

ITL Industries Ltd.



IT 1525 - Double Column Bandsaw Machine



Technology with Time

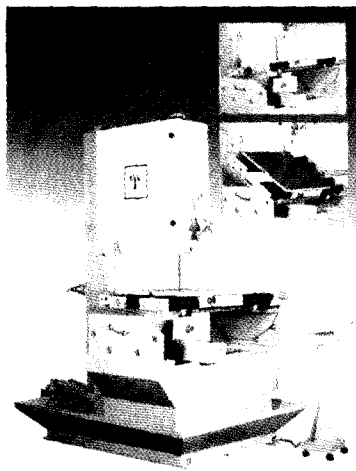
2004 - 05

ANNUAL REPORT

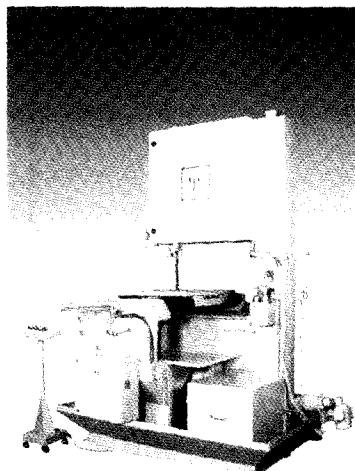
17th



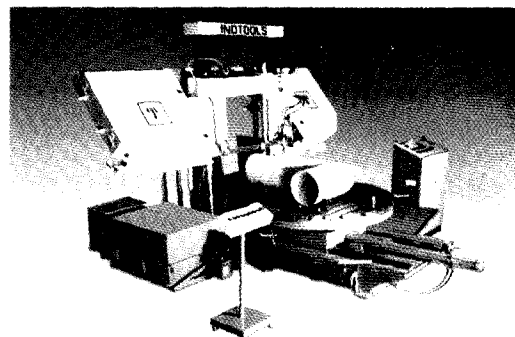
Range of Products



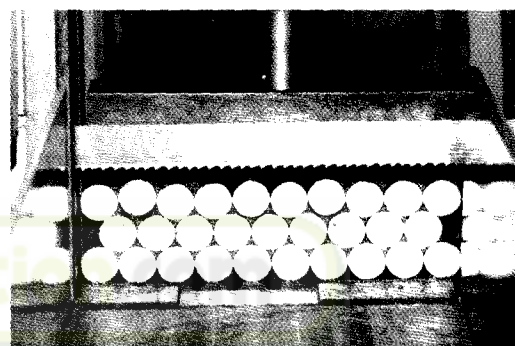
IT-300 V3
VERTICAL METAL CUTTING BANDSAW MACHINE



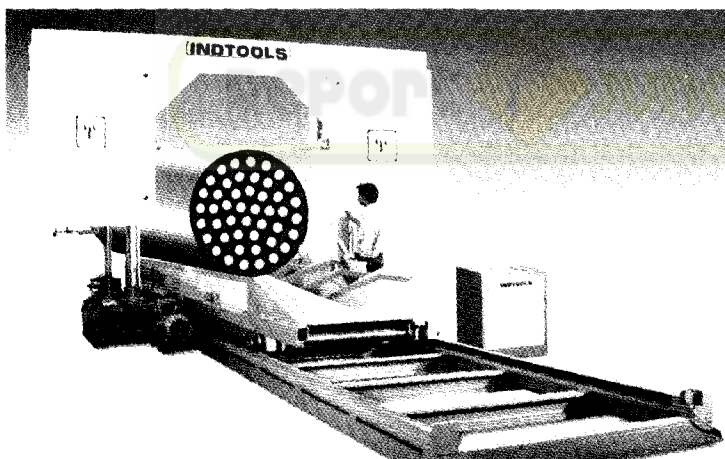
IT-300 V3
VERTICAL METAL CUTTING BANDSAW MACHINE



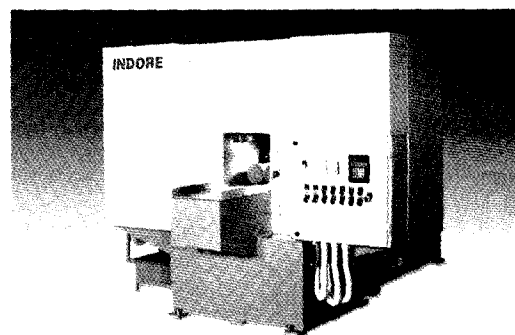
IT-650 DCTV PIPE FITTING & CUTTING MACHINE



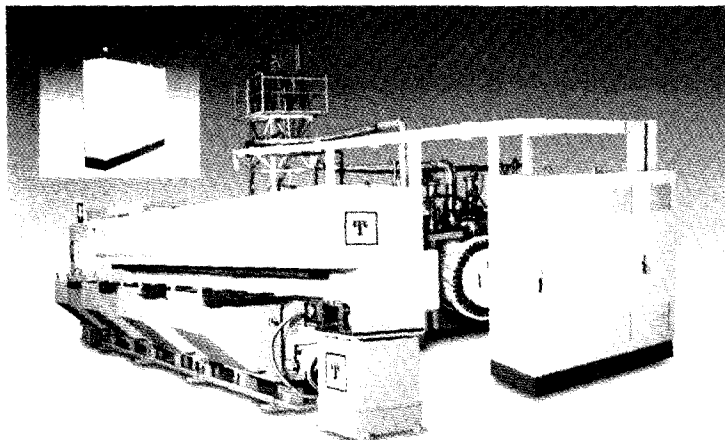
IT-300 DCA DOUBLE COLUMN BANDSAW MACHINE



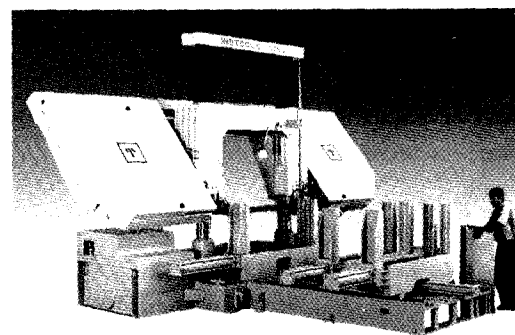
IT - H-1500 (FOR CONDENSER VESSEL MACHINE)



IT-INDORE 300 DCA CNC BANDSAW METAL CUTTING MACHINE



IT - GENERATOR STATOR BAR PRESS FOR 1000 MW



IT-1250 DCTV LARGE, METAL CUTTING BANDSAW MACHINE



Galaxy of Customers



STEEL AUTHORITY OF INDIA LTD.

JINDAL

STRIPS LIMITED



नालको



NALCO

ISSAI

ओरिएण्टल इण्डिया लिमिटेड

BHUSHAN



bajaj



Bharat Forge



Jindal Aluminium Ltd.



GE Power Systems



माझगांव डोक लिमिटेड
(मानव संसाधन का उपकरण)

GABRIEL
VIP INDUSTRIES LTD.

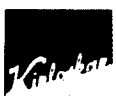
ISRO



BURGMANN



SAW PIPES LIMITED
SEAMLESS TUBES DIVISION



Telco



OTTO
Licensee of ThyssenKrupp EnCoke GmbH
in Coke Oven Technology

INDIA
PRIVATE LIMITED



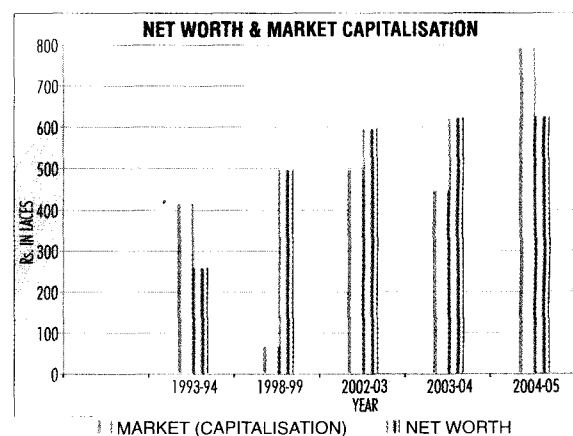
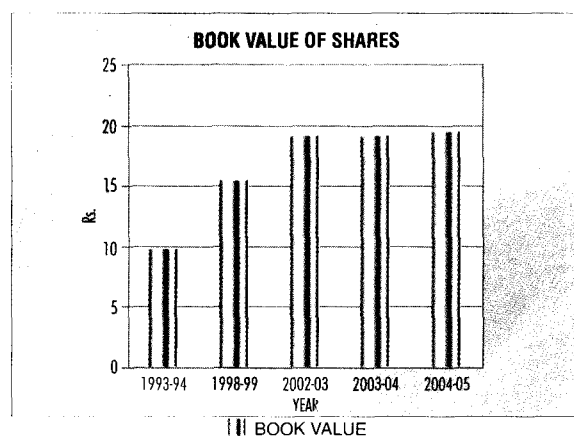
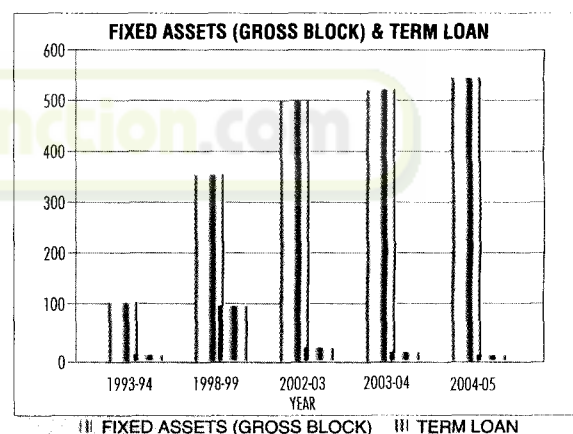
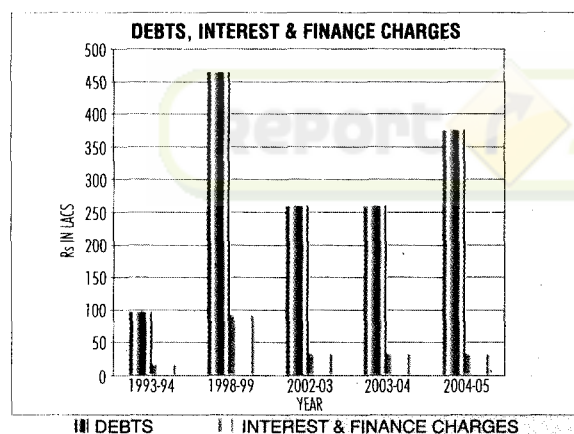
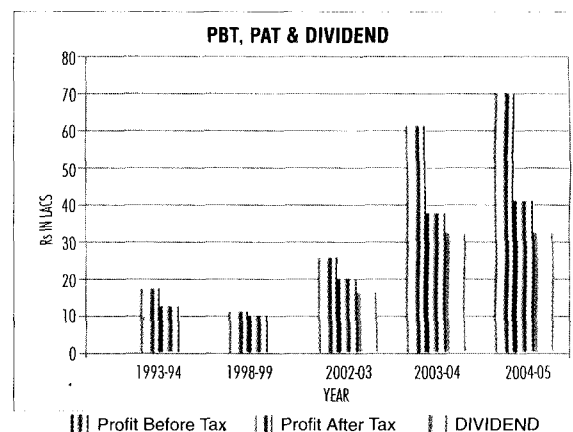
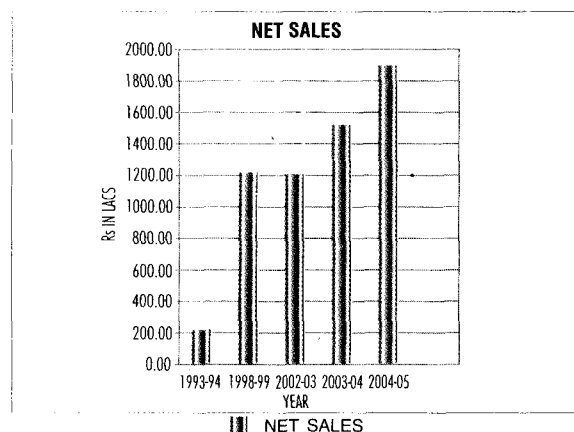
KINETIC

REMI GROUP

ALSTOM



ITL INDUSTRIES LIMITED



ITL INDUSTRIES LIMITED**My Word**

Dear Shareholders,

India has emerged as a fast developing economy in the world, attracting huge foreign direct and indirect investments. Resurgence of industrial sector, propelled by buoyant exports and rapidly increasing domestic investment climate, both business and consumer confidence are rising continuously to new high. The macro economic performance of the country is also stronger than anticipated.

These developments have been reflected in high turnover and strong order book of your company but unfortunately, the unprecedented rise in steel and other raw material price have put great pressure on the profitability during the year.

As you are aware that ITL is an established leading Metal Cutting Solution Provider offering wide range of machines, tools and cutting lubricants. ITL has been the pioneer in introducing India's first Double Column type Metal Cutting Machine in the year 1990 and since then, ITL has supplied more than 2000 machines across the county and global market.

ITL has started designing and manufacturing of complete turnkey projects as well as equipments for production of Tube and Pipes which includes Tube Mills, Draw Benches, Straightening Machines, etc., which are necessary for production of ERW, Seamless Pipes and Stainless Pipes. The company has already exported two projects and supplied three projects in India.

Recently, ITL has developed and manufactured India's first high Speed CNC Circular Sawing Machine and the same has been well accepted by most of the Engineering Industries. It is a perfect solution for cutting requirements of most of the Automotive Component Manufacturers and it is expected that in times to come, they will shift from conventional cutting machines to Circular Sawing Machines because of their higher productivity and high degree of automation alongwith quality cuts.

Looking to the global enquiries of the product, Company is exhibiting High Speed CNC Circular Sawing Machine in EMO Trade Fair at HANOVER, Germany between 14 to 21st September 2005. The EMO Hanover Exhibition is the World's biggest and prestigious show of the Machine Tools World.

The Company's present turnover alongwith the pending orders has already surpassed the last year's total sales turnover. Here, I would like to emphasize that the order book is not only quantitatively but qualitatively too is much better which makes us comfortable and we feel confident in assuming that barring unforeseen circumstances, the company will end the financial year with one of the most excellent result produced since inception.

The company has already drawn an expansion and diversification plan and started implementing on the same. The construction work is expected to complete by December 2005. The company is planning to diversify into value addition in Tube Mill products and Auto Components.

We are committed to improve Shareholder's value and towards this end, we are consciously looking for opportunities and upgrading the infrastructure required for the same.

The support of our shareholders, customers, business associates and financial institutions has always been a source of strength to us and we thank all of them whole-heartedly for remaining integral part of our growth story. I also wish to thank all the employees for their devoted efforts in bringing the company to the level we are today.

Thanking you,

(RAJENDRA SINGH JAIN)

Managing Director

ITL INDUSTRIES LIMITED

DIRECTORS

MANOHAR SINGH JAIN
RAJENDRA SINGH JAIN
MAHENDRA SINGH JAIN
N. CHAKRABORTY
C.S. MODI
DINESH JAIN

Managing Director
Whole Time Director

AUDITORS

M/s. Mahaveer M.Jain & Co.
105, Silver Sanchora Castle
7-8, R.N.T. Marg
INDORE-452001 (M.P.)

REGISTERED OFFICE & WORKS

111, Sector-B,
Sanwer Road,
Industrial Area,
INDORE-452015 (M.P.)

BANKERS

STATE BANK OF INDORE

Industrial Finance Branch,
Khel Prashal,
Race Course Road,
INDORE (M.P.)

STATE BANK OF INDIA

Commercial Branch,
Near G.P.O., A.B.Road
INDORE (M.P.)

ADVISORS/CONSULTANTS

Dr. S.K. Kapoor
Mr. M.K. Badjatya

DIVISIONS

Ind-Tools Sales & Services
ITL Saws & Tools

REGISTRAR & SHARE TRANSFER AGENT

M/s.Ankit Consultancy Pvt.Ltd.
2nd Floor, Alankar Point
Gita Bhawan Chouraha
INDORE (M.P.)

ISIN (DMAT) NO.: 478D01014

BSE Scrip Code :522183

Website : itlind.com



RANGE OF PRODUCTS

- * ALLUMINIUM SLAB AND TRIM CUTTING STATION
- * HIGH SPEED ALLUMINIUM BILLET CUTTING MACHINE
- * HIGH SPEED METAL CUTTING BANDSAW MACHINES
- DOUBLE COLUMN TYPE CNC BANDSAW MACHINES
- VERTICAL TYPE BANDSAW MACHINES
- * HYDRAULIC KEYWAY SLOTTING MACHINES
- * HYDRAULIC POWER PACKS
- * HYDRAULIC STATOR BAR PRESS
- * HYDRAULIC POWER HACKSAW MACHINES
- * HYDRAULIC SPECIAL PURPOSE PRESS
- * HYDRO TESTER FOR TUBE / PIPES
- * PIPE AND FACING & CHAMFERING MACHINES
- * SPECIAL PURPOSE MACHINES (TAILOR MADE)
- * TUBE MILL FOR TUBE AND PIPE MANUFACTURING
- * TUBE & PIPE STRAITING MACHINES
- * TUBE POINTING MACHINES
- * CIRCULAR SAWING MACHINES
- * DRAW BENCHES
- * SWAGING MACHINES

DIVISION'S ACTIVITY

- | | | |
|---|---------------------------|--|
| * | INDTOOLS SALES & SERVICES | AUTHORISED DISTRIBUTORS FOR
HYDRAULIC PRODUCTS OF
M/S EATON HYDRAULICS
M/S VICKERS SYSTEM INTERNATIONAL LIMITED
M/S FERROCARE MACHINES PVT. LTD. |
| * | ITL SAWS & TOOLS | DISTRIBUTOR FOR INDIA
FOR BIMETAL BANDSAW BLADES,
HACKSAW BLADES & OTHER TOOLS. |
| * | ITL e-Exim | IMPORTER & EXPORTER |

Subsidiary :

ITL International LLC

Post Box No. 777, Schreiber Industrial Park,
Building No. 3, New Kensington,
PA 15068 USA

ITL INDUSTRIES LIMITED**NOTICE**

NOTICE is hereby given that the 17th Annual General Meeting of the members of ITL INDUSTRIES LIMITED will be held on Friday the 30th September, 2005 at 11.30 A.M. at the Registered Office of the Company, 111, Sector-B, Sanwer Road, Indore (M.P.) to transact the following business:

ORDINARY BUSINESS :

1. To receive, Consider and adopt the Audited Balance Sheet as at 31st March, 2005 and the Profit and Loss Account for the Financial year ended on that date alongwith the Report of Directors and Auditors thereon.
2. To declare dividend on Equity Shares for the year ended 31st March, 2005.
3. To elect Director in place of Shri Dinesh Jain, who retires by rotation and being eligible offer himself for reappointment.
4. To elect Director in place of Shri Manohar Singh Jain, who retires by rotation and being eligible offer himself for reappointment.
5. To appoint Auditors to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting of the Company and to fix their remuneration.

SPECIAL BUSINESS**ORDINARY RESOLUTION**

6. To consider, and if thought fit, to pass following resolution as an ordinary resolution :

“RESOLVED THAT subject to the compliance of SEBI guidelines for delisting of securities of any Stock Exchange and other necessary approvals and formalities, authority be and is hereby given to the Board of Directors of the Company to consider and if thought fit to take steps for delisting of Company's equity shares from Ahmedabad Stock Exchange”.

Regd Office :
111, Sector-B, Sanwer Road
INDORE - 452 015 (M.P.)
DATED : 11/08/2005

For and On behalf of the Board

RAJENDRA SINGH JAIN
(Managing Director)



NOTES

01. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIM AND SUCH A PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXY FORM MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE TIME FOR HOLDING THE MEETING.
02. The relative explanatory statement pursuant to section 173(2) of the Companies Act, 1956 is annexed hereto.
03. The Register of Members and the Share Transfer Books of the Company shall remain closed from Monday day 26th September, 2005 to Thursday day 29th September, 2005 (Both days inclusive).
04. (a) Members are requested to send their queries if any at least 7 days in advance of the meeting, so that the information can be made available at the meeting.
 (b) Further, they are requested to bring at the meeting with them the printed Annual Report & Accounts being sent to them alongwith the Notice to avoid inconvenience
 (c) Members/proxies should bring the Attendance slip sent herewith, duly filled, for attending the Meeting
 (d) Members who hold shares in Electronic Form are requested to bring their Depository ID number and client ID number to facilitate easier identification for attendance at the Annual General Meeting.
05. The Share holders are hereby informed that all the correspondence in connection with the shares be addressed to the Registrar & Share Transfer Agent M/s. Ankit Consultancy Pvt. Ltd., 2nd Floor, Alankar Point, Gita Bhawan Chouraha, Indore (M.P.).
06. Members holding shares in identical order of names in more than one folio are requested to write to the Company's Registrar & Share Transfer Agent enclosing their Share Certificates to enable the Company to consolidate their holding in one folio.
07. The Dividend, as recommended by the Board, if declared at the meeting will be paid, subject to the provisions of Section 206A of the Act, on or after 10th Oct., 2005 to those members of their mandates whose names stand registered on the Company's Register of Members :
 (a) as Beneficial Owners as at the end of business on 25th September, 2005 as per the lists to be furnished by National Securities Depository Limited and Central Depository Services (India) Limited in respect of the shares held in Electronic Form, and,
 (b) as Members in the Register of Members of the Company after giving effect to valid share transfers in physical form lodged with the Registrar & Transfer Agent on or before 25th September, 2005. The Instruments of Share Transfers, complete in all respects, should reach the Registrar & Share Transfer Agent of the Company M/s. Ankit Consultancy Pvt. Ltd. at 2nd Floor, Alankar Point, Gita Bhawan Chouraha, Indore (M.P.) well before the Book Closure Date as stated above.
08. In order to avoid the risk of loss/interception of dividend warrants in postal transit and/or fraudulent encashment of dividend warrants, shareholders are requested to avail of ECS facility whereby the dividend will be directly credited electronically to their respective Bank accounts. This will ensure speedier credit of dividend. You may use the enclosed "ECS Mandate Form" and forward necessary details to the Company or Depository Participant, as the case may be, avail benefit from the service.
10. (a) Members are requested to notify the change in address if any, the name of Bank(s) with account number(s) for inscribing it on the face of dividend warrant(s) to avoid the fraudulent encashment of the same. Members holding Shares in Electronic Form should send the above information to the respective Depository Participants.
 (b) In case mailing address mentioned on the Annual Report is either without Pin Code or with incorrect Pin Code, members are requested kindly inform to Registrar & Share Transfer Agent of the Company or the respective Depository Participant (s), as the case may be, their Pin Code immediately for speedy and proper delivery.

11. NOMINATION

As per the provisions of the amended Companies Act, 1956, facility for making nominations is now available to INDIVIDUALS holding shares in the Company. The Nomination Form-2B prescribed by the Government can be obtained from the Share Department of the Company.

12. OUTSTANDING CALL MONEY :

Members who have not yet deposited call money on the partly paid shares are requested to deposit call money amount alongwith simple interest @ 12% per annum to the Company before the Book-closing date i.e. upto 25.09.2005, failing which they will not be entitled for dividend on the partly paid-up shares.

EXPLANATORY STATEMENT

Item No. 6

In the 10th Annual General Meeting of Member's a Special Resolution for delisting Shares of the Company from Ahmedabad Stock Exchange was passed, but it could not be materialised till now. The Company has decided to obtain fresh authority from the shareholders for the above purpose.

At present the shares of the Company are listed at Mumbai, Indore and Ahmedabad Stock Exchange. There is no trading at Ahmedabad Exchange. The number of Shareholders and their shareholdings at Ahmedabad Stock Exchange region is also nominal. Your Directors are therefore of the opinion to delist the shares of the Company atleast from Ahmedabad Stock Exchange and seek the authority of the Company for the same. You are therefore requested to consider the said resolution. None of Directors of the Company is interested in this resolution.

Regd Office :
 111, Sector-B, Sanwer Road
 INDORE - 452 015 (M.P.)
 DATED : 11/08/2005

For and On behalf of the Board

RAJENDRA SINGH JAIN
 (Managing Director)

ITL INDUSTRIES LIMITED**DIRECTORS' REPORT**

Your Directors have pleasure in presenting the 17th Annual Report of the Company and the Audited statement of accounts for the year ended 31st March, 2005.

01. FINANCIAL RESULTS :

	(In Rs.)	
	Financial	Financial
	year ended	Year ended
	31.03.2005	31.03.2004
a) Sales & Other Income	18,98,54,976	15,18,69,209
b) Profit before interest, Depreciation & Tax	1,27,99,566	1,19,69,575
c) Less : - Interest	32,05,436	34,32,916
- Depreciation	25,88,482	23,99,650
d) Profit before Tax	70,05,648	61,37,009
e) Less : Provision for Tax Current year	20,00,000	15,00,000
f) Less : Deferred Tax Liabilities/ (Assets)	3,58,440	8,45,180
g) Less : Income Tax earlier year	5,53,428	--
h) Profit after Tax	40,93,780	37,91,829
i) Profit brought forward from previous year	37,40,137	45,88,822
j) Profit available for appropriations	78,33,917	83,80,651
k) Transferred to General Reserve	15,00,000	10,00,000
l) Proposed Dividend	32,27,049	32,27,049
m) Provision for Dividend Distribution Tax	4,52,594	4,13,466
n) Balance carried to Balance Sheet	26,54,274	37,40,136

02. DIVIDEND :

Your Directors are pleased to recommend Dividend at the rate of Rs. 1/- Per share (previous year 1/- per share) for the year ended 31st March, 2005 subject to approval of the members in the ensuing Annual General Meeting.

03. OPERATIONS :

During the year under review the sales of Machine Manufacturing division in domestic market increased from Rs. 1217.63 lacs to Rs.1458.79 lacs, showing a growth of 20%. The sales of Hydraulic division increased from Rs. 301.06 lacs to 439.76 lacs showing growth of 46 % over last year.

Profit before Tax of the Company for the year under review has also increased from Rs. 61.37 lacs to 70.06 lacs, showing a growth of 14%.

04. FUTURE OUTLOOK :

The domestic demand as compared to the last year has improved in the current year. The present level of Turnover & Orders for Machine Manufacturing Division & Hydraulics Division has surpassed last years total turnover.

Apart from Bandsaw Machines, the Company has received good orders for production of Tubes & Pipes manufacturing machines alongwith recently launched Circular Saws in the current year from domestic and international market.

05. DIRECTORS :

Shri Dinesh Jain and Shri Manohar Singh Jain, retire by rotation and being eligible, offers themselves for re-appointment.

06. DIRECTORS' RESPONSIBILITY STATEMENT :

As stipulated in section 217(2AA) of Companies Act,1956, your Directors subscribe to the "Directors' Responsibility Statement" and confirm as under :

- that in the preparation of the annual accounts, the applicable accounting standards have been followed alongwith proper explanation relating to material departures;
- that the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit of the Company for that period;
- that the Directors have taken proper and sufficient care of the maintenance of adequate accounting records in accordance with the provision of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- that the Directors have prepared the annual accounts on going concern basis.

07. PUBLIC DEPOSIT :

During the year under review, your company neither invited nor accepted any deposit under the provisions