



IID FORGINGS LIMITED

CERTIFIED TRUE COPY.

For IID Forgings Ltd
[Signature]
Director,

24 TH ANNUAL REPORT

Report **2004 — 2005** [junction.com](http://www.reportjunction.com)

Regd. Office :

VIKAS, 11, BANK STREET, MUMBAI - 400 023.

Factory :

B-86, M. I. D. C., INDUSTRIAL ESTATE, AMBAD, NASHIK.

IID FORGINGS LIMITED

NOTICE

TO THE SHAREHOLDERS

NOTICE is hereby given that the Twenty Fourth ANNUAL GENERAL MEETING of the Members of IID FORGINGS LIMITED, will be held on the 18th August, 2005 at the Registered Office of the Company at "Vikas" 11 Bank Street, Fort, Mumbai – 400 001 at 4.00 p.m. to transact the following business:

AS ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Balance Sheet as on 31st March, 2005 and the audited Profit & Loss Account for the year ended on that date and the Director's and Auditor's Reports thereon.
2. To appoint a Director in place of Shri.Uttam Patel, who retire by rotation and being eligible, offers himself for reappointment.
3. To appoint Auditors for the current year and fix their remuneration.

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**FOR AND ON BEHALF OF THE
BOARD OF DIRECTORS**

VIHARI PAREKH

CHAIRMAN

MUMBAI:

DATED: 13th JULY, 2005

Registered Office:

"Vikas", 11 Bank Street,
Fort, Mumbai – 400 001

NOTES: A Member entitled to attend and vote, is also entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a Member.

IID FORGINGS LIMITED

DIRECTORS REPORT

TO,

THE MEMBERS,

Your Directors have pleasure in presenting herewith the Twenty Fourth Annual Report and the Audited Statement of Accounts of the Company for the year ended 31st March, 2005. The salient features of the Company's working for the year are summarized below: -

I. FINANCIAL RESULTS :-

	Current year ended 31 st March, 2005 (Rs. In Lakhs)	Previous year ended 31 st March, 2004 (Rs. In Lakhs)
Turnover	59.83	77.57
Profit before tax	32.35	5.37
Less: Provision for Income Tax	13.49	1.88
Net profit after tax for the year	18.86	3.48
Less: - Prior period tax adjustments	0.015	-
Add: - Brought forward balance in profit and loss account	120.50	117.02
Balance carried to Balance Sheet	139.34	120.50

II. OPERATIONS :-

- a. The Company's plant at Nashik continues to remain closed due to suspension of activities thereat earlier. However, your Directors are contemplating to explore the possibilities of putting the manufacturing facilities to alternate use in the near future.
- b. The Sales Turnover for the year under review decreased from Rs.77.57 Lakhs to Rs. 59.83 Lakhs.

III. DIVIDEND: -

Your Directors do not recommend any dividend for the year to conserve the resources for the future expansion and diversification.

IV. EMPLOYEES :-

The Company did not have any employee drawing a remuneration more than Rs.2,00,000 per month and as such, particulars required under section 217(2A) of the Companies Act, 1956, are not applicable.

V. STATUTORY STATEMENT :-

a)	Conservation of Energy ;	}	Since the company during the
b)	Technology absorption;	}	year was not engaged in the
	manufacturing)	manufacturing activities at its
c)	Technology absorption ;)	plant at Nasik these requirements
	these adoption and innovation	}	are not applicable to it.

VI. LISTING COMPLAINT :-

The Equity Shares of the Company are listed at Mumbai Stock Exchange and the Company has complied with all formalities and listing fees has been paid by the Company.

Clause 49 of the Listing Agreement of the Stock Exchange as regards "Corporate Governance" is not applicable to the company as the paid-up capital of the Company is less than Rs. 10 Crores and the Net-Worth of the Company as on 31st March 2005 is less than Rs. 25 Crores.

The requirement of having an "Audit Committee" as per the provisions of Section 292A of the Companies Act, 1956, is also not applicable to the Company as paid-up capital of the Company is less than Rs. 5 Crores.

VII. DIRECTORS :-

Uttam Patel, a Director of the Company retires by rotation and being eligible for re-appointment, offers himself to be re-elected as the Director of the Company.

VIII. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 217(2AA) of the Companies (Amendment) Act, 2000, the Directors confirm that:

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

- Proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- The accounts of the Company have been prepared on a going concern basis.

IX. AUDITORS: -

You are requested to appoint auditors for the current year and fix their remuneration. M/s. M. A. Parikh & Co., Chartered Accountants, Mumbai, the current auditors are eligible for reappointment.

X. AUDITOR'S REPORT: -

Gratuity is being charged in the year of payment. The Company does not have any material liability towards gratuity and hence the same is not provided for.

XI. APPRECIATION: -

Your Directors place on record the appreciation of the services rendered by the staff and executives of your Company.

FOR AND ON BEHALF OF THE BOARD

VIHARI PAREKH

CHAIRMAN

MUMBAI

DATED: 13th JULY, 2005

M. A. PARIKH & CO.
CHARTERED ACCOUNTANTS

Auditors' Report

**To the Members of,
 IID Forgings Limited**

We have audited the attached Balance Sheet of IID FORGINGS LIMITED as of 31st March, 2005 and the Profit and Loss Account and the Cash Flow Statement of the Company for the year ended on that date annexed thereto. 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.

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

We report that:

1. As required by the Companies (Auditor's Report) Order, 2003 issued by the Company Law Board in terms of Section 227(4A) of the Companies Act, 1956, and on the basis of such checks as we considered necessary and as per the information and explanations given to us, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
2. Further to our comments in the Annexure referred to in paragraph 1 above, we report that:
 - a) We have obtained all information and explanations, which to the best of our knowledge and belief, were necessary for the purpose of the audit;
 - b) In our opinion, proper books of account, as required by law, have been kept by the Company, so far as appears from our examination of those books, *except for non-provision of gratuity liability* (Refer to Note No. 2 in Schedule 16 to the Accounts).
 - c) The Balance Sheet, Profit Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account.