

**19th  
ANNUAL REPORT  
2010 - 2011**



# Nineteenth Annual Report 2010-11

## BOARD OF DIRECTORS

SHRI VIJENDRA KUMAR MITTAL	:	Chairman And Managing Director
SHRI AMAN MITTAL	:	Whole Time Director
SMT. MADHU MITTAL	:	Whole Time Director
SHRI ANSH MITTAL	:	Whole Time Director
SHRI VIRENDRA KUMAR GUPTA	:	Whole Time Director
SHRI ANKUR GARG	:	Independent Non - Executive Director
SHRI HAKIKAT SINGH	:	Independent Non - Executive Director
SHRI OM PRAKASH VERMA	:	Independent Non - Executive Director
SHRI DINESH KAUSHAL	:	Independent Non - Executive Director
SHRI ASHOK KUMAR AGARWAL	:	Independent Non - Executive Director

## AUDITORS

SATISH SINGLA & CO.  
CHARTERED ACCOUNTANTS  
1ST FLOOR, SCO 107, J&K BANK BUILDING  
SECTOR-16, FARIDABAD ( HARYANA)

## COMPLIANCE OFFICER

SHRI VIRENDRA KUMAR GUPTA

## BANKER

STATE BANK OF INDIA, Faridabad  
STATE BANK OF INDIA, Bangluru  
HDFC BANK LTD., Faridabad  
HDFC BANK LTD., Bangluru  
HDFC BANK LTD., Rajkot  
CITI BANK, Faridabad

## REGISTRAR & TRANSFER AGENT

BEETAL FINANCIAL & COMPUTER SERVICES (P) LTD.  
BEETAL HOUSE, 3RD FLOOR, 99, MADANGIR,  
BEHIND LOCAL SHOPPING CENTRE,  
NR. DADA HARSUKHDAS, NEW DELHI-110062

## REGISTERED & CORPORATE OFFICE

35, DLF INDUSTRIAL ESTATE - 1  
FARIDABAD - 121 003 (HARYANA)

## WORKS : PLANT LOCATION

- 35, DLF INDUSTRIAL ESTATE-1, FARIDABAD (HARYANA)
- 83, DLF INDUSTRIAL ESTATE-1, FARIDABAD (HARYANA)
- 45-B, PH-II, PEENYA INDL. AREA, BANGLURU, KARNATAKA
- G-1815, LODHIKA GIDC METODA (RAJKOT)

### AGM-2011

DATE : 31.08.2011  
DAY : Wednesday  
TIME : 3:00 P.M.

### VENUE

RAJASTHAN SEWA SADAN  
D-2/5A, SECTOR-10,  
FARIDABAD, (HARYANA)

## Contents

Notice	:	01
Director's Report	:	13
Corporate Governance Report	:	20
Management Discussions & Analysis Report	:	30
Auditors Report	:	33
Balance Sheet	:	36
Profit & Loss Account	:	37
Schedule to Accounts	:	38
Cash Flow Statement	:	48
Balance Sheet Abstract & Company's General Business Profile	:	49

## NOTICE FOR THE ANNUAL GENERAL MEETING

Notice is hereby given that the Nineteenth Annual General Meeting of the Members of Cenlub Industries Limited will be held at Rajasthan Sewa Sadan D-2/5A, Secor-10 Faridabad (Haryana) on Wednesday the 31st August, 2011 at 3.00 P.M to transact the following business (s):

### Ordinary Business

1. To receive, consider and adopt the audited Balance Sheet as at 31st March 2011 and the Profit and Loss Account for the financial year ended on that date together with the Directors' Report and Auditors' Report thereon.
2. To declare a final Dividend for the Financial Year 2010-2011.
3. To appoint a Director in place of Shri Ankur Garg, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in the place of Shri Hakikat Singh, who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint a Director in the place of Shri Om Prakash Verma, who retires by rotation and being eligible, offers himself for re-appointment.
6. To appoint Auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company, and to fix their remuneration. M/s Satish Singla & Co. Chartered Accountants, the retiring Auditors of the Company, being eligible, offer themselves for reappointment.

### Special Business

7. To consider and if thought fit, to pass with or without modification(s) the following resolution as a **Special Resolution** :  
**Resolved that** in accordance with the applicable provisions of the Companies Act 1956, schedule XIII, any amendment or modification thereof, consent be and is hereby accorded to modification in the terms of remuneration paid or payable to Shri Vijendra Kumar Mittal, the Managing Director of the company with effect from 1st April 2011 as set out in the Explanatory Statement annexed to the Notice convening this meeting, a copy of which had been duly initialed by the Chairman for identification is placed before this meeting.
8. To consider and if thought fit, to pass with or without modification(s) the following resolution as a **Ordinary Resolution** :  
**Resolved that** in accordance with the applicable provisions of the Companies Act 1956, schedule XIII, any amendment or modification thereof, consent be and is hereby accorded to modification in the terms of remuneration paid or payable to Shri Aman Mittal, the Whole Time Director of the company with effect from 1st April 2011 as set out in the Explanatory Statement annexed to the Notice convening this meeting, a copy of which had been duly initialed by the Chairman for identification is placed before this meeting.
9. To consider and if thought fit, to pass with or without modification(s) the following resolution as a **Ordinary Resolution** :  
**Resolved that** in accordance with the applicable provisions of the Companies Act 1956, schedule XIII, any amendment or modification thereof, consent be and is hereby accorded to modification in the terms of remuneration paid or payable to Shri Ansh Mittal, the Whole Time Director of the company with effect from 1st April 2011 as set out in the Explanatory Statement annexed to the Notice convening this meeting, a copy of which had been duly initialed by the Chairman for identification is placed before this meeting.
10. To consider and if thought fit, to pass with or without modification(s) the following resolution as a **Ordinary Resolution** :  
**Resolved that** in accordance with the applicable provisions of the Companies Act 1956, schedule XIII, any amendment or modification thereof, consent be and is hereby accorded to modification in the terms of remuneration paid or payable to Shri Virendra Kumar Gupta, the Whole Time Director of the company with effect from 1st April 2011 as set out in the Explanatory Statement annexed to the Notice convening this meeting, a copy of which had been duly initialed by the Chairman for identification is placed before this meeting.
11. To consider and if thought fit, to pass with or without modification(s) the following resolution as a **Ordinary Resolution** :  
**Resolved that** in accordance with the provisions of Sections 198, 269, 309, 310 and 311 read with Schedule XIII and all other applicable provisions of the Companies Act, 1956, (including any statutory modification(s) or re-enactment thereof for the time being in force) and subject to approval of shareholders in the General Meeting Smt. Madhu Mittal be and is hereby re-appointed as Executive Director for a further period of three years with effect from 1st April 2011, on such terms & conditions as set out in the explanatory statement attached to the Notice convening this Annual General Meeting, with liberty to the Board of Directors ( hereinafter referred to as "the Board" which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers

conferred by this Resolution) to alter and vary the terms and conditions of appointment and / or remuneration, subject to the same not exceeding the limits specified under Schedule XIII to the Companies Act, 1956 or any statutory modification(s) or re-enactment thereof.

Resolved further that the Board of Directors of the Company be and are hereby authorised to take such steps as may be necessary, proper or expedient to give effect to this resolution.

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

**Resolved that** in accordance with the provisions of Sections 198, 269, 309, 310 and 311 read with Schedule XIII and all other applicable provisions of the Companies Act, 1956, (including any statutory modification (s) or re-enactment thereof for the time being in force) and subject to approval of shareholders in the General Meeting Shri Virendra Kumar Gupta be and is hereby re-appointed as Executive Director for a further period of three years with effect from 1st August 2011, on such terms & conditions as set out in the explanatory statement attached to the Notice convening this Annual General Meeting, with liberty to the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers conferred by this Resolution) to alter and vary the terms and conditions of appointment and / or remuneration, subject to the same not exceeding the limits specified under Schedule XIII to the Companies Act, 1956 or any statutory modification(s) or re-enactment thereof.

Resolved further that the Board of Directors of the Company be and are hereby authorised to take such steps as may be necessary, proper or expedient to give effect to this resolution.

13. To Consider and if Thought fit, to pass with or without modification(s) the following resolution as a **Ordinary Resolution:**

**"Resolved that** pursuant to the provision of clause 49 of the listing agreement with the Stock Exchange, the consent of the company be and is hereby accorded for payment of Rs.4000/- (Rs. Four Thousand only) or such other amount may be approved by the Board of Directors subject to the ceiling prescribed under the Companies Act, 1956 or rules framed there under, as amended from time to time, as sitting fees for each meeting of the Board of Directors or committee(s) thereof, attended by the Non-executive Directors of the Company."

14. To Consider and if Thought fit, to pass with or without modification(s) the following resolution as a **Ordinary Resolution:**

**"Resolved That** in pursuance to the provisions of Sections 293(1)(a) & 293(1)(d) and all other applicable provisions of the Companies Act, 1956 and the Memorandum and Article of Association of the Company, consent of the company be accorded to the Board of Directors to borrow moneys from time to time and, if they think fit, for mortgaging or charging the company's undertaking(s) and any property or any part thereof to secure such borrowings, up to a continuous limit for the time being and from time to time remaining undischarged to the extent of Rs. 50,00,00,000/- (Rupees Fifty Crores Only) (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business) even though the moneys to be borrowed together with the moneys already borrowed by the Company may exceed at anytime, the aggregate of the paid-up share capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose.

Resolved Further That for the purpose of giving effect to this resolution, the Board or Committee thereof be and is hereby authorized to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary or desirable and to settle any question, difficulty or doubt that may arise in this regard and to finalise and execute all documents and writings as may be necessary, proper, desirable or expedient."

For Cenlub Industries Limited

Date: 16th July,2011  
Place :Faridabad

Registered Office :  
35, DLF, Industrial Estate-1  
Faridabad-121003(Haryana)

**Vijendra Kumar Mittal**  
Chairman & Managing Director

**NOTES:**

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF. THE PROXY NEED NOT BE A MEMBER OF THE COMPANY . THE PROXIES TO BE EFFECTIVE SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
2. The Register of Members and Share Transfer Books of the Company will be closed from Monday, 22nd August,-2011 to Wednesday, 31st August, 2011 (both days inclusive). In connection with the ensuing Annual General Meetings and for purpose of determining the entitlement of dividend, if any, declared by the Company.
3. Members who hold shares in dematerialized form are requested to bring their DP ID and Client Id numbers for easy identification of attendance at the meeting.
4. Relevant documents referred to in the accompanying Notice are open for inspection by the members at the Registered Office of the Company on all working days between 10 A.M. to 2 P.M. and up to the date of the Meeting.
5. Shri Ankur Garg , Shri Hakikat Singh and Shri Om Prakash Verma, Directors retire by rotation and being eligible offer themselves for re-appointment. The Information pursuant to Corporate Governance clause 49 of the Listing Agreement(s) is furnished in the statement of Corporate Governance and is a part with this Annual Report.
6. The final dividend as recommended by the Board of Directors, if declared at the Annual General Meeting, will be paid at par after 31st August, 2011 to (i) those shareholders whose names appear on the Company's Register of Members after given effect to all valid shares transfer in physical form lodged with the company on or before 20th August,2011(ii) in respect of shares held in electronic form to those beneficiaries whose names appear in the statements of beneficial ownership by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) as at the end of business hours on 20th August,2011.
7. For the convenience of the Members, attendance slip is enclosed elsewhere in the Annual Report. Members/Proxy Holders/Authorized Representatives are requested to fill in and affix their signatures at the space provided therein and surrender the same at the venue of the AGM. Proxy/Authorized Representatives of a member should state on the attendance slip as 'Proxy or Authorized Representative' as the case may be.
8. The Directors' Report, Auditors' Report and Audited Balance Sheet as at 31st March 2011 and the Profit and Loss Account for the financial year ended on that date are enclosed.
9. The Company has designated an exclusive e-mail ID called investors@cenlub.in for redressal of shareholders' / investors' complaints / grievances. In case you have any queries / complaints or grievances, then please write to us at the above e-mail address.
10. Members holding shares in electronic form may please note that the bank account details and 9 digit MICR code of their Bankers, as noted in the records of their depository, shall be used for the purpose of remittance of dividend through Electronic Clearing Service (ECS), or for printing on dividend warrants wherever applicable. Members are therefore requested to update their bank account particulars, change of address and other details with their respective Depository Participants for shares held in demat mode and to the Registrar and Share Transfer Agent for shares held in physical form.
11. In terms of Section 109A of the Companies Act, 1956, nomination facility is available to individual shareholders. Members holding shares in physical form may nominate a person in respect of all the shares held by them whether singly or jointly. Members who hold shares in individual name are advised to avail of the nomination facility by filing Form No. 2BV in their own interest. Bank form can be had from Beetal Financial & Computer Services Pvt. Limited on request. Members holding shares in dematerialized form may contact their respective DP's for registration of nomination.
12. The Copies of the Annual Reports will not be distributed at the Annual General Meeting. Members are requested to bring their copies to the meeting.
13. In case of any query, Members are requested to send the same to the Company atleast 10 days before the date of the meeting so that information can be made available at the meeting
14. Members are requested to note that no GIFT will be distributed at the meeting

By order of the Board  
For **Cenlub Industries Limited**

Date : 16th July,2011  
Place : Faridabad

**Vijendra Kumar Mittal**  
Chairman & Managing Director

**EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956**

The following Explanatory statement sets out all material facts relating to the Special Business as mentioned in the accompanying Notice:

**Item No.7,**

The Remuneration Committee of the Board of Directors of your company at its meeting held on 14th July 2011 recommend, approved, subject to the approval of the Members, modification with effect from 1st April 2011 in the terms of remuneration paid or payable to Shri Vijendra Kumar Mittal, Managing Director of the Company. The gist of terms of the agreement entered by the Company with him are given below herewith

01. That Shri Vijendra Kumar Mittal was appointed as Managing Director of the Company for a period of three years w.e.f. 1st June 2010 duly approved by the shareholders in their Annual General Meeting held on 01st September 2010.
02. That the remuneration of Shri Vijendra Kumar Mittal, Managing Director of Rs. 2,00,000/- per month and perquisites as approved by the share holders in their Annual General Meeting held on 01st September 2010.
03. That the remuneration of Shri Vijendra Kumar Mittal, be increased from the present Salary of Rs. 2,00,000/- to Rs. 2,50,000/- as approved by the remuneration committee of Directors of the company, at their meeting held on 14th July 2011. Further in case of inadequacy of profits or in case of loss incurred by the company the remuneration of Rs. 2,50,000/- per month will be paid as minimum remuneration.
04. That Gratuity payable to Shri Vijendra Kumar Mittal Director of the Company would not exceed half a month of salary for each completed year of his service to the company subject to maximum of Rs. 10,00,000/- as per Gratuity Act 1972.
05. That the other terms and conditions of his appointment as in force shall remain same and shall apply as earlier.

The copy of the agreement entered by the company with Shri Vijendra Kumar Mittal is available for inspection at the Registered Office of the company any day between 10.00 A.M. to 3.00 P.M. till the date of the Annual General Meeting.

Your Directors recommend the resolution for approval of the share holders.

The above variation in terms of remuneration of Shri Vijendra Kumar Mittal, Whole Time Director of the company as mentioned in item no. 7 of the Notice will be treated as an abstract under Section 302 of the Companies Act, 1956.

None of the Directors of the Company except Shri Vijendra Kumar Mittal, Shri Aman Mittal, Shri Ansh Mittal and Mrs. Madhu Mittal, are concerned or interested in the above said resolution.

The Board recommends this Resolution for your approval.

The proposal as set out at Item No. 7 of the notice is placed for consideration and approval.

**Item No.8,**

The members of the Company at the 18th Annual General Meeting held on 1st September 2010 approved the re-appointment of Shri Aman Mittal as Whole Time Director of the Company for a period of three years on the following terms and conditions :-

- (a) Salary : Rupees Seventy Five Thousand per Month.
- (b) Perquisites, Allowance, Benefits, Facilities & Amenities such as Furnished Residential accommodation or House Rent Allowance, Medical Reimbursement, Leave Travel Assistance/Allowance, Membership Fees of clubs Hospitalization and Accidental Insurance and any other perquisites etc., as per the Policy/Rules of the Company provided that the aggregate value of such perquisite shall be allowed in addition to salary.
- (c) He shall also be entitled to (i) Company maintained car with chauffer, (ii) Telephone & Fax at Residence, (iii) Companies contribution to PF (iv) Payment to gratuity and other retirement benefits, and (v) Encashment of leave.

The total remuneration including perquisites shall not exceed the limits as specified in Schedule XIII to the Companies Act, 1956.

The remuneration including the benefits and amenities aforesaid shall nevertheless be paid and allowed as the minimum remuneration for any year in the event of absence or inadequacy of profits for such year.

The remuneration of Shri Aman Mittal, Whole time director of the Company has been recently revised w.e.f. 1st April, 2011. This increase was done taking into consideration the prevailing trends in the financial sector in terms of compensation packages. It is proposed to revise the Salary Scale of Shri Aman Mittal from the Present Scale of Rs. 75,000.00 per Month to Rs. 1,00,000.00 per month w.e.f. 1st April, 2011. However, all other terms and conditions of the appointment will remain unchanged. The increased remuneration will be subject to the overall limits as provided under section 198, 269, 309, 310, 311 and in terms of Section 1 of Part II of Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956.

The Directors of the Company on recommendation made by the Remuneration Committee have approved the proposal of increase in his remuneration. Subject to the approval of the members, your Directors recommend the resolution for approval by the members of the Company.

The above variation in terms of remuneration of Shri Aman Mittal, Whole Time Director of the company as mentioned in item no. 8 of the Notice will be treated as an abstract under Section 302 of the Companies Act, 1956.

None of the Director of the Company except Shri Aman Mittal, Shri. Vijendra Kumar Mittal, Shri Ansh Kumar Mittal and Smt. Madhu Mittal are concerned or interested in the above said resolution.

The members are requested to consider and approve the above proposal for increase in the salary of Shri Aman Mittal.

The proposal as set out at Item No. 8 of the notice is placed for consideration and approval.

#### **Item No.9,**

The members of the Company at the 18th Annual General Meeting held on 1st September 2010 approved the re-appointment of Shri Ansh Mittal as Whole Time Director of the Company for a period of three years on the following terms and conditions :-

- (a) Salary : Rupees Seventy Five Thousand per Month.
- (b) Perquisites, Allowance, Benefits, Facilities & Amenities such as Furnished Residential accommodation or House Rent Allowance, Medical Reimbursement, Leave Travel Assistance/Allowance, Membership Fees of clubs Hospitalization and Accidental Insurance and any other perquisites etc., as per the Policy/Rules of the Company provided that the aggregate value of such perquisite shall be allowed in addition to salary subject to the Limit of Rs. 25,000.00 Per Month
- (c) He shall also be entitled to (i) Company maintained car with chauffer, (ii) Telephone & Fax at Residence, (iii) Companies contribution to PF (iv) Payment to gratuity and other retirement benefits, and (v) Encashment of leave.

The total remuneration including perquisites shall not exceed the limits as specified in Schedule XIII to the Companies Act, 1956.

The remuneration including the benefits and amenities aforesaid shall nevertheless be paid and allowed as the minimum remuneration for any year in the event of absence or inadequacy of profits for such year.

The remuneration of Shri Ansh Mittal, Whole time director of the Company has been recently revised w.e.f. 1st April, 2011. This increase was done taking into consideration the prevailing trends in the financial sector in terms of compensation packages. It is proposed to revise the Salary Scale of Shri Ansh Mittal from the Present Scale of Rs. 75,000.00 per Month to Rs. 1,00,000.00 per month w.e.f. 1st April, 2011. However, all other terms and conditions of the appointment will remain unchanged. The increased remuneration will be subject to the overall limits as provided under section 198, 269, 309, 310, 311 and in terms of Section 1 of Part II of Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956.

The Directors of the Company on recommendation made by the Remuneration Committee have approved the proposal of increase in his remuneration. Subject to the approval of the members, your Directors recommend the resolution for approval by the members of the Company.

The above variation in terms of remuneration of Shri Ansh Mittal, Whole Time Director of the company as mentioned in item no. 9 of the Notice will be treated as an abstract under Section 302 of the Companies Act, 1956.

None of the Director of the Company except Shri Ansh Mittal, Shri Vijendra Kumar Mittal, Shri Aman Mittal and Smt. Madhu Mittal are concerned or interested in the above said resolution.

The members are requested to consider and approve the above proposal for increase in the salary of Shri Ansh Mittal.

The proposal as set out at Item No. 9 of the notice is placed for consideration and approval.

#### **Item No.10,**

The members of the Company at the 18th Annual General Meeting held on 1st September 2010 approved the re-appointment of Shri Virendra Kumar Gupta as Whole Time Director of the Company as on the following terms and conditions :-

- (a) Salary : Rupees Fifty Thousand per Month.
- (b) Perquisites, Allowance, Benefits, Facilities & Amenities such as Furnished Residential accommodation or House Rent Allowance, Medical Reimbursement, Leave Travel Assistance/Allowance, Membership Fees of clubs Hospitalization and Accidental Insurance and any other perquisites etc., as per the Policy/Rules of the Company provided that the aggregate value of such perquisite shall be allowed in addition to salary subject to the Limit of Rs. 15,000.00 Per Month
- (c) He shall also be entitled to (i) Company maintained car with chauffer, (ii) Telephone & Fax at Residence, (iii) Companies contribution to PF (iv) Payment to gratuity and other retirement benefits, and (v) Encashment of leave.

The total remuneration including perquisites shall not exceed the limits as specified in Schedule XIII to the Companies Act, 1956.

The remuneration including the benefits and amenities aforesaid shall nevertheless be paid and allowed as the minimum remuneration for any year in the event of absence or inadequacy of profits for such year.

The remuneration of Shri Virendra Kumar Gupta, Whole time director of the Company has been recently revised w.e.f. 1st April, 2011. This increase was done taking into consideration the prevailing trends in the financial sector in terms of compensation packages. It is proposed to revise the Salary Scale of Shri Virendra Kumar Gupta from the Present Scale of Rs. 50,000.00 per Month to Rs. 70,000.00 per month w.e.f. 1st April, 2011. However, all other terms and conditions of the appointment will remain unchanged. The increased remuneration will be subject to the overall limits as provided under section 198, 269, 309, 310, 311 and in terms of Section 1 of Part II of Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956.

The Directors of the Company on recommendation made by the Remuneration Committee have approved the proposal of increase in his remuneration. Subject to the approval of the members, your Directors recommend the resolution for approval by the members of the Company.

The above variation in terms of remuneration of Shri Virendra Kumar Gupta, Whole Time Director of the company as mentioned in item no. 9 of the Notice will be treated as an abstract under Section 302 of the Companies Act, 1956.

None of the Director of the Company except Shri Vijendra Kumar Gupta is concerned or interested in the above said resolution.

The members are requested to consider and approve the above proposal for increase in the salary of Shri Virendra Kumar Gupta.

The proposal as set out at Item No. 10 of the notice is placed for consideration and approval.

#### **Item No. 11,**

Smt. Madhu Mittal Promoter/Director was re-appointed as the Whole Time Director of the Company as per the resolution passed at the Annual General Meeting of the Company held on 15th September, 2008 period of appointment effective date 1st April 2008 to 31st March 2011 to on the terms and condition set out in that resolution. Smt Madhu Mittal aged about 56 years she is an M.A has 28 years of rich experience of successfully guiding a team of highly qualified professional in the field of lubrication systems .

She has been entrusted with the responsibilities of complete administration, customer care & developing and exploring export markets for the products of the company. The Remuneration Committee had considered that taking her vast experience in the lubrication field her contribution in the above departments would lead the company to higher growths. He is also the member of the Share Transfer Committee of the Company since its information.

In recognition of his excellent performance and to enable the Company to continue to benefit from his stewardship, the Remuneration Committee has recommended his re-appointment as Whole Time Director of the Company with the emoluments and the terms given in the resolution. The Board have approved the reappointment of Smt. Madhu Mittal as Whole Time Director for a period of 3 years with effect from 1st April, 2011 to 31st March, 2014, subject to the approval of shareholders at the ensuing Annual General Meeting. In terms of Schedule XIII to the Companies Act, 1956, Smt. Madhu Mittal is eligible for appointment as Whole Time Director subject to approval of shareholders vide special resolution.

The details of remuneration payable to Smt. Madhu Mittal, as Whole Time Director are set out as below:

**1. SALARY AND OTHER FIXED ALLOWANCES :**

Before such re appointment she has been drawing Rs. 50,000/- per month including dearness and all other allowances.

With effect from such reappointment she will draw Rs.70,000/- per month including dearness and all other allowances. In case of inadequacy of profits or incase of loss incurred by the company the remuneration of Rs.70,000/- p.m. will be paid as minimum remuneration.

**II PERQUISITIES :**

The Whole Time Director should be entitled for Perquisites which shall be allowed in addition to salary .

**CATAGORY – A**

This will comprise house rent allowances, leave travel, commission, medical reimbursement, fees on clubs and personal accident insurance. These may be provided for as under.

**(i) Housing I**

The expenditure by company on hiring unfurnished accommodation for the appointee will be subject to the following ceiling:

Bombay, Kolkatta, Delhi and Madras :

Sixty percent of the salary, over and above ten percent payable by the appointee.

Other places : Fifty percent of the ,salary, over and above ten percent payable by the appointee.

**(ii) Housing II**

In case the accommodation is owned by the company, ten percent of the salary of the appointee shall be deducted by the company

**(iii) Housing III**

In case no accommodation is provided by the company, the appointee shall be entitled to house rent allowances subject to the ceiling laid down in Housing .

**Explanation:**

The expenditure incurred by companies or gas, electricity, water and furnishings shall be valued as per the Income-Tax Rules, 1962. This shall however, be subject to a ceiling of ten percent of ten salary of the person proposed to be appointed.

**(ii) Medical Reimbursement :**

Expenses incurred for the person to be appointed and his family subject to a ceiling of one month's salary in a year or three month's salary over a period of three years.

**(iii) Leave Travel Concession:**

For the person proposed to be appointed and his family, once in a year incurred in accordance with the rules specified by the company.

**(iv) Club Fees:**

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

**(v) Personal Accident Insurance:**

Premium not to exceed Rs. 3,000/- per annum.

Explanation – For the purposes of Category –A, 'Family' means the spouse, the dependant children and dependent parents of the appointee.

**CATEGORY – B**

Contribution to provident fund, superannuation fund or annuity fund will not be included in the computation of the ceiling on perquisites to the extent these either singly or put together are not taxable under the Income-Tax-Act. Gratuity payable should not exceed half a month's salary for each completed year of service.

**CATEGORY – C**

- 1) Company Car with Driver: The Whole Time Director shall be provided a company's car with a driver for his official use. However, the use of car for the private purpose shall be billed by the company to the Whole Time Director.
- 2) Free Telephone At Residence The Director shall be provided not more than one telephone at his residence. However all long distance personal calls shall be allowed to encashed .
- 3) The Whole Time Director should be entitled for privilege leave on full pay and allowances as per the rules of the Company for a period not exceeding one months after every 11 months of service. The leaves accumulated but not availed of will not be allowed to encashed.
- 4) So long as Smt. Madhu Mittal functions as Whole Time Director he shall not be paid any sitting fee for attending the meeting of the Board of Directors or Committee thereof.
- 5) The Head Quarter of the Whole Time Director shall be at Faridabad where he has to stay regularly for attending to his office.
- 6) The Whole Time Director shall not so long as he functions as such, become interested or otherwise concerned directly or through his wife, sons or unmarried daughter in any selling Agency of the Company in future without the prior approval of the Company Law Board or such authority as may exist from time to time.
- 7) This agreement may notwithstanding the period of three years mentioned in clause I hereof, be terminated by either party giving to the other six months notice in writing, in the event of termination of the appointment of Whole Time Director by the Company, he shall be entitled to receive compensation in accordance with the provisions of Section 318 of the Companies Act, 1956.
- 8) Any dispute of different whatsoever concerning or arising out of this agreement whether during the currency or otherwise shall be entitled by arbitration in accordance with the law relating to the arbitration for the time being in force.
- 9) The appointee shall also be entitled to reimbursement of entertainment expenses actually and properly incurred in the course of legitimate business of the company.

The above may also be treated as an Abstract of the variation under Section 302 of the Companies Act, 1956. Although not necessary, a draft copy of the Agreement containing the terms and conditions of appointment of Smt. Madhu Mittal as Whole Time Director is available for inspection of the members to ascertain any information that they may require at the Registered Office of the Company between the hours 10 a.m. to 2 p.m. on all working days (except Sundays and public holidays during office hours) upto the date of the ensuing Annual General Meeting.

Except Shri Vijendra Kumar Mittal, Shri Aman Mittal and Shri Ansh Mittal none of the other Directors of the Company is, in any way concerned or interested in the Resolution.

The proposal as set out at Item No. 11 of the notice is placed for consideration and approval.

#### **Item No.12,**

Shri Virendra Kumar Gupta was re-appointed as the Whole Time Director of the Company as per the resolution passed at the Annual General Meetings of the Company held on 15th September, 2008 period of appointment effective date 1st August 2008 to 31st July 2011 on the terms and conditions set out in that resolution. Shri Virendra Kumar Gupta, aged about 63 years Old. He has diploma in Mechanical Engineering since 1967. He had been managing his own business for 22 years, since 1971 to 1990 in the name of Neo Poly Pack Pvt. Ltd. Thereafter he joined Cenlub Industries Ltd. and later taking into consideration his vast experience he was reappointed as Whole Time Director.

He has handled his various responsibilities of complete finance, accounts, legal matters of the company. He is also the Chairman of Share Transfer Committee, Investor's Grievances Committee.

In recognition of his excellent performance and to enable the Company to continue to benefit from his stewardship, the Remuneration Committee has recommended his re-appointment as Whole Time Director of the Company with the emoluments and the terms given in the resolution. The Board have approved the re-appointment of Shri Virendra Kumar Gupta as Whole Time Director for a period of 3 years with effect from 1st August, 2011 to 31st July, 2014, subject to the approval of shareholders at the ensuing Annual General Meeting. In terms of Schedule XIII to the Companies Act, 1956, Shri Virendra Kumar Gupta is eligible for appointment as Whole Time Director subject to approval of shareholders vide special resolution.

The details of remuneration payable to Shri Virendra Kumar Gupta, as Whole Time Director are set out as below:

#### **REMUNERATION**

The Company shall pay the following remunerations to Shri Virendra Kumar Gupta as Whole Time Director.

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

Before such re appointment he has been drawing Rs.50,000/- per month including dearness and all other allowances.

With effect from such reappointment he will draw Rs.70,000/- per month including dearness and all other allowances. In case of inadequacy of profits or incase of loss incurred by the company the remuneration of Rs.70,000/- p.m. will be paid as minimum remuneration.

##### **II PERQUISITIES :**

The Whole Time Director should be entitled for Perquisites which shall be allowed in addition to salary.

#### **CATEGORY – B**

Contribution to provident fund, superannuating fund or annuity fund will not be included in the computation of the ceiling on perquisites to the extent these either singly or put together are not taxable under the Income-Tax-Act. Gratuity payable should not exceed half a month's salary for each completed year of service Subject to Maximum of Rs.10,00,000/- as per Gratuity Act 1972..

#### **CATEGORY – C**

1. The Whole Time Director should be entitled for privilege leave on full pay and allowances as per the rules of the Company for a period not exceeding one months after every 11 months of service. The leaves accumulated but not availed of will not be allowed to be encashed.
2. So long as Shri Virendra Kumar Gupta functions as Whole Time Director he shall not be paid any sitting fee for attending the meeting of the Board of Directors or Committee thereof.

3. The Head Quarter of the Whole Time Director shall be at Faridabad where he has to stay regularly for attending to his office.
4. The Whole Time Director shall not so long as he functions as such, become interested or otherwise concerned directly or through his wife, sons or unmarried daughters in any selling Agency of the Company in future without the prior approval of the Company Law Board/ or any other authority that may exists from time to time.
5. This agreement may notwithstanding the period of Three years mentioned in clause I hereof, be terminated by either party giving to the other three months notice in writing, in the event of termination of the appointment of Whole Time Director by the Company, he shall not be entitled to receive any compensation.
6. Any dispute of different whatsoever concerning or arising out of this agreement whether during the currency or otherwise shall be entitled by arbitration in accordance with the law relating to the arbitration for the time being in force.

The above may also be treated as an Abstract of the variation under Section 302 of the Companies Act, 1956. Although not necessary, a draft copy of the Agreement containing the terms and conditions of appointment of Shri Virendra Kumar Gupta as Whole Time Director is available for inspection of the members to ascertain any information that they may require at the Registered Office of the Company between the hours 10 a.m. to 2 p.m. on all working days (except Sundays and public holidays during office hours) up to the date of the ensuing Annual General Meeting.

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

The proposal as set out at Item No. 12 of the notice is placed for consideration and approval.

**Item No 13:**

The Board of Directors of your company at its meeting held on 16.07.2011 recommend, approved, subject to the approval of the Members, modification with effect from 1st April 2011 in the terms of Sitting Fees paid or payable to Non-executive directors, including independent directors of the Company.

The company was required to comply clause 49 inter alia stipulates that all fees/compensation payable to Non-executive directors, including independent directors, shall be fixed by the Board of directors and shall require previous approval of members in general meeting.

At present, the company is paying to all the Non-executive directors, including independent directors, sitting fees increased from the present fees of Rs. 2000/-to 4000/-for each meeting of Board of Directors attended by them.

The Non-executive directors may deemed to be concerned or interested in the resolution.

Your Directors recommend the resolution for approval of the Share holders.

The proposal as set out at Item No. 13 of the notice is placed for consideration and approval.

**Item No 14:**

In terms of the provisions of Section 293(1)(d) of the Companies Act, 1956, the Board of Directors of a Company cannot borrow moneys in excess of the amount of the paid up capital of the company and its free reserves without the approval of the Members in a General Meeting.

In order to further expand its business and to meet increased financial needs, it is proposed to enhance its borrowing limits to Rs. 50,00,00,000/- (Rupees Fifty Crores Only). The Company may be required to secure some of the borrowings by creating mortgage/charge on all or any of the movable or immovable properties of the Company in favour of the lender(s) in such form, manner and ranking as may be determined by the



Board of Directors of the Company from time to time, in consultation with the lender(s). In terms of Section 293(1)(a) of the Act any proposal to sell, lease or otherwise dispose of the whole, or substantially the whole, of any such undertaking requires the approval of the Members by way of an Ordinary resolution.

Accordingly, the consent of the Members is being sought for the enhancement of the borrowing limits and to secure such borrowings by mortgage/charge on any of the movable and/or the whole or any part of the undertaking(s) of the Company as set out in the Resolution appended to this notice.

None of the Directors of the Company is concerned or interested in the said resolutions.

Your Directors recommend the resolution for approval of the Share holders.

The proposal as set out at Item No. 14 of the notice is placed for consideration and approval.

By Order Of The Board Of Directors  
For **Cenlub Industries Limited**

Date: 16th July,2011  
Place :Faridabad

**Vijendra Kumar Mittal**  
Chairman & Managing Director

Registered Office :  
35, DLF Industrial Estate-1  
Faridabad-121003(Haryana)

#### **IMPORTANT COMMUNICATION TO MEMBERS**

The Ministry of Corporate Affairs (MCA) has taken a "Green initiative in Corporate Governance" (Circular No. 17/2011 dated 21.04.2011 and Circular no. 18/2011 dated 29.04.2011) allowing paperless compliances by Companies through electronic mode. Companies are now permitted to send various notices/ documents to its shareholders through electronic mode to the registered e-mail address of shareholders. From next year onwards, we propose to send all documents like General Meeting Notices (including AGM), Audited Financial Statements, Directors' Report, Auditors' Report etc., in electronic form to shareholders, to their e-mail address provided by them and made available to us by the Depositories. In case they desire to receive the above mentioned documents in physical form or in case of any change in their e-mail id, they are requested to contact the Company or the Company's Registrar and Transfer Agent mentioning their client ID and latest e-mail address.

## Annexure - I to Notice of Annual General Meeting

Statement as per Part II, Section II of Schedule XIII of the Companies Act, 1956:

### I. GENERAL INFORMATION :

(1) Nature of Industry	: Mechanical Industrial Engineering
(2) Date or expected date of commencement of commercial production	: 26.03.1992
(3) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus.	: N.A.
(4) Financial performance based on given indicators.	: As per balance sheet
(5) Export performance and net foreign exchange collaborations	: Not appreciable
(6) Foreign investments or collaborators, if any.	: Nil

### II. INFORMATION OF APPOINTEE : Mr. Vijendra Kumar Mittal

(1) Background details	: Mechanical Engineer with M.Sc. (Physics), M.Sc.(Mech. Engg.) specialization in Machine Tools from Moscow.
(2) Past remuneration	: Rs. 2,00,000.00 per month
(3) Recognition or awards	: "Entrepreneurship" award by Government of Haryana in the year 1987 – 88. "Udyog Ratan" award by Institute of Economic Studies (IES) in the year 2009.
(4) Job Profile and his suitability	: Total Management of the company with respect to Administration and Technology.
(5) Remuneration proposed	: Rs. 2,50,000.00 per month
(6) Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of his origin)	: N.A.
(7) Pecuniary relationship directly or indirectly with the company or relationship with the managerial personnel, if any.	: Promoter Director managing the company since incorporation i.e. since 1992 at the post of Managing Director.

### III. OTHER INFORMATION

(1) Reasons of loss or inadequate profits	: Company is in a growing stage and due to high completion in the Industry it has to keep its revenue income similar with the competitive companies.
(2) Steps taken or proposed to be taken for improvement.	: The Board of Directors of the Company are delicately devoting their best efforts to capture big projects which we hope will be meet in near future.
(3) Expected increase in productivity and profits in measurable terms.	: N.A.

## DIRECTORS' REPORT :

Dear Shareholders,

Your Directors are pleased to present the 19th Annual Report on the business operations and financials of the Company for the Financial Year ended 31st March, 2011.

### Financial Results :

The Company's performance for the Financial Year 2010-2011 vis-a-vis 2009-2010 is summarised as under :

Particulars	2010-11 (Rs. in Lacs)	2009-10 (Rs. in Lacs)
Sales & other Income	2761.55	1842.88
Profit (Loss) before Deprecation & tax	293.89	216.49
Depreciation	28.45	26.17
Profit (Loss) before Tax	265.44	190.32
Provision for tax :		
a) Current Tax /Income Tax	91.50	61.50
b) Deferred Tax liability	(5.11)	7.59
c) Income Tax for earlier year	0.94	1.96
Profit (Loss) after Tax	178.11	119.27
Provision for Dividend	103.00	-
Provision for Dividend Distribution Tax	16.71	-
Profit carried to Balance Sheet	58.40	119.27
Surplus/(Deficit Carried from previous year	537.55	418.28
Retained profit /(Loss) carried forward to the next year	595.95	537.55

### Review of Operations

During the year under review, your company has achieved a turn over of Rs. **2761.55**Lacs against the last year turn over of Rs. **1842.88** Lacs an increase of 49.85% over the corresponding figures of the last year. This year company has been able to achieve a before tax profit of Rs **265.44** lacs in the current financial year against the last year profit of Rs. **190.32** Lacs up by 39.46% over previous year.

The growth achieved by the company had been due to the better economic conditions, improved cordial industrial relationships in the company. Your Directors are hopeful that in the current financial year, company will achieve higher growth accompanied with better results.

### Dividend

The Board of Directors have recommended dividend of Rs.2.50/- (25%) per equity share for the year ended March 31, 2011.

### Deposits

The Company has not accepted any deposits, which come under the purview of Section 58A of the Companies Act, 1956.

### Listing

The equity shares of the Company are listed with Bombay Stock Exchange Ltd. There are no arrears on account of payment of listing fees to the said Stock Exchange.

### **Particulars Of Employees**

As required by Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975, a statement on information relating to employees has been given by way of Annexure-1 to this Report.

### **Corporate Governance**

Your Company acknowledges its responsibility towards all stakeholders and recognizes the importance of good Corporate Governance towards establishing stakeholders' confidence and improving investor protection.

A report on Corporate Governance pursuant to the provisions of Clause 49 of Listing Agreement supported by a Certificate given by the Statutory Auditors of the Company confirming compliance of conditions, form part of this Annual Report .

### **Management Discussion & Analysis**

Management Discussion and Analysis Report covering issues relating to Industry structure, Opportunities, Challenges, Outlook and Performance etc. has been given separately and form part of this annual Report.

### **Directors Responsibility Statement**

Pursuant to the requirement under section 217(2AA) of the Companies (Amendment) Act 2000, with respect to Director's Responsibility Statement, it is hereby confirmed that:

- (i) In the preparation of the Accounts for the Financial Year ended 31<sup>st</sup> March,2011,the applicable accounting standards have been followed along with proper explanations relating to material departures ;
- (ii) The Directors have selected accounting policies in consultation with Statutory Auditors and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for the year under review:
- (iii) The Directors have taken proper and sufficient care to the best of their knowledge and ability for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act 1956. The directors have confirmed that there are adequate control & systems for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- (iv) The directors have prepared the Annual accounts for the financial year ended 31<sup>st</sup> March 2011 on a going concern basis.

### **Statutory Disclosures**

Your Directors have made necessary disclosures, as required under various provisions of the Act and Clause 49 of the Listing Agreement.

### **Directors**

In terms of the Articles of Association and section 255 & 256 of the Companies Act,1956, Shri Ankur Garg, Shri Hakikat Singh and Shri Om Prakash Verma retire by rotation in the forthcoming Annual General Meeting and being eligible offer themselves for re-appointment.

### **Statutory Auditors**

M/s. Satish Singla & Co. Chartered Accountants, retire at the Annual General Meeting and being eligible offer themselves for reappointment. A letter has been received from them that reappointment, if made, will be in conformity with the provisions of section 224(1-B) of the Companies Act,1956.

### **Internal Control System**

The Company has well established and efficient Internal Control Systems under the assistance of M/s. Tayal & Co. Chartered Accountants, the Internal Auditors of the Company.

The Company has also well defined powers of various executives working at different levels within the Company.

The Report of Internal Audit on quarterly basis is subject to review and approval by Audit Committee of the Board and necessary directions are issued wherever necessary.

#### **Industrial Relations**

During the year under review, industrial relations in the company had been cordial at various levels & had improved significantly. Board of Directors of the company places on record that effective steps taken last year had brought in improved relationships.

#### **Cash Flow Analysis**

In compliance with the provisions of Clause 32 of the Listing Agreement, the Cash Flow Statement for the year ended 31.03.2011 is annexed hereto.

#### **Acknowledgement**

Your Directors express their sincere appreciation and thanks to the Customers, Suppliers, Bankers, Shareholders, Central and State Government for their valuable co-operation and assistance. Your Directors wish to place on record their appreciation for the contribution made by the employees at all level.

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

Date: 16<sup>th</sup> July, 2011  
Place : Faridabad

**Vijendra Kumar Mittal**  
Chairman & Managing Director

## Annexure - I to Directors Report

Conservation of Energy, Technology Absorption and Foreign Exchange Earning and out go pursuant to Section 217(1) (e) of the Companies Act, 1956 and Companies(Disclosure of particulars in the Report of Board of Directors) Rules, 1988.

### A Conservation Of Energy, Technology Absorption And Foreign Exchange Earnings And Out Go.

- a.) Energy Conservation Measures Taken: Control on illumination lights and use of D.G. set is being taken, however your company operations involve low energy consumption.
- b.) Additional Investment and Proposals, 'if any', being implemented for reduction in consumption of energy : NIL

Impact of measures (a) & (b) above on reduction of energy consumption and consequent impact on production of goods : **NOT SIGNIFICANT**

### B. Technology Absorption Research And Development (R & D)

- 1) Specific areas in which R & D carried out by the company.
- i) Development of Grease dispensing system for Commercial Vehicle .
- ii) Development of Grease dispensing system for wind turbine.
- 2) Expenditure on R & D. No separate details of such expenditure can not be ascertained. Research and Development is being carried out in normal course of business.
- 3) Technology Absorption, Adaptation and Innovation:

Efforts in brief made towards technology absorption, adaptation and innovation and benefits derived there from. **NIL**

Imported Technology : No new Technology was imported during the year.

### C. Foreign Exchange Earnings And Outgo.

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

	(Rs. in lacs)	
	2010-11	2009-10
Foreign Exchange earning —	21.49	27.71
Foreign Exchange outgoing—	69.88	28.14

**Annexure –II to Director’s Report****COMPLIANCE CERTIFICATE****CIN : L67120HR1992PLC035087**

Authorised Capital : Rs. 5,00,00,000/-

Paid up Capital : Rs. 4,12,00,000/-

To

The Members

**CENLUB INDUSTRIES LIMITED****35, DLF INDUSTRIAL ESTATE –I****FARIDABAD -121003****(HARYANA)**

We have examined the registers, records, Books and papers of **CENLUB INDUSTRIES LIMITED**, as required to be maintained under the Companies Act, 1956 (the Act) and the rules made there under and also the provisions contained in the Memorandum and the Article of Association of the Company for the financial year ended on 31<sup>st</sup> March, 2011. In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished to us by the company, its officers and agents, We certify that in respect of the aforesaid financial year:

1. The company has kept and maintained all registers as stated in **Annexure “A”** as per the provisions of the Act and the rules made there under and all the entries therein have been duly recorded.
2. The company has filed the forms and the returns as stated in the **Annexure “B”** to this certificate with the Registrar of Companies as prescribed under the Act and the rules made thereunder.
3. The Company has minimum prescribed paid up capital and being a public limited company, the other comments are not required.
4. The Board of Directors duly meet 10 (Ten) times dated 24<sup>th</sup> April 2010, 24<sup>th</sup> July 2010, 22<sup>nd</sup> September 2010, 21<sup>st</sup> October 2010, 30<sup>th</sup> October 2010, 18<sup>th</sup> December, 2010, 29<sup>th</sup> January 2011, 15<sup>th</sup> February 2011, 22<sup>nd</sup> February 2011 and 31<sup>st</sup> March 2011, of which meetings proper notices were given and the proceedings thereat were properly recorded and signed in the minutes Book maintained for the purpose.
5. The Company closed its Register of members from 24<sup>th</sup> August-2010 to 1<sup>st</sup> September-2010 and necessary compliance of section 154 of the Act had been made.
6. The Annual General meeting for the financial year ended on 31<sup>st</sup> March 2010 was held on 1<sup>st</sup> September 2010 after giving due notice to all the members of the company and the resolution(s) passed thereat were duly recorded in the Minutes Book maintained for the purpose.
7. The company does not held any Extra Ordinary General Meeting.
8. As per the information furnished and based on the information on the annual accounts, the Company has not made any loans to any of the parties mentioned in Section 295 of the Act during the year under review
9. The company has entered into the transactions with one company, in which one of the directors was interested.
10. The Company had made necessary entries in the register maintained under section 301 of the Act during the financial year.
11. As there were no instances falling within the purview of section 314 of the Act, the company was not required to obtain any approval from the Board of Directors, members or Central Government.
12. The company has not issued any duplicate share certificates during the financial year under review.
13. The company has:
  - (i) had not made any allotment of securities during the year under review. However the Company has delivered all the certificates on lodgment there of for duplicate/transfer/transmission of shares in accordance with the provisions of the Act.
  - (ii) Not declared any dividend during the year;

- (iii) Not been required to post any dividend warrant in view of non declaration of dividend;
  - (iv) No unpaid dividend amount in its books of account;
  - (v) Duly complied with the requirements of section 217 of the Act;
14. The Board of Directors of the company is duly constituted and there is no change in the Board.
  15. The appointment of Managing Director and Whole-time Director has been made in compliance with the provisions of section 269 read with Schedule XIII to the Act
  16. The company has not appointed any sole selling agents.
  17. The company was not required to obtain any approvals of the Central Government, Company Law Board, Regional Director, Registrar of Companies or other authorities under the various provisions of the Act.
  18. The directors have disclosed their interest in the other firms/companies to the Board of Directors pursuant to the provisions of Act and the rules made thereunder.
  19. The company during the year under review has not issued any shares, debentures or other securities.
  20. The company during the year under review has not bought back any shares.
  21. The company has not issued any preference shares or debentures, so the provision of their redemption does not apply to the company.
  22. The company has at no occasion required to keep in abeyance the right to dividend, right shares and bonus shares pending registration of transfer of shares.
  23. The company has not accepted any deposits and hence the provision of section 58A and 58AA are not applicable to the company.
  24. The amount borrowed by the Company had is within borrowing limits of the company.
  25. The company has not made any loans or advances or given guarantee or provided securities to other bodies corporate except that company had invested in fixed deposits of Bank and also invested in the shares of some companies which in the compliance with the provisions of Act.
  26. The company has not altered the provisions of the memorandum with respect to the situation of the company's registered office of the company.
  27. The company has not altered the provisions of the memorandum with respect to the objects of the company.
  28. The company has not altered the provisions of the memorandum with respect to the name of the Company.
  29. The company has not altered the provisions of the memorandum with respect to the share capital of the company.
  30. The company has not altered its articles of association.
  31. As per the information and explanations given to us by the management and as per our examination of the records, we have not come across with any information or document which suggest that prosecution proceedings is/was initiated against the company and fines or penalties or any other punishment imposed on the company during the financial year for any offences under the Act.
  32. The company has not received any money as security from its employees.
  33. The Company has not constituted a separate provident fund trust for its employees or class of its employees as contemplated under section 418 of the Act.

**Place: Delhi**  
**Date: 16.07.2011**

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

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

**REGISTERS AS MAINTAINED BY THE COMPANY**

Register of members u/s 150  
Register of Directors u/s 303  
Register of Directors Shareholding u/s 307  
Minute book- Directors u/s 193  
Minute book – Shareholders u/s 193  
Books of accounts u/s 209  
Register of Contracts u/s 301  
Register of Director Attendance.

**FORMS AND RETURNS AS FILED BY CENLUB INDUSTRIES LIMITED WITH THE REGISTRAR OF COMPANIES DURING THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH 2011**

S. No.	Form No.	Filed for	Date of Filing	Whether filled within prescribed Time
1	Form 20B	01.09.2010	P58331695 dt. 30.10.2010	Yes
2	Form 23AC & 23ACA	31.03.2010	P53120960 dt. 29.09.2010	Yes
3	Form 66	31.03.2010	P52895257 dt. 25.09.2010	Yes
4	Form 23B	24.09.2010	S03231057 dt. 27.09.2010	Yes
5	Form 23	01.09.2010	A94832896 dt. 27.09.2010	Yes
6	Form 8	25.02.2011	B08388076 dt. 22.03.2011	Yes
8	Form 25C	01.06.2010	A92022359 dt. 21.08.2010	Yes
9	Form 25C	01.08.2010	A97022701 dt. 29.10.2010	Yes
10	Form 25C	01.05.2010	A88091046 dt. 30.06.2010	Yes
11.	Form 25C	01.04.2011	B13003736 dt. 27.05.2011	Yes

## Annexure - III to Director's Report

### REPORT ON CORPORATE GOVERNANCE

Cenlub Industries Limited' philosophy on Corporate Governance is to maintain balance between shareholders' interest and corporate goals by providing transparency, accountability and equity in all levels of its operations, by providing long-term vision to its business and by adopting best corporate governance practices globally available and disclosures.

Cenlub Industries Limited, being a listed entity has various roles to play towards various stakeholders like shareholders, employees, lenders, Govt. bodies etc. Good Corporate Governance is to satisfy interest of all stakeholders, enhancing their trust and confidence in the Company without compromising with laws and regulations.

We strongly believe not only to run the operations of the Company for the sake of earning more and more profits but also to enhance the value of stakeholders over a period of time.

A report briefing the implementation of Corporate Governance as per the Listing Agreement is furnished below:

#### 1. Composition and Responsibility of Board of Directors

As of 31st March, 2011, the Board of Directors of the Company ("the Board") has an optimum combination of directors.

The Board comprises of ten directors and in order to ensure the independence of the Board, half of the directors are independent directors.

Name of the Directors	Category of Directorship	No.of Directorship* held in other companies	No.of Chairmanship/ Membership in Board Committee of other companies	
			Chairman	Member
Shri. Vijendra Kumar Mittal	Chairman & Managing Director	1	Nil	Nil
Smt. Madhu Mittal	Whole Time Director	0	Nil	Nil
Shri Aman Mittal	Whole Time Director	0	Nil	Nil
Shri Virendra Kumar Gupta	Whole Time Director	1	Nil	Nil
Shri. Ansh Mittal	Whole Time Director	1	Nil	Nil
Shri Dinesh Kaushal	Non-Executive Independent Director	0	Nil	Nil
Shri Ankur Garg	Non-Executive Independent Director	0	Nil	Nil
Shri. Om Prakash Verma	Non-Executive Independent Director	0	Nil	Nil
Shri. Hakikat Singh	Non-Executive Independent Director	0	Nil	Nil
Shri Ashok Kumar Agarwal	Non-Executive Independent Director	0	Nil	Nil

\* Excludes directorship in Cenlub Industries Limited, Alternate directorships, directorships in private Limited Companies. As per the disclosure(s) received from the directors, none of the Directors have directorship in more than 15 Companies.

\*\* For the purpose of considering the limit of the committee membership and chairmanships of the Director, the Audit Committee and the Shareholders/Investors Grievance Committee of Public Listed committee have been considered. None of the director is a member of more than 10 Board level committees or Chairman of more than 5 such committees.

Sitting fees for all the meetings attended by the independent Directors were duly paid to them.

### 1.1 Board Meetings and Procedures thereof:

In order to comply with the provisions of Company Law as well as Listing Agreement, 4 meetings of Board of Directors with a gap of not more than 4 months between two meetings are held in a particular Financial Year. The Agendas thereof are provided in advance before the Board Meeting and the status of decisions/actions taken/approved by the Board is presented in the successive Board Meeting in the form of Follow-up Action Report. Minutes of every Board Meeting are recorded and are discussed before approval by the members of the Board at successive Board Meeting.

### 1.2 Information supplied to the Board:

Among others, this includes:

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

### 1.3 Details of Board Meetings held during the Financial Year

During the Financial Year 2010-2011, the Board met 10 times—on 24<sup>th</sup> April, 2010, 24<sup>th</sup> July, 2010, 22<sup>nd</sup> September, 2010, 21<sup>st</sup> October 2010, 30<sup>th</sup> October, 2010, 18<sup>th</sup> December 2010, 29<sup>th</sup> January, 2011, 15<sup>th</sup> February 2011, 22<sup>nd</sup> February 2011 and 31<sup>st</sup> March , 2011.

Name of the Director	No.of Board Meeting attended	Whether attended last AGM
Sh. Vijendra Kumar Mittal	10	Yes
Smt. Madhu Mittal	10	Yes
Sh. Aman Mittal	9	Yes
Sh Virendra Kumar Gupta	10	Yes
Sh. Ansh Mittal	10	Yes
Sh. Ankur Garg	5	Yes
Sh. Om Prakash Verma	4	Yes
Sh.Hakikat Singh	4	Yes
Ashok Kumar.Agarwal	4	Yes
Sh Dinesh Kaushal	4	Yes

#### 1.4 REMUNERATION PAID TO EXECUTIVE DIRECTORS

Details of the remuneration paid to Executive Directors during the year 2010-2011 are given below:-

Name	Designation	Total Remuneration (Rs.)
Vijendra Kumar Mittal	Managing Director	26,88,000
Madhu Mittal	Executive Director	6,50,400
Aman Mittal	Executive Director	10,08,000
Ansh Mittal	Executive Director	9,72,000
Virender Kumar Gupta	Executive Director	6,50,400

#### Non-executive Directors

The Non-Executive Directors are entitled to sitting fee for attending the Board Meeting. A sitting fee of Rs. 2000/- for attending each Meeting of the Board meeting is paid to Independent director.

There has been no pecuniary relationship or transactions of the Non-Executive Directors vis-à-vis the Company during the year under review.

Cenlub Industries Limited has no stock option plans and hence, such instruments do not form a part of the remuneration package payable to any executive and/or non-executive director. During the year under review, none of the directors was paid any performance-linked incentive.

During the year 2010-2011, the Company did not advance any loans to any of the executive and/ or non-executive directors.

#### 1.5 Details of shareholding of Directors as on 31.03.2011 are given us under:

Name of Director	No. of Equity Shares	% of Holding
Shri Vijendra Kumar Mittal	369016	8.95
Smt. Madhu Mittal	461353	11.20
Shri Aman Mittal	169326	4.11
Shri Ansh Mittal	342342	8.31
Shri V irendra Kumar Gupta	18551	0.45
Shri Dinesh Kaushal	8500	0.20
Shri Ashok Kumar Agarwal	300	0.07
Shri Ankur Garg	0	0
Shri Om Prakash Verma	0	0
Shri Hakikat Singh	0	0

## Board Committees

The Board of the Company has constituted its different Committees for regulating various working aspects of the Company.

At present the Company has four Board Committees:

- (i) Audit Committee
- (ii) Shareholders' / Investors' Grievances Committee
- (iii) Share Transfer Committee
- (iv) Remuneration Committee

### 2.1 Audit committee

The constitution, quorum, scope etc. of the Audit Committee is in line with the Companies Act, 1956 and provisions of the Listing Agreement.

At present, Audit Committee comprises of following Directors as members having wide experience and knowledge of Corporate Affairs, Income Tax & Finance.

- Shri. Dinesh Kaushal – Chairman (Non Executive Independent Director)
- Shri Ankur Garg – Member (Non Executive Independent Director)
- Shri Hakikat Singh – Member (Non Executive Independent Director)

The role and terms of reference of the Audit Committee cover areas mentioned in the Clause 49 of Listing Agreement with Stock Exchange which, among others, include:

1. A periodic review of efficacy of the financial control systems and suggestions for improvement therein.
2. Review of operating results on a quarterly basis, prior to their submission for the consideration and adoption by the Board.
3. Advice to the Board on appointment / removal of statutory auditors and fixing their remuneration.
4. Review with statutory auditors their audit findings & to address any areas of concern cited by them.
5. Advice to the Board on the adequacy of Company's risk management measures and implementation of financial policies and procedures.

### Meetings of Audit Committee

During the Financial Year 2010-2011, the Audit Committee met 5 times – on 20th April, 2010, 22<sup>nd</sup> July, 2010, 28th October, 2010, 27th January, 2011 and 31<sup>st</sup> March, 2011. The attendance of each Member of the Committee is given below:

Name of Director	No. of Meeting attended
Shri Dinesh Kaushal	5
Shri Ankur Garg	4
Shri Hakikat Singh	5

### 2.2 Shareholders' / Investors' Grievances Committee

The Investors Grievances Committee comprises of following Directors:

- Shri Virendra Kumar Gupta – Chairman (Executive Director)
- Smt. Madhu Mittal – Member (Executive Director)

### Terms of reference

The Committee looks into the grievances of the investors relating to transfer/transmission of Shares, Non-issue of duplicate share certificates/Consolidation/ Split of Shares, Non receipt of Annual Report/ Declared Dividend, review status of investor grievances and the functioning of the Share Department to render efficient, effective and satisfactory services to investors.

### Meetings of Shareholders'/Investors' Grievances Committee

During the financial year 2010-2011 the Committee met 4 times-on 24th April, 2010, 24th July, 2010, 30th October, 2010 and 29th January, 2011 to review the grievances / complaints received from Shareholders.

1. Number of shareholder's complaints received during the financial year 2010-2011	8
2. Number of shareholder's complaints solved to the satisfaction of shareholders.	8
3. Number of pending shareholders' complaints	NIL

### 2.3 Share Transfer Committee

The Share Transfer Committee comprises of following Directors:

- Shri Virendra Kumar Gupta – Chairman (Executive Director)
- Smt. Madhu Mittal – Member (Executive Director)

### Meetings of Share Transfer Committee

The Committee meets at frequent intervals, to approve inter-alia, transfer/transmission of Shares, dematerialization of shares, issue of duplicate share certificate, Consolidation and Split of Share Certificate and any other powers / responsibilities entrusted by the Board. During the Financial Year 2010-2011 the committee met 59 (Fifty Nine) times.

### 2.4 Remuneration Committee

The Remuneration Committee comprises of following Directors:

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

### Terms of Reference

The role and terms of reference of the Remuneration Committee cover areas mentioned in the Clause 49 of Listing Agreement with Stock Exchange, which, among others, include:

- to formulate the remuneration policy for all executive directors including retirement benefits to be paid to them and deal with matters pertaining to Employees' Stock Option Schemes
- to adhere proper disclosure of remuneration paid /payable to Executive of the Company during any financial period
- to identify and ensure disclosure of all pecuniary relationship or transaction with Executive Directors of the Company.
- to ensure compliance of all statutory laws related to remuneration policy
- to obtain outside legal or professionals advice and to access the criteria and industry benchmarks for formulation of remuneration package of Executive Directors
- to recommend the appointment/removal and fix the remuneration of Executive Directors of the Company
- any other Powers /responsibilities, as the Board of directors may from time to time, delegate by a resolution.

**Details of the Remuneration/Compensation Committee Meetings:**

During the year, two meeting of the Remuneration Committee were held on 29<sup>th</sup> March , 2011 and 14<sup>th</sup> July 2011 and the attendance was as under:

S.No.	Name of the director	No.of Meetings	
		Held	Attended
1	Mr. Ankur Garg	2	2
2	Mr. Hakikat Singh	2	2
3.	Mr. Om Prakash Verma	2	2
4.	Ansh Mittal	1	1

The Committee passed by circulation two resolutions .

**Compliance Officer**

Mr. Virendra Kumar Gupta , the Whole Time Director is the Compliance Officer of the Company. The Compliance Officer can be contacted at:

35 DLF Industrial Estate, Faridabad-121003  
Tel.: 91-129-4113701-2  
Email : [investors@cenlub.in](mailto:investors@cenlub.in)

**4. Subsidiary Companies**

The Company don't have any subsidiary.

**5. Disclosures****5.1 Disclosures on material significant related party transaction**

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

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

**5.2 Disclosure of Accounting Treatment**

Your Company has followed relevant Accounting Standards while preparing the financial statements.

**6. Management**

The Management Discussion and Analysis Report forms part of the Annual Report and are in accordance with the requirements laid out in Clause 49 of the Listing Agreement.

No Material transactions have been entered into by the Company with the Promoters, Directors or the Management etc. that may have a potential conflict with interest of your Company.

Senior Management and the Non-executive Directors had made disclosures to the Board of Director of the Company that during the year under review; they had no material financial transactions with the Company where there personal interest may conflict with the interest of the Company.

## 7. Shareholders

7.1 The Company has provided all the details of the directors seeking appointment or re-appointment in the AGM Notice enclosed with this Annual Report.

### 7.2 Communication to Shareholders

The quarterly/half yearly results are being furnished to stock exchange and also are being published in leading The Financial Express (English) Delhi and Haribhoomi( Hindi ) Delhi Newspapers and are displayed on the website of the Company-[www.cenlub.in](http://www.cenlub.in)

## 8. General Body Meeting

The Details of Annual General Meetings held in the last three years are given below:

Financial Year	Date	Time	Venue
2009-2010	01.09.2010	9.00 A.M	Rama Banquet Sector-7, Faridabad(Haryana)
2008-2009	19.09.2009	9.00A.M	Agarwal Sewa Sadan D-48, Sector-11, Faridabad(Haryana)
2007-2008	15.09.2008	9.00A.M	Agarwal Sewa Sadan D-48, Sector-11, Faridabad(Haryana)

No resolution was required to be passed through postal ballot last year.

## 9. CEO CERTIFICATION

The Chief Executive Officer have certified to the Board that:

On the basis of the review of the financial statements and the Cash flow statement for the financial year ending 31st March, 2011 and to the best of my knowledge and belief that:

These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.

These statements together present a true and fair view of the Company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.

There are, to the best of his knowledge and belief, no transactions entered into by the Company during the year 31<sup>st</sup> March, 2011 which are fraudulent, illegal or violative of the Company's code of conduct.

He accepts responsibility for establishing and maintaining internal controls & have evaluated the effectiveness of the internal control systems of the Company and further has disclosed to the auditors and the Audit Committee those deficiencies, of which he was aware, in the design or operation of the internal control systems and that required steps have been taken to rectify these deficiencies.

There have been no significant changes in internal control during this year. There have been no significant changes in accounting policies during this year.

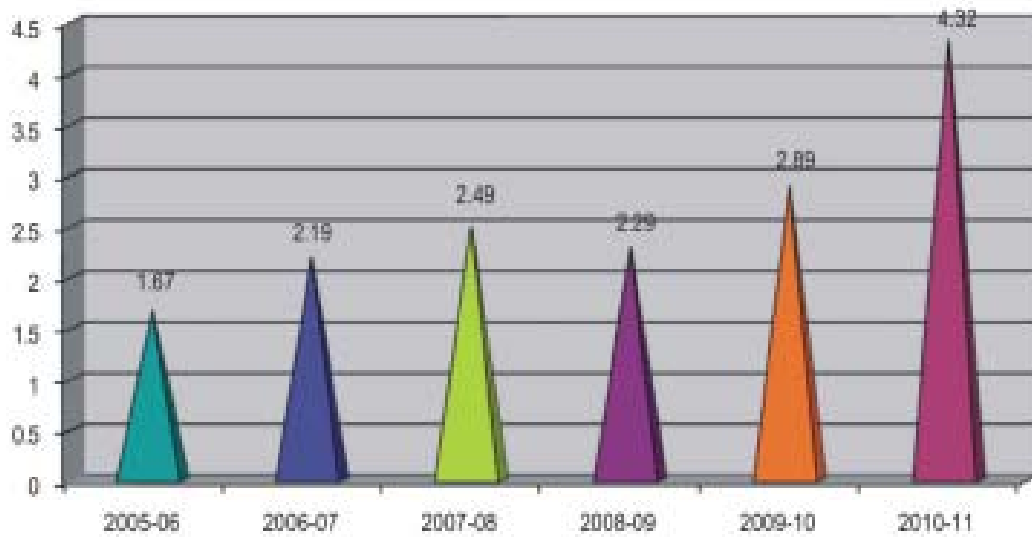
There has been no instance of significant fraud of which I have become aware and the involvement therein, of management or an employee having a significant role in the Company's internal control system.

## 10. Report on Corporate Governance

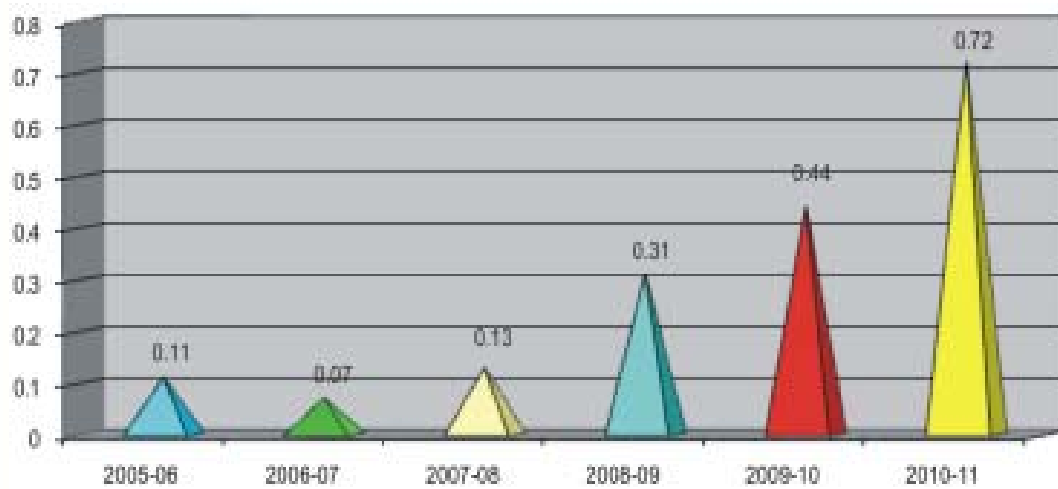
This Corporate Governance Report forms part of the Annual Report. The Company is fully compliant with all the provisions of Clause 49 of the Listing Agreement of the Stock Exchanges of India.



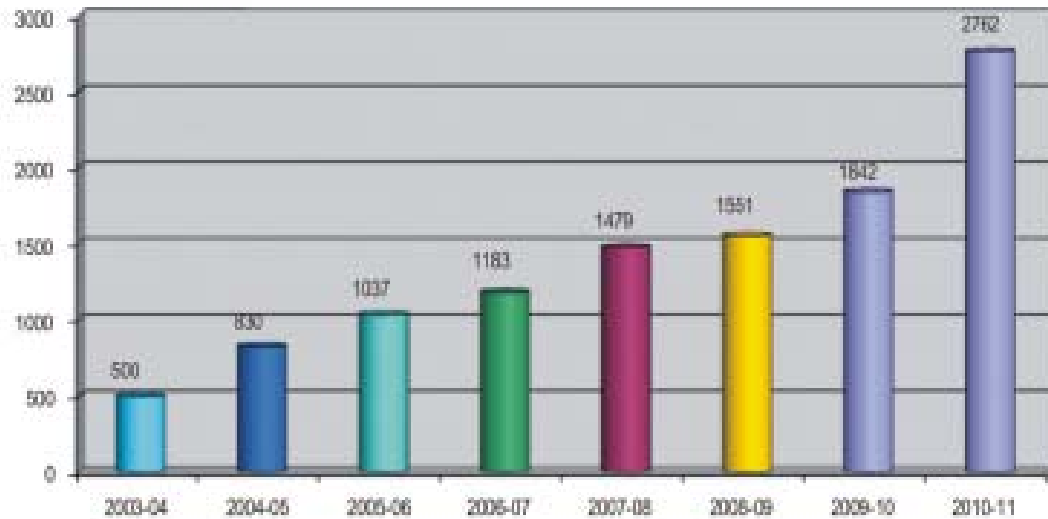
### Earning per share (Rs.)



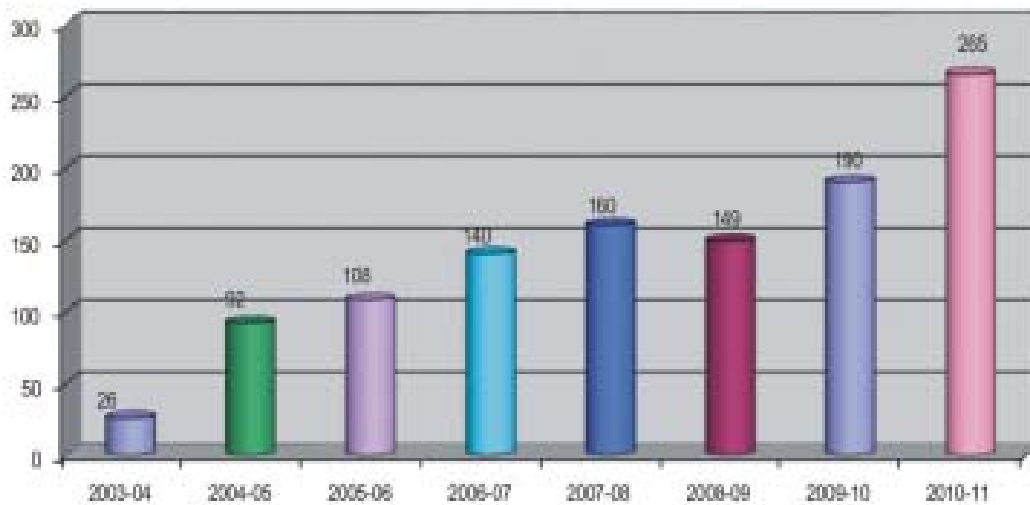
### Debt Equity Ratio (Rs.)



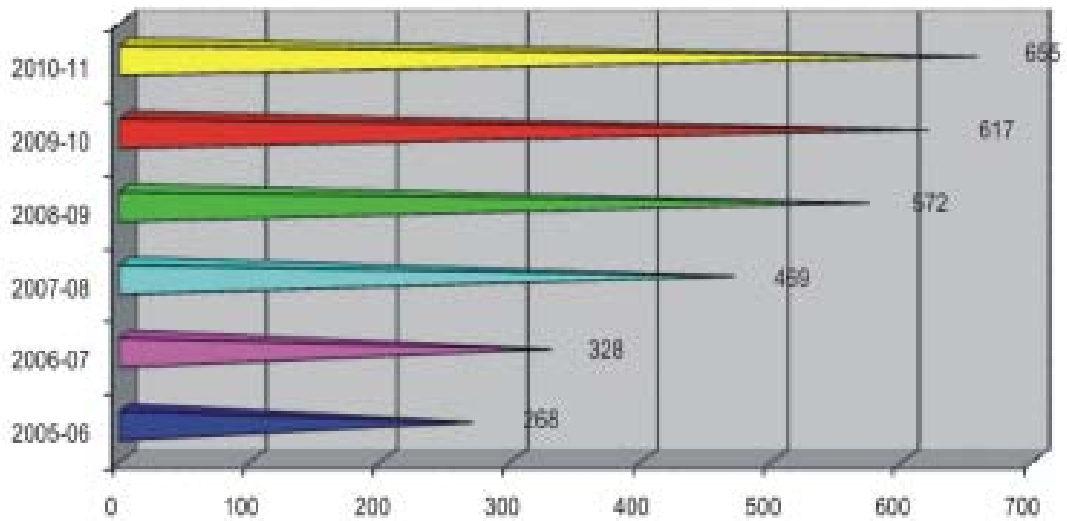
### Revenue (Sales) (Rs. in Lacs)



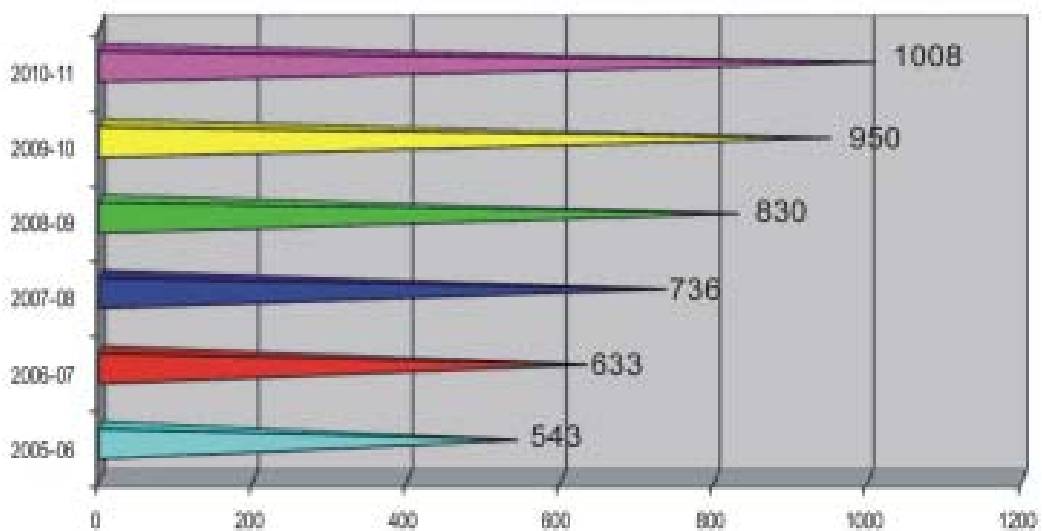
### Profit Before Tax (Rs. in Lacs)



### Gross Fixed Assets (Rs. In Lacs)



### Share Holder's Fund (Rs. In Lacs)



## 11. Compliance

A Certificate from the Statutory Auditors of the Company, confirming compliance with all the conditions of Corporate Governance, as stipulated in Clause 49 of the Listing Agreement of the stock exchanges is annexed to the Directors' Report and forms part of the Annual Report.

## 12. Code of conduct

The Board of Directors has laid down Code of Conduct for all Board Members and Senior Management of the Company as required under Clause 49(1D) of Listing Agreement. This code is also posted on the website of the Company i.e. [www.cenlub.in](http://www.cenlub.in)

The Members of the Board of Directors and Senior Management personnel have affirmed the compliance with the Code applicable to them during the year ended March 31, 2011. The Annual Report of the Company contains a certificate by the Managing Director & CEO in this regard.

## 13. General Shareholder Information

### (i) Annual General Meeting

<b>Date</b>	: 31 <sup>st</sup> August, 2011
<b>Time</b>	: 3.00 pm
<b>Venue</b>	: Rajasthan Sewa Sadan, D-2/5A, Secor-10, Faridabad (Haryana)
<b>Book Closure Dates</b>	: The Register of Members and Share Transfer Books of the company will remain closed from Monday, 22 <sup>nd</sup> August, 2011 to Wednesday, 31 <sup>st</sup> August, 2011 (both days inclusive)

### (ii) Financial Calendar 2011-12

Financial Year	: 1st April to 31st March
Unaudited first quarter financial results	: Before 15 <sup>th</sup> August 2011
Unaudited second quarter financial results	: Before 15 <sup>th</sup> November 2011
Unaudited third quarter financial results	: Before 15 <sup>th</sup> February 2012
Audited annual results for the year ending 31st March 2012	: End of June 2012

**(iii) Dividend Announcement :** : The Board has recommended a dividend of Rs.2.50/- per Equity Share of Rs.10/- each, subject to approval of the shareholders' at the ensuing Annual General Meeting. The dividend, if declared, shall be paid to the shareholders within 30 days from the date of AGM as per the provisions of the Companies Act, 1956

The dividend, if declared, would be paid to such shareholders whose names appear in the Register of Members as on 31<sup>st</sup> August, 2011. In respect of shares held in electronic mode, the dividend will be paid on the basis of list of beneficial owners as furnished by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) as at the end of the business hours on 20th August, 2011. No unpaid / unclaimed dividend was pending for transfer to the Investor Education and Protection Fund of the Central Government, pursuant to Section 205A of the Companies Act, 1956.

- (iv) Date of Dividend Payment** : The payment of dividend, upon declaration by the shareholders at the forthcoming Annual General Meeting, will be made on or after 31st August, 2011 as under:
- To all those beneficial owners holding shares in electronic form, as per the beneficial ownership data made available to the company by National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) as on the end-of-the day on 20th August, 2011.
- To all those shareholders holding shares in physical form, after giving effect to all the valid share transfers lodged with the company on or before the closing hours on 20th August, 2011.
- (v) Share Transfer System** : All transfers of the shares received in physical mode are processed and approved by the Share Transfer Committee within a period of 15 days from the date of receipt provided the documents lodged are clear in all.
- (vi) Registrar and Transfer Agent** : BEETAL FINANCIAL & COMPUTER SERVICES (P) LTD  
BEETAL HOUSE, 3RD FLOOR, 99, MADANGIR,  
BEHIND LOCAL SHOPING CENTRE,  
NEAR DADA HARSUKHDAS MANDIR,  
NEW DELHI – 110062  
DIRECT NO : 011-29961281-87  
FAX NO : 011-29961284  
E. mail : beetal@beetalfinancial.com  
Website :www.beetalfinancial.com
- (vii) Dematerialisation of Shares** : The Shares of the Company are in Compulsory Demat segment. As on 31st March, 2011, 3196434 Equity Shares of the Company stand dematerialised.
- (viii) Company's ISIN No.** : INE627F01011
- Stock Code**  
**BSE, Mumbai** : 522251
- (ix) Listing on Stock Exchange** : Shares of Cenlub Industries Limited are listed on the stock exchange:  
BOMBAY STOCK EXCHANGE LIMITED  
REGISTERED OFFICE : FLOOR 25, PHIROZE JEEJEBHOY TOWERS  
DALAL STREET MUMBAI-400 001
- (x) Plant Location** : • 35, DLF INDUSTRIAL ESTATE – 1, FARIDABAD – 121 003,  
• 83, DLF INDUSTRIAL ESTATE – 1, FARIDABAD – 121 003,  
• 45-B, PHASE – II, PEENYA INDL.AREA, BANGALORE – 560 058 KARNATAKA  
• G-1815 Lodhika GIDC Metoda, Rajkot, Gujrat
- (xi) Address for correspondence** : Investors and Shareholders are requested to send all correspondence to the Registrar & Transfer Agent at the address given above.

**(xii) Stock Market Data**

During the financial year 2010-2011

Month	Bombay Stock Exchange Limited	
	High (Rs.)	Low (Rs.)
April 2010	24.10	13.15
May 2010	21.40	16.85
June 2010	21.95	17.50
July 2010	22.50	18.20
August 2010	21.50	19.75
September 2010	35.80	19.00
October 2010	48.65	29.60
November 2010	42.40	30.60
December 2010	38.00	26.90
January 2011	33.50	19.90
February 2011	22.35	18.70
March 2011	24.65	18.05

**(xiii) Shareholding Pattern:**

Share holding Pattern:

	As on 31 <sup>st</sup> March 2011		As on 31 <sup>st</sup> March 2010	
	No.of Shares	% to total Capital	No.of shares	% to total Capital
Promoters	1618094	39.27	1420378	34.48
Mutual Funds	2700	0.07	2700	0.07
FII	600	0.01	600	0.01
NRIs and OCBs	48532	1.18	41351	1.00
Body Corporate	206379	5.01	109156	2.65
Indian Public	2243695	54.46	2545815	61.79
<b>Total</b>	<b>4120000</b>	<b>100.00</b>	<b>4120000</b>	<b>100.00</b>

**(xiv) Distribution of Shareholding :**

Distribution of Shareholding as on 31.03.11 is given below:

SHARE HOLDING OF NOMINAL VALUE OF Rs	SHARE HOLDERS	% OF TOTAL	SHARES	SHARE AMOUNT Rs	% OF TOTAL
Upto 5000	4700	86.76	844032	8440320.00	20.4862
5001-10000	392	7.24	344430	3444300.00	8.3600
10001-20000	147	2.71	234132	2341320.00	5.6828
20001-30000	61	1.13	157793	1577930.00	3.8299
30001-40000	21	0.39	76296	762960.00	1.8518
40001-50000	24	0.44	117159	1171590.00	2.8437
50001-100000	28	0.52	198659	1986590.00	4.8218
100001 and above	44	0.81	2147499	21474990.00	52.1238
<b>Total</b>	<b>5417</b>	<b>100</b>	<b>4120000</b>	<b>41200000.00</b>	<b>100.00</b>

## MANAGEMENT DISCUSSIONS AND ANALYSIS

The Management discussion and Analysis presents the industry Overview, opportunities and Threats, Initiatives by the Company and overall strategy of CENLUB becoming a market driven producer/supplier of various innovative models and ranges of lubrication products.

### 1. Industry Structure and Developments :

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

CENLUB caters to various industries like Machine Tools, Press Tools, Steel, Paper, Power Generation (Turbine), Sugar etc. Needless to say that CENLUB has become synonymous with Centralised Lubrication by providing efficient, reliable Centralised Lubrication System.

More than 4,00,000 CENLUB Lubrication systems are working in various industries in India. Because of product quality, reliability and prompt "after sales service" CENLUB has succeeded magnificently with tremendous growth.

### 2. Opportunities and threats :

Your company have been done quite well for the last so many years as regards machine tool lubrication is concerned and in fact was enjoying more than 80% market share to supply the system to original machine builders particularly CNC. During the last two years there was a tremendous growth in Plant manufacturing like Power and Steel sector, hence, CENLUB has grown equally with this growth by supplying Lubrication System in these sectors also. But since the machine tool industries also growing, your company is quite optimistic to achieve good financial result in the financial year 2011-2012. In fact, company has already bagged good amount of orders from Public Sectors like BHEL and other Private Sectors for Turbine Lubrication.

Your company is of course during the last one year is getting fair amount of competition from Germany, China, Taiwan and Korea. In addition to it, your company is getting competition from unorganized sectors also from time to time in machine tool sector.

Apparently there is no threat for the development of your company at present. However, there are some big MNCs putting up their plant in India for the supply of Lubrication System, particularly for Power Sector, Steel Sector and Refineries.

Company also had a breakthrough in getting fresh rate contract from ASRTU (Association of State Road Transport Undertakings) for the supply of Centralised Lubrication System for Vehicle Chassis on all over India basis for various State Road Transports. The commercial Vehicle Chassis Lubrication System as well as Lubrication System for buses going to have tremendous potential in coming year in India. The development work in this field is quite in advance stage. Company has a great hope to enter in this field in a big way.

### 3. Outlook

During the year under review your company had been able to generate a net profit of Rs.178.11 lakhs against a net profit of Rs. 119.27 lakhs of last year. Your Directors are please to report that taking into consideration the present economic /government policies, accelerated activities in the core and infrastructure sectors like paper, power, steel and sugar, your company was able to produce better financial results and is expected the trend set in the last financial year is also continuing in the present financial year .

### 4. Risks and concerns

Machine tool industries has taken momentum, resulting better financial results for our company. However, company is concerned for the risk as mentioned above by doing research and development works in other lubrication field and diversifying the products, which is the need of hour.

### 5. Internal Control Systems and their adequacy

An Internal Audit Committee was laid down with powers and responsibilities which are entrusted to them so that the Internal Audit Department can works independently. The department maintains various manuals controls and checklists that are to be carried out before execution of any activity.

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

Similarly, the Company has a well defined manuals for all the functional areas, viz., Production, Sales, Administration, Personnel, etc. These manuals contain elaborate procedures and checklist for the related activities. Necessary controls and checks are exercised by strictly adhering to the various procedures and checklist prescribed in the Manuals. Also these are updated from time to time on ongoing basis, keeping in view the latest developments in different areas.

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

#### **6. Financial Performance**

During the year under review your company had achieved a turn over of Rs 27.62 crores against the last year turnover of Rs 18.43 crores. During the year under review company had shown profit before tax of Rs 265.44 lacs as against the last year profit before tax of Rs 190.32 lacs. Your directors are glad to report that in current year better financial results have been achieved.

#### **7. Dividend**

The Board of Directors have recommended a dividend of Rs.2.50 (25%) per equity share for the year ended March 31, 2011.

#### **8. Material Developments in Human Resources/ industrial relations front.**

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

The company policies included emphasis in growth and all-round development of various persons employed in company. The company had also given special emphasis on training its employees to equip themselves to face the challenges in the competitive business environment and achieve the desired goals

#### **9. Cautionary Statement**

The Management Discussion and Analysis statement of the Annual Report has been included in adherence of the spirit enunciated in the code of Corporate Governance approved by the Securities and Exchange Board of India Statement in the Management Discussion and Analysis describing the Company's objectives, projects, estimates, expectations may be 'forward – looking statements' within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference of the Company's operation include economic conditions affecting demand.



**AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE TO THE MEMBERS OF M/s. CENLUB INDUSTRIES LIMITED**

I have examined the compliance of conditions of Corporate Governance by M/s Cenlub Industries Limited., for the year ended 31st March 2011, as stipulated in clause 49 of the Listing agreement(s) of the said Company with the stock exchange(s) in India.

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

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

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

For **SATISH SINGLA & Co.**  
Chartered Accountants

Sd/  
**(CA Satish Singla)**  
Proprietor  
M.No. 080836

Date: 16.07.2011  
Faridabad

Firm Regn.No.000882N

## AUDITORS REPORT

TO THE MEMBERS OF **CENLUB INDUSTRIES LTD.**

1. We have audited the attached Balance Sheet of M/s. Cenlub Industries Ltd., as at 31<sup>st</sup> March 2011, the Profit and Loss Account and also the Cash Flow Statement for the year ended on that date. 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 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 management, as well as evaluating the overall financial statements. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditors' Report) Order, 2003, issued by the central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, we enclose in the annexure a statement on the matters specified in paragraphs 4 & 5 of the said order.
4. Further to our comments in the annexure referred to above, we report that: -
  - (i) 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.
  - (ii) 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.
  - (iii) The Balance Sheet, Profit And Loss Account and Cash Flow statement dealt with are in agreement with by this report with the books of accounts.
  - (iv) In our opinion, the Balance Sheet, Profit And Loss Account and Cash Flow statement comply with the accounting standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956.
  - (v) On the basis of the written representations received from the directors as on 31<sup>st</sup> March 2011, U/S 274 (1) (g) that, They are not disqualified & to be taken on record by the Board of Directors.
  - (vi) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read with the Accounting policies and 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.
5. In the case of the Balance Sheet, of the state of affairs of the company as at 31<sup>st</sup> March, 2011
6. In the case of the Profit and Loss account of the profit of the company for the year ended on that date and in the case of Cash Flow Statement, of the Cash Flow for the year ended on that date.

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

PLACE: FARIDABAD

DATE: 16.07.2011

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

## ANNEXURE TO THE AUDITORS' REPORT

Referred to in paragraph 3 of our Report of even date

- 1) (a) The company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.
  - (b) A major portion of the fixed assets have been physically verified by the management during the year and there is a regular program of verification which in our opinion, is reasonable having regard to the size of the company and the nature of its assets. According to the information and explanations given to us, no material discrepancies have been noticed to such physical verification as compared to the book records.
  - (c) During the year the Company has not disposed off any substantial part of fixed assets.
- 2) (a) Physical verification has been carried out by the Management in respect of inventory at Reasonable intervals including as on 31.03.2011 as per the records reviewed by us.
  - (b) Based on explanations and records produced by company, in our view, in relation to the size of the Company and the nature of the business, the procedure of physical verification of inventory followed by the Management during the accounting year are reasonable and adequate .
  - (c) The Company is maintaining proper records of inventory. As per the information furnished by the management, no material discrepancy was observed between physical inventories and the books records, and the same has been properly dealt with in the books of account.
- 3) The company has during the year, neither granted nor taken any loans, secured or unsecured from companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956 and accordingly the question of repayment of principal/ interest or any over dues, is not relevant
- 4) In our opinion and according to the information and explanations given to us during the course of audit, there are internal control procedures, generally considered adequate, commensurate with the size of the Company and the nature of its business for purchases of inventory, fixed assets and with regard to sale of goods. During the course of our audit, we have not observed any continuing failure to correct major weakness in internal controls.
- 5) (a) According to the information and explanations given to us by the Management, we are of the opinion that the particulars of contracts or arrangements referred to in Section 301 of the Companies Act, 1956 have been entered in the register to be maintained under that section.
  - (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under Section 301 of the Companies Act, 1956 have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.
- 6) The Company has not accepted, during the year any deposits requiring compliance of the provisions of Section 58 A & section 58AA of the Companies Act, 1956 and the rules framed there under with regard to acceptance of deposits.
- 7) The Company has an internal audit system, which in our opinion is considered as commensurate with the size of the Company and the nature of its business.
- 8) As explained to us, the Central Government has not prescribed under Section 209(1)(d) of the Companies Act 1956, the maintenance of cost records in respect of the Company's business.
- 9) (a) (I) The Company, is regular in depositing with appropriate authorities, undisputed statutory dues including Provident Fund investor education and protection fund E.S.I. income tax, wealth tax, sales tax custom duty, excise duty, cess and other material statutory dues applicable to it.

- (II) According to the information and explanations given to us, no undisputed amounts payable in respect of Income Tax, Wealth Tax, Sales Tax, custom Duty, cess and Excise Duty were outstanding as at 31<sup>st</sup> March 2011 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there are no dues of the income tax, wealth tax, sales tax, custom duty which have not been deposited on account of any dispute.
- 10) The Company has neither accumulated losses at the end of the financial year nor incurred cash losses during the year and in the immediately preceding year.
- 11) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to any financial institution or bank. The Company does not have any debenture holders.
- 12) According to the information and explanations given to us the Company has not granted loan/advance on the basis of security by way of pledge of shares, debentures and other securities, and accordingly, the maintenance of records in this regard is not relevant for the year.
- 13) The Company is not a chit fund, nidhi or mutual benefit society and accordingly the provisions of para 4 (xiii) of the Companies (Auditor Report) Order' 2003, are not applicable to the company.
- 14) The company has maintained proper records for transactions & contracts of trading of shares and timely entries have been made. Shares held are in the name of company.
- 15) In accordance with the information and explanations given to us, Company has not given any guarantees for loans taken by others from bank of financial institutions.
- 16) In accordance with the information and explanations given to us, company has taken term loan during the year and this term loan has been applied for the purpose for which it was obtained.
- 17) According to the information and explanation given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short term basis have been used for long term investment. No long term funds have been used to finance short term assets ,except permanent working capital.
- 18) The company has not raised any money by public issue during the year.
- 19) According to the information and explanation given to us, no fraud on or by the Company has been noticed or reported during the course of our audit
- 20) The Company did not have any outstanding debentures during the year.
- 21) During the year the Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Companies Act,1956.

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

Place: FARIDABAD

Date: 16.07.2011

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



## PROFIT & LOSS ACCOUNT FOR THE YEAR ENDING 31<sup>ST</sup> MARCH, 2011

Schedules	31.03.2011 (Rupees)	31.03.2010 (Rupees)
<b>INCOME</b>		
Sales		
Manufacturing Goods	298,070,439	194,792,594
Less : Excise Duty	<u>27,024,779</u>	<u>14,413,070</u>
Net Sale	271,045,660	180,379,523
Traded Goods	687,128	-
Other Income	XII <u>4,422,493</u>	<u>3,792,022</u>
<b>TOTAL INCOME</b>	<b><u>276,155,281</u></b>	<b><u>184,171,545</u></b>
<b>EXPENDITURE</b>		
Manufacturing Expenses	XIII <b>189,623,559</b>	122,545,254
Administrative and other exp.	XIV <b>53,549,118</b>	35,466,649
Finance Charges	XV <b>8,281,412</b>	4,504,928
Purchase Traded Goods	<u>2,674,986</u>	-
	<b><u>254,129,075</u></b>	<b><u>162,516,831</u></b>
(Increase) or Decrease in Stocks Finished goods & W.I.P. & Traded Goods (Scripts)	XVI <b><u>(7,362,320)</u></b>	<u>5,743</u>
<b>TOTAL CASH EXPENDITURE</b>	<b><u>246,766,755</u></b>	<b><u>162,522,574</u></b>
<b>PROFIT/(LOSS) BEFORE NON CASH EXPENDITURE</b>	<b><u>29,388,526</u></b>	<b><u>21,648,972</u></b>
<b>NON CASH EXPENDITURE</b>		
Depreciation	<u>2,845,204</u>	<u>2,617,160</u>
	<b><u>2,845,204</u></b>	<b><u>2,617,160</u></b>
<b>PROFIT (LOSS) BEFORE TAXES</b>	<b><u>26,543,322</u></b>	<b><u>19,031,812</u></b>
<b>Provision for taxation</b>		
Income Tax Current Year	<b>9,150,000</b>	6,150,000
Income Tax & FBT ( P.Y.)	<b>93,599</b>	196,662
Deferred Tax Liability/(Asset)(Net)	<b>(511,261)</b>	758,506
<b>PROFIT (LOSS) AFTER TAXES</b>	<b><u>17,810,984</u></b>	<b><u>11,926,644</u></b>
Balance brought forward from previous year	<b><u>53,754,687</u></b>	<b><u>41,828,044</u></b>
<b>Amount Available for Appropriation</b>	<b><u>71,565,671</u></b>	<b><u>53,754,688</u></b>
Proposed Dividend	10,300,000	-
Tax on Proposed Dividend	1,670,918	-
<b>BALANCE CARRIED TO BALANCE SHEET STATEMENT ON ACCOUNTING POLICIES AND NOTES TO ACCOUNTS</b>	XVII <b><u>59,594,753</u></b>	<b><u>53,754,688</u></b>

The Schedules referred to above form an integral part of Accounts  
This is the Balance Sheet referred to in our report of even date

For and on behalf of

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

**CA SATISH SINGLA**  
(Proprietor)  
Membership No.080836  
Regn. No. 000882N  
Place : Faridabad  
Date : 16-07-2011

For and on behalf of the Board

**VIJENDRA KUMAR MITTAL**  
MANAGING DIRECTOR

**VIRENDRA KUMAR GUPTA**  
DIRECTOR

**MADHU MITTAL**  
DIRECTOR

## SCHEDULES TO BALANCE SHEET

<b>SCHEDULE I</b>	<b>31.03.2011</b>	<b>31.03.2010</b>
<b>SHARE CAPITAL</b>	<b>(Rupees)</b>	<b>(Rupees)</b>
<b>AUTHORISED</b>		
5,000,000 Equity Shares of Rs.10.00 each	50,000,000	50,000,000
<b>ISSUED,SUBSCRIBED AND PAID UP</b>		
4,120,000 Equity Shares of Rs.10.00 each fully paid up in cash	41,200,000	41,200,000
	<u>41,200,000</u>	<u>41,200,000</u>
<b>SCHEDULE II</b>	<b>31.03.2011</b>	<b>31.03.2010</b>
<b>RESERVES &amp; SURPLUS</b>	<b>(Rupees)</b>	<b>(Rupees)</b>
<b>Profit &amp; Loss Account</b>		
Balance in profit & loss a/c	59,594,753	53,754.687
	<u>59,594,753</u>	<u>53,754.687</u>
<b>SCHEDULE III</b>	<b>31.03.2011</b>	<b>31.03.2010</b>
<b>SECURED LOANS</b>	<b>(Rupees)</b>	<b>(Rupees)</b>
FROM BANKS :		
Cash Credit *	62,476,230	35,924,142
Term loans **	580,789	1,380,581
	<u>63,057,019</u>	<u>37,304,723</u>
* Secured by I) Hypothecation of Stocks of Raw Material,Stocks -in-Process & Finished Goods II) Equitable mortgage of Land,Building and Plant & Machinery, and pledge of Fixed Deposit of Rs. 79.11 Lacs III) Guaranteed by Five (5) Directors		
** Secured by Hypothecation of Vehicles.		
<b>SCHEDULE IV</b>	<b>31.03.2011</b>	<b>31.03.2010</b>
<b>UNSECURED LOANS</b>	<b>(Rupees)</b>	<b>(Rupees)</b>
FROM BANKS :	6,917,592	4,513,178
FROM CORPORATES	2,930,472	-
	<u>9,848,064</u>	<u>4,513,178</u>

**SCHEDULE V  
FIXED ASSETS**

Refer note 1 (b) &amp; (f) of schedule XVII

PARTICULARS	GROSS BLOCK			DEPRECIATION			NET BLOCK			
	AS AT 01.04.10	ADDITION	DEDUCTION	AS AT 31.03.11	UPTO 31.03.10	FOR THE YEAR	DEDUCTIONS	UPTO 31.03.11	AS AT 31.03.11	AS AT 31.03.10
LAND	3,949,660	1,502,800	-	5,452,460	-	-	-	-	5,452,460	3,949,660
GOODWILL	1,500,000	-	-	1,500,000	1,500,000	-	-	1,500,000	-	-
FACTORY BUILDING	1,185,800	-	-	1,185,800	591,426	39,606	-	631,032	554,769	594,374
BUILDING	15,443,951	374,334	-	15,818,285	749,402	525,218	-	1,274,620	14,543,665	14,694,549
BUILDING UNDER CONSTRUCTION	185,585	-	185,585	-	-	-	-	-	-	185,585
OFFICE BUILDING	5,265,806	-	-	5,265,806	619,435	85,833	-	705,268	4,560,538	4,646,371
PLANT & MACHINERY	21,965,102	3,158,374	1,580,304	23,543,172	10,381,338	1,253,068	113,048	11,521,358	12,021,814	11,583,764
TOOLS & EQUIPMENT	1,295,986	10,884	-	1,306,870	844,452	61,680	-	906,132	400,738	451,534
ELECTRIC INSTALLATION	438,167	37,239	-	475,405	131,700	32,750	-	164,450	310,955	306,467
OFFICE EQUIPMENT	1,900,949	28,748	-	1,929,697	892,562	90,697	-	983,259	946,438	1,008,387
FURNITURE & FITTINGS	2,396,633	478,829	-	2,875,462	1,126,942	171,966	-	1,298,908	1,576,555	1,269,691
VEHICLE	6,135,592	47,550	-	6,183,142	2,759,611	584,387	-	3,343,998	2,839,144	3,375,981
<b>TOTAL</b>	<b>61,663,231</b>	<b>5,638,758</b>	<b>1,765,889</b>	<b>65,536,099</b>	<b>19,596,868</b>	<b>2,845,204</b>	<b>113,048</b>	<b>22,329,024</b>	<b>43,207,076</b>	<b>42,066,363</b>
PREVIOUS YEAR	57,206,695	5,767,116	1,310,580	61,663,231	17,127,785	2,617,160	148,077	19,596,868	42,066,363	40,078,910

<b>SCHEDULE VI INVESTMENTS</b>	<b>31.03.2011 (Rupees)</b>	<b>31.03.2010 (Rupees)</b>
(Refer to note A (d) of Schedule XVII)		
<b>SHORT TERM</b>		
Fixed Deposits with Bank	22,500,000	13,500,000
Investment in Shares	1,256,420	1,176,566
	<u>23,756,420</u>	<u>14,676,566</u>
<b>SCHEDULE VII INVENTORIES</b>	<b>31.03.2011 (Rupees)</b>	<b>31.03.2010 (Rupees)</b>
(Refer to note A(c) of Schedule XVII) (As per Inventories taken, valued and certified by the Management)		
Stock in Process	11,888,842	6,457,989
Raw Materials	27,151,589	13,425,125
Stores & Spares	113,030	76,750
Traded Goods (Scrips)	2,405,118	473,651
	<u>41,558,579</u>	<u>20,433,515</u>
<b>SCHEDULE VIII DEBTORS</b>	<b>31.03.2011 (Rupees)</b>	<b>31.03.2010 (Rupees)</b>
Unsecure (Unless otherwise stated)		
i) Outstanding for a period exceeding six months (Excl. Provision for doubtful debts Rs. 3,56,483/- Previous Year Rs. 4,61,056/-)	4,432,523	4,195,903
ii) Other Debts.	67,648,945	39,025,568
	<u>72,081,468</u>	<u>43,221,471</u>
<b>SCHEDULE IX CASH AND BANK BALANCES</b>	<b>31.03.2011 (Rupees)</b>	<b>31.03.2010 (Rupees)</b>
Cash in hand	520,934	230,828
With Scheduled Bank on		
Current Account	10,684,032	21,935,286
Margin Money & Deposit Accounts * (against Bank Gurantee )	8,281,658	7,906,553
	<u>19,486,623</u>	<u>30,072,667</u>

\*Under Bank lien

<b>SCHEDULE X LOANS AND ADVANCES</b>	<b>31.03.2011 (Rupees)</b>	<b>31.03.2010 (Rupees)</b>
Advances recoverable in Cash. or in kind or for value to be received. (Unsecured considered good)	<b>33,776,187</b>	22,293,593
	<b><u>33,776,187</u></b>	<u>22,293,593</u>
<b>SCHEDULE XI CURRENT LIABILITIES &amp; PROVISIONS</b>	<b>31.03.2011 (Rupees)</b>	<b>31.03.2010 (Rupees)</b>
<b>A. CURRENT LIABILITES</b>		
Sundry Creditors	<b>35,114,832</b>	25,254,513
Advance from Customers	<b>1,812,959</b>	1,743,891
Other Liabilites	<b>4,648,713</b>	3,294,588
<b>B. PROVISIONS</b>		
For Dividend	<b>10,300,000</b>	-
For Dividend Tax	<b>1,670,918</b>	-
For Taxation	<b>506,656</b>	470,688
For Gratuity	<b>4,256,049</b>	2,860,256
	<b><u>58,310,127</u></b>	<u>33,623,936</u>
<b>SCHEDULE XII OTHER INCOME</b>	<b>31.03.2011 (Rupees)</b>	<b>31.03.2010 (Rupees)</b>
Interest (Gross) (TDS Rs. 2,94,458/-, P.Y. 2,04,475/-)	<b>1,995,352</b>	2,055,520
Dividend	<b>34,706</b>	11,724
Installation Income	<b>1,909,150</b>	1,550,045
Long term Gain	<b>53,025</b>	-
Prov. for Doubtful Debts Written back	<b>104,573</b>	-
Sundry balance writton off	<b>-</b>	100,469
Short term gain	<b>324,687</b>	-
Other Income	<b>1,000</b>	74,265
	<b><u>4,422,493</u></b>	<u>3,792,023</u>
<b>SCHEDULE XIII MANUFACTURING EXPENSES</b>	<b>31.03.2011 (Rupees)</b>	<b>31.03.2010 (Rupees)</b>
Raw Material Consumed	<b>163,154,888</b>	106,514,270
Consumable Stores & Tools Consumed	<b>11,137,412</b>	6,520,516
Power and Fuel	<b>2,139,766</b>	1,962,943
Processing Expenses	<b>2,176,650</b>	1,223,227
Wages	<b>11,014,843</b>	6,324,298
	<b><u>189,623,559</u></b>	<u>122,545,254</u>

	31.03.2011 (Rupees)	31.03.2010 (Rupees)
<b>SCHEDULE XIV</b>		
<b>ADMINISTRATIVE AND OTHER EXPENSES</b>		
Employees Expenses :-		
Salary	18,039,176	12,656,838
Staff & Labour Welfare	1,330,234	647,344
Employers contribution to ESI & PF	1,844,059	1,272,059
Retirement Benefits (Gratuity)	1,395,793	412,483
Rent	5,411,229	4,807,814
Travelling & Conveyance	5,975,355	3,749,718
Rates and Taxes	62,940	51,711
Directors sitting fees	42,000	20,000
Repair & Maintenance :		
Machinery	403,651	236,267
Building	335,096	421,268
Others	594,180	477,262
Miscellaneous Expenses	3,132,698	2,227,011
Communication Expenses	1,699,852	947,471
Bad Debts Written Off	149,880	278,082
Bad Debts provision	-	82,081
Selling exp.	8,210,555	3,903,698
Sales Commission	845,143	511,492
Insurance Charges	970,148	1,157,385
Legal & Professional charges	1,171,809	642,390
Auditors Remuneration	220,000	180,000
Printing & stationery expenses	789,436	711,371
Loss on Sale of Fixed assets	899,296	72,903
Loss on theft	26,586	-
	<u>53,549,118</u>	<u>35,466,649</u>
<b>SCHEDULE XV</b>		
<b>INTEREST &amp; FINANCE CHARGES</b>		
Bank Charges	1,735,983	887,702
Interest on Term Loan	863,227	1,014,920
Interest Others	5,682,202	2,602,306
	<u>8,281,412</u>	<u>4,504,928</u>
<b>SCHEDULE XVI</b>		
<b>(INCREASES) OR DECREASES IN FINISHED GOODS &amp; STOCK-IN-PROCESS</b>		
<b>Opening stock :</b>		
Finished Goods	-	-
Stock-in-process	6,457,989	6,645,840
Traded Goods	473,651	291,543
	<u>6,931,640</u>	<u>6,937,383</u>
<b>Less: Closing stock :</b>		
Finished Goods	-	-
Stock-in-process	11,888,842	6,457,989
Traded Goods	2,405,118	473,651
	<u>14,293,960</u>	<u>6,931,640</u>
(Increase) or Decrease in Stock- in -process and Finished Goods	<u>(7,362,320)</u>	5,743

---

**SCHEDULE XVII**  
**STATEMENT ON ACCOUNTING POLICIES & NOTES ON ACCOUNTS**

---

**A SIGNIFICANT ACCOUNTING POLICIES****a) BASIS OF ACCOUNTS**

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

**b) FIXED ASSETS**

Fixed assets are stated at cost of acquisition, inclusive of inward freight, duties & taxes and incidental expenses related to acquisition

**c) INVENTORIES**

Raw materials, stores, spares & consumables are valued at cost net of Cenvat credit. Stock in process & finished goods and Traded Goods are valued at lower of cost or estimated net realisable value.

Scripts are valued, scrip wise, at lower of cost or market price.

**d) INVESTMENTS**

Long term Investments are stated at cost of acquisition inclusive of expenditure incidental to acquisition. A provision for diminution is made to recognise a decline, other than temporary in the value of long term investment. Current Investments are stated at lower of cost or fair value determined on an individual basis.

**e) MISCELLANEOUS EXPENDITURE**

Expenditure in respect of issue of shares, pre-incorporation and other preliminary expenses, are written-off over a period of 10 years from the year in which these are incurred.

**f) DEPRECIATION**

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

**g) INCOME FROM INVESTMENTS**

Income from investments is credited to revenue in the year in which it received.

**h) REVENUE RECOGNITION**

Revenue is recognised on dispatch of materials to customers from the plant.

**i) CONTINGENT LIABILITIES**

Unprovided contingent liabilities are disclosed in the accounts by way of notes giving nature and quantum of such liabilities.

**j) FOREIGN CURRENCY TRANSACTION**

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

**k) RETIREMENT BENEFITS**

1. Short term benefits are recognised as an expense at the undiscounted amount in the profit and loss account of the year in which the related service is rendered.
2. Post employment and other long term employee benefits are recognised as an expense in the profit and loss account for the year in which the employee has rendered service. The expense is recognised at the present value of the amount payable determined on the basis of calculating the accrual amount itself, as number of employees is very less.
3. Compensation paid under the company's Voluntary Retirement scheme is charged to the profit and loss account in the year of payment.

**l) TAXATION**

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

**m) PURCHASES AND SALES**

Purchases are net of Cenvat Credit. Sales are net of excise duty & sales tax. There is no impact on Profit & Loss Account for Duty & Taxes.

## B. NOTES ON ACCOUNTS

1. Contingent liability not provided for:-

1) In respect of Bank Guarantees given by Bank for Rs. 74.24 Lacs (previous year Rs. 59.75 Lacs).

2. Auditors Remuneration	<b>Year Ended 31.03.2011</b>	Year Ended 31.03.2010
Audit fees	<b>150,000</b>	120,000
Tax Audit Fees	<b>70,000</b>	60,000
	<b>220,000</b>	180,000
<b>3. Managerial Remuneration (Paid to Managing/Wholetime Directors)</b>		
Salary	<b>5,400.00</b>	3,192,000
P F	<b>568,800</b>	319,680
Gratuity Provision	<b>9,38,654</b>	32,884
	<b>6,907,454</b>	<b>3,544,564</b>

4. The names of small scale Industries to whom the company owes any sum together with interest out-standing for more than thirty days are:-

Minihyd Hydraulics (P) Ltd.	Paul Machine Tools	U T Pump & Systems (P) Ltd.
Deep Automation	Hyfit Engineers	H T A Instrumentation Pvt. Ltd.
Switzer Instrument Ltd.	Jammu Timber Stores	Trulock Hydromatics P. Ltd.
Ellecha Engineering Products	Nirmal Industrial Controls P Ltd.	H P Valves & Fittings India P Ltd.
R K Control Instruments P Ltd.	Flexpro Electricals P Ltd.	
SBEM PVT LTD	Floster Engineers P Ltd.	

Payment against supplies from S.S.I. are generally made in accordance with agreed terms. However as per Management, there are no claims from parties for interest on overdue payments.

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

6. Information regarding capacity, production, sales & closing stocks :

### a) Licensed Capacity

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

### Installed Capacity

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

### b). Production, Purchases, Sales & Stocks

ITEMS	Opening Stock		Production/Purchase		Sales		Closing Stock	
	Qty. Nos.	Value Rupees	Qty. Nos.	Value Rupees	Qty. Nos.	Value Rupees	Qty. Nos.	Value Rupees
<b>MANUFACTURED GOODS</b>								
Lubrication Equipment / Hand Pump	0	0	12538		12538	230618612	0	0
(Previous Year)	0	0	(7496)		(7496)	(135126741)	0	0
Accessories & Other Goods	---	---	---		---	40427048	---	---
(Previous Year)	( --- )	( --- )	( --- )		( --- )	(45252782)	( --- )	( --- )
<b>TRADED GOODS</b>								
PPR	0	0	---	2607082	0	530628	0	2000500
(Previous Year)	0	0	( --- )		0	( --- )	0	0
SCRIPS	140595	473651	0	0	10000	0	130595	404618
(Previous Year)	141533	(501256)	0	0	0	0	(140595)*	(473651)

(In previous year 1000 shares of Reliance Petroleum Ltd. has been converted to Reliance Ind. Ltd. 62 Shares)

7. Raw Material Consumed during the year were as follows:-

	31.03.2011		31.03.2010	
	QTY.(NO.)	VALUE(Rs.)	QTY.(NO.)	VALUE(Rs.)
MOTORS	10589	15,530,056	7267	7,705,434
MISCELLANEOUS ITEMS	NA	147,624,832	NA	98,808,836
		<u>163,154,888</u>		<u>106,514,270</u>

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

	31.03.2011		31.03.2010	
	Percentage %	VALUE Rupees	Percentage %	VALUE Rupees
a) Raw Materials & Components				
i) Imported	3.38	5,515,239	3.13	3,336,602
ii) Indigenous	96.62	157,639,649	96.87	103,177,668
	<u>100.00</u>	<u>163,154,888</u>	<u>100.00</u>	<u>106,514,270</u>
b) Stores and Spares				
i) Indigenous	100.00	11,137,412	100.00	6,520,516
	<u>100.00</u>	<u>11,137,412</u>	<u>100.00</u>	<u>6,520,516</u>

9. CIF Value of imports

	31.03.2011 VALUE Rupees	21.03.2010 VALUE Rupees
Raw Material & Components	<u>6,988,271</u>	<u>2,814,022</u>
	<u>6,988,271</u>	<u>2,814,022</u>

10. Earning in Foreign Currency :-

	31.03.2011 VALUE Rupees	31.03.2010 VALUE Rupees
FOB value of Exports (including exchange rate fluctuation)	<u>2,149,418</u>	<u>2,771,108</u>
	<u>2,149,418</u>	<u>2,771,108</u>

11. Expenditure in foreign currency :-

	31.03.2011 VALUE Rupees	31.03.2010 VALUE Rupees
Travelling	525,272	-
Others (Bording Expenses)		
	<u>525,272</u>	<u>-</u>

12. Statement of Stock in Trade, Scrips :-

Name of the Company	QTY NOS. 31.03.2011	Valued At Rs. 31.03.2011
<b>Quoted Equity Shares:-</b>		
INDO FRENCH BIOTECH FOODS LTD.	200	-
KANAK DHARA STEELS LTD.	7200	-
KAREEM SPUN LTD.	2100	-
MAYANK HOTELS LTD.	100000	-
OMEGA INTERACTIVE TECHNOLOGIES LTD.	100	485
PASHUPATI HARYANA WOOLLEN MILLS LTD.	5000	-
PUNEET RESINS LTD.	2000	72,500
RAJASTHAN BREWARIES LTD.	5700	-
RELIANCE INDUSTRIES LTD.	62	59,700
HCL INFOSYS LTD.	233	23,533
MANGLORE CHEMICALS	8000	248,400
	<u>130,595</u>	<u>404,618</u>

13. Refer Annexure for additional information pursuant to part IV of Schedule VI to the Companies Act 1956.

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

**15. Balance Confirmations :**

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

**16. Segment Reporting**

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

**17. Related Party Disclosures:**

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

1. Relationship

- |  |     |
|--|-----|
| (i) Subsidiaries / Holding Companies               | NIL |
| (ii) Joint Venture/Joint Control & Associates      | NIL |
| (iii) Key management personnel :-                  |     |
| a.) Mr. VIJENDRA KUMAR MITTAL - Managing Director  |     |
| b.) Mr. VIRENDRA KUMAR GUPTA - Whole Time Director |     |
| c.) Mr. AMAN MITTAL - Whole Time Director          |     |
| d.) Mrs. MADHU MITTAL - Whole Time Director        |     |
| e.) Mr. ANSH MITTAL - Whole Time Director          |     |

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

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

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

(Rs. In lacs)

PARTICULARS	KEY MANAGEMENT PERSONNEL		RELATIVES OF KEY MGMT. PERSONNEL		OTHERS		TOTAL	
	2010-11	2009-10	2010-11	2009-10	2010-11	2009-10	2010-11	2009-10
Purchase of goods								
Minihyd Hydraulics (P) Ltd.			--	--	180.36	94.26	180.36	94.26
<b>Salary</b>								
— Mr. VIJENDRA KUMAR MITTAL	24.00	10.92	--	--	--	--		
— Mr. VIRENDRA KUMAR GUPTA	6.00	4.20	--	--	--	--		
— Mr. AMAN MITTAL	9.00	6.60	--	--	--	--		
— Mrs. MADHU MITTAL	6.00	4.20	--	--	--	--		
— Mr. ANSH MITTAL	9.00	6.00	--	--	--	--	<b>54.00</b>	31.92
<b>Rent</b>								
— Mr. AMAN MITTAL	2.10	1.37	--	--	--	--		
— Mr. ANSH MITTAL	2.10	1.37	--	--	--	--	<b>4.20</b>	2.74
<b>Contribution to Gratuity/PF</b>								
— Mr. V.K. MITTAL	9.38	1.01	--	--	--	--		
— Mr. V.K. GUPTA	0.66	0.55	--	--	--	--		
— Mr. AMAN MITTAL	3.35	0.79	--	--	--	--		
— Mrs. MADHU MITTAL	0.60	0.60	--	--	--	--		
— Mr. ANSH MITTAL	0.72	0.58	--	--	--	--	<b>14.71</b>	3.53
<b>BALANCES AS AT 31.03.11</b>								
Creditors	--	--	--	--	<b>25.14</b>	11.84	<b>25.14</b>	11.84
Minihyd Hydraulics (P) Ltd.								
Payables	--	--	--	--	--	--	--	--
Advances	--	--	--	--	--	--	--	--

**NOTE :-**

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

## 18. Earning per share (EPS)

Earning per share has been computed as follows:-

(Value in Rupees)

	Year ended 31.03.11	Year ended 31.03.10
Net Profit/(Loss) attributable to Shareholders	17,810,984	11,926,644
Effect of Dilutive Securities	—	—
Diluted income available to Equity Shareholders	<u>17,810,984</u>	<u>11,926,644</u>
Weighted average shares outstanding	4,120,000	4,120,000
Effect of Dilutive Securities	—	—
Diluted weighted average shares outstanding	<u>4,120,000</u>	<u>4,120,000</u>
Nominal value of Equity shares	10	10
Basic earnings per share	4.32	2.89
Diluted earnings per share	4.32	2.89

## 19. Taxation:

In view of Accounting Standard -22 for 'Taxes on Income' issued by the Institute of Chartered Accountants of India, the company has started accounting for Deferred Taxes with effect from 1st April, 2001 as follows:-

Breakup of Deferred Tax Assets and Liabilities as at March 31, 2011 into major components of the respective balances is as under:-

	As at 1st April, 2010	For the year 2010-2011	As at 31st March, 11
Deferred Tax Assets being tax impact thereon			
(i) Unabsorbed losses and/or depreciation carried forward as per Income tax laws.	-	-	-
(ii) Expenses charged in the books, but allowance thereof deferred under Income tax laws. (Gratuity, Bonus provision etc.)	1,187,642	485,508	1,673,150
	<u>1,187,642</u>	<u>485,508</u>	<u>1,673,150</u>
Deferred Tax Liabilities being tax impact thereon			
(i) Difference between written down value of block of assets as per Income tax laws and written down value of the fixed assets as per books of accounts.	(3,555,293)	25,753	(3,529,540)
	<u>(3,555,293)</u>	<u>25,753</u>	<u>(3,529,540)</u>
<b>Net Deferred Tax Asset/(Liabilities)</b>	<b>(2,367,651)</b>	<b>511,261</b>	<b>(1,856,390)</b>

Signature on Schedule I to XVII

For and on behalf of

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

**CA SATISH SINGLA**  
(Proprietor)  
Membership No.080836  
Regn. No. 000882N  
Place : Faridabad  
Date : 16.07.2011

For and on behalf of the Board

**VIJENDRA KUMAR MITTAL**  
MANAGING DIRECTOR

**VIRENDRA KUMAR GUPTA**  
DIRECTOR

**MADHU MITTAL**  
DIRECTOR

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH 2011**

	<u>31.03.2011</u> (Rupees)	<u>31.03.2010</u> (Rupees)
<b>A. CASH FLOW FROM OPERATING ACTIVITIES :</b>		
Net profit (Loss) before tax and extra ordinary items	26,543,322	19,031,812
Adjustment for :		
Depreciation	2,845,204	2,617,160
Diminution/Increase in value of scrips and traded goods	-	-
Diminution/Increase in value of Investments	-	-
Interest/Dividend/ other revenue Income	(2,030,058)	(2,067,244)
Interest expenses	6,545,429	3,617,226
(Profit)/Loss on sale of Assets	925,882	72,903
Loss on sale of Investments	-	-
<b>Operating Profit Before Working capital Changes</b>	<b>34,829,779</b>	<b>23,271,857</b>
Adjustment for :		
Sundry Debtors	(28,859,997)	657,435
Inventories other than scrips and traded goods	(21,125,064)	2,199,942
Loans & Advances	(11,482,594)	(15,490,206)
Trade Payables	24,686,191	5,759,425
<b>Cash Generated from Operations</b>	<b>(1,951,685)</b>	<b>16,398,453</b>
Direct taxes paid	9,243,599	6,346,662
<b>Cash Flow before extra-ordinary items</b>	<b>(11,195,284)</b>	<b>10,051,791</b>
Extraordinary Items	-	-
<b>Net Cash generated/(used) from operating activities : (A)</b>	<b>(11,195,284)</b>	<b>10,051,791</b>
<b>B: CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of fixed assets	(5,453,173)	(4,799,516)
Sale of fixed assets	541,374	122,000
Sale of Investments	-	-
Interest/Dividend received	2,030,058	2,067,243
<b>Net Cash generated/(used) from investing activities : (B)</b>	<b>(2,881,740)</b>	<b>(2,610,273)</b>
<b>C: CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from long term Investments	(9,079,854)	(3,676,566)
Proceeds from Bank Borrowings	31,087,182	16,092,130
Interest paid	(6,545,429)	(3,617,226)
Dividend & Dividend Distribution Tax	(11,970,917)	-
<b>Net Cash generated/(used) from financing activities (C)</b>	<b>3,490,982</b>	<b>8,798,338</b>
<b>D: NET DECREASE / INCREASE IN CASH</b>		
Cash and cash equivalents (A+B+C)	(10,586,043)	16,239,857
Cash and Cash Equivalents as at 01.04.10	30,072,666	13,832,809
Cash and Cash Equivalents as at 31.03.11	19,486,623	30,072,667

As per report of even date

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

**CA SATISH SINGLA**  
(Proprietor)  
Membership No.080836  
Regn. No. 000882N  
Place : Faridabad  
Date : 16-07-2011

For and on behalf of the Board

**VIJENDRA KUMAR MITTAL**  
MANAGING DIRECTOR

**VIJENDRA KUMAR GUPTA**  
DIRECTOR

**MADHU MITTAL**  
DIRECTOR

**BALANCE SHEET ABSTRACT & COMPANY'S GENERAL BUSINESS PROFILE**

(Refer Schedule XVII, Note 15)

**I. Registration Details**

Registration No.

State Code :

Date of Balance Sheet

**II. Capital Raised during the year (Amount in Rs. Thousands)**

Public Issue

Rights Issue

Bonus Issue

Private Placement

**III. Position Mobilisation and Deployment of Funds ( Amount in Rs. Thousand )**

Total liabilities

Total Assets

**Sources of Funds**

Paid up Capital

Reserves &amp; surplus

Secured Loans

Unsecured Loans

Deferred Tax Liability

**Application Funds**

Net Fixed Assets

Investments

Net Current Assets

Misc Expenditure

**IV. Performance of Company (Amount in Rs. Thousand)**

Gross Income

Total Expenditure

Profit/(Loss) Before Tax

Profit/(Loss) After Tax

Earning/(loss) per share in Rs.

Dividend rate %

**V. Generic Names of three principal Products/ Services of Company ( As per monetary terms )**

 Item Code No : 

 Product : 

 Description :





## CENLUB INDUSTRIES LIMITED

Registered Office : 35, DLF Industrial Estate-I, Faridabad - 121 003, Haryana

### ATTENDANCE SLIP

Nineteenth Annual Geneal Meeting  
Wednesday, 31st August, 2011 at 3.00 P.M.

Name & Address of Member	Regd. Folio No.

I certify that I am the registered Shareholder of the Company and hold ..... equity shares, or that I am Proxy of the registered shareholder of the Company holding ..... equity Shares.

(Please indicate whetehr Member / Proxy)

Member/s / Proxy's Signature

- Note :**
1. Shareholder / Proxy holder wishing to attend the meeting must bring the Admission Slip to the meeting and hand over at the entrance duly signed.
  2. Shareholders are requested to advice their change in addresses if any, immediately.

## CENLUB INDUSTRIES LIMITED

Registered Office : 35, DLF Industrial Estate-I, Faridabad - 121 003, Haryana

### ATTENDANCE SLIP

Nineteenth Annual Geneal Meeting  
Wednesday, 31st August, 2011 at 3.00 P.M.

### PROXY FORM

I/We \_\_\_\_\_  
\_\_\_\_\_ being Member/Members of Cenlub Industries Limited

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

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

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

as my/our Proxy to attend and vote for me/us and on my/our behalf at the Nineteenth Annual General Meeting of the Company, to be held on Wednesday, 31st August, 2011 at 3.00 P.M. and at any adjournment thereof.

As witness my/our hand(s) this \_\_\_\_\_ day of \_\_\_\_\_ 2011

Regd. Folio No. : \_\_\_\_\_

No. of Shares Held : \_\_\_\_\_

Please Affixe  
Re. 1  
Revenue  
Stamp

**NOTE :** The Proxy Form duly signed across the stamp should reach the Company's Registered Office at least 48 hours before the meeting.