Schedule XIII to the Companies Act, 1956 read with clause 49 of the listing agreement. All the members of the committee are Non Executive and independent directors.

a) Terms of reference

The terms of reference of remuneration committee is to deal with, decide and recommended to the Board of the Directors on all matters relating to appointment and remuneration to managing director and whole time director.

b) Meeting and Composition

The composition of committee as on 31.3.2013 and attendance record of the members at the meeting held during the year are as under:

Name of the Member	Category	Status	No. of meetings attended	
			Held during tenure	Attended
Smt Astha Jain	Non executive Director	Chairman	1	1
Shri Shanti Lal Gupta	Non executive Independent Director	Member	1	1
Shri Shashikant Jain	Non executive Independent Director	Member	1	1

c) Remuneration policy Executive Directors

The remuneration of executive directors is reviewed by the remuneration committee and thereafter recommended to the Board of the directors of the Company for subject to approval of the members at general meeting and such other authorities as may be required. While recommending remuneration, the committee considers various factors such as practices prevalent in the industry for the time being, qualification, and expertise of the appointee and financial position of the company

d) Remuneration of directors

Remuneration paid or payable to Directors during the year 2012-2013

Name of Director	Sitting Fees	Commission on Profit	Salary & Allowance	Contribution to PF	Perquisites	Prof.Tax	Total
Virendra Jain	---	---	861500	36000	---	2500	900000

- No sitting Fees was paid to any Director of the Company during the financial year.
- The company does not have any service contract with any of its directors.
- The company has not granted any stock option to any of its director/employees.
- During the year the committee met on one occasions during the year.

MANAGEMENT**A. The Management discussion and analysis report**

The Annual Report has a detailed chapter on Management Discussion and Analysis.

Disclosure by Management to the Board

All details relating to the financial and commercial transactions where directors may have a potential interest are provided to the Board, and the interested Directors neither participate in the discussion, nor do they vote on such matters.

Compliance with Mandatory / Non Mandatory requirements.

The Company has complied with all the applicable mandatory requirement of clause 49 of the listing agreement.

- The Company has also adopted the non mandatory requirement as specified in Annexure 1D to clause 49 of the listing agreement regarding constitution of remuneration committee, the details of which already been provided in this report and audit qualification. There is no audit qualification in the financial statement.

DISCLOSURES

- A. There were no material transactions of the Company with its promoters, directors, and management on their relatives that may have conflict with the interest of the Company at large.
- B. The particulars of transactions between the Company and its related parties in accordance with the accounting standard 18 are set out in Annual report. These transactions are in the ordinary course of business and are not likely to have any conflict with the interest of the Company.
- C. The financial statements have been prepared in compliance with the requirements of the Companies Act, 1956, and in conformity, in all respects, with the generally accepted accounting principles and standards in India. The estimates/judgments made in preparation

of these financial statements are consistent, reasonable and on prudent basis so as to reflect true and fair view of the state of affairs and results/operations of the Company.

- D. The Company has well defined management policies to manage the risk inherent in the various aspects of business. The Board is regularly informed about the business risks and the steps taken to mitigate the same.
- E. There has been no non-compliance by the company or penalty or strictures imposed on the company by the stock exchange or SEBI or any statutory authority, on any matter related to capital markets during last three years.
- F. During the year under review Company has not issued any type of securities. No GDR/ADR issued by the Company.
- G. The company has established a mechanism for employees to report to the management concerns about unethical behavior, actual or suspected fraud or violation of the company's code of conduct or ethics policy.
- H. As per clause 5AII of the listing agreement there is no unclaimed shares in the company.

SHAREHOLDER'S INFORMATION

Means of Communication

Presently, the quarterly/half yearly financial result are not sent individually to the shareholders but published the same in news papers.

General body meetings

The last three Annual General Meetings of the Company were held as detailed below:

Meeting	Date	Time	Venue
Annual General Meeting 2011-2012	28.09.2012	3.00 P.M.	Registered Office of Company at 406 , Airen Heights , Scheme No. 54, A. B. Road, Indore M.P. 452010
Annual General Meeting 2010-2011	29.09.2011	3.00 P.M.	Registered Office of Company at 406 , Airen Heights , Scheme No. 54, A. B. Road, Indore M.P. 452010
Annual General Meeting 2009-2010	29.09.2010	3.00 P.M.	Registered Office of Company at 9/1, Manoramaganj, A.B. Road,Indore 452001(M.P.)

POSTAL BALLOT & SPECIAL RESOLUTION:

No resolutions were passed by postal ballot in last three years.

None of the Businesses proposed to be transacted in the ensuing Annual General Meeting require passing of a resolution through Postal Ballot.

No special resolutions were passed in last three Annual General meeting.

GENERAL SHAREHOLDER INFORMATION

AGM: Date, Time and Venue	Monday 30th September, 2013 - 2.00 p.m at 406,Airen Heights, Scheme No. 54, A. B. Road Indore M.P. 452010 Last date for receipt of proxy forms : 28th September, 2013
Financial reporting for 2013-14:-- 1st Quarter ending 30th June, 2013 2nd Quarter ending 30th September, 2013 3rd Quarter ending 31st December 2013 4th Quarter ending 31st March, 2014	Before 14th August, 2013 Before 14th November, 2013 Before 14th February , 2014 Before 30th May, 2014
Date of Book Closure	Wednesday 25 th September, 2013 to Monday 30 th September, 2013 (both days inclusive)
Listing on Stock Exchanges	The Madhya Pradesh Stock Exchange, Indore
Dividend Payment Date	NA
Stock Code -ISIN Code	Madhya Pradesh Stock Exchange: INE924N01016
Market Price Date: High, Low during each month in last financial year	Not Available due to no trading on Floor of Stock Exchange, Indore
Registrar and Transfer Agents	Purva Sharegistry (India) Private Limited, 9, Shiv Shakti Industrial Estate, J.R.Boricha Marg, Lower Parel (East), Mumbai M.H Share Transfer work handled by company in house.
Share Transfer System	All the transfer received are processed by the Company in house.
Distribution of shareholding as on 31.03.2013	Please see Annexure 'A'
Shareholding pattern as on 31.03.2013	Please see Annexure 'B'
Outstanding GDRs/ADRs/Warrants or any convertible instruments , Conversion date and likely impact on equity	Not issued
Address for correspondence	Shareholders correspondence should Be addressed to: INDRA INDUSTRIES LIMITED 406,Airen Heights, Scheme No. 54, A. B. Road, Indore M.P. 452010
Plant Location	Village - Sandla, Tehsil - Badnawar-Dist. Dhar (M.P.) HDPE Bag Plant :- Industriial Area , Dewas (Madhya Pradesh)

Secretarial Audit for Reconciliation of Capital

As stipulated by SEBI a qualified practicing Company Secretary carries out secretarial Audit to reconcile the total admitted capital with NSDL and CDSL and the total issued and listed capital. This audit is carried out every quarter and the report thereon is submitted to the listed stock exchanges. The audit confirms that the total listed and paid-up Capital is in agreement with the aggregate of the total number of shares in dematerialized form (held with NSDL/CDSL) and total number of shares in physical form. As on 31st March 2013, 54.16% of shares were held in dematerialized form and rest 45.84% in physical form.

Code of Conduct

The Company has laid down a code of conduct for all Board members and senior management of the Company. All the Board members and management personnel have affirmed compliance with the Code of Conduct.

Code for prevention of Insider trading practices.

In Compliance with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1997, as amended till date on prohibition of insider trading, the Company has a comprehensive code of conduct and the same is being strictly adhered to by its management, staff and relevant business associates. The code expressly lays down the guidelines and the procedures to be followed and disclosures to be made, while dealing with shares of the Company and cautioning them on the consequences on non-compliance thereof.

CEO/CFO Certification

The CEO/CFO certification of the financial statements and the cash flow statement for the year is obtained and was placed before the Board.

Auditors Certificate on corporate governance

The Company has obtained the certificate from the Auditors of the Company regarding compliance with the provisions relating to corporate governance laid down in clause 49 of the Listing Agreement with the stock exchanges. This report is annexed to the Director's Report for the year 2012-2013. This certificate will be sent to the stock exchanges, along with the annual report to be filed by the Company.

❖ Distribution of Shareholding by size as on 31st March 2013: (Annexure A)

Shareholding of Nominal Value	Shareholder		Share Amount	
	Number	% of Total	In Rupees	% of Total
(1)	(2)	(3)	(4)	(5)
Less than - 5000	1734	83.13	8658400	12.61
5001 - 10000	92	4.41	858100	1.25
10001 - 20000	121	5.80	2233000	3.25
20001 - 30000	21	1.01	563000	0.82
30001 - 40000	76	3.64	2809000	4.09
40001 - 50000	1	0.05	46000	0.07
50001 - 100000	28	1.34	1927000	2.81
100001 and above	13	0.62	51566200	75.10
	2086	100.00	68660700	100.00

❖ **SHAREHOLDING PATTERN AS AT 31ST MARCH 2013 (Annexure B)**
[SHAREHOLDING PATTERN]

	Category	No. Of Share held	Percentage of Shareholding
A	<u>Promoters Holding</u>		
1.	Promoters Indian Promoters: Foreign Promoters:	2417600	35.21%
2.	Persons acting in concert		
	Sub Total	2417600	35.21%
B.	<u>Non-Promoters Holding</u>	-	-
1.	Institutional Investors	-	-
2.	Mutual Funds and UTI	-	-
3.	Banks, Financial Institutions, Insurance Companies [Central/ State Govt. Institutions, Non- Government Institutions]	-	-
4.	FIs	-	-
5.	Sub-Total	-	-
6.	Others	-	-
	Private Corporate Bodies	2742820	39.95%
7.	Individuals		
	Holding up to Rs. 1.00 lacs	1705650	24.84%
	Holding excess Rs. 1.00 lacs		
8.	NRIs/OCBs		
9.	Any other [please specify]		
	Sub-Total	4448470	64.79%
	Grand Total	6866070	100.00%

DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT

This is to confirm that the Company has adopted a code of conduct for the Board of Directors and Senior Management of the Company.

As Managing Director of the Indra Industries Limited and as required by clause 49(1)(D)(ii) of the Listing Agreement of the Stock Exchange in India, I hereby declare that all the Board Members and senior Management personnel of the Company have affirmed compliance with the code of Conduct for financial year 2012-2013

Place: Indore
Date: 27.05.2013

Virendra Jain
Managing Director

CEO CERTIFICATION

I hereby certify to the Board of Directors of **INDRA INDUSTRIES LIMITED** that:

- a. I have reviewed financial statements and the cash flow statement for the year ended on 31/03/2013 and that to the best of my knowledge and belief.
 - (i) These statements do not contain any materially untrue statement or omit any material fact or contain statement that might be misleading.
 - (ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b. There are, to the best of my 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. I accept responsibility for establishing and maintaining internal controls for financial reporting and that I have evaluated the effectiveness of the internal control systems of the company pertaining to financial reporting and I have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which I am aware and the steps I have taken or propose to take to rectify these deficiencies.
- d. I have indicated to the auditors:
 - i. Significant changes in internal control over financial reporting during the year;
 - ii. Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - iii. Instances of significant fraud of which I 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.

Place: Indore
Date: 27.05.2013

FOR INDRA INDUSTRIES LIMITED

Virendra Jain
Managing Director

AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

We have examined to the compliance of conditions of Corporate Governance by **INDRA INDUSTRIES LIMITED**, for the year ended 31st March, 2013, as stipulated in the clause 49 of the Listing agreement entered into by the company with the Stock Exchange.

The compliance of conditions of Corporate Governance is the responsibility of the Company's management. Our examination was limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance with 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, and the representations made by Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in clause 49 of the above mentioned Listing agreement.

We state that in respect of investor grievances received during the year ended 31st March, 2013, the Registrars of the Company have certified that as at 31st March, 2013, there were no investor grievances remaining unattended/pending for more than 30 days.

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

Place: Indore
Date: 27.05.2013

For P. K. Shishodiya & Co.
Chartered Accountants

P. K. Shishodiya
Proprietor

INDEPENDENT AUDITOR'S REPORT

To,
The Members of
Indra Industries Limited

Report on the Financial Statements

We have audited the accompanying financial statements of Indra Industries Limited, which comprise the Balance Sheet as at March 31, 2013, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments; the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.

2. As required by section 227(3) of the Act, we report that:

a. we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

b. in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books ;

c. the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;

d. in our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956;

e. on the basis of written representations received from the directors as on March 31, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

f. Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Companies Act, 1956 nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.

For P. K. Shishodiya & Co.
Chartered Accountants

Place : Indore
Date: 27.05.2013

P.K. Shishodiya
Proprietor
M. No. 036015
FR No. 03233C

ANNEXURE REFERRED TO IN PARAGRAPH 3 OF THE REPORT OF THE AUDITORS ON THE ACCOUNTS OF INDRA INDUSTRIES LIMITED FOR THE YEAR ENDED 31ST MARCH, 2013

- 1 (a) The company is in the process of maintaining proper records showing full particulars including quantitative details and situation of fixed assets.
(b) A major portion of the assets has been physically verified by the management in accordance with the phased programme of verification adopted by the company. In our opinion, the frequency of verification is reasonable. To the best of our knowledge, no material discrepancies have been noticed on such verification.
(c) Based on our scrutiny of records of the company and the information and explanations received by us, we report that there is nothing which affect going concern concept of the company.
- 2 (a) The inventory has been physically verified by the management during the year at reasonable intervals. In our opinion, the frequency of verification is reasonable.
(b) The procedure followed by the management for physical verification of stocks is reasonable and adequate in relation to the size of the company and the nature of its business.
(c) On the basis of our examination of stock records, we are of the opinion that the record of stocks is fair and proper in accordance with the normally accepted accounting principles and no material discrepancies were noticed on physical verification.
- 3 The company has taken unsecured loans amounting to Rs. 86.75 lakhs from three different parties covered in the register maintained under section 301 of the Companies Act, 1956.
- 4 In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods and services. During the course of our random checking, no major weaknesses have been noticed in the internal controls.
- 5 (a) Based on the audit procedures applied by us and according to the information and explanations provided by the management, we are of the opinion that the particulars of contracts or arrangements referred to in section 301 of the Act have been entered into the register required to be maintained under that section.
(b) In our opinion and according to the information available, the transactions made in pursuance of such contracts or arrangements have been made at prices, which are reasonable, having regard to the prevailing market prizes at the relevant time.
- 6 In our opinion and according to the information and explanations given to us, the company has not accepted any deposits from the public within the meaning of section 58A and 58AA of the Companies Act, 1956 or any other relevant provisions of the Act and the rules framed there under.
- 7 In our opinion, the company has an adequate internal audit system commensurate with the size and nature of its business.
- 8 The company is covered under the clause regarding maintenance of cost records as prescribed by the Central Government under section 209 (1) (d) of the Companies Act, 1956. The company has made and maintained cost accounts and records.
- 9 (a) According to the records of the company, the company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, custom duty, excise duty, cess and other statutory dues applicable to it. The overdue amount of statutory dues as on 31st March, 2013 stand as under:
C.S.T. 2420

- (b) According to the records of the company, there are disputed dues of following tax -which have not been deposited on account of any dispute.

C.S.T.	9,74,414
VAT	8,66,580
Entry Tax	4,59,578

10. The company is not a sick industrial company within the meaning of Sick Industrial Companies (Special Provisions) Act, 1985.
11. According to the information and explanation given to us, the company has not defaulted in repayment of dues to any financial institution or bank except some delays. The company has not issued any debentures.
12. The company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. The provision of any special statute applicable to nidhi/mutual benefit fund/societies is not applicable to the company.
14. There was no dealing or trading in shares, securities, debentures.
15. The company has not given any guarantee to any bank or financial institution for loan taken by others.
16. The term loans have been applied for the purpose for which they were raised.
17. According to the information and explanations given to us and on an overall examination of the balance sheet of the company, we report that no funds raised on short-term basis have been used for long-term investment.
18. The company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956 during the year.
19. There was no debenture issue during the year.
20. No money was raised by public issues by the company during the year under audit.
21. No fraud on or by the company has been noticed or reported during the year.

For P.K. Shishodiya & Co.
Chartered Accountants

INDORE: 27.05.2013

P. K. Shishodiya
Proprietor
M.No.036015
FR. No 03233C

BALANCE SHEET AS AT 31.03.2013

		(Amount in Rupees)	
	Note No.	2013 (Rupees)	2012 (Rupees)
I. EQUITY & LIABILITIES			
(1) Shareholders' funds			
(a) Share Capital	1	64,055,700	64,055,700
(b) Reserves & Surplus	2	8,480,489	5,408,621
(2) Share application money pending allotment		-	-
(3) Non-current Liabilities			
(a) Long-term borrowings	3	140,605,471	113,587,159
(b) Deferred tax liabilities (Net)		11,983,797	8,287,552
(c) Long term provisions	4	184,154	144,692
(4) Current Liabilities			
(a) Short Term borrowings	5	76,056,418	43,810,264
(b) Trade payables	6	81,435,245	47,472,884
(c) Other current liabilities	7	22,376,462	17,247,756
(d) Short-term provisions	8	3,108,201	2,237,862
Total		408,285,936	302,252,490
II. ASSETS			
(1) Non-current assets			
(a) Fixed assets			
(i) Tangible assets	9	139,394,850	110,983,218
(ii) Capital Work in Progress		14,954,070	38,746,092
(b) Non-current investments	10	1,980,000	1,980,000
(c) Long term loans and advances		2,784,632	2,340,974
(2) Current assets			
(a) Inventories	11	179,319,912	104,214,090
(b) Trade receivables	12	36,069,410	16,150,739
(c) Cash & cash equivalents	13	23,913,270	12,868,289
(d) Short term loans and advances	14	9,869,793	14,969,088
Total		408,285,936	302,252,490

See accompanying notes to the financial statements

As per our Report of even date attached.

For P.K.Shishodiya & Co.

Chartered Accountants

P.K. Shishodiya
Proprietor
Mem. No. 036015
FR No. 03233C
Indore: 27.05.2013

For & on behalf of Board of
Indra Industries Limited

Virendra Jain
Managing Director

Smt. Astha Jain
Director

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31.03.2013

Particulars	Note No.	2013 (Rupees)	2012 (Rupees)
<u>INCOME :</u>			
Revenue from operations	15	457,162,176	428,188,879
Other Income	16	1,646,395	798,265
Total Revenue		458,808,571	428,987,144
<u>EXPENSES :</u>			
Cost of materials consumed	17	355,195,482	286,512,843
Changes in inventories of finished goods and work-in-progress	18	(23,493,334)	23,966,986
Employee benefits expense	19	24,712,406	16,662,073
Finance cost	20	32,161,377	30,805,321
Depreciation	9	7,289,394	6,366,907
Other expenses	21	56,430,085	58,086,504
Total expenses		452,295,409	422,400,634
Profit before exceptional and extraordinary items and tax		6,513,163	6,586,510
Exceptional Items	22	-	111,878
Profit before extraordinary items and tax		6,513,163	6,474,632
Extraordinary Items		-	-
Profit before tax		6,513,163	6,474,632
Tax expense:	23		
(1) Current tax		1,364,035	1,363,740
(2) Deferred tax		3,696,245	2,867,040
(3) Reversal of excess provision		(118,986)	-
Profit/(Loss) for the year		1,571,869	2,243,852
Earning per equity share:			
(1) Basic		0.23	0.33
(2) Diluted		0.23	0.33

See accompanying notes to the financial statements

As per our Report of even date attached.

For P.K.Shishodiya & Co.
Chartered Accountants

For & on behalf of Board of
Indra Industries Limited

P.K. Shishodiya
Proprietor

Virendra jain
Managing Director

Smt.Astha Jain
Director

Mem. No. 036015
FR No. 03233C
Indore :27.05.2013

Notes to the Financial statements**Note no. 1 : Share Capital**

	31.03.2013	31.03.2012
(a) Authorised		
7500000 Equity Shares of Rs. 10/- each	75,000,000	75,000,000
	75,000,000	75,000,000

(b) Issued, Subscribed and Paid-up

6866070 Equity Shares of Rs. 10/- each		
paid up in cash	68,660,700	68,660,700
Less : Calls in arrears	4,605,000	4,605,000
	64,055,700	64,055,700

(c) Reconciliation of no. of shares outstanding as at 31.03.2012 and 31.03.2011

No. of shares at the beginning of the year	6,866,070	6,866,070
Add: Shares issued		-
No. of shares at the end of the year	6,866,070	6,866,070

(d) Shareholders Holding more than 5% Shares

Name of the shareholder	No. of shares held	% of shareholding
Pratap Biotech Pvt. Ltd.	950,000	13.84%
Aditya Fincom Pvt. Ltd.	908,570	13.23%
Roshni Herbal Agro Pvt. Ltd.	880,450	12.82%
Astha Jain	658,000	9.58%
Virendra Jain	626,300	9.12%
Total	4,023,320	58.59%

Note No. 2 : Reserve & Surplus

Capital Subsidy	1,500,000	-
Surplus :		
Balance B/F	5,408,620	3,164,769
Add/Less : Profit(loss) during the year	1,571,869	2,243,852
	8,480,489	5,408,621

Note No. 3 : Long term borrowings**(a) TERM LOANS :**

(A) Term loan - Badnawar Unit	14,869,653	16,705,094
-Dewas Unit	43,999,427	51,247,764
(B) Car Loan	217,846	-
	59,086,926	67,952,858

- Note:1 Term Loan is secured by equitable mortgage of factory land & building, hypothecation of plant & machinery besides personal guarantee of some of the directors and some collateral security.
- 2.Car Loan is secured by way of hypothecation of the vehicle funded and personal guarantee of some of the directors.

(b) UNSECURED LOANS:

Inter Corporate Deposits	75,248,196	40,619,334
Related Parties	745,291	5,014,967
Others	5,525,058	-
	81,518,545	45,634,301
	<hr/>	
Total (a+b)	140,605,471	113,587,159

Note No. 4 : Long Term Provisions

Provisions	184,154	144,692
------------	---------	---------

Note No. 5 : Short term borrowings

Working capital from Bank	76,056,418	43,810,264
	76,056,418	43,810,264

Note : Working capital from Bank is secured by way of Hypothecation of Inventory and Book Debts , 2nd charge on fixed assets besides personal guarantee of some of the directors and some collateral security

Note No. 6 : Trade payables

Sundry Creditors - Goods	58,889,031	24,473,188
- Capital goods	309,483	388,538
- Others	22,236,731	22,611,158
	81,435,245	47,472,884

Note No. 7 : Other Current Liabilities

Current maturities of long term debt	13,400,000	11,100,000
Security Deposits	1,189,799	1,189,799
Credit balance of customers	424,534	211,124
Other Liabilities	3,667,451	1,779,290
Statutory Dues	1,635,174	1,264,281
Excise duty on closing stock	781,059	422,306
Interest accrued but not due	1,278,445	1,280,956
	22,376,462	17,247,756

Note No. 8 : Short term provisions

Income Tax	1,364,035	1,363,740
Less :Advance tax and TDS	(139,039)	(135,081)
	1,224,996	1,228,659
Provision for employee expenses	1,329,444	772,024
Provision for expenses	553,761	237,179
	3,108,201	2,237,862

Note No. 9 : Fixed Assets

Description	Rate of Dep.	Gross Block (At cost)				Depreciation			Net Block	
		As on 01.04.12	Addition	Deletion	As on 31.03.13	Up to 01.04.12	For the year	As on 31.03.13	As on 31.03.13	As on 31.03.12
Land		807,662	-	89,512	718,150	-	-	-	718,150	807,662
Lease hold land		590,874	-	-	590,874	-	-	-	590,874	590,874
Site Development		6,680,714	165,484	-	6,846,198	484,461	228,663	713,124	6,133,074	6,196,253
Factory Build	3.34%	38,479,118	23,376,610	-	61,855,728	5,859,478	1,754,492	7,613,969	54,241,759	32,619,640
Office Premi	1.67%	165,354	-	-	165,354	62,384	2,761	65,145	100,209	102,970
Plant & Mac	4.75%	84,655,503	10,642,512	-	95,298,014	23,662,902	4,378,451	28,041,353	67,256,662	60,992,601
Misc Assets	4.75%	1,252,490	-	-	1,252,490	60,634	59,493	120,127	1,132,363	1,191,856
Electrical Inst	4.75%	3,955,096	8,500	-	3,963,596	190,853	187,651	378,504	3,585,092	3,764,243
Furniture & I	6.33%	4,868,823	190,792	-	5,059,615	1,589,772	320,008	1,909,780	3,149,835	3,279,051
Vehicle	9.50%	1,966,404	1,184,545	-	3,150,949	649,617	188,649	838,266	2,312,683	1,316,787
Computer	16.21%	906,438	222,095	-	1,128,533	785,157	169,225	954,382	174,151	121,281
Total		144,328,476	35,790,539	89,512	180,029,503	33,345,257	7,289,394	40,634,651	139,394,850	110,983,218
Previous Year		141,130,584	3,197,892	-	144,328,476	26,978,351	6,366,907	33,345,258		
Add : Capital Work in progress, Capital Advances & Pre-operative exps.									14,954,070	38,746,092
									154,348,920	149,729,310

Note No. 10 : Non-current Investments**(A) QUOTED :****Equity Shares fully paid up in cash**

80000 Dollex Industries Ltd.		1,820,000	1,820,000
of Rs. 5/- each			
	Current Year	Previous Year	
Qty Nos.	80000	80000	
Face Value Rs.	400000	400000	
Market Value	149600	304000	

(B) UNQUOTED :

10000 Nagarjuna Fertilizer & Chemicals Ltd.		160,000	160,000
of Rs. 10/- each			
	Current Year	Previous Year	
Qty Nos.	10000	10000	
Face Value Rs.	100000	100000	

1,980,000	1,980,000
------------------	------------------

Note No. 11 : Inventories

Raw Materials	102,192,802	55,269,971
Work in progress	25,283,629	10,984,109
Finished goods	42,250,386	32,493,307
Goods in Transit	6,151,444	2,045,036
Packing Material	1,335,892	1,918,396
Stores, Tools, Jigs & Spares	1,297,000	490,000
Scrap	27,700	590,215
Excise duty on Closing Stock	781,059	423,056
	179,319,912	104,214,090

Note No. 12 : Trade receivables

(Unsecured, Considered good)

Subsidy :

Outstanding for a period exceeding six months	2,774,718	2,774,719
---	-----------	-----------

Other Debts :

Outstanding for a period exceeding six months	2,241,612	1,200,175
Others	31,053,080	12,175,846
	36,069,410	16,150,739

Note No. 13 : Cash and cash equivalents

Cash in hand	328,259	339,457
Balance with Banks :		
(i) On current accounts	102,102	319,849
(ii) On Deposit accounts	21,564,859	11,304,261
(iii) Interest Accured on FDR	1,918,049	904,722

23,913,270	12,868,289
------------	------------

(Part of the Fixed Deposits are pledged as security in favour of bank/ institutions/ and/or Govt. dept.)

Note No. 14 : Short term loans and advances

(Unsecured, considered good)

Advances (Recoverable in cash or kind or for value to be received)	2,076,702	2,163,548
	4,484,398	3,623,191
Advance to Suppliers	189,323	136,185
Security Deposits	269,024	163,115
Prepaid Expenses	467,774	3,964,201
VAT	2,382,571	4,918,468
Cenvat Credit	-	380
TCS	9,869,793	14,969,088

Note No. 15 : Revenue from operations

Sales of Mfg. Goods	456,285,444	426,598,922
Sale of scrap	736,720	207,100
Job Work	140,012	1,382,857
	457,162,176	428,188,879

Note No. 16 : Other Income

Interest	1,315,694	734,199
Dividend	22,500	10,000
Profit on Sale of Assets	55,657	-
Miscellaneous income	252,544	54,066
	1,646,395	798,265

Note No. 17 : Cost of materials consumed

(A) Raw materials consumption

Opening Stock	55,269,971	41,257,376
Add : Purchases	399,087,185	289,954,783
	454,357,156	331,212,159
Less : Closing Stock	(A) 108,344,246	55,269,971
	346,012,910	275,942,188

(B) Packing Material

Opening Stock	1,918,396	2,159,278
Add : Purchases	8,600,067	10,329,772
	10,518,463	12,489,050
Less : Closing Stock	(B) 1,335,892	1,918,396
	9,182,572	10,570,655

	Total	(A)+(B)	355,195,482	286,512,843
<u>Note No. 18 : Changes in inventories</u>				
Opening Stock :				
Finished Goods			32,494,057	31,195,042
Work In Progress			10,984,110	36,784,601
Scrap			590,215	55,725
			44,068,382	68,035,368
Closing Stock :				
Finished Goods			42,250,386	32,494,057
Excise duty on closing stock				-
Work In Progress			25,283,629	10,984,110
Scrap			27,700	590,215
			67,561,716	44,068,382
(Increase)/ Decrease			(23,493,334)	23,966,986
<u>Note No. 19 : Employee benefits expenses</u>				
Salary, Wages, Bonus & Allowances			23,869,441	16,026,693
Contribution to welfare funds			95,437	102,860
Staff & Labour welfare & Hospitality			468,655	261,479
Bonus & Leave Encashment			272,297	251,311
Balance of Gratuity			6,576	19,730
			24,712,406	16,662,073
<u>Note No. 20 : Finance Cost</u>				
<u>Interest :</u>				
Bank			7,731,268	3,639,983
Institutions			8,924,031	10,338,221
Other borrowing cost			14,752,712	16,372,522
Bank Charges			753,366	454,595
			32,161,377	30,805,321
<u>Note No. 21 : Other Expenses</u>				
(a) Manufacturing Exp.				
Consumption of stores			2,491,044	3,173,929
Power & Fuel			15,950,565	12,443,656
Insurance charges			273,008	202,639
Repair to Building			987,400	478,319
Repair to Plant & Machinery			2,517,518	5,389,686
Packing Material			107,380	60,915
Job Work Charges			238,743	278,900
Water Charges			678,356	722,050
Printing & Processing Charges			2,570,327	1,519,919
Other Factory Expenses			520,509	264,629
Entry tax				
			2,620,871	3,218,127

(b) Office & Administrative exp.

Printing & Stationery	200,846	125,331
Postage & Telegram	89,211	60,558
Telephone	307,819	262,472
Rent	900,000	900,000
Vehicle Repairs & Maintenance	449,851	303,221
Conveyance	164,715	190,564
Legal & Professional Charges	928,022	714,031
Listing fees	22,472	22,472
Rates & Taxes	13,521	186,420
Electricity Expenses	93,757	87,999
Travelling to Others	1,127,131	962,019
Computer Charges	23,308	40,783
Security Charges	1,480,595	1,261,142
Repairs to Others	183,893	59,284
Membership & Subscription	45,844	21,280
Donation	14,100	15,000
Misc. Expenses	506,732	434,825

(c) Selling & Distribution expenses

Packing, forwarding & freight	14,646,525	20,057,013
Advertisements	57,364	240,903
Warehouse Charges	1,389,663	1,087,910
Excise Duty & cess	2,274,430	1,582,081
Business Promotion expenses	730,043	257,747
Commission	238,900	-
Other Selling expenses	17,000	-

(d) Other Expenses

Auditors' Remuneration :

Audit	170,000	100,000
Tax Audit	20,000	25,000
Other services	10,000	200,000
Out of pocket expenses	15,000	10,100
Cost Audit fee	60,000	-
Directors' remuneration	900,000	900,000
Directors' Other Expenses :		
Travelling & Other Expenses	393,623	225,580

56,430,085	58,086,504
-------------------	-------------------

Prior period Exps.

111,878

111,878

Note No. 23 : Tax Expense

(a) Current tax :

Provision for Income tax

1,364,035

1,363,740

Earlier year taxes

(118,986)

-

(b) Deferred Tax :

3,696,245

2,867,040

4,941,294**4,230,780**

NOTES TO ACCOUNTS:**1 Accounting Standard 1: Disclosure of Significant Accounting Policies**

The financial statements are prepared under historical cost convention, on accrual basis, in accordance with the generally accepted accounting principles in India, the accounting standards issued by the Institute of Chartered Accountants of India and the provisions of the Companies Act, 1956.

2. Accounting Standard 2 – Valuation of Inventory

Raw Material – At cost

Work in Process – At prime cost

Finished Goods – At lower of cost of production or net realizable Value

Scrap - At realizable value

Stores, spares, tools, jigs & packing material - At cost

3. Accounting Standard 4 – Contingencies and Events occurring after Balance Sheet date

No such events have occurred.

4. Accounting Standard 5 – Net Profit or Loss for the period, prior period items and changes in accounting policies :

Such items have been earmarked separately.

5. Accounting Standard 6 – Depreciation

Fixed Assets are depreciated on Straight line Value Method. Depreciation is provided for at the rates specified in Schedule – XIV to the Companies Act, 1956.

Depreciation is provided on pro-rata basis from the date of addition.

6. Accounting Standard 7 – Accounting for Construction Contracts

The company has not entered into any construction contracts.

7. Accounting Standard 9 – Revenue Recognition:

Sale of goods is recognized on dispatch to customers and it is net of discount.

Dividend income is accounted for on receipt.

Interest income is recognized on a time proportion basis.

8. Accounting Standard 10 – Accounting for Fixed Assets

Fixed Assets are stated at cost of acquisition, less accumulated depreciation. Cost includes all expenses related to acquisition and installation of the concerned assets.

9. Accounting Standard 11 – Accounting for effects of change in Foreign Exchange

Transactions in foreign currency are recorded at exchange rates prevailing on the date of the transaction. Assets and Liabilities related to foreign currency transactions, remaining unsettled at the year end, are stated at the contracted rates, when covered under forward exchange contracts and at year end rates in other cases. The premium payable on forward foreign exchange contracts is amortized over the period of contract. Exchange gains /losses are recognized in the profit and loss account except for exchange differences relating to fixed assets, which are adjusted in the cost of assets.

	<u>2013</u>	<u>2012</u>
Earning in foreign currency	NIL	NIL
Expenditure in foreign currency	NIL	NIL

10 Accounting Standard 12 – Accounting for Government Grants

The company has received Government grants during the year. Capital subsidy is forming part of reserve & surplus while interest subsidy has been net off from interest paid.

11 Accounting Standard 13 – Accounting for Investments

Investments are classified into current and long-term investments. Long-term investments are carried at cost. Current

investments are stated at lower of cost and net realizable value.

- 12 Accounting Standard 14– Accounting for Amalgamations
The company has not undergone any amalgamation.
- 13 Accounting Standard 15 – Accounting for Retirement Benefits
As per the Company’s policy, provision for gratuity payable on retirement is done at the end of year and the payment is made accordingly.
- 14 Accounting Standard 16 – Borrowing Cost
15. Accounting Standard 17 – Segment Reporting
Segment-wise information as per accounting standard 17 issued by the ICAI stand as under:

REVENUE	SSP	HDPE	Unallocated	Total
External Sales/ Revenue	294817982	162344194		457162176
Other Income	1282219	364176		1646395
Total Revenue	296100201	162708370		458808571
EXPENDITURE				
Consumption of Material	221192057	134003425		355195482
Expenditure	51118470	30024020		81142491
Depreciation	3445398	3843996		7289394
(Increase)/ Decrease in Stock	(21123645)	(2369689)		(23493334)
Segment results before Interest & Tax	41467921	(2793382)		38674539
Add/(Less): Interest	(21121454)	(11039923)		(32161377)
Profit before Tax and prior period item	20346468	(13833305)		6513163
Add : Prior period items	-	-		0
Less: Taxes	4941294	-		4941294
Net Profit	15405174	(13833305)		1571869
SEGMENT ASSETS	253743501	152734122	1820000	408297624
SEGMENTS LIABILITIES	230054354	91509622		321563976

16. **Related parties disclosure as per Accounting Standard 18 is given hereunder:**

a) Related Parties

Directors	Relatives	Other associates
Mr. Virendra Jain	Mast. Kovid Jain (Son)	Virendra Jain (HUF)
Smt. Astha Jain		

b) Related Party transaction (Rs. in lacs)

<u>Nature of Transaction</u>	<u>Directors</u>	<u>Relative</u>	<u>Other related parties</u>
Managerial			
Remuneration	9.00	--	--
Expenses	3.94	--	--
Rent	4.50	4.50	--
Interest on loan	2.41	--	0.02
Loan taken	84.00	--	2.75

17 **Accounting Standard 19 – Leases**

The Company has not entered into any agreement in the nature of Lease/leave and license.

1 **Accounting Standard 20 – Earning per shares**

8

	<u>2012 –13</u>	<u>2011 –12</u>
Weighted average number of shares at the beginning and end of the year	67,12,570	67,12,570
Net Profit after tax available for equity shares holders	15,71,869	22,43,852
Basic and diluted earning per shares	0.23	0.33

19 **Accounting Standard 22 – Taxes on Income**

Current tax is determined as the amount of tax payable in respect of taxable income for the year. The deferred tax for timing difference between the book and tax profit for the year is accounted using tax rates and tax laws that have been enacted or substantially enacted at the Balance Sheet date. Deferred Tax assets arising from the timing difference are recognized to the extent that there is reasonable certainty that sufficient future taxable income will be available.

20 **Accounting Standard 26 – Intangible Assets**

The company owned intangible assets in the form of trademark. These are amortized equally over a period of five years commencing from the year 2006-07 and are written off entirely.

21 **Accounting Standard 29 – Provisions, Contingent Liabilities & Contingent Assets**

(Rs. in lacs)

<u>Contingent Liabilities</u>	<u>2013</u>	<u>2012</u>
Bank guarantee	42.56	20.09
Cases in appeal	20.71	6.50
Letter of Credit	51.21	-
Cess on royalty	6.00	-
Contingent liabilities are generally not provided for in the books of account and Contingent assets are not recognised.		

22 **Capital Commitment**

	<u>2013</u>	<u>2012</u>
Estimated amount of contracts remaining to be executed on Capital Account and not provided for	132.72	4.21

23. License Capacity, Installed Capacity and production. (In M.T.)

	Licensed Capacity	Installed Capacity	Production	
			2013	2012
Single Super Phosphate (SSP)			37276	39274
As per DIC	1,20,000	66,000		
(Previous year)	(33,000)	(33,000)		
As per PDIL	65,000			
Woven sack/ Fabric	3,000	2,310	1425.45	877.97

24 Opening Stock, Closing Stock & Sales (Goods Manufactured)

Class of Goods	Opening Stock		Closing Stock		Sales	
	Qty	Value	Qty	Value	Qty	Value
	Quantity – In M.T. Value - Rs. In Lacs					
SSP	5721 (11330)	290.70 (311.95)	7654 (5721)	391.98 (290.70)	35343 (44883)	2946.56 (3558.92)
Woven Sack/Fabric	131.81 (55.74)	138.82 (41.20)	29.05 (131.81)	30.53 (138.82)	1528.21 (801.90)	1616.30 (707.06)

25 Raw Material Consumed:

	2013		2012	
	MTS	Value	MTS	Value
Rock Phosphate	20799.04	1730.21	21515	1561.30
Spent & Sulphuric Acid	13379.40	389.89	14122	524.03
PP, HDPE & Others	1520.55	1340.03	862	674.11

Notes to Quantitative Details❖ Sale is inclusive of shortage if any

26. In the opinion of the Board current assets, loans & advances have value of realization in the ordinary course of business at least equal to the amount of which they are stated and that provision for known liabilities is adequate and not in excess of the amount reasonably necessary.

27. (A) In The HDPE division of the company is exempted from entry tax vide letter no. 1049 dated 19/03/2012 for the period 24/02/2011 to 23/02/2016. Accordingly entry tax has not been levied/ provided for.
- (B) The material in transit to the tune of 5333.18 MTs worth Rs. 399.24 lacs as on 31.03.2012 has been arrived during the year. Further material to the tune of 1177.14 MTs worth Rs. 61.51 lacs is transit as on 31.03.2013.
28. The company has been sanctioned a loan of Rs. 5 crores from financial institution for the purpose of envisaged project of GSSP and zinc sulphate at its Badnawar site. The project is under implementation and part release has been availed.
29. Name of Small Scale Industrial undertakings to whom the company owes any sum together with interest outstanding for more than 30 days :-
- Distinct Polymers
 - Deep Plast Industries
30. Previous year figures have been regrouped and rearranged wherever considered necessary.

For P.K. Shishodiya & Co.
Chartered Accountants

P.K. Shishodiya
Proprietor
Mem. No. 036015
FR No. 03233C
Indore : 27.05.2013

CASH FLOW STATEMENT

(Amount in Rupees)

Particulars	Year Ended 31/03/13	Year Ended 31/03/12
A. Cash flow from operating activities		
Net profit before tax & extraordinary items	6,513,163	6,586,510
Adjustment for :		
Depreciation	7,289,394	6,366,907
(Profit)/loss on sale of Fixed Assets	(55,657)	-
Interest paid	31,408,010	30,350,725
Less : Interest, Rent & Other Income	(1,315,694)	(798,265)
Operating profit before working capital changes	43,839,216	42,505,876
Adjustment for :		
Trade and Other Receivables	(14,819,376)	(12,139,816)
Inventories	(75,105,822)	7,539,212
Trade Payables	40,000,868	(56,302,594)
Cash generated from operations	(6,085,114)	(18,397,322)
Income Tax paid	(1,364,035)	(1,363,740)
Cash flow before extraordinary items	(7,449,149)	(19,761,062)
Extraordinary items	118,986	(111,879)
Net cash from operating activities	(7,330,163)	(19,872,941)
B. Cash flow from investment activities		
Sale of Land	145,169	-
Purchase of Fixed Assets	(35,790,539)	(3,197,894)
Capital WIP, Cap. Adv. & Pre-op. Exps.	23,792,022	(7,873,757)
Interest received	1,315,694	734,199
Loan to others	(443,659)	64,066
Net cash from investment activities	(10,981,313)	(10,273,385)
C. Cash flow from financing activities		
Proceeds from Share Capital	-	4,290,000
Proceeds from borrowings	32,246,154	60,440,435
Repayment of borrowings	27,018,312	
Capital receipts	1,500,000	
Interest paid	(31,408,010)	(30,350,726)
Net cash from financing activities	29,356,456	34,379,709
Net increase in cash and cash equivalents	11,044,981	4,233,383
Cash and cash equivalents opening balance		
Cash & Bank balance	12,868,289	8,634,906
Cash & Bank balance	23,913,270	12,868,289

We have checked the above cash flow statement of Indra Industries Limited, the books and records maintained in the ordinary course of business and found the same to be in accordance therewith

For P.K. Shishodiya & Co.
Chartered Accountants

P.K. Shishodiya
Proprietor
Mem. No. 036015
FR No. 03233C
Indore : 27.05.2013

For & on behalf of Board of
Indra Industries Limited
Virendra Jain
Managing Director

Smt. Astha Jain
Director

Registered Office: 406, Airen Heights, Scheme No.54, A.B. Road, Indore M.P.

ATTENDANCE SLIP

Shareholders attending the meeting in person or by Proxy are requested to complete the attendance slip and hand it over at the entrance of the meeting hall.

I hereby record my presence at the 29th Annual General Meeting of the Company at 406, Airen Heights, Scheme No. 54 , A.B. Road, Indore-10 (M.P.), on Monday the 30th Day of September 2013 at 2.00 P.M.....

Full name of the Shareholder/ Proxy Signature
(in Capitals)

Folio No.....

.....
Full name of the Shareholder / Proxy
(in capitals)

.....
Signature

Registered Office: 406, Airen Heights, Scheme No. 54, A.B. Road, Indore M.P.

PROXY FORM

I/We.....Of.....
.....in district
of.....

Being a member/ members of the above-named Company, hereby appoint

.....
.....of

or failing him.....

.....of as my/our proxy to vote for
me/us..... On my / our behalf at the 29th Annual General
Meeting of the Company, to be held on Monday the 30th day of September, 2013 and at any
adjournment thereof.

Signed this.....

**Please
Affix
1Rupee
Revenue
Stamp**

.....day of2013.

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