

BOARD OF DIRECTORS	Jagdish Jani, Ankur Shah Devendra S Shah Vimal Kumar Raval	Chairman Managing Director. Ind. Director Ind. Director
REGISTERED OFFICE	B-7/404, NATRAJ TOWNSHIP PART-II, PARSURAM NAGAR SOC. RD., SAYAJIGUNJ, VADODARA – 390005	
R & T AGENT	Purva Sharegistry (India) P. Ltd 9, Shiv Shakti Indl. Estate J. R Boricha Marg, Opp. Kasturba Hospital, Lower Parel (E) Mumbai – 400 011	
BANKERS	AXIS BANK LTD	
AUDITORS	Dinesh S. Bang & Co Chartered Accountants Mumbai	
BOOK CLOSURE	02-09-2013 TO 06-09-2013 (BOTH DAYS INCLUSIVE)	
AGM DATE	Friday,06-09-2013 at 11.00 A. M	
AGM VENUE	Registered office of the Company	

NOTICE

Notice is hereby given that the 19th Annual General Meeting of the Members of the Company will be held on Friday, 06th September, 2013 at 11.00 A.M. at the Registered office of the Company at B-7/404, Natraj Township Part-II, Parsuram Nagar society Road, Sayajigunj, Vadodara, Gujarat-390005 to consider and transact the following business :

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Profit and Loss account for the year ended 31st March, 2013 and the Balance Sheet as on that date, along with the Director's Report and Auditor's Report thereon.
2. To appoint a Director in place of Jagdish Jani, who retires by rotation, but being eligible offers himself for re-appointment.
3. To appoint auditors of the company to hold office from conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting.

SPECIAL BUSINESS

4. To consider and if thought fit, to pass the following resolution with or without modification(s), as an ordinary resolution.

“Resolved that Mr. Vimal Kumar Raval who was appointed as an Additional Director of the Company on 21/06/2013 pursuant to the provisions of Section 260 of the Companies Act, 1956 and who holds such office up to the date of ensuing Annual General Meeting of the Company and in respect of whom the company has received a notice in writing from a member under section 257 of the companies Act, 1956 proposing his candidature for the office of Director, be and is hereby appointed as Director of the Company liable to retire by rotation.”

By the Order of the Board of Directors

Place : Baroda
Dated : 01/08/2013

Sd/-

Jagdish Jani
Chairman

NOTES :

- (a) **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER.** Proxies, in order to be effective, must be received at the Registered Office of the company not less than 48 hours before the commencement of the meeting.
- (b) The Companies (Amendment) Act, 1999 extended nomination facility to individuals holding shares in companies. Shareholders, in particular whose holding is in single name, are requested to avail of the above facility by furnishing to the Company, the particulars of their nomination. They may please write to the company for obtaining the prescribed nomination form.
- (c) The Registered of Members and share transfer books of the company will remain close from 02-09-2013 to 06-09-2013 (both days inclusive).

- (c) Members are requested to notify the change in the address immediately.
- (d) Members are requested to bring their copies of the Annual Report to the Meeting.

Shareholders seeking information on accounts published herein are kindly requested to furnish their queries to the company at its Registered office at least 10 days before the date of the Meeting.

EXPLANATORY STATEMENT UNDER SECTION 173(2) OF THE COMPANIES ACT, 1956

Item no. 4

Mr.Vimal Kumar Raval, was appointed by the Board of Director of the Company as an Additional Director w.e.f from 21/06/2013 pursuant to the relevant provisions of the Companies Act, 1956 and under the Articles of the Article of Association of the company and he holds such office only upto the date of this Annual General Meeting. Particulars about his are given in para 2 of the Corporate Governance Report. A notice in writing has been received under Section 257 of the Companies Act, 1956 along with a deposit of Rs.500/- from a member signifying his intention to propose his appointment as Director of the Company liable to retire by rotation. Your Board of Directors are of the opinion that with the appointment, the company will be benefited a lot and hence commends the resolution for approval.

None of the Director of the company is concerned or interested in the resolution except Vimal Kumar Raval himself.

Place : Baroda
Dated : 01/08/2013

By the Order of the Board of Directors
Sd/-
Jagdish Jani
Chairman

DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in placing before you the 19TH Annual Report and Audited Accounts for the financial year ended on 31st March, 2013.

FINANCIAL HIGHLIGHTS

The summarised financial results are as under :

Amnts.in Rupees

Particulars	2012-13	2011-12
Turnover	8846780.00	99,342,604.00
Expenditure	9129311.00	99,295,711.00
Profit/ Loss Before Tax	(282531)	46,893.00
Profit / Loss After Tax	(282531)	46,893.00

DIVIDEND

Your Director's regret their inability to recommend any dividend.

REVIEW OF OPERATIONS

The Company stopped manufacturing activity since last so many year after disposing off the properties and trying to approach new areas of working. The company is actively in the market of cotton and textiles and is an active supplier of cotton in the open market. However due to turnover of the Company reduced by around 33% year to year on basis. Company is trying to retain its market with best quality of product and with better trade policies.

DEPOSITS

The Company has not accepted any deposits within the meaning of the provisions of Section 58-A of the Companies Act, 1956.

DIRECTORS

Jagdish Jani, Director of the Company will retire by rotation at the forthcoming Annual General Meeting and being eligible offers himself for the reappointment. During the year Kirit Shah, Sanjay Savani and Anish Shah resigned and in their places Devendra S Shah and Vimal Kumar S. Raval have been inducted.

AUDITORS

During the year under review, M/s L.N.Patel & Co., Ahmedabad, Chartered Accountants have shown their inability to continue to be the auditors of the company and tendered the resignation before the board of directors. The Board considered the same and approached new auditor firm M/s Dinesh S. Bang & Co., Chartered Accountants, Mumbai and they gave their consent to become the statutory auditors of the company for the F.Y. 12-13. The Board considered the same in their meeting held on 18/10/2012 and fixed an EGM to be convened on 29/12/2012 for seeking consent of shareholders due to change in auditors.

M/s Dinesh S. Bang & Co, Chartered Accountants, Mumbai, the Statutory Auditors of the Company retire at the forthcoming Annual General Meeting and being eligible offers himself for re-appointment.

The notes referred to by Auditors in the report are self explanatory and hence do not require any explanation.

PERSONNEL

The Employee relation remained cordial throughout the year. Your Directors wish to place on record their appreciation of the committed service rendered by all the staff members of the Company.

There are no employees whose particulars are required to be shown in terms of provisions of section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules 1975 as amended.

Information pursuant to Section 217(1)(e) of the Companies Act, 1956.

A. Conservation of Energy

In house study was made for identifying areas for optimum utilisation of power and fuel. No additional investment has been made or proposed to for reduction of consumption of energy.

B. Research, Development and Technology Absorption

The company did not carry any activity of Research and Development (R & D) programme and also no effort has been made towards technology absorption, adaptation and innovation.

C. Foreign Exchange Earning & Outgo

The Company did not have any Foreign Exchange earning / Outgo during the year under review.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to provisions of section 217 (2AA) of the Companies Act, 1956, the Board of Directors hereby state and confirm that:

- i) In the preparation of the Annual Accounts, the applicable accounting standards had been followed alongwith proper explanation relating to material departures.
- ii) The Directors had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the Company at the end of the financial year and of the profit of the Company for that period.

- iii) The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv) The Directors had prepared the annual accounts on a going concern basis

ACKNOWLEDGEMENTS

The Board of Directors convey their sincere appreciation and gratitude to their Employees, Bankers, Shareholders, Customers and various agencies for their continued support and co-operation to the company.

For and on behalf of the Board

SD/-
Jagdish Jani
Chairman

Place : Baroda
Dated : 01/08/2013

MANAGEMENT DISCUSSION AND ANALYSIS REPORT
(Within the limits set by the Company's competitive position)

- (i) **Industry structure and developments**
The Company's business was related to ginning and pressing of cotton and cotton bales. Presently the company is engaged in the business of trading in cotton.
- (ii) **Opportunities and Threats**
Opportunities:
Growing demand of the company's business in the domestic market
Threats:
Rapid fluctuations in the market
Squeeze on Margins due to competition
Frequent changes in Government policies
- (iii) **Segment Wise- Product wise performance**
The company is engaged in a single product only.
- (iv) **Outlook**
The outlook of the industry is positive given the size of the opportunity. Due to unforeseen circumstances the company could not function to its fullest potential during the previous year and the year under review. However, the company is in the process of restructuring and streamlining the company and is confident of improving the performance in near future.
- (v) **Risk and Concerns** : See " Threats above"
- (vi) **Internal Control systems and its adequacy**
The company has internal control systems, the adequacy of which has been reported by its auditors in their report as required under the Companies (Auditor's Report) Order 2003.
- (vii) **Discussion on financial performance of the Company with respect to operational performance.**
Trading in cotton is actively carrying on the Company during the reporting year also and better results than the previous years is therein the pipeline.
The company did not do well due to first year of its diversified activity in the field of F & O segment trading still company is confident to repose the satisfactory performance in the coming years.
- (vii) **Material developments in Human resources / industrial Relations front , including number of people employed**
There has been no material development on the Human Resource/ Industrial Relations front during the year. Relations between the management and the staff continued to remain cordial.
- (Viii) **Cautionary Statement**
This report contains forward- looking statements based on the perceptions of the Company and the data and information available with the company. The company does not and can not guarantee the accuracy of various assumptions underlying such statements and they reflect Company's current views of the future events and are subject to risks and uncertainties. Many factors like change in general economic conditions, amongst others, could cause actual results to be materially different. The Company does not assume any obligation for such variations.

Place : Baroda
Dated : 01/08/2013

By the Order of the Board of Directors
Sd/-
Jagdish Jani
Chairman

CORPORATE GOVERNANCE REPORT**1. Company's Philosophy on Code of Corporate Governance**

The company believes in good Corporate Governance to protect the shareholder values. The management of the company recognizes the growing role of the sound process of Corporate Governance in protection of shareholders value. The company, inspite of low key operation of the company, has strived to comply with the corporate governance requirements to the extent and level possible.

2. BOARD OF DIRECTORS

The company's Board of Directors comprise of following :

Name of Directors	Category	No of Board Meetings Attended*	Attendance at last AGM Held on 28-09-12	Directorship of other Companies
Jagdish Jani	Non-Exe. Chairman	8	Yes	7
Ankur Shah	M.D.	8	Yes	4
Devendra S Shah	Non-Exe Ind.Director	5	No	7
Vimal Raval	Non-Exe. Ind. Director	-	No	5

During the financial year 2012-13, 8 Board Meetings were held on, 15/05/2012, 14/08/2012, 31/08/2012, 18/10/2012, 12/11/2012, 01/12/2012, 17/01/2013 & 13/02/2013.

3. AUDIT COMMITTEE**Composition and terms of reference:**

The Audit Committee currently comprises three members, who are directors on the board. The terms of reference of this committee are very wide. Besides having access to all the required information from within the company, the committee can obtain external professional advice whenever required. The committee acts as a link between the Statutory Auditors and the Board of Directors of the Company. It is authorized to select and establish accounting policies, review reports of the Statutory Auditors and meet with them to discuss their findings, suggestions, and other related matters.

The committee has full access to the financial data and to the members of the company's staff. The committee reviews the annual and half yearly financial statements before they are submitted to the Board. The primary functions of the audit committee are :

Approval of the minutes of the previous meetings.

Review of the matters arising from the previous meetings.

Reviewing the reports from the management on significant control issues.

Implementing various audit recommendations.

The Composition of the Audit Committee.

During the financial year ended 31.03.2013, 5 Audit Committee Meetings were held. The attendance at the Audit Committee Meetings is as under:

Audit Committee Members	Category	No. of Meetings attended
Devendra Kumar S Shah Non-Exe. Ind. Director *	Chairman	2
Vimal S Raval Non.Exe. Ind. Director **	Member	-
Ankur Shah, M.D.	Member	5

* **APPOINTED ON 18/10/2012** ** **APPOINTED ON 21/06/2013**

4. REMUNERATION COMMITTEE :

Remuneration Committee comprises of Ankur Shah, M.D. and Chairman of this committee, Jagdish Jani, Director, Vimal Raval, Director – both are members of this committee. There are only 2 meetings of this committee during the year since it is non-mandatory requirement as per Listing Agreement.

5. SHAREHOLDERS / INVESTORS GRIEVANCES & SHARE TRANSFER COMMITTEE

The Board constituted a Shareholders'/ Investors' Grievance & Share Transfer Committee. Consisting of 3 Directors viz. Ankur Shah as Chairman, Devendra Shah as member and Jagdish Jani as member. The committee met 4 times during the period under review.

6. GENERAL BODY MEETINGS

Location and the time where the last three Annual General meeting were held are given below:

Year	Date	Location	Time
2009-10	30-09-2010	At the Regd. Office	11.00 A.M.
2010-11	30-09-2011	At the Regd. Office	11.00 A.M.
2011-12	28-09-2012	At the Regd. Office	11.00 A.M.

No special Resolution were passed by postal ballot during the year under Review.

An EGM on 29/12/2012 was held due to change in auditors of the company.

7. DISCLOSURES

There were no transactions of material nature between the company and its directors or management and their relatives or promoters that may have potential conflict with the interests of the company.

8. GENERAL SHAREHOLDER INFORMATION

Annual General Meeting - the 06th Sept., 2013 at 11.00 a.m. the Registered Office of the Company.

(ii) **Financial Calendar (tentative)**

Financial reporting of the quarter ended June.30	End July
Financial reporting of the quarter ended Sept.30	End October
Financial reporting of the quarter ended Dec.31	End January
Financial reporting of the quarter ended Mar.31	End April

(iii) **Date of Book Closure:** 02-09-2013 to 06-09-2013 (both days inclusive)

[iv] **Dividend payment date:** Not applicable

[v] **Listing of Stock Exchanges.**

Ahmedabad Stock Exchange Limited
Bombay Stock Exchange Limited

The Company has paid Listing Fees for the year ended April 2012 to March 2013 to all the three Stock Exchanges listed above.

[vi] **Market Price data**

During the financial year ended on 31-03-2013, the Equity Shares were actively traded at Mumbai Stock Exchange and the opening, closing, high and low prices of respective month from the month of April, 2012 to March, 2013 are available on the website of BSE viz. www.bseindia.com.

(vii) **Share Transfer System**

The Company has appointed Purva Share Registry India Pvt. Ltd., Mumbai as share transfer Agent. All the share physical as well as Demat is being handled by said Registrar.

(viii) **Distribution of Share holding and Shareholding pattern as on 31.03.2013**

Shareholding Pattern		
Category	No. of Shares	%
Promoters /	1581200	0.71
Bodies Corporate	49416566	22.30
Public	170632234	76.99
Total	221630000	100.00

(ix) **Dematerialisation of Shares**

The Company has already offered the dematerialisation facility through Purva Share Registry India Pvt. Ltd., Mumbai to the shareholders during the year. There are no investor's complaints pending. All complaints are cleared within 15 days of the receipt of the complaint.

**CERTIFICATE FROM AUDITOR'S REGARDING COMPLIANCE OF CONDITIONS OF
CORPORATE GOVERNANCE**

To,
**The Shareholder's of ACIL Cotton Industries Limited
Baroda**

We have examined the relevant records pertaining to the compliance of conditions of Corporate Governance by ACIL Cotton Industries Limited ("the Company"), for the year ended 31st March, 2013 as stipulated in clause 49 of the Listing Agreement of the said company with the stock exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of Corporate Governance. Our examination was neither 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 on the basis of our examination described above, the Company has partly complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above mentioned Listing Agreement.

We have to state that no investor grievances are pending for a period exceeding one month against the company as per the records maintained by the Company which were presented to the Investor Grievance Committee.

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

**For Dinesh S. Bang & Co.,
Chartered Accountants**

Sd/-
DINESH BANG
Proprietor
MEM.NO. 039978

MUMBAI
01/08/2013

Auditor's Report

To
The Members of ACIL Cotton Industries Limited, **Baroda**

1. We have audited the attached Balance Sheet of **ACIL Cotton Industries Limited** as at 31st March, 2013 and the related Profit and Loss Account and Cash Flow Statement for the year ended on that date, which we have signed under reference to this report. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.

2. We have conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the Management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

3. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of Section 227 of 'The Companies Act, 1956' of India and on the basis of such checks as we considered appropriate and according to the information and explanations given to us, we set out in the Annexure, a statement on the matters specified in paragraphs 4 and 5 of the said Order to the extent applicable.

4. Further to our comments in the Annexure referred in paragraph (3) above, 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 Accounts as required by law, have been kept by the Company so far as appears from our examination of those Books;
- c) The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this Report are in agreement with the Books of Account;
- d) In our opinion, the Balance Sheet and Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956, to the extent applicable.
- e) On the basis of confirmations received from the Directors of the Company and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31st March, 2013 from being appointed as a Director of the Company in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956 and
- f) Subject to the matters reported above, In our opinion, and to the best of our information and according to the explanations given to us, the said accounts read together with the Notes thereon give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India :
 - i) in the case of Balance Sheet, of the state of the affairs of the Company as at 31st March, 2013,
 - ii) in the case of the Profit and Loss Account, of the LOSS for the year ended on that date.
 - iii) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

**For Dinesh S. Bang & Co.,
Chartered Accountants
Sd/-**

**[DINESH BANG]
PROPRIETOR
MEM NO. 039978**

Place : Mumbai
Dated : 01/08/2013

ANNEXURE TO THE AUDITORS' REPORT

(Referred to in Paragraph (3) of our Report of even date)

- (i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (ii) (a) As explained to us, the stocks of finished and semi-finished goods and raw materials of the Company have been physically verified by the Management at reasonable intervals during the year. In respect of Stock lying with third parties, these have substantially been confirmed by them.
- (b) In our opinion and according to the information and explanations given to us the procedure of physical verification of stocks followed by the Management are reasonable and adequate in relation to Size of the company and nature of its business.
- (c) In our opinion and according to the information and explanations given to us, the company is maintaining proper records of inventory. The discrepancies noticed between the physical stocks as verified by the Management and the Book records were not material having regard to the size of the operations of the company.
- (iii) (a) In our opinion the company has not granted or taken any loans, secured or unsecured to/from companies, firms or other parties covered in the Register maintained under Section 301 of the Companies Act, 1956. Consequently requirement of clauses (iii b), (iii c), (iii d) of paragraph 4 of the order are not applicable.
- (iv) In our opinion and according to information and explanations given to us, during the course of our audit there are adequate internal control procedures commensurate with the size of the Company and the nature of its business for the purchases of inventory, and fixed assets and for the sale of goods. During the course of our audit, we have not observed any continuing failure to correct major weakness in internal controls.
- (v) According to the information and explanations given to us, that no transactions need to be entered into the register maintained under section of 301 of the Companies Act 1956. Consequently requirement of clause (v,b) of paragraph 4 of the Order is not applicable.
- (vi) In our opinion the company has not accepted any deposits from the public, within the meaning of Section 58A and 58AA of the Companies Act, 1956.
- (vii) The company has an internal audit system which in our opinion is commensurate with the size and nature of business.
- (viii) To the best of our knowledge and according to explanations given to us the Central Government has not prescribed maintenance of cost records under Section 209 (1) (d) of the Companies Act, 1956 for any of the products manufactured by the Company.
- (ix) (a) According to information and explanations given to us, The company is regular in depositing with Appropriate Authorities undisputed statutory dues including Provident fund, Sales tax, Excise-duty, cess and other material statutory dues applicable to it. We are informed that employees state insurance act, 1948 is not applicable to the company.
- (b) According to the information and explanations given to us, there were no undisputed amounts payable in respect of dues as referred to (ix)(a) above, which were outstanding as on 31st March, 2013 for a period of more than six months from the date they became payable.

- (c) According to the information and explanations given to us, entire sales tax outstanding amount has been paid by company.
- (x) The company has accumulated losses as at the end of the Financial year 31st March, 2013 although non exceeding its networth and the company has also incurred cash losses at the current financial year, 31st March 2013 as well as in the immediately preceding financial year also.
- (xi) In our opinion and according to the information and explanations given to us, the company has settled and paid all secured loans fully.
- (xii) In our opinion the company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion and according to information and explanation given to us, the company is not a chitfund, nidhi / mutual benefit fund/society therefore the provisions of clause 4(xiii) of the Companies (Auditors Report) Order, 2003 are not applicable to the company.
- (xiv) According to the information and explanations given to us, the company has been dealing or trading in shares, securities, debentures and other investments.
- (xv) In our opinion and according to the information and explanations given to us, the company has not given guarantee for loans taken by others from banks or financial institutions. Accordingly provisions of clause 4 (xv) of the Companies (Auditors Report) Order,2003 are not applicable to the company.
- (xvi) In our opinion and information and explanations given to us, the company had not raised any term loan during the year under review.
- (xvii) In our opinion and according to the information and explanations given to us, and according to Cash flow statement, on an overall examinations of the Balance Sheet of the Company we report that no funds raised on short term basis have been utilized for long term investment and vice-versa.
- (xviii) According to information and explanations given to us, 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.
- (xix) In our opinion and according to information and explanations given to us, the Company has not issued any secured debentures during the period covered by the report. Accordingly, the provisions of clause 4 (xix) of the Companies (Auditors Report) Order, 2003 are not applicable to the company.
- (xx) During the period covered by our audit report, the Company has not raised any money by public issues.
- (xxi) To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the course of our audit.

**For Dinesh S. Bang & Co.,
Chartered Accountants**

Place : Mumbai
Dated : 01/08/2013

**Sd/-
[DINESH BANG]
PROPRIETOR
MEM NO. 039978**

ACIL Cotton Industries Ltd.

Profit and Loss statement for the year ended 31st March, 2013

Particulars	Note No	Figures as at the end of current reporting period	Figures as at the end of previous reporting period
I. Revenue from operations		-	-
II. Other Income	9	88,46,780.00	9,93,42,604.00
III. Total Revenue (I +II)		88,46,780.00	9,93,42,604.00
IV. Expenses:			
Cost of materials consumed		-	-
Purchase of Stock-in-Trade	10	83,34,240.00	9,81,57,571.00
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade		-	-
Employee benefit expense	11	3,32,127.00	3,51,425.00
Financial costs		-	-
Depreciation and amortization expense		-	-
Other expenses	12	4,62,944.15	7,86,715.00
Total Expenses		91,29,311.15	9,92,95,711.00
V. Profit before exceptional and extraordinary items and tax (III-IV)		(2,82,531.15)	46,893.00
VI. Exceptional Items		-	-
VII. Profit before extraordinary items and tax (V - VI)		(2,82,531.15)	46,893.00
VIII. Extraordinary Items		-	-
IX. Profit before tax (VII - VIII)		(2,82,531.15)	46,893.00
X. Tax Expenses:-			
(1) Current tax		-	-
(2) Deferred tax		-	-
XI. Profit(Loss) from the period from continuing operations		(2,82,531.15)	46,893.00
XII. Profit/(Loss) from discontinuing operations		-	-
XIII. Tax expense of discounting operations		-	-
XIV. Profit/(Loss) from Discontinuing operations (XII - XIII)		-	-
XV. Profit/(Loss) for the period (XI + XIV)		(2,82,531.15)	46,893.00
XVI. Earning per equity share:			
(1) Basic		(0.01)	0.00
(2) Diluted		(0.01)	0.00

As per our report of even date attached
For DINESH S. BANG & CO.
CHARTERED ACCOUNTANTS

Sd/-
DINESH BANG
PROPRIETOR
PLACE : MUMBAI

On or behalf of Board
For ACIL Cotton Industries Ltd.

Sd/-
Ankur Shah
(M.D.)

Sd/-
Jagdish Jani
(DIRECTOR)

NOTES TO ACCOUNTS

NOTE NO. 1 SHARE CAPITAL		
PARTICULARS	Amount of current period	Amount of previous period
A) Authorized Capital		
<u>Equity shares</u>		
12,00,00,000 Equity Shares of Rs. 1/- each	-	-
23,00,00,000 Equity Shares of Rs. 1/- each	23,00,00,000.00	23,00,00,000.00
	23,00,00,000.00	23,00,00,000.00
B) Issued, Subscribed and fully paid, or Subscribed but not fully paid shares		
<u>Equity shares</u>		
11,08,15000 Equity Shares of Rs. 1 each fully paid up	-	-
22,16,30,000 Equity Shares of Rs. 1 each fully paid up	22,16,30,000.00	22,16,30,000.00
TOTAL	22,16,30,000.00	22,16,30,000.00

NOTE NO. 2 RESERVES AND SURPLUS		
PARTICULARS	Amount of current period	Amount of previous period
Share Premium	2,74,35,000.00	2,74,35,000.00
TOTAL	2,74,35,000.00	2,74,35,000.00

NOTE NO. 3 OTHER CURRENT LIABILITIES		
PARTICULARS	Amount of current period	Amount of previous period
(A) <u>Other payables</u>	1,13,76,717.00	2,62,06,069.00
<u>Provisions for audit fees</u>	10,000.00	
TOTAL	1,13,86,717.00	2,62,06,069.00

NOTE NO. 4 NON CURRENT INVESTMENTS		
PARTICULARS	Amount of current period	Amount of previous period
(a) Investments	-	-
UNQUOTED	16,28,66,151.00	18,04,42,151.00
QUOTED	5,76,410.00	5,76,410.00
TOTAL	16,34,42,561.00	18,10,18,561.00

NOTE NO. 5 LONG TERM LOANS AND ADVANCES		
PARTICULARS	Amount of current period	Amount of previous period
(a) Advance recoverable in cash or in kind of value to be received (Unsecured, considered good)	5,26,88,416.00	5,01,83,616.00
TOTAL	5,26,88,416.00	5,01,83,616.00

NOTE NO. 6 TRADE RECEIVABLES		
PARTICULARS	Amount of current period	Amount of previous period
(A) Unsecured, unconfirmed considered good		
a) More than six months	3,38,37,802.00	3,37,44,802.00
b) Others	-	-
TOTAL	3,38,37,802.00	3,37,44,802.00

NOTE NO. 7 CASH AND CASH EQUIVALENTS		
PARTICULARS	Amount of current period	Amount of previous period
(a) Fixed Deposits with Accured Interest		
(b) Balance with banks	1,17,748.62	1,73,797.00
(b) Cash on hand	27,50,613.00	28,30,248.00
TOTAL	28,68,361.62	30,04,045.00

NOTE NO. 8 OTHER CURRENT ASSETS		
PARTICULARS	Amount of current period	Amount of previous period
(a) TDS paid		-
Tax Deducted At Source	32,000.00	32,000.00
TDS 2010-11	2,09,475.00	2,09,475.00
TDS 2012-13	12,000.00	-
Miscellaneous Advances	-	-
Saurashtra & Kutch Exchange Deposit	-	-
	2,53,475.00	2,41,475.00

NOTE NO. 9 OTHER INCOME

PARTICULARS	Amount of current period	Amount of previous period
(a) Interest & Other Misc. Income	1,20,000.00	7,65,479.00
(b) Sales	87,26,780.00	9,85,77,125.00
TOTAL	88,46,780.00	9,93,42,604.00

NOTE NO. 10

PARTICULARS	Amount of current period	Amount of previous period
(A) Opening Balance	-	-
(B) Purchases	81,50,700.00	9,79,77,281.00
Less: Closing Balance	-	-
	81,50,700.00	9,79,77,281.00
(a) Power and fuel.	13,540.00	12,290.00
(b) Rent	1,70,000.00	1,68,000.00
(c) Rates and taxes, Excluding, taxes on income	-	-
(d) Share Trading Loss	-	-
TOTAL	83,34,240.00	9,81,57,571.00

NOTE NO. 11 EMPLOYEES BENEFIT EXPENSES

PARTICULARS	Amount of current period	Amount of previous period
(a) Salaries and wages	3,32,127.00	3,51,425.00
(b) Staff Welfare exps	-	-
TOTAL	3,32,127.00	3,51,425.00

NOTE NO. 12 OTHER EXPENSES

PARTICULARS	Amount of current period	Amount of previous period
(a) Audit Fees	10,000.00	10,000.00
(b) Advertisement Exps	21,540.00	22,990.00
(c) Bank Charges & Interest	23,708.15	18,007.00
(d) Consulting exps	75,000.00	1,25,000.00
(e) Computer exps	5,250.00	28,600.00
(f) Custodian charges	1,12,360.00	1,24,639.00
(g) Development exps	-	-
(h) Demat charges	-	-
(i) Donation	-	-
(j) General Exps	-	-
(k) ROC Fees	10,000.00	28,792.00
(l) Listing Fees	67,416.00	1,46,990.00
(m) Legal Exps	50,000.00	1,50,000.00
(n) Office Exps	40,000.00	57,430.00
(o) Professional Fees	20,000.00	21,854.00
(p) Postage & Courier exps	-	-
(q) Printing & Stationery	8,870.00	10,100.00
(s) Share Registration exps	-	23,810.00
(t) Travelling Expenses	11,250.00	10,000.00
(u) Telephone, Internet	7,550.00	8,503.00
TOTAL	4,62,944.15	7,86,715.00

Notes to Accounts

- 1) Pursuant to the Notification No.447 (E) dated February 28,2011 and Notification No.653 (E) dated March 30, 2011, issued by the Ministry of Corporate Affairs, the Company has prepared its financial statements for the year ended March 31, 2013 as per revised schedules VI to the Companies Act, 1956. Accordingly, the previous year's figures have been regrouped / reclassified, wherever required to align the financial statements to the

NOTE NO. 13 ANY ITEM MORE THAN RS.1 LAC OR 1% OF TOTAL REVENUE

(A)	Consulting exps		1,25,000.00
(B)	Custodian charges	1,12,360.00	1,24,639.00
(C)	Listing Fees	67,416.00	1,46,990.00
(D)	Legal Exps		1,50,000.00
	TOTAL	1,79,776.00	5,46,629.00

NOTE NO. 14 PAYMENT TO AUDITOR

(A)	As Auditor	10,000.00	10,000.00
(B)	For Taxation matter		
(C)	For Company Law matters		
(D)	For management services		
(E)	For Other Service		
(F)	For reimbursement of expenses		
	TOTAL	10,000.00	10,000.00

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2013

	Current Year	Prv. Year
	31/03/2013	31/03/2012
Net Profit before interest, Tax and Extraordinary Items	-2,82,531	46892.51
Add : Adjustments for		
Depreciation	0	0
Preliminary Expenses Written off	0	0
Operating Profit before working capital charges	-282531.15	46892.51
Add : Adjustments for Working Capital Changes		
(Increase)/Decrease in Trade receivables, advances	-93,000	-30458000
(Increase)/Decrease in Inventories	0	0
(Increase)/Decrease in Deposits / Advances	-25,16,800	-4830000
(Increase)/Decrease in Trade Payable	-1,48,19,352	16442750
Cash Generated From Operations	-17711683	-18798357.49
Less : Payment of interest and Tax	0	0
Interest on Borrowings	0	0
Direct Taxes Paid	0	0
Cash Flow Before Extraordinary Items	-17711683	-18798357.49
Less : Adjustments for Extra ordinary Items	0	0
Loss on Sale of Fixed Assets	0	0
Net Cash From Operating Activities [Total A]	-17711683	-18798357.49
Cash Flow from Investing Activities:		
Purchase of investment	1,75,76,000	16773849.1
Sale of Investments	0	0
Sale of Fixed Assets	0	0
Net Cash From Investing Activities [Total B]	17576000	16773849.1
Cash Flow From Financing Activities	-135683.15	-2024508.39
Increase in Capital	0	0
Dividend Paid	0	0
Net Cash Generated from Financing Activities [Total C]	-135683	-2024508.39
Net Increase in cash and cash equivalents	-135683	-2024508.39
Cash and Cash Equivalents as at beginning	3004044.87	5028553
Cash and Cash Equivalents as at end	28,68,362	3004044.87
Note : Figures in Brackets represent cash outflows		
As per our report of even date attached	On or behalf of Board	
For DINESH S. BANG & CO.	For ACIL Cotton Industries Ltd.	
CHARTERED ACCOUNTANTS		
Sd/-	Sd/-	Sd/-
DINESH BANG	Ankur Shah	Jagdish Jani
PROPRIETOR	(M.D.)	(DIRECTOR)
PLACE : MUMBAI		
Date :- 01-08-2013		

SIGNIFICANT ACCOUNTING POLICIES**[1] BASIS OF ACCOUNTING:**

The financial statement are prepared under historical cost convention on accrual method of accounting and are in accordance with the requirements of the Companies Act, 1956.

[2] FIXED ASSETS:

Capitalisation at acquisition cost including directly attributable cost such as freight, insurance, and specific installation charges for bringing the assets to its working condition.

Depreciation is provided on the Fixed assets on SLM in the manner specified in schedule XIV of the Co. Act, 1956 for the full year. Depreciation is not provided on the Assets sold during the year.

[3] VALUATION OF INVENTORY:

Stock of Raw Material have been valued at fixed cost.

[4] RECOGNITION OF INCOME AND EXPENDITURE

Revenue/Incomes and Costs/Expenditures are accounted on accrual basis.

[5] CONTINGENT LIABILITY

Contingent liability is provided on the basis demand made upon the Company.

[6] INVESTMENTS

Investments are valued at the acquisition cost and includes brokerage and other expenses on purchase.

[7] DEFERRED TAX

No provision made.

[8] RELATED PARTY DISCLOSURES

As per Accounting Standard 18 as issued by ICAI, there is no transaction of any related party.

NOTES OF ACCOUNTS:

- (1) In the opinion of the management, the provident Fund and ESI Act are not applicable to the terms of employment of any employee of the Company. Hence, no provisions or payment have been made for the same. As no employees of the Company has put in the qualifying period of services for the entitlement of gratuity benefits. No provision has been made for the same.
- (2) In the Opinion of the Board of Directors, Current Assets are realisable.
- (3) No further information pursuant to paragraph 4c and 4d of the part II of Schedule VI of the Companies Act, 1956 is given, as the same is not applicable to the company.
- (4) Balance in respect of debtors, bank, creditors, Loans and Advances including Banks are subject to reconciliation and Confirmation.
- (5) There is no contingent liability in the Company.
- (6) There are no employee drawing remuneration exceeding 12,00,000/- per annum or 1,00,000/- per month as the case may be.
- [7] The company has not made any payment to any related party as required by AS-18 of ICAI.
- [8] The provision of Income Tax has been made considering current profit and any shortfall of earlier years.

[9] Previous year's figures have been regrouped/rearranged whenever necessary so as to confirm to the balance of the current year.

	Current Year	Previous Year
[10] a) Remittance & Expenditure In Foreign Currency	Nil	Nil
b) Earning in Foreign Currency	Nil	Nil
c) Value of Imports on CIF Value	Nil	Nil
[11] Payment to Statutory Auditor :		
As Audit Fees :	Rs 10000/-.	(Prv. Yr. Rs.10000/-)
Income Tax Matter :	Nil	(Prv. Yr. NIL)
Other Matter :	Nil	(Prv. Yr. NIL)

[12] Earning per Share is calculated by dividing profit by no. of shares.

[13] There is no additional information pursuant to para (3) & (4) of part II of schedule VI of the Companies Act, 1956.

[14] The deferred tax liability is not provided as amount pertaining to it nil.

We confirm that the above Balance Sheet has been correctly extracted from the accounts of the Company for the year ended 31st March 2013 audited by us.

As Per Our Attached Report Of Even Date

For Dinesh S. Bang & Co.,
Chartered Accountants

For And On Behalf Of The Board
For ACIL COTTON INDUSTRIES LIMITED

SD/-
DINESH BANG
(Proprietor)

SD/-
ANKUR SHAH
M.D

SD/-
JAGDISH JANI
Director

Place: Mumbai
Date 01/08/2013

AUDITORS CERTIFICATE

We have examined the attached Cash Flow Statement of M/S. ACIL COTTON INDUSTRIES LTD., AHMEDABAD for the year ended on 31-03-2013. The Statement has been prepared by the Company in accordance with the requirement of Listing Agreement Clause 32 with The AHMEDABAD STOCK EXCHANGE and is based on and in agreement with corresponding Profit & Loss Account and Balance Sheet of the Company covered by the Report of 01/08/2013 to the members of the Company.

Dinesh S. Bang & CO.
Chartered Accountants

Date : 01/08/2013
Place: MUMBAI

Sd/-
(Dinesh Bang)
Proprietor
M. SHIP. NO. 039978

ATTENDANCE SLIP

Redg. Office: B-7/404, NATRAJ TOWNSHIP PART-II, PARSURAM NAGAR SOC. RD.,
SAYAJIGUNJ, VADODARA – 390005

PLEASE COMPLETE THIS ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL.

L. F. No. _____

I Hereby record my attendance at the 19th Annual General Meeting held on 06-09-2013, at 11.00 AM. at Regd. Office of the Company.

Signature of the Member

Signature of the Proxy

Name of the Member

Name of the proxy

Redg. Office: B-7/404, NATRAJ TOWNSHIP PART-II, PARSURAM NAGAR SOC. RD.,
SAYAJIGUNJ, VADODARA – 390005

PROXY FORM

I / We _____
Of _____ in the district of _____
Being a member(s) of ACIL Cotton Industries Ltd. hereby appoint _____ Of
_____ in the district of _____ as my/our

Proxy to attend and vote for me/us and my/our behalf at the 19th Annual General Meeting of the Company to be held on 06-09-2013 at 11.00 AM at Regd. Office of the Company and any adjournment thereof.

Signed this _____ day of _____ 2013

Affix Rs. One
Revenue
Stamp here

Note: The proxy form duly completed must be deposited at the Registered Office of the Company not less than 48 hours before the time for holding the meeting. The proxy need not be a member of the Company.