



Thirteenth Annual Report 2004-2005

THIRTEENTH ANNUAL REPORT 2004-2005

CENLUB INDUSTRIES LIMITED

DIRECTORS

SHRI V.K. MITTAL	:	Chairman And Managing Director
SHRI AMAN MITTAL	:	Whole Time Director
SMT. MADHU MITTAL	:	Whole Time Director
SHRI V.K. GUPTA	:	Whole Time Director
SHRI ANKUR GARG	:	Director
SHRI HAKIKAT SINGH	:	Director
SHRI O.P. VERMA	:	Director
SHRI DINESH KAUSHAL	:	Director

COMPANY SECRETARY

SANJOG DIWAN

AUDITORS

SATISH SINGLA & CO.
CHARTERED ACCOUNTANTS

AGM-2004

DATE	:	07.09.2005
DAY	:	WEDNESDAY
TIME	:	9:00 A.M.
VENUE	:	AGRAWAL SEWA SADAN D-48, SECTOR-11 FARIDABAD (HARYANA)

SECRETARIAL AUDITORS

SWARAN JAIN & ASSOCIATES
COMPANY SECRETARIES

BANKERS

STATE BANK OF INDIA
SIB BRANCH, FARIDABAD
SSI PEENYA II STAGE BRANCH, BANGLORE
HDFC BANK, FARIDABAD

REGISTERED OFFICE

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

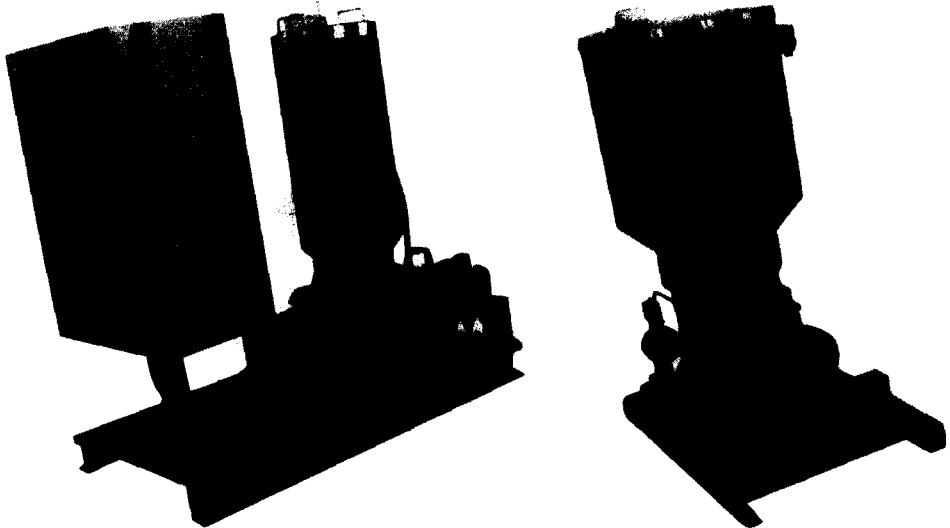
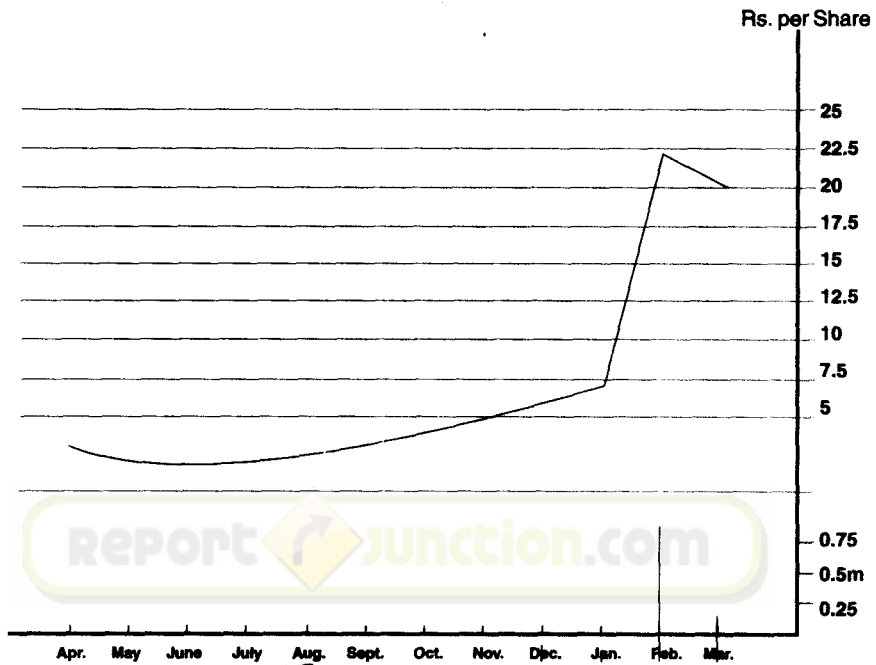
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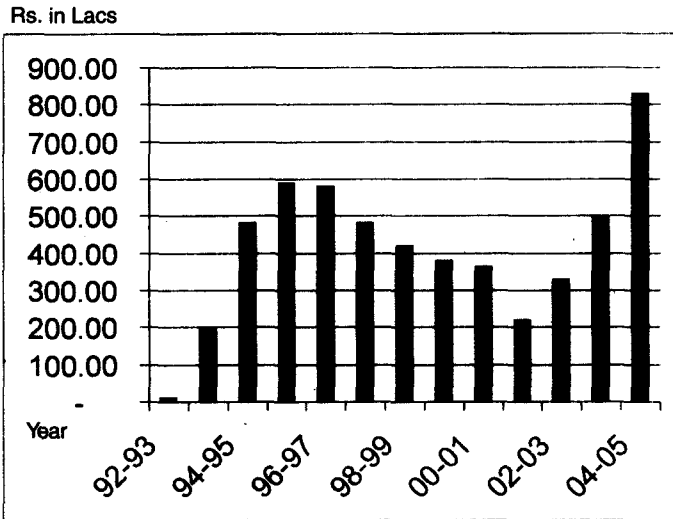
STOCK PERFORMANCE DURING THE YEAR

1.4.2004 – 31.3.2005

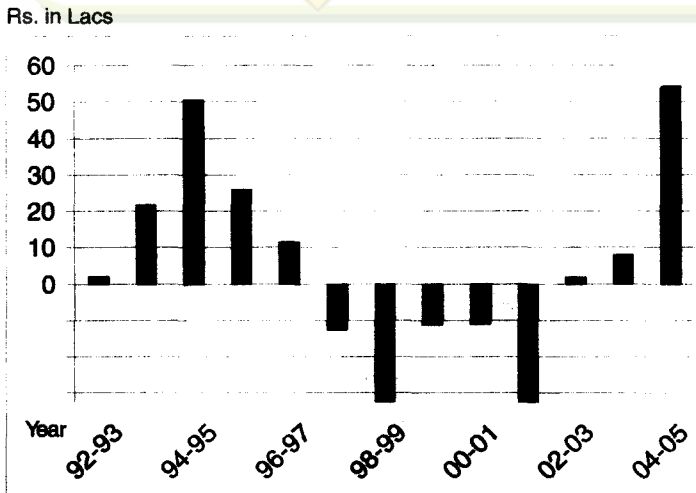




PERFORMANCE / SALES CHART FOR THE LAST THIRTEEN YEARS



PROFITABILITY CHART FOR THE LAST THIRTEEN YEARS





NOTICE

NOTICE IS HEREBY GIVEN that the Thirteenth Annual General Meeting of the Members of Cenlub Industries Limited will be held at Agrawal Sewa Sadan, D-48, Sector- 11, Faridabad (Haryana) on Wednesday 07.09.2005 at 9:00 A.M. to transact the following business:-

ORDINARY BUSINESS

1. To consider and adopt the Balance Sheet as on 31st March 2005 and the Profit & Loss Account of the company for year ended 31st March 2005, and the reports of the Board of Directors and Auditors thereon.
2. To appoint Director in place of Shri Dinesh Kaushal who retires by rotation and being eligible, offer himself for re-appointment.
3. To appoint Director in place of Shri Ankur Garg who retires by rotation and being eligible, offer himself for re-appointment.
4. To appoint M/s Satish Singla & Co. Chartered Accountants Auditors of the company to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

By Order of the Board
For CENLUB INDUSTRIES LTD.

Place : Faridabad
Date : 23.7.2005

SANJOG DIWAN
Company Secretary

Notes:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.
Proxy in order to be effective must be deposited at the Registered Office of the Company not later than forty eight hours before the commencement of the meeting.
2. The Register of Members and Share Transfer Books of the Company shall remain closed from 1st Sep2005 to 07th Sep2005 (both days inclusive).
3. Please quote your folio number in all correspondence for each type of query/complaint.
4. Members are requested to forward all queries regarding Accounts at the Registered Office of the Company on or before 25th August 2005
5. Shri. Dinesh Kaushal and Shri Ankur Garg, 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.



PROFILE OF MR. ANKUR GARG

DATE OF BIRTH : 23.11.1963

QUALIFICATION : GRADUATE IN ECO AND HAD COMPLETED HIS M.B.A

EXPERIENCE : 20 years , he is engaged in his own business in theatre and color film processing. He is having vast experience in the field of Financial , Commercial and Administrative matters while handling different streams of business.

Mr. Ankur Garg is not holding Directorship in any other company

Mr. Ankur Garg has been entrusted with the responsibilities of Audit Committee, Remuneration committee of the Company.

PROFILE OF MR. DINESH KAUSHAL

DATE OF BIRTH : 10.03.1969

QUALIFICATION : CHARTERED ACCOUNTANT & COMPANY SECRETARY

EXPERIENCE : 12 Years Post Qualification experience in handling Finance and Accounts matter of various organizations

Mr. Kaushal has been entrusted with the responsibilities of Audit Committee of the company

6. Shareholders are requested to bring their copy of the Annual Report to the meeting.
7. Members / Proxies should bring their Attendance Slip, duly filled in, for attending the meeting.
8. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
9. Members who holds shares in dematerialised form are requested to write their client ID and DP ID Numbers and those who hold shares in physical form are requested to write their folio number in the attendance slip for attending the meeting.
10. For the convenience of share holders, Investors Service Centres had become operational (Address given in this Annual Report). Share holders who had not received Balancesheet can collect the same from Investors Service Centre. However for effecting transfer and demat of shares, please send either at Registered Office of the company or to the Registrar at his new address given in first page.



DIRECTORS' REPORT :

TO THE MEMBERS OF CENLUB INDUSTRIES LTD.

Your Directors have pleasure in presenting the Thirteenth Annual Report on the working of the Company together with the Audited Accounts for the year ended 31st March 2005

FINANCIAL HIGHLIGHTS

	(Rs. in Lacs)	
	(2004)	(2005)
Sales & other Income	500.34	829.78
Profit (Loss) before Depreciation & tax	53.11	104.04
Depreciation	26.97*	12.26
Profit (Loss) before Tax	26.14	91.78
Provision for tax :		
a) Current Tax	2.10	28.81
b) Deferred Tax liability	15.95	8.79
c) Income Tax for earlier year	0.05	(0.04)
Profit (Loss) after Tax	8.04	54.22
Surplus/(Deficit Carried from last year)	NIL	8.04
Retained profit /(Loss) carried forward to the next year	8.04	62.66

*(Includes Goodwill written off for Rs 15 lacs)

OPERATIONS & FUTURE PROSPECTS

During the year under review, your company has achieved a turn over of Rs 829.78 lacs against the last year turn over of Rs 500.34 showing an impressive growth of 66% . This year company has been able to achieve a before tax profit of Rs 91.78 lacs in the current financial year against the last year profit of Rs 26.14 Lacs.

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 of your company are of the opinion that in order to conserve resources, no dividend be recommended & resources be utilised for strengthening the operations of the company .

DIRECTORS

Sh. Dinesh Kaushal and Shri Ankur Garg Directors retires by rotation and being eligible offer themselves for re-appointment. Your Directors solicits your approval for their appointment.

PROFILE OF MR. DINESH KAUSHAL

DATE OF BIRTH	:	10.03.1969
QUALIFICATION	:	CHARTERED ACCOUNTANT&COMPANY SECRETARY
EXPERIENCE	:	12 Years Post Qualification experience in handling Finance and Accounts matter of various organizations

Mr. Kaushal has been entrusted with the responsibilities of Audit Committee of the Company.



PROFILE OF MR. ANKUR GARG

DATE OF BIRTH : 23.11.1963

QUALIFICATION : GRADUATE IN ECO AND HAD COMPLETED HIS M.B.A

EXPERIENCE : 20 years , he is engaged in his own business in theatre and color film processing. He is having vast experience in the field of Financial , Commercial and Administrative matters while handling different streams of business.

Mr. Ankur Garg is not holding Directorship in any other company

Mr Ankur Garg has been entrusted with the responsibilities of Audit Committee , Remuneration committee of the Company.

DIRECTORS RESPONSIBILITY STATEMENT

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

1. That in the preparation of the accounts for the financial year ended 31st March 2005 the applicable accounting standards have been followed along with proper explanation relating to material departures.
2. That the Directors have selected such accounting policies and applied them constantly and made judgements and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company for the year under review.
3. That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for preventing and detecting fraud and other irregularities.
4. That the directors have prepared the accounts for the financial year ended 31st March 2005 on a going concern basis.

PARTICULARS OF EMPLOYEES

During the period under review, the company had no employee who are covered under section 217(2 A) Companies Act 1956.

FIXED DEPOSIT

During the year under review your company has not invited any deposits from the Public U/S 58 A Act of the Companies Act, 1956.

LISTING

At present the securities of the Company are listed at Mumbai, Stock Exchange. The company has paid the listing fees for Mumbai Stock Exchange. The company's applications to Delhi, Hyderabad & Ahmedabad Stock Exchanges for delisting of shares, had been approved by them.

AUDIT COMMITTEE

Pursuant to the provisions of clause 49 of the listing agreement, the Company had constituted an Audit Committee of the Board of Directors consisting of three independent Non Executive Directors. Shri Dinesh Kaushal holds the office as Chairman of the Committee. During the year under review Shri Ankur Garg and Shri Hakikat Singh were members of the Audit Committee.



PROFILE OF MR. SHRI HAKIKAT SINGH

DATE OF BIRTH : 01.04.1935
 QUALIFICATION : Mechanical Engineer
 EXPERIENCE : Ex-Chief General Manager with
 Escorts Ltd for 30 years

Shri Hakikat Singh has been entrusted with the responsibilities of Audit Committee of the company.

PROFILE OF MR. DINESH KAUSHAL

DATE OF BIRTH : 10.03.1969
 QUALIFICATION : CHARTERED ACCOUNTANT&COMPANY SECRETARY
 EXPERIENCE : 12 Years Post Qualification experience in handling finance and Accounts matter of various organizations

Mr. Kaushal has been entrusted with the responsibilities of Audit Committee of the company.

The terms of reference stipulated by the Board to the Audit Committee are, as contained under Clause 49 of the Listing Agreement, i.e

- a. Oversight of the Company's financial reporting process and the disclosure of its financial information.
- b. Recommending the appointment and removal of external auditors, fixation of audit fee and also approval for payment for any other services.
- c. Reviewing with management the annual financial statements before submission to the board, focussing primarily on (i) any changes in accounting policies and practices, (ii) major accounting entries based on exercise of judgement by management, (iii) qualifications in draft audit report, (iv) significant adjustments arising out of audit, (v) the going concern assumption, (vi) compliance with accounting standards, (vii) compliance with Stock Exchange and legal requirements concerning financial statements and (viii) any related party transactions i.e. transactions of the company of material nature, with promoters or the management, their subsidiaries or relatives etc. that may have potential conflict with the interests of Company at large.
- d. Reviewing with the management, external and internal auditors, the adequacy of internal control systems.
- e. Reviewing the adequacy of internal audit functions.
- f. Discussion with internal auditors any significant findings and follow up there on.
- g. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
- h. Discussion with external auditors before the audit commences nature and scope of audit as well as have post-audit discussion to ascertain any area of concern.
- i. Reviewing the Company's financial and risk management policies.

REMUNERATION COMMITTEE

Pursuant to clause 49 of the listing agreement, and as per the amendments introduced by Schedule XIII of the Companies Act 1956, a remuneration committee was formed by the company consisting of three independent Non Executive Directors. namely Shri Ankur Garg , Shri Hakakit Singh and Shri O.P.Verma. As per the responsibilities entrusted to the remuneration



committee under the notification No. GSR (36 E) DT.16/01/2002 appointment and payment of remuneration to Managing Directors and Whole Time Directors of the company is required to be approved by the remuneration committee. During the year under review, there was no appointments of any new Whole time directors. However, Committee in their meeting held on 15.7.2004 had considered that there was a need to increase the remuneration of Managing Director and Whole Time directors. Remuneration Committee while approving the appointment and payment of remuneration to the Directors took into consideration their experience, ability and contribution made by them to the growth of the company by being associated with the company.

Managing Director	Whole Time Directors	Consolidated Salary Per month
Shri V.K.Mittal		30,000/-
	Shri Aman Mittal	20,000/-
	Mrs. Madhu Mittal	20,000/-
	Shri V.K.Gupta	17,000/-

Perquisites- In addition to the aforesaid Consolidated Salary, Managing Director & Whole Time Directors shall be entitled to perquisites, which continue to remain the same as earlier approved by the shareholders and reproduced below:

Perquisites like gas, electricity, water, furnishing, medical reimbursement and leave travel concession for self and family, club fees, personal accident Insurance etc., in accordance with the Rules of the company, the monetary value of such perquisites being limited to Rs 150000/-Per annum, for the purposes of which limit perquisites shall be evaluated as per income-tax Rules; wherever applicable, and in absence of any such rule, perquisites shall be evaluated at actual cost. However, the following shall not be included in the aforesaid perquisite limit:-

- (a) Contribution to Provident Fund and Superannuation Fund and contribution to Gratuity Fund shall be as defined in the Rules of the respective Funds, or up to such other limit as may be prescribed under the Income-tax Act, 1961 and the Rules there under for this purpose and respective agreements entered with the appointees by the company which were duly approved by the members in their meetings.
- (b) Use of Company car for official purposes and telephone at residence (including payment for local calls and long distance official calls).
- (c) Encashment of unavailed leaves as per the Rules of the Company at the time of retirement/ cessation of service.
- (d) Costs and expenses incurred by the Company in connection with joining /transfer from one location to another of the Company or its affiliates / associates as per the Rules of the Company.

The aggregate of the remuneration and perquisites/benefits, including contributions towards Provident fund, Superannuation fund and Gratuity Fund, payable to Managing Director, Whole Time Directors of the company taken together, shall not exceed ceiling of the profits of the company calculated in accordance with the provisions of Sections 198 and 309 of the Companies Act, 1956 and Schedule XIII of the Companies Act 1956.

DEMATERIALISATION OF SHARES

As per the circular issued by SEBI, shares of your company were brought under compulsory Demat mode by 02.02.2002. Accordingly to meet the requirements, company had entered agreements with National Securities Depository Ltd (NSDL) and Central Depository Services of India Ltd. And company had been allotted ISIN NO – INE 627 F01011 and NSDL vide their letter had informed that w.e.f 06.08.2002, equity shares of your company have been activated for dematerialisation on NSDL. M/s Beetal Financial & Computer Services (P) Ltd have been appointed as share transfer agent for carrying out both transfer and demat work for the company as per the SEBI direction and the such share Registrar & transfer agent shall look after entire share related matters of the company. Shares holder are requested to note that all work relating to transfer and demat of