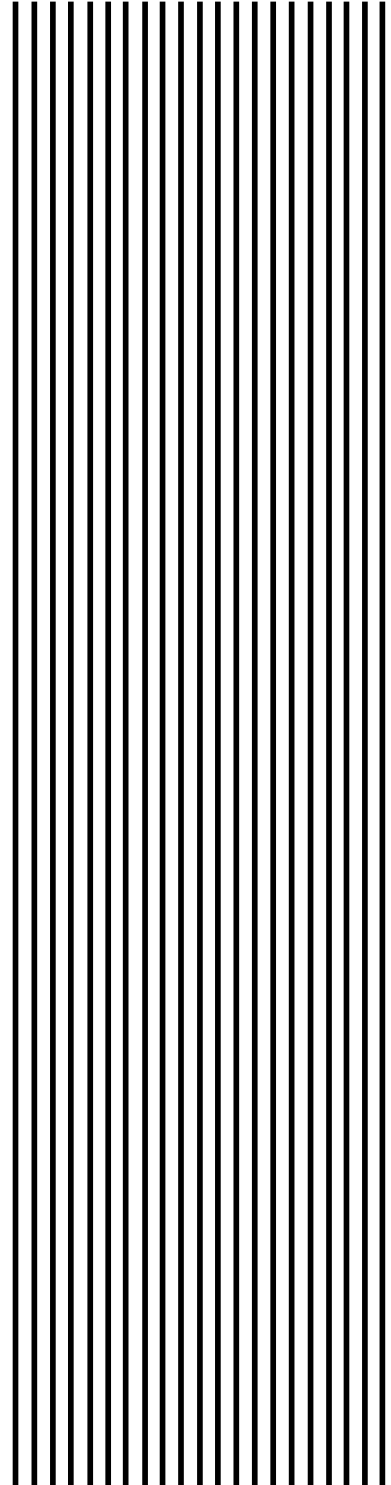


TWENTY SECOND

Annual Report 2013-2014



SPECTRA
INDUSTRIES LIMITED





BOARD OF DIRECTORS

Mr. Bharat Bhushan Gupta
Mr. Vinod Kumar Gupta
Mr. Jaidev Gupta
Mr. Prabhjot Singh Chandok
Mr. A. M. Arondekar
Mr. Sanjeev Chirania
Mr. C. J. Kotcher

Chairman
Managing Director
Executive Director & CFO

AUDITORS

D. K. Roongta & Co,
(Chartered Accountants)
286, Princess Street,
Bhatia Mansion, 2nd Floor,
Mumbai - 400 002.

COMPANY SECRETARY

Ms. Archana Panchal

BANKERS

BANK OF INDIA
Mumbai
HDFC BANK LTD
Mumbai
FEDERAL BANK LTD
Mumbai

REGISTERED OFFICE

Plot No.9, Spectra Compound, Ramchandra Lane Extn.,
Kanchpada II, Malad (West), Mumbai – 400 064.

CORPORATE IDENTIFICATION NUMBER

L74999MH1992PLC067849

WORKS

1. C-1, M.I.D.C.
Murbad – 421 401
Dist. Thane (Maharashtra)
2. Penkar Pada, Next to Premalaxmi Marathi School,
Mira Road (East)-401107,
Dist. Thane (Maharashtra).

REGISTRARS & SHARE TRANSFER AGENTS

Sharex Dynamic (India) Pvt. Ltd.
Unit No. 1, Luthra Ind. Premises, Andheri Kurla Road,
Safed Pool, Andheri (East), Mumbai - 400 072.
Tel. : 022 - 28515644, 28515606, Fax : 28512885



NOTICE

NOTICE is hereby given that the **Twenty Second Annual General Meeting** of the Members of **SPECTRA INDUSTRIES LIMITED** will be held

at: **Landmark Building, Link Road, Mithchowki, Malad West, Mumbai-400064.**

on: **Saturday, 6th September 2014 at 11.00 a.m.**

To transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2014 and the Statement of Profit and Loss for the year ended on that date, together with the Reports of the Directors and the Auditors thereon.
2. To appoint a Director in place of Mr. Jaidev Gupta (DIN No. 00066999), who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint Auditors until the conclusion of the next Annual General Meeting and to fix their remuneration.

SPECIAL BUSINESS:

4. To consider and if thought fit to pass with or without modification(s) the following resolution as an Ordinary Resolution:
“**RESOLVED** that pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (“Act”) and the Rules framed thereunder, read with Schedule IV to the Act, as amended from time to time, Mr. Prabhjot Singh Chandok (holding DIN 00303212), non-executive Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company with effect from September 6, 2014 up to September 5, 2016.”
5. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:
“**RESOLVED** that pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (“Act”) and the Rules framed thereunder, read with Schedule IV to the Act, as amended from time to time, Mr. A. M. Arondekar (holding DIN 00025527), a non-executive Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company with effect from September 6, 2014 up to September 5, 2016.”
6. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:
“**RESOLVED** that pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (“Act”) and the Rules framed thereunder, read with Schedule IV to the Act, as amended from time to time, Mr. Sanjeev Chirania (holding DIN 01253698), a non-executive Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company with effect from September 6, 2014 up to September 5, 2016.”
7. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:
“**RESOLVED** that pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (“Act”) and the Rules framed thereunder, read with Schedule IV to the Act, as amended from time to time, Mr. C. J. Kotcher (holding DIN 02927952), a non-executive Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company with effect from September 6, 2014 up to September 5, 2016.”
8. To consider and if thought fit, to pass, with or without modification, the following resolution as a Special Resolution
“**RESOLVED** that in supersession of the earlier resolution passed, the consent of the Company be and is hereby accorded under the provisions of Section 180(1)(c) of the Companies Act, 2013, to the Board of Directors of the Company to borrow from time to time such sum or sums of money as they may deem necessary for the purpose of the business of the Company, notwithstanding that the monies to be borrowed together with the monies already borrowed by the Company (apart from cash credit arrangement, discounting of bills and other temporary loans obtained from



company's bankers in the ordinary course of business) and remaining outstanding at any point of time will exceed 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; Provided that the total amount up to which monies may be borrowed by the Board of Directors and which shall remain outstanding at any given point of time shall not exceed the sum of Rs. 250 crore (Rupees Two Hundred Fifty crore)."

9. To consider and if thought fit, to pass, with or without modification, the following resolution as a Special Resolution:

"RESOLVED THAT in supersession of the earlier resolution passed, consent of the Company be and is hereby accorded in terms of Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013, to the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall be deemed to include any Committee thereof) for creating such charges, mortgages and hypothecations in addition to the existing charges, mortgages and hypothecations created by the Company, on such movable and immovable properties of the Company wheresoever situate, both present and future, on such terms, at such time, in such form and in such manner as the Board may deem fit, together with power to take over the management of the business and concern of the Company in certain events in favor of all or any of the following, namely: Banks, Financial Institutions, Insurance Companies, Investment Institutions, other investing agencies, Bodies Corporate incorporated under any statute and trustees for the holders of debentures/ secured premium notes/ bonds/ other securities/ debt instruments, and other secured lenders (hereinafter referred to as "the Lenders") to secure repayment of any loans (both rupee loans and foreign currency loans) and/or any other financial assistance and/or guarantee facilities already obtained or that may hereafter be obtained from any of the Lenders by the Company, and/or to secure redemption of debentures (whether partly/fully convertible or non-convertible)/ secured premium notes/ bonds/ other securities/ debt instruments and/or rupee/ foreign currency convertible bonds and/or bonds with share warrants attached, already issued or that may hereafter be issued by the Company, together with all interest, compound additional interest, commitment charge, liquidated damages, premium on prepayment or on redemption, trustees' remuneration, costs, charges, expenses and all other moneys including revaluation/ devaluation/ fluctuation in the rates of foreign currencies involved, payable by the Company to the Lenders concerned, in terms of their respective Loan Agreements/ Heads of Agreements/ Hypothecation Agreements/ Trustees Agreements/ Letters of Sanction/ Memorandum of terms and conditions/ Debenture Certificates entered into/ to be entered into/ issued/to be issued by the Company, provided that the total borrowings of the Company (exclusive of interest) whether by way of loans and/or any other financial assistance and/or guarantee facilities and/or issue of debentures/ secured premium notes/ other securities/ debt instruments to be secured as aforesaid (apart from temporary loans obtained or to be obtained from the Company's bankers in the ordinary course of business) shall not any time exceed the limit of Rs. 250 Crore (Rupees Two Hundred Fifty Crore)"

For and on behalf of the Board of Directors

ARCHANA PANCHAL
Company Secretary

Dated: 23rd July, 2014

Registered Office:

**Plot No.9, Spectra Compound, Ramchandra Lane Extn.,
Kanchpada II, Malad (West), Mumbai – 400 064.**

CIN: **L74999MH1992PLC067849**

Tel: **022- 28893977 / 33**

E-mail: **info@spectraindustries.in, sepl12@rediffmail.com**

Website : **www.spectraindustries.in**



NOTES

- a) The Statement setting out material facts pursuant to section 102(2) of the Companies Act, 2013, which sets out details relating to Special Business at the Meeting, is annexed hereto.
- b) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY/ PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF. SUCH A PROXY/ PROXIES NEED NOT BE A MEMBER OF THE COMPANY. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company. The instrument of Proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting. A Proxy form is sent herewith. Proxies submitted on behalf of the companies, societies etc., must be supported by an appropriate resolution/authority, as applicable.
- c) The Register of Members and the Share Transfer Books of the Company will be closed from Saturday, August 30, 2014 to Saturday, September 06, 2014 (both days inclusive).
- d) Members seeking further information on the financial accounts are requested to write to the Company at least seven days before the meeting, so that relevant information can be kept ready at the meeting.
- e) All correspondence relating to transfer of shares, change of address, dividend mandates etc. should be sent to the Registrar & Share Transfer Agents quoting their folio numbers only at the following address:
Sharex Dynamic (India) Pvt. Ltd. Unit No. 1, Luthra Ind. Premises, Andheri Kurla Road, Safed Pool, Andheri (East), Mumbai - 400 072 Tel.: 022 - 28515644, 28515606 Fax: 28512885
- f) In terms of Section 205A (5) of the Companies Act, 1956, dividends remaining unpaid or unclaimed for a period of seven years from the date of transfer to the unpaid / unclaimed dividend account of the Company shall be transferred by the Company to the Investor Education and Protection Fund established by the Central Government pursuant to sub-section (1) of Section 205C of the Companies Act, 1956. Members are requested to seek early settlement of claim for payment of unpaid dividend from the Company. Members may please note that no claim of the transferred unclaimed / unpaid dividend shall lie against the above said fund or the Company after transfer of the amounts to the said fund.
- g) Details under Clause 49 of the Listing Agreement with the Stock Exchange in respect of the Directors seeking appointment/re-appointment at the Annual General Meeting, form integral part of Notice. The Directors have furnished the requisite declarations for their appointment/re-appointment.
- h) The Securities Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in security market. Shareholders holding shares in electronic form are, therefore requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Shareholders holding share in physical form can submit their PAN details to the Company.
- i) Members may also note that the Notice of the 22nd Annual General Meeting and the Annual Report for 2013-14 will also be available on the Company's Website i.e. www.spectraindustries.in.
- j) All documents referred to in the notice and the explanatory statement requiring the approval of the Members at the Meeting and other statutory registers shall be available for inspection by the Members at the registered office of the Company during office hours between 11.00 a.m. to 1.00 p.m. on all working days except Saturdays, Sundays and public holidays, from the date hereof up to the date of the Annual General Meeting.
- k) Voting through electronic means:
 - l. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide facility to members to exercise their right to vote at the 22nd Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by National Securities Depository Limited (NSDL):

The instructions for e-voting are as under:

- A. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/ Depository Participants(s)]:
 - (i) Open email and open PDF file viz., "Spectra e-Voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for e-voting. Please note that the password is an initial password.
 - (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>
 - (iii) Click on Shareholder - Login
 - (iv) Put user ID and password as initial password/PIN noted in step (i) above. Click Login.
 - (v) Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
 - (vi) Home page of e-voting opens. Click on e-Voting: Active Voting Cycles.



- (vii) Select "EVEN" of Spectra Industries Limited.
- (viii) Now you are ready for e-voting as Cast Vote page opens.
- (ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
- (x) Upon confirmation, the message "Vote cast successfully" will be displayed.
- (xi) Once you have voted on the resolution, you will not be allowed to modify your vote.
- (xii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to spectra.scrutinizer@gmail.com with a copy marked to evoting@nsdl.co.in

B. In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company/Depository Participants(s) or requesting physical copy]:

- (i) Initial password will be provided separately: EVEN (e-Voting Event Number) USER ID PASSWORD/PIN
- (ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.
- II. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-Voting user manual for Shareholders available at the Downloads section of www.evoting.nsdl.com**
- III. If you are already registered with NSDL for e-voting, then you can use your existing user ID and password/PIN for casting your vote.**
- IV. You can also update your mobile number and email id in the user profile details of the folio which may be used for sending future communication(s).**
- V. The e-voting period commences on 31st August, 2014 (9:00 am) and ends on 02nd September, 2014 (6:00pm). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 01st August 2014, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the shareholder, he shall not be allowed to change it subsequently.**
- VI. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 01st August 2014.**
- VII. Ms. Jigyasa Ved, of M/s. Parikh Associates., Company Secretaries, (Membership No FCS: 6488) (Address : 111, 11th Floor, Sai Dwar CHS Ltd., Sab TV Lane, Opp. Laxmi Indl Estate, Off Link Road, Andheri (West), Mumbai - 400053.) has been appointed as the Scrutinizer to scrutinize the e-voting process (including the physical ballots received from members who don't have access to the e-voting process) in a fair and transparent manner.**
- VIII. The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favor or against, if any, forthwith to the Chairman of the Company.**
- IX. As the voting would be through electronic means, the Members who do not have access to e-voting, may send their assent or dissent in writing on the Ballot Form enclosed with the Annual Report. You are required to complete and sign the Ballot Form and send it so as to reach the Scrutinizer appointed by the Board of Directors of the Company, Ms. Jigyasa Ved, Practicing Company Secretary, (Membership No. FCS: 6488).**
A Member can opt for only one mode of voting, i.e., either through e-Voting or by Ballot. If a Member casts votes by both modes, then voting done through e-Voting shall prevail and Ballot shall be treated as invalid.
- X. The Results shall be declared on or after the AGM of the Company. The Results declared alongwith the Scrutinizer's Report shall be placed on the Company's website www.spectraindustries.in and on the website of NSDL within two(2) days of passing of the resolutions at the AGM of the Company and communicated to BSE Limited.**

For and on behalf of the Board of Directors

ARCHANA PANCHAL
Company Secretary

Dated: 23rd July, 2014

Registered Office:

**Plot No.9, Spectra Compound, Ramchandra Lane Extn.,
Kanchpada II, Malad (West), Mumbai – 400 064.**

CIN: L74999MH1992PLC067849

Tel: 022- 28893977 / 33

E-mail: info@spectraindustries.in, sepl12@rediffmail.com

Website : www.spectraindustries.in



ANNEXURE TO NOTICE

Statement setting out material facts pursuant to Section 102 (2) of the Companies Act, 2013 ("the Act") forming part of the notice.

Item No 4 to 7.

Mr. P. S. Chandok, Mr. A. M. Arondekar, Mr. Sanjeev Chirania and Mr. C. J. Kotcher are independent directors of the Company pursuant to the provisions of Clause 49 of the Listing Agreement entered with the Stock Exchange

Pursuant to the provisions of Section 149 of the Act, which came into force with effect from April 1, 2014, every listed company is required to have at least one-third of the total number of directors as independent directors, who are not liable to retire by rotation.

Mr. P. S. Chandok, Mr. A. M. Arondekar, Mr. Sanjeev Chirania and Mr. C. J. Kotcher, non-executive directors of the Company, have given a declaration to the Board that they meet the criteria of independence as provided under Section 149(6) of the Companies Act, 2013. In the opinion of the Board, these directors fulfill the conditions specified in the Act and the Rules framed thereunder for appointment as Independent Directors and they are independent of the management.

A brief profile of the Directors to be appointed is given below:

Mr. P. S. Chandok, is a Non-Executive Independent Director of the Company. His educational qualification is B.Com. He is a marketing professional closely associated with Syndicate Exhaust Systems Private Limited and Bombay Commercial Syndicate, the manufacturers of exhaust systems and for viper arms and viper plates for all four wheelers plying in the country. He is in the business for more than 27 years. He is a member of all the committees of the Company.

Mr. A. M. Arondekar, is a Non-Executive Independent Director of the Company. He holds B.A, LL.B and M.F.M. degrees. He retired as General Manager from Bank of India after serving the bank for a period of more than 40 years. He is consultant since the last few years and is an advisor in corporate and banking matters. He is the Chairman of the Remuneration and Audit Committee of the Company.

Mr. Sanjeev Chirania, is a Non-Executive Independent Director of the Company. He is a Chartered Accountant and has been practicing as a Chartered Accountant. He holds specialization in the field of audit and taxation.

Mr. C.J. Kothcer, is a Non-Executive Independent Director of the Company. His educational qualification is M. Com, CAIIB. He has served the Bank of India, a leading Public Sector Bank, for more than three decades in various capacities in India. He held the post of Assistant General Manager at Bank of India. He retired from the Bank's service at the end of year 2000. He switched over to Development Credit Bank as a Chief Manager (Credit) Corporate Finance Group in the year 2001 and held that position for 5 years. His immense experience and guidance will help in dealing with financial matters of the Company.

In compliance with the provisions of Section 149 read with Schedule IV of the Companies Act, 2013 it is proposed to appoint Mr. P. S. Chandok, Mr. A. M. Arondekar, Mr. Sanjeev Chirania and Mr. C. J. Kotcher as Independent Directors of the Company as proposed at item nos. 4 to 7 of the notice.

Draft letters setting out the terms and conditions of appointment of above Directors shall be open for inspection by the Members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday.

Mr. P. S. Chandok, Mr. A. M. Arondekar, Mr. Sanjeev Chirania and Mr. C. J. Kotcher, respectively, are concerned or interested in the Resolutions set out respectively at item nos. 4 to 7 of notice.

None of the other Directors, Key Managerial Personnel of the Company, including their relatives, is in any way concerned or interested, financially or otherwise, in the said resolutions.

The Board of Directors commends approval of members for passing of the resolutions at Item Nos. 4 to 7 of the notice.

Item No 8.

Section 180 (1) (c) of the Companies Act, 2013, requires Shareholders approval to the limit of moneys borrowed by the Company when they exceed the aggregate of the paid up Capital of the Company and its free reserves.

As a part of future growth and expansion plans of the Company, the Company may have to borrow more funds from banks, financial institutions and other parties in excess of the Paid-Up capital and free reserves of the Company and thus it is necessary that a higher ceiling limit for borrowing be approved by the members to enable the Board of Directors to



procure funds for business purposes as and when required. It is therefore proposed to authorise the Board of Directors to borrow in excess of the paid-up capital and free reserves of the Company subject to a maximum of Rupees 250 Crore only.

A special resolution under Section 180 (1) (c) of the Companies Act, 2013 is therefore proposed for approval by the members.

None of the Directors, Key Managerial Personnel and the relatives of the aforesaid persons of the Company are interested in the said resolution.

The Board commends your approval for the said resolution.

Item no 9.

As a part of future growth plans of the Company, the borrowings from the Banks, financial institutions or other parties might be secured by mortgaging or charging the movable and/or immovable assets of the Company. This may attract the provisions of Section 180(1)(a) of the Companies Act, 2013 which requires Shareholders approval.

A special resolution under Section 180 (1) (a) of the Companies Act, 2013 is therefore proposed for approval by the members.

None of the Directors, Key Managerial Personnel and the relatives of the aforesaid persons of the Company are interested in the said resolution.

The Board commends your approval for the said resolution.

For and on behalf of the Board of Directors

ARCHANA PANCHAL
Company Secretary

Dated: 23rd July, 2014

Registered Office:

**Plot No.9, Spectra Compound, Ramchandra Lane Extn.,
Kanchpada II, Malad (West), Mumbai – 400 064.**

CIN: **L74999MH1992PLC067849**

Tel: **022- 28893977 / 33**

E-mail: **info@spectraindustries.in, sepl12@rediffmail.com**

Website : **www.spectraindustries.in**



Profile of the Director being re-appointed at the 22nd Annual General Meeting in pursuance of Clause 49 IV (G) of the Listing Agreement entered into with the Stock Exchanges:

Name of Director	Mr. Jaidev Gupta	Mr. P.S.Chandok	Mr. A.M. Arondekar	Mr. Sanjeev Chirania	Mr. C.J. Kotcher
Date of Birth	09/07/1984	26/09/1953	01/03/1942	04/01/1978	03/10/1944
Age	30 years	60 years	72 years	36 years	69 years
Date of Appointment	28/01/2010	29/01/2001	27/06/2003	27/06/2003	28/01/2010
Experience in Specified Functional Area	Experience in handling Automobile Business of the Group.	Experience in Manufacturing and Marketing of products.	Experience in dealing with banking and financial matters of the Company.	Specialization in audit and taxation fields.	Experience in dealing with banking and financial matters of the Company.
No. of shares held in the Company	501874	Nil	Nil	Nil	Nil
Qualification	B.Com, Diploma in BBA	B.Com	B.A., LL.B and M.F.M	Chartered Accountant	M.Com, CAIIB
List of other Companies in which associated as Director	1. VASAI ROLLER FLOUR MILLS PRIVATE LIMITED 2. SPECTRA MOTORS LIMITED 3. MARUTI ROLLER FLOUR MILLS PRIVATE LIMITED 4. SPICE MOTORS PRIVATE LIMITED 5. SPECTRA AUTO PRIVATE LIMITED 6. FEDSOFT INDIA PRIVATE LIMITED	NIL	1. PRATIBHA INDUSTRIES LIMITED 2. CORE EDUCATION & TECHNOLOGIES LIMITED 3. CANARA BANK SECURITIES LIMITED	1. PERFECT CORPORATE SERVICES LIMITED 2. CRC SECURITIES PRIVATE LIMITED	Nil
Chairman / Memberships of the Committee of the Board of other Companies in which associated as a Director	Nil	Nil	Member in 5 committees Chairman in 1 committee	Nil	Nil



DIRECTORS' REPORT

TO THE MEMBERS

Your Directors are pleased to present before you the Twenty Second Annual Report together with the Audited Statement of Accounts of the Company for the year ended on 31st March, 2014.

FINANCIAL RESULTS:

(Rs. in lacs)

Particulars		Year ended March 31, 2014		Year ended March 31, 2013
Sales & Operational Income		6948.64		7722.12
Profit before Interest, Depreciation and Tax		84.12		255.27
Less : Interest	139.05		123.51	
Depreciation/Amortisation	52.49		60.67	
Tax	-	191.54	26.56	210.74
		(107.42)		44.53
Deferred Tax		(1.02)		1.01
Net Profit/(Loss) for the year		(108.44)		45.54

DEPOSITS

Your Company has not accepted any deposits from the public during the year under review.

INSURANCE

All assets of the company are adequately insured.

LISTING

The Equity Shares of the Company are listed on the BSE Ltd. The Company has paid the annual listing fees for the F.Y. 2014-15.

DIRECTORS

Mr. Jaidev Gupta, Director of the Company, retires at the ensuing Annual General Meeting and is eligible for re-appointment.

As per Section 149(4) of the Companies Act, 2013 ('Act'), which came into force with effect from April 1, 2014, every listed public company is required to have at least one-third of the total number of directors as Independent Directors.

In compliance with the provisions of Section 149 of the Act, read with Schedule IV of the Act, the necessary resolutions for the appointment of Mr. P. S. Chandok, Mr. A. M. Arondekar, Mr. Sanjeev Chirania and Mr. C. J. Kotcher as Independent Directors of the Company are being placed before the Members at the ensuing Annual General Meeting for their approval.

In accordance with the provisions of Section 149 of the Act, these Directors are being appointed as Independent Directors to hold office as per their tenure of appointment mentioned in the Notice of the forthcoming Annual General Meeting (AGM) of the Company.

CORPORATE GOVERNANCE

A separate section on Corporate Governance and a certificate from the Auditors of the Company regarding compliance of conditions of Corporate Governance as stipulated under clause 49 of the Listing Agreement with the Stock Exchange are attached to this Report and forms part of this Report.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 217(2AA) of the Companies Act, 1956, the Directors confirm the following:

- That in the preparation of the annual accounts, the applicable accounting standards have been followed along with 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 loss of the Company for the period under review.
- That the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions 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 for the financial year ended 31st March, 2014 on a going concern basis.



CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO

1. Steps are taken to conserve energy at all levels. Lights and power were switched off whenever not required.
2. There was no technology import during the year under review.
3. Earnings in foreign currency Rs. Nil
4. Expenditure in foreign currency Rs. 60,86,664/-
Import Purchases (On CIF Value)

PARTICULARS OF EMPLOYEES

The Company does not have any employee whose particulars are required to be given pursuant to the provisions of Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975.

AUDITORS

M/s. D. K. Roongta & Co., Chartered Accountants (Firm Reg. No.108871W), the Auditors of the Company would retire at the forthcoming Annual General Meeting. Pursuant to the provisions of Section 139 of the Companies Act, 2013 and the Rules framed thereunder, it is proposed to appoint M/s. D. K. Roongta & Co as statutory auditors of the Company from the conclusion of the forthcoming AGM till the conclusion of the next AGM.

INDUSTRIAL RELATIONS

The industrial relations at Company's plants at Murbad and Mira Road remained peaceful during the year.

ACKNOWLEDGEMENT

The Directors place on record their sincere appreciation for the co-operation and support extended by Shareholders, Customers, Bankers, Vendors and Employees at all levels.

For and on behalf of the Board

BHARAT BHUSHAN GUPTA
Chairman

Place: **Mumbai**

Dated: **23.07.2014**



MANAGEMENT DISCUSSION AND ANALYSIS REPORT

BUSINESS OVERVIEW & TRENDS

The Company has two business segments i.e. Automobile & Trading.

In Automobile business the Company has Dealership of Commercial Vehicles manufactured by Mahindra & Mahindra Ltd. which is one of the leading Automobile Manufacturers in India. The Dealership Business is for 3 districts namely Mumbai, Thane & Raigad.

During F.Y. 2013-14, Automobile business progressed satisfactorily. The Company sold 241 number of vehicles with Sale Value of Rs. 3284.95 Lacs, which include after sale service income of Rs. 189.13 Lacs.

With boost being given by the Central & the State Governments for development of Infrastructural facilities all over India, the Automobile business is expected to grow at a rapid pace.

The Company's Showroom-cum-Workshop at Ajivali, Panvel for Commercial Vehicle business is expected to be completed and operationalized in the current year.

The Company's Trading business, however, received setback in F.Y. 2013-14 due to slow down in the economy, higher rates of interests and inflationary pressures. Due to liquidity problems in the economy, the realization of receivables is delayed resulting in additional interest and overhead cost and eventually lower sale turnover.

The Company is having Manufacturing Infrastructure at its Murbad factory which is lying idle at present. With expected improvement in the economy and the encouragement being given by the Government to the Manufacturing Sector, the Company is hopeful for making use of its Manufacturing Infrastructure and generate maximum possible revenue therefrom.

With the Business strategy as above, the Management is reasonably hopeful to improve the Company's operations from the current year onwards.



REPORT ON CORPORATE GOVERNANCE

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Company's philosophy on Corporate Governance is aimed at ensuring transparency in its dealings, disclosing matters of interest to the shareholders, complying with all laws and regulations as applicable to the Company and promoting the interests of all stakeholders.

I. BOARD OF DIRECTORS

(A) Composition of Board

The present strength of Board of Directors of the Company is seven (7) Directors. The composition, status of Directors, attendance at Board Meetings and at the previous Annual General Meeting, directorships in other Companies and other committees in which they are Chairman/Member as on 31st March, 2014 are as follows:-

Name of Director	Category of Directorship	No. of Board Meetings attended		Attendance at previous AGM	Directorship in other Companies including private companies	No. of Committees in which Chairman/Member (other than Spectra Industries Limited)	
		Held	Attended			Member	Chairman
Mr. Bharat Bhushan Gupta	Chairman Non-Executive	6	6	Yes	18	-	-
Mr. Vinod Kumar Gupta	Managing Director	6	6	Yes	16	-	-
Mr. Jaidev Gupta	Executive & Promoter Director	6	5	Yes	6	-	-
Mr. Prabhjot Singh Chandok	Non-Executive & Independent Director	6	3	No	-	-	-
Mr. A. M. Arondekar	Non-Executive & Independent Director	6	5	No	2	5	1
Mr. Sanjeev Chirania	Non-Executive & Independent Director	6	4	Yes	2	-	-
Mr. C. J. Kotcher	Non-Executive & Independent Director	6	5	Yes	-	-	-

Mr. Vinod Kumar Gupta, Mr. Bharat Bhushan Gupta and Mr. Jaidev Gupta are related to each other. None of the other Directors are related interse.

(B) Non-executive directors compensation

None of the non-executive directors is paid any remuneration other than sitting fees for attending each Board meeting.

Mr. Bharat Bhushan Gupta holds 6,66,899 shares as on 31st March, 2014. None of the other non-executive directors holds any shares in the company other than Shri Bharat Bhushan Gupta.

(C) Independent Directors

The independent directors are not related to promoters or management at the Board level. All independent directors have confirmed that they meet the independence criteria as mentioned under clause 49 of Listing Agreement. They view, at every board meeting, legal compliance reports prepared by the Company.



(D) Board Procedure

Six (6) Board Meetings were held during the F.Y. 2013-14. The dates on which the said meetings were held are 29.04.2013, 30.05.2013, 14.08.2013, 13.11.2013, 06.12.2013 and 17.02.2014.

The Company has a procedure to provide the information to the Board as required under Annexure IA to clause 49 of the Listing Agreement which is followed. The Board periodically reviews the compliance of all laws applicable to the Company.

All the directors have made necessary disclosures about the committee positions they occupy in other companies.

The Company has not entered into any materially significant transactions during the year under report with promoters, directors, senior management personnel etc. other than transactions if any, entered into in the normal course of company's business.

(E) Code of Conduct

The Board has laid down a code of conduct for Board members and senior management personnel of the company. The said code of conduct is posted on the company's website www.spectraindustries.in. All the board members and senior management personnel have affirmed compliance with the said code of conduct. A declaration signed by the Managing Director and CEO is given at the end of this report.

The Company has also adopted a code of conduct for prevention of Insider Trading. All the Directors, Senior Management personnel and other employees who have access to the unpublished price sensitive information of the Company are governed by this code of conduct. During the year under report, there has been due compliance with the said code of conduct for prevention of Insider Trading.

II. AUDIT COMMITTEE

The Audit Committee comprises of three independent Non-executive Directors as follows:

1. Mr. A.M.Arondekar (Chairman)
2. Mr. Prabhjot Singh Chandok (Member)
3. Mr. Sanjeev Chirania (Member)

The Chairman of the Audit Committee has good experience in Corporate Finance and other related matters. Other directors have Accounting and Financial Management experience.

The Managing Director attends Audit Committee Meetings as permanent invitee. The Statutory Auditors and Finance personnel are also invitees to the Audit Committee meeting.

The Audit Committee reviews all the issues which are required to be mandatorily reviewed by it under Corporate Governance.

The powers and role of the Audit Committee cover the matters specified under Clause 49 of the Listing Agreement as well as in Section 292 A of the Companies Act, 1956, such as overview of the company's financial reporting process; recommending the appointment / reappointment of statutory auditors; reviewing with the management annual financial statements; quarterly Financial Statements and other matters as covered under role of audit committee in Clause 49. The audit committee has powers, inter-alia, to investigate any activity within its terms of reference and to seek information from any employee of the company as well as seek outside legal and professional advice.

Four (4) meetings of the Committee were held during the F.Y. 2013-14. The dates on which the meetings were held are 30.05.2013, 14.08.2013, 13.11.2013 and 17.02.2014.

The attendance of each member of the Audit Committee in the meeting is given below:

Sr. No.	Name of Director	No. of meetings attended
1.	Mr. A. M. Arondekar	4
2.	Mr. Prabhjot Singh Chandok	3
3.	Mr. Sanjeev Chirania	4

The Chairman of the Audit Committee was present at the Twenty First Annual General Meeting held on 7th September, 2013.



The company has not adopted non-mandatory requirements of clause 49. However the particulars relating to Remuneration Committee are given in this report.

III. SUBSIDIARY COMPANY

The Company has no subsidiary Company.

IV. REMUNERATION COMMITTEE

The Remuneration Committee comprises solely of Independent & Non-Executive Directors. The Remuneration Committee comprises of the following members:

1. Mr. A. M. Arondekar (Chairman)
2. Mr. Prabhjot Singh Chandok (Member)
3. Mr. C. J. Kotcher (Member)

No meeting of the Remuneration committee was held during the F.Y. 2013-14.

The details of remuneration paid to the Managing Director and other Directors of the Company during the year ended 31st March 2014 are given below:

(in Rs.)

Name of Director	Salary	Perquisite	Commission	Others	Sitting Fees	Total
Mr. Vinod Kumar Gupta, Managing Director	12,00,000/-	28,580/-	-	-	-	12,28,580/-
Mr. Bharat Bhushan Gupta	-	-	-	-	7,500/-	7,500/-
Mr. Jaidev Gupta	-	-	-	-	7,500/-	7,500/-
Mr. Prabhjot Singh Chandok	-	-	-	-	12,000/-	12,000/-
Mr. A. M. Arondekar	-	-	-	-	20,000/-	20,000/-
Mr. Sanjeev Chirania	-	-	-	-	16,000/-	16,000/-
Mr. C. J. Kotcher	-	-	-	-	12,500/-	12,500/-

Non-Executive Directors are not entitled to any remuneration other than the sitting fees.

The Company does not have a scheme for grant of stock options.

The agreement may be terminated by Managing Director or the Company at any time by giving not less than 90 days prior notice in writing in that behalf to the other party without the necessity of showing any reason thereof. The Agreement may also be terminated by the Company at any time by giving three months salary and other emoluments in lieu of notice as aforesaid to the Managing Director.

V. SHAREHOLDERS' / INVESTORS' GRIEVANCE COMMITTEE

The Shareholders' / Investors' Grievance Committee comprises of three directors namely, Mr. Bharat Bhushan Gupta, Mr. Vinod Kumar Gupta and Mr. Prabhjot Singh Chandok. Mr. Bharat Bhushan Gupta is the Chairman of the Committee.

Four (4) meetings of the Committee were held during the F.Y. 2013-14. The dates on which the meetings were held are 30.05.2013, 14.08.2013, 13.11.2013 and 17.02.2014.

Composition, category and attendance of Members is as follows:

Name of Director	Category	No. of Meetings Attended
Mr. Bharat Bhushan Gupta	Chairman	4
Mr. Vinod Kumar Gupta	Member	4
Mr. Prabhjot Singh Chandok	Member	3

The Committee looks into redressal of Shareholders and Investors complaints , if any. Ms. Archana Panchal is the Compliance Officer of the Company.

The Shareholders'/Investors' Grievance Committee has delegated the power of approving transfer/transmission of shares to Share Transfer Committee.



The total number of complaints received through SEBI and replied to the satisfaction of shareholders during the year under review, were Nil. Outstanding complaints as on 31st March, 2014 were NIL. No requests for transfers were pending for approval as on 31st March, 2014.

VI. GENERAL BODY MEETINGS

Location and time of last three Annual General Meetings:

Financial Year	Venue	Day, Date	Time	Special resolution, if any
2010-2011	Green Village Resorts Limited, Near Malvani Church, Opp. Akashwani Kendra, Marve Road, Malad (W), Mumbai - 400095.	Friday, 09.09.2011	11.00 a.m.	Nil
2011-2012	Green Village Resorts Limited, Near Malvani Church, Opp. Akashwani Kendra, Marve Road, Malad (W), Mumbai - 400095.	Monday, 17.09.2012	11.00 a.m.	Nil
2012-2013	Landmark Building, Link Road, Mithchowki, Malad West, Mumbai – 400064.	Saturday 07.09.2013	11.00 a.m.	Nil

All the resolutions, including special resolution, set out in the respective notices convening the Annual General Meeting were passed by the shareholders.

No postal ballots were used for voting at these meetings. At the ensuing Annual General Meeting, there is no item on the agenda that needs approval by postal ballot.

VII. DISCLOSURES

(A) Related Party Transactions

The particulars of transactions between the Company and its related parties as per Accounting Standards is set out in the notes to the accounts in the Annual Report and were placed before the Audit Committee periodically. There were no transactions of material nature with Directors, Management or their relatives during the year that may have potential conflict with the interest of the Company at large.

(B) Risk Management

The Board of Directors had been informed from time to time the business risk faced by the Company and the steps taken by the management to minimize the same.

(C) Proceeds from Initial Public offerings (IPOs)

The Company has not made any IPO during the year.

The Company has complied with the requirements of regulatory authorities on the matters related to Capital Markets and no penalties/strictures have been imposed against the Company during the last three Financial Years.

(D) Management

A separate report on Management Discussion & Analysis which forms part of the Annual Report is annexed. The Company has complied with the requirements of regulatory authorities on matters related to capital markets and no penalties/ strictures have been imposed against the Company during the last three Financial Years.

Clause 49 of the Listing Agreement mandates to obtain a certificate from either the Auditors or Practicing Company Secretaries regarding the compliance of conditions of Corporate Governance stipulated in the clause and annex the certificate with the Directors' Report, which is sent annually to all the shareholders. The Company has obtained a certificate from the Auditors to this effect and the same is given as an annexure to the Directors' Report.



VIII. WHISTLE BLOWER POLICY

The Company has not framed any whistle blower policy. However, no person has been denied any access to the Audit Committee.

The Company has not adopted non - mandatory requirements of Clause 49. However the particulars relating to the remuneration committee are given in this report.

IX. MEANS OF COMMUNICATION

The quarterly, half yearly and yearly results are regularly submitted to the Stock Exchange in accordance with the Listing Agreement. The quarterly and yearly results are published in newspapers namely The Free Press Journal in English and Navshakti in Marathi. The same are also available on the Company website i.e., www.spectraindustries.in.

There were no presentations made to the Institutional Investors or analysts.

X. GENERAL SHAREHOLDERS' INFORMATION

- | | |
|---|---|
| 1. Annual General Meeting
Day, Date, Time and Venue | Saturday, 6 th September, 2014 at 11.00 a.m. at
Landmark Building, Link Road, Mithchowki, Malad
(West), Mumbai - 400 064. |
| 2. Financial Year Calendar (Provisional) | April to March |
| - Results for first quarter ending June 30,
2014 | Second week of August, 2014 |
| - Results for second quarter ending
September 30, 2014 | Last week of October 2014 |
| - Results for third quarter ending December
31, 2014 | Last week of January 2015 |
| - Audited Results for the year ending March
31, 2015 | Last week of May, 2015 |
| 3. Dates of Book Closure | From Saturday, August 30, 2014
to Saturday, September 6, 2014
(both days inclusive) |
| 4. Registered Office | Plot No. 9, Spectra Compound, Ramchandra Lane
Extn., Kanchpada II, Malad (W), Mumbai 400 064. |
| 5. Compliance Officer | Ms. Archana Panchal
Tel No : 022-28893933/68/77
Fax No : 022-28891342 |
| 6. Registrar & Share Transfer Agents | Sharex Dynamic (India) Pvt. Ltd.
Unit 1, Luthra Ind. Premises,
Andheri Kurla Road,
Safed Pool, Andheri (East)
Mumbai 400 072.
Tel No : 022-28515606, 28515644
Fax No : 28512885 |
| 7. Plant location | C-1, M.I.D.C. Murbad – 421 401.

Penkar Pada, Next to Premalaxmi Marathi School,
Mira Road (East)-401107. |
| 8. Listing on Stock Exchanges and Stock Code | BSE Ltd. (513687)

Annual Listing Fees for F.Y. 2014-15 has been paid to
BSE Ltd. |
| 9. ISIN Number in NSDL and CDSL | INE848B01012 |



10. Market Price Data

Table below gives the monthly highs and lows of the Company's shares on the BSE Ltd. during F.Y. 2013- 14.

High and low prices of the Company's shares on BSE with corresponding BSE Sensex April 2013 to March 2014.

MONTHS	HIGH		LOW	
	Spectra Industries Ltd.	BSE Sensex	Spectra Industries Ltd.	BSE Sensex
April 2013	8.30	19622.68	8.30	18144.22
May 2013	8.30	20443.62	7.50	19451.26
June 2013	7.87	19860.19	7.87	18467.16
July 2013	7.87	20351.06	7.87	19126.82
August 2013	7.87	19569.20	7.87	17448.71
September 2013	7.90	20739.69	7.48	18166.17
October 2013	7.90	21205.44	7.60	19264.72
November 2013	8.66	21321.53	7.80	20137.67
December 2013	8.58	21483.74	6.85	20568.70
January 2014	7.58	21409.66	6.20	20343.78
February 2014	7.16	21140.51	6.48	19963.12
March 2014	8.63	22467.21	6.49	20920.98

11. Share Transfer System

Share transfers are registered and duly transferred share certificates are returned to the lodger within a period of thirty days from the date of receipt, if the documents are otherwise in order.

The Share Transfer Committee meets as frequently as necessary to approve transfers and related matters as may be required.

12. Distribution of shareholding as on 31st March 2014:

Category of Shareholder	No. of Shares held	Percentage to total Share Capital
Promoters, Directors and their relatives	3889450	54.947
Mutual Funds	6700	0.095
Corporate Bodies	309678	4.375
NRI/OCB/FII	72630	1.026
General Public	2800042	39.557
Others – Clearing Members	0	0
TOTAL	7078500	100.00

13. Dematerialization of Shares:

As on March 31, 2014, 90.77% of the Paid Up Share Capital has been dematerialized. The Shares of the Company are infrequently traded.

Outstanding GDRs / ADRs/ Warrants or any Convertible Instruments, conversion date and likely impact on equity: N.A

XI. CEO/CFO Certification

A certificate from the Managing Director of the Company in terms of clause 49 (V) of the Listing Agreement was placed before the Board Meeting held on 30th May, 2014 to approve the Audited Annual accounts for the year ended 31st March 2014.

XII. DECLARATION

As provided under Clause 49 of the Listing Agreement with the Stock Exchange, the Board members and the Senior Management personnel have affirmed compliance with the Code of Conduct for the Board of Directors and Senior Management for year ended 31st March, 2014.

Place: **Mumbai**
Date: **30.05.2014**

Vinod Kumar Gupta
Managing Director



AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of Spectra Industries Limited

We have reviewed the implementation of Corporate Governance procedures by Spectra Industries Limited during the year ended 31st March 2014, with the relevant records and documents maintained by the Company and furnished to us for our review and the report of Corporate Governance as approved by the Board of Directors.

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

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Agreement.

We state that no investor grievances are pending for a period exceeding one month against the Company as per the records maintained by the Share Transfer and Shareholders/Investors Grievance Committee.

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

For D. K. ROONGTA & COMPANY
Chartered Accountants

Place: **Mumbai**
Date: **30.05.2014**

DINESH K. ROONGTA
(Proprietor)
Membership No : 17679



INDEPENDENT AUDITORS' REPORT

To The Members of

SPECTRA INDUSTRIES LIMITED

Report on the Financial Statements

1. We have audited the accompanying financial statements of SPECTRA INDUSTRIES LIMITED (the "Company"), which comprise the Balance Sheet as at March 31, 2014, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

2. The company's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with accounting principles generally accepted in India, including the Accounting Standards notified under the Companies Act, 1956 read with General Circular 15/2013 dated 13th September 2013, issued by the Ministry of Corporate Affairs, in respect of Section 133 of the Companies Act, 2013.. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

3. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

6. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
 - b) In the case of the Statement of Profit and Loss, of the loss for the year ended on that date: and
 - c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of Sub-section (4A) of Section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227 (3) of the Act, we report that :
 - a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b) In our opinion, proper books of account as required by law have been kept by Company, so far as appears from our examination of these books;
 - c) The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - d) In our opinion, the Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement comply with the Accounting Standards notified under the Companies Act, 1956 read with General Circular 15/2013 dated 13th September 2013, issued by the Ministry of Corporate Affairs, in respect of Section 133 of the Companies Act, 2013;
 - e) On the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the director is disqualified as on 31st March, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act 1956.

For D.K.ROONGTA & COMPANY
Chartered Accountants

Place : **Mumbai**
Date : **30.05.2014**

DINESH K ROONGTA
(Proprietor)
(Membership No.100/17679)
(Firm Reg No.108871W)



ANNEXURE TO INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 4 of our report of even date)

As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of Section 227 (4A) of the Companies Act, 1956, and on the basis of such checks as we considered appropriate, we further report that:-

i. In respect of its fixed assets:

- a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- b) The fixed assets have been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of assets. No material discrepancies were noticed on such verification.
- c) In our opinion during the year, the Company has not disposed off a substantial part of the fixed assets so as to affect the going concern status of the Company.

ii. In respect of its inventories:

- a) The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
- b) In our opinion the procedures of physical verification of inventories followed by the Management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- c) On the basis of the examinations of the inventory records, in our opinion, the Company is maintaining proper records of inventory. The discrepancies noticed on physical verification of inventory as compared to the book records were not material.

iii. In respect of Loans, Secured or unsecured taken by the Company from Companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956:

- a) The Company has taken Loans, Secured or unsecured, during the year from Companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956.
- b) In our opinion and according to the information and explanations given to us, the rate of interest where applicable and other terms and conditions of the loans, are not prima facie prejudicial to the interest of the Company.

iv. In our opinion according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any major weaknesses in the internal control system.

v. In respect of the contracts or arrangements referred to in Section 301 of the Companies Act, 1956:

a) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements, that need to be entered into the register maintained under Section 301 of the Companies Act, 1956 have been so entered.

b) In our opinion and according to the information and explanations given to us, there were no transactions exceeding Rs. Five Lakhs during the year.

vi. According to the information and explanations given to us, the Company has not accepted any deposit from the public. Therefore, the provisions of clause (vi) of paragraph 4 of the Order are not applicable to the Company.

vii. In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

viii. In our opinion and according to information given by the management cost audit under Section 209(1)(d) of the Companies Act, 1956 is not applicable to the Company.

ix. In respect of Statutory dues:

a) According to the records of the Company, undisputed statutory dues including Provident Fund, Investor Education Protection Fund, Employee's State Insurance, Income-Tax, Wealth-Tax, Sales Tax, Customs Duty, Excise Duty, Cess and other statutory dues have been generally regularly deposited with the appropriate authorities, According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at March 31, 2014 for a period of more than six months from the date of becoming payable.

b) As on 31-03-2014, according to the records of the Company, the following are the particulars of disputed dues on account of Income Tax and Central Excise Duty/cess that have not been deposited:

Sr. No.	Name of the Statute	Nature of Dues	Amount of Demand net of deposits (Rs.)	Period to which the amount relates	Forum where dispute is pending
1	Central Excise Act, 1944	Central Excise	22,88,343/-	2001 – 2002	Additional Commissioner of Central Excise
		Total	22,88,343/-		



- x. The Company does not have accumulated losses at the end of the financial year. The Company has incurred cash losses during the financial year covered by the audit and not in the immediately preceding financial year.
- xi. Based on our audit procedures and according to the information and explanations given to us, we are of the opinion that the Company has not defaulted in repayment of dues to financial institutions, banks and debenture holders.
- xii. In our opinion and according to the explanations given to us and based on the information available, no loans and advances have been granted by the Company on the basis of security by way of pledge of shares, debentures and other securities.
- xiii. In our opinion, the Company is not a chit fund / nidhi / mutual benefit fund / society. Therefore, the provisions of clause (xiii) of paragraph 4 of the Order are not applicable to the Company.
- xiv. Based on our examination of the records and evaluation of the related internal controls, we are of the opinion that proper records have been maintained of the transactions and contracts in respect of dealing or trading in shares, securities, debentures and other investments and timely entries have been made in those records. We also report that the Company has held all the shares, securities, and other investments in its own name.
- xv. The Company has not given any guarantee for loans taken by others from Bank or financial institution, and accordingly requirement of Paragraph 4(xv) of the aforesaid Order are not applicable to the Company.
- xvi. The Company has raised new term loans during the year. The term loans outstanding at the beginning of the year and those raised during the year have been applied for the purposes for which they were raised.
- xvii. According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we are of the opinion that there are no funds raised on short-term basis that have been used for long-term investment.
- xviii. The Company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under Section 301 of the Companies Act, 1956.
- xix. During the period covered by our audit report, the Company has not issued debentures and therefore paragraph 4 (xix) of the aforesaid Order is not applicable.
- xx. During the period covered by our audit report, the Company has not raised money by way of public issues and, therefore, paragraph 4 (xx) of the aforesaid Order is not applicable.
- xxi. In our opinion and according to the information and explanations given to us, no material fraud on or by the Company has been noticed or reported during the year.

For D.K.ROONGTA & COMPANY
Chartered Accountants

Place : Mumbai
Date: **30.05.2014**

DINESH K ROONGTA
(Proprietor)
(Membership No.100/17679)
(Firm Reg No.108871W)



**SPECTRA INDUSTRIES LIMITED
BALANCE SHEET AS AT 31ST MARCH, 2014**

	Note	As At 31.03.2014	(Amount In Rs.) As At 31.03.2013
<u>EQUITY AND LIABILITIES</u>			
Shareholders Fund			
Share Capital	1	70,785,000	70,785,000
Reserves & Surplus	2	47,016,868	57,861,169
Share Application Money Pending Allotment			
Non-Current Liabilities			
Long Term Borrowings	3	80,988,515	50,012,312
Deferred Tax Liability (Net)	4	8,753,985	8,651,621
Current Liabilities			
Short Term Borrowings	5	116,675,838	116,877,931
Trade Payables	6	199,207,788	197,828,025
Other Current Liabilities	7	71,205,702	93,829,050
Short Term Provisions	8	8,123,500	8,013,700
TOTAL		602,757,196	603,858,808
<u>ASSETS</u>			
Non-Current Assets			
Fixed Assets			
Tangible Assets	9	73,797,532	73,981,415
Intangible Assets	9	996,955	1,568,147
Capital Work-in-Progress	9	32,538,835	18,135,107
Non-Current Investments	10	9,332,979	9,332,979
Long Term Loans and Advances	11	25,331,816	26,866,816
Current Assets			
Inventories	12	71,874,022	77,434,220
Trade Receivables	13	338,631,648	353,497,918
Cash and Bank Balances	14	26,262,729	20,925,976
Short Term Loans and Advances	15	23,990,680	22,116,230
TOTAL		602,757,196	603,858,808

Significant Accounting Policies
Notes on Financial Statements

1 to 27

As per our Report of even date
For **D.K. ROONGTA & COMPANY**
Chartered Accountants

DINESH K. ROONGTA
(Membership No.100/17679) (Firm Reg No.108871W)
(Proprietor)
Place : Mumbai
Date : 30.05.2014

For and on behalf of the Board

Bharat Bhushan Gupta - Chairman
Vinod Kumar Gupta - Managing Director
Jaidev Gupta - Executive Director
A. M. Arondekar - Director
P. S. Chandok - Director
Sanjeev Chirania - Director
C. J. Kotcher - Director



SPECTRA INDUSTRIES LIMITED
PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2014

	Note	As At 31.03.2014	(Amount In Rs.) As At 31.03.2013
<u>INCOME</u>			
Revenue from Operations	16	689,659,480	769,482,433
Other Income	17	5,204,756	2,729,855
Total Revenue		694,864,236	772,212,288
<u>EXPENDITURE</u>			
Cost of Materials Consumed	18	297,859,572	432,570,183
Purchase of Stock-in-Trade		356,702,993	291,958,379
Changes in Inventories of Finished Goods, Stock-in-Process and Stock-in-Trade	19	(9,840)	-
Employee Benefits Expense	20	16,823,467	11,248,585
Finance Costs	21	13,904,938	12,351,600
Depriciation and Amortisation Expense	22	5,248,665	6,066,706
Other Expenses	23	15,076,378	10,907,705
Total Expenses		705,606,173	765,103,158
Profit / (Loss) Before Tax		(10,741,937)	7,109,130
Tax Expenses			
Current Tax		-	2,500,000
Deferred Tax		(102,364)	101,347
Income Tax for Earlier Year		-	156,401
Profit / (Loss) for the year		(10,844,301)	4,554,076
Earnings per equity share of face value of Rs.10 each			
Basic and Diluted (in Rs)	26	(1.53)	0.64

Significant Accounting Policies
Notes on Financial Statements

1 to 27

As per our Report of even date
For **D.K. ROONGTA & COMPANY**
Chartered Accountants

DINESH K. ROONGTA
(Membership No.100/17679) (Firm Reg No.108871W)
(Proprietor)
Place : Mumbai
Date : 30.05.2014

For and on behalf of the Board

Bharat Bhushan Gupta - Chairman
Vinod Kumar Gupta - Managing Director
Jaidev Gupta - Executive Director
A. M. Arondekar - Director
P. S. Chandok - Director
Sanjeev Chirania - Director
C. J. Kotcher - Director



SPECTRA INDUSTRIES LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2014

(Amount In Rs.)

PARTICULARS	Year Ended 31.03.2014		Year Ended 31.03.2013	
	(Rs.)	(Rs.)	(Rs.)	(Rs.)
CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit before tax as per Profit and Loss Account		(10,741,937)		7,109,130
Adjustments for :				
Net Prior Year Adjustments		-		-
Loss on Sale / Discard of Assets (net)		-		-
Depreciation and Amortisation Expense	5,248,665		6,066,706	
Interest Income	(2,186,692)		(1,399,391)	
Finance Costs	10,228,272		9,066,248	
Rent Income	(59,150)		(50,250)	
		13,231,095		13,683,313
Operating Profit before Working Capital changes :		2,489,158		20,792,443
Adjustments for :				
Inventories	5,560,198		(16,509,715)	
Trade and other Receivables	(51,282,072)		(8,847,727)	
Trade and other Payables	(21,133,785)		(32,462,899)	
		(66,855,659)		(57,820,341)
Cash generated from Operations		(64,366,501)		(37,027,898)
Net Prior Year Adjustments		-		-
Tax Paid		(1,783,060)		(387,696)
Deferral Sales Tax		2,233,163		(5,844,901)
NET CASH FROM OPERATING ACTIVITIES		(63,916,398)		(43,260,495)
CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of Fixed Assets		(18,897,318)		(17,182,945)
Sale of Fixed Assets		-		-
Purchase of Investments		-		-
Sale of Investments		-		-
Interest Income		2,186,692		1,399,391
Dividend Income		-		-
Rent Income		59,150		50,250
Misc Expenditure		-		-
NET CASH FROM INVESTMENT ACTIVITIES		(16,651,476)		(15,733,304)
CASH FLOW FROM FINANCING ACTIVITIES				
Proceeds from Issue of Share Capital		-		-
Short Term/Long Term Borrowings (net)		52,029,060		5,903,902
Finance Costs		(10,228,272)		(9,066,248)
NET CASH FROM FINANCING ACTIVITIES		41,800,788		(3,162,346)
NET INCREASE IN CASH AND CASH EQUIVALENTS		(38,767,086)		(62,156,145)

(Amount In Rs.)

PARTICULARS	Year Ended 31.03.2014		Year Ended 31.03.2013	
	(Rs.)	(Rs.)	(Rs.)	(Rs.)
Cash and Cash Equivalents Opening Balance :				
Cash and Bank Balance	20,925,976		24,461,201	
Cash Credit Accounts	(144,936,319)	(124,010,343)	(86,315,399)	(61,854,198)
Cash and Cash Equivalents Closing Balance :				
Cash and Bank Balance	26,262,729		20,925,976	
Cash Credit Accounts	(121,448,206)	(95,185,477)	(144,936,319)	(124,010,343)

As per our Report of even date
For **D.K. ROONGTA & COMPANY**
Chartered Accountants

For and on behalf of the Board

DINESH K. ROONGTA
(Membership No.100/17679) (Firm Reg No.108871W)
(Proprietor)
Place : Mumbai
Date : 30.05.2014

Bharat Bhushan Gupta - Chairman
Vinod Kumar Gupta - Managing Director
Jaidev Gupta - Executive Director
A. M. Arondekar - Director
P. S. Chandok - Director
Sanjeev Chirania - Director
C. J. Kotcher - Director



I. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of preparation of accounts:

The Financial Statements of the Company have been prepared in accordance with generally accepted accounting principles in India, mandatory accounting standards notified under the Companies (Accounting Standards) Rules, 2006, (as amended) and the relevant provisions of the Companies Act, 1956 read with General Circular 15/2013 dated September 13, 2013, issued by the Ministry of Corporate Affairs, in respect of Section 133 of the Companies Act, 2013. The Financial Statements have been prepared under the historical cost convention on an accrual basis.

(b) Fixed Assets :

Fixed Assets are shown at cost less depreciation. Cost comprises of the purchase price and other attributable expenses

(c) Depreciation on Fixed Assets :

Depreciation has been provided on the Straight Line Method at the rates and in the manner specified in Schedule XIV of the Companies Act 1956.

(d) Inventories :

Inventories are valued at lower of cost and net realisable value. The method of valuation of various categories of Inventories is as below :

- (i) Raw Material - At Cost
- (ii) Finished goods and work in progress - At lower of cost or net realisable value
- (iii) Scrap - At Realisable value

(e) Taxation:

- (i) Provision for current taxation has not been made on the basis of estimated tax liability in accordance with the Income tax laws prevailing for the relevant assessment year.
- (ii) Deferred tax resulting from timing differences between book and tax profit is accounted for using the tax rates and laws that have been enacted or substantially enacted as of the balance sheet date.

(f) Foreign Currency Transactions:

Transactions in foreign currency are recorded at the exchange rate prevailing on the date of transaction. Foreign currency assets and liabilities are rated at the date of Balance Sheet. Any gain or loss arising out of settlement of foreign currency transactions are charged to the Profit and Loss Account.

(g) Revenue Recognition :

Sales is recognized on the basis of dispatch date.

(h) Retirement Benefit :

- (i) Retirement benefits, Provident Fund / Pension scheme is accounted for on an accrual basis and charged to the Profit and Loss Account for the year.
- (ii) Provisions for liability on account of retirement gratuity is made on the basis of actuarial valuation carried out at the close of the financial year.
- (iii) The Company accrues the leave encashment liability on an actuarial basis.

(i) Borrowing Costs :

Borrowing costs are accounted on an accrual basis and charged to Profit and Loss Account.

(j) Settlement of dispute either in income or expenditure is taken on Cash basis.

(k) Total outstanding to small scale industries undertaking - NIL

(l) The Company is operating in two segments "Automobile" & "Trading" in accordance with the provisions of AS-17 of ICAI.

(m) Long term investments are stated at cost.

(n) Miscellaneous Expenditure :

Miscellaneous expenditure includes Business development expenses and Lease hold expenses which are charged according to the period of benefit.

II Contingent Liabilities in respect of :

Claims against the Company not acknowledged as debts hence not provided.	As At 31.03.2014	As At 31.03.2013
	Rs. 9,30,500	Rs. 9,30,500

III Balance on account of suppliers & debtors are subject to confirmation.

- (i) The Company has filed suit for the recovery of Rs.69,64,541/- against its debtor and the same is pending with the court. The Management is confident to recover the said amount.

IV Excess/Short Depreciation of Rs.5,41,201/- written back during the year and Rs.8,35,068/- Interest received during the year related to earlier years.

V Previous years figures have been regrouped, rearranged wherever necessary to conform to this year's classification.



Notes on Financial Statements for the Year ended 31st March, 2014

The previous year figures have been regrouped / reclassified, wherever necessary to conform to the current year presentation.

		(Amount In Rs.)	
		As At 31.03.2014	As At 31.03.2013
1	<u>SHARE CAPITAL</u>		
	Authorised Share Capital :		
	8000000 Equity Shares of Rs.10/- each	80,000,000	80,000,000
		<u>80,000,000</u>	<u>80,000,000</u>
	Issued, Subscribed and Paid up :		
	7078500 Equity Shares of Rs.10/- each	70,785,000	70,785,000
		<u>70,785,000</u>	<u>70,785,000</u>

1.1 Details of Shareholding more than 5% shares:

<u>Name of Shareholder</u>	<u>No.of Shares</u>	%	<u>No.of Shares</u>	%
Bharat Bhushan Gupta	666,899	9	666,899	9
Jaidev Vinodkumar Gupta	501,874	7	501,874	7
Vinodkumar Roshanlal Gupta	553,900	8	553,900	8
Prakash Heat Treatment & Ind Pvt Ltd	745,000	11	745,000	11

2 RESERVES AND SURPLUS

Capital Reserve		
As per last Balance Sheet	3,000,000	3,000,000
General Reserve		
As per last Balance Sheet	17,000,000	17,000,000
Profit and Loss Account		
As per last Balance Sheet	37,861,169	33,307,093
Add : Profit for the year	(10,844,301)	4,554,076
	<u>27,016,868</u>	<u>37,861,169</u>
TOTAL	<u>47,016,868</u>	<u>57,861,169</u>



Notes on Financial Statements for the Year ended 31st March, 2014

		(Amount In Rs.)	
		As At 31.03.2014	As At 31.03.2013
3	<u>LONG TERM BORROWINGS</u>		
	Secured		
	Deferred Sales Tax Loan (SICOM) (As per Scheme 1988)	17,902,087	15,668,924
	LIC of India (Loan taken against Key Man Policy)	33,564,060	-
	HDFC Bank Ltd (Term Loan against Property)	29,522,368	34,343,388
	TOTAL	80,988,515	50,012,312
4	<u>DEFERRED TAX LIABILITY (Net)</u>		
	Deferred Tax Liability Related to fixed assets	8,753,985	8,651,621
	TOTAL	8,753,985	8,651,621
5	<u>SHORT TERM BORROWINGS</u>		
	Secured		
	Working Capital Loan from Banks		
A	<u>Loan received from Banks</u>		
	Bank of India	41,673,551	43,213,277
	HDFC Bank Ltd	-	67,128,150
	HDFC Bank Ltd	66,363	251,504
	ICICI Bank Ltd	1,260,026	-
	Federal Bank Ltd	48,925,898	-
	Unsecured		
B	<u>Loans from related parties</u>		
	Bharat Bhushan Gupta	5,000,000	-
	Jaidev V.Gupta	-	6,285,000
	Roopshan Textiles Pvt Ltd	14,750,000	-
	Vinod Kumar Gupta	5,000,000	-
	TOTAL	116,675,838	116,877,931
5.1	Secured against Hypothecation of Stock of Raw Material, Work in Progress & Finished Goods & Sundry Debtors		
5.2	Funding Loan secured by hypothecation of present and future stock of Vehicles		
5.3	Secured against Hypothecation of Vehicles		



Notes on Financial Statements for the Year ended 31st March, 2014

		(Amount In Rs.)	
		As At 31.03.2014	As At 31.03.2013
6	<u>TRADE PAYABLES</u>		
	Due to Micro and Small Enterprises	-	-
	Other than Micro and Small Enterprises	199,207,788	197,828,025
	TOTAL	199,207,788	197,828,025
7	<u>OTHER CURRENT LIABILITIES</u>		
	Creditors for Capital Expenditures	156,018	156,018
	Other Payable	71,049,684	93,673,032
	TOTAL	71,205,702	93,829,050
8	<u>SHORT TERM PROVISIONS</u>		
	Gratuity	1,373,500	1,263,700
	Taxation	6,750,000	6,750,000
	TOTAL	8,123,500	8,013,700

9 **FIXED ASSETS**

sr No.	Particulars	'GROSS BLOCK				DEPRECIATION / AMORTISATION				NET BLOCK	
		Cost as on 01.04.2013	Addition during the year	Deductions during the year	Cost as on 31.03.2014	Upto 01.04.2013	Deductions during the year	For the Year	Total as on 31.03.2014	As on 31.03.2014	As on 31.03.2013
TANGIBLE ASSETS :											
OWN ASSETS :											
1	Land & Building	72,463,493	-	-	72,463,493	22,563,619	-	2,420,280	24,983,899	47,479,594	49,899,874
2	Plant & Machinery	38,637,070	344,947	-	38,982,017	23,352,407	-	1,840,512	25,192,919	13,789,098	15,284,663
3	Electric Installations	7,162,932	-	-	7,162,932	5,695,424	-	340,239	6,035,663	1,127,269	1,467,508
4	Furniture & Fixtures	791,808	752,744	-	1,544,552	656,477	-	68,854	725,331	819,221	135,331
5	Office Equipments	7,308,031	3,241,130	-	10,549,161	1,382,749	-	390,865	1,773,614	8,775,547	5,925,282
6	Computers	1,095,195	86,128	-	1,181,323	880,647	-	88,982	969,629	211,694	214,548
7	Tools & Dies	4,786,036	68,641	-	4,854,677	4,667,703	576,736	104,477	4,195,444	659,233	118,333
8	Flat at Dombivali	935,876	-	-	935,876	-	-	-	-	935,876	935,876
	TOTAL (A)	133,180,441	4,493,590	-	137,674,031	59,199,026	576,736	5,254,209	63,876,499	73,797,532	73,981,415
	Previous Year	131,789,165	1,391,276	-	133,180,441	53,703,512	-	5,495,514	59,199,026	73,981,415	78,085,653
INTANGIBLE ASSETS AND LEASE HOLD ASSETS :											
1	Addition to Leasehold Premises at Kashmirira	1,728,228	-	-	1,728,228	684,773	-	391,296	1,076,069	652,159	1,043,455
2	Bussiness Development Expenses	884,480	-	-	884,480	359,788	-	179,896	539,684	344,796	524,692
	TOTAL (B)	2,612,708	-	-	2,612,708	1,044,561	-	571,192	1,615,753	996,955	1,568,147
	Previous Year	2,612,708	-	-	2,612,708	473,369	-	571,192	1,044,561	1,568,147	2,139,339
	TOTAL A +B	135,793,149	4,493,590	-	140,286,739	60,243,587	576,736	5,825,401	65,492,252	74,794,487	75,549,562
	Previous Year A+B	134,401,873	1,391,276	-	135,793,149	54,176,881	-	6,066,706	60,243,587	75,549,562	80,224,992
	Work in Progress	18,135,107	14,403,728	-	32,538,835	-	-	-	-	32,538,835	18,135,107



Notes on Financial Statements for the Year ended 31st March, 2014

		(Amount In Rs.)	
		As At 31.03.2014	As At 31.03.2013
10	<u>NON-CURRENT INVESTMENTS</u> (Long Term Investments)		
	Trade Investments (At Cost)		
	In Equity Shares Quoted, fully paid up 1985117 (1985117) Pal Credit & Capital Ltd of Rs.10/- each (Market Value of Quoted Shares Rs.3176187/-) (Rs.1488838/-)	9,332,629	9,332,629
	In Equity Shares Unquoted, fully paid up Chandresh Avenue (C&D) Chs Ltd	350	350
	TOTAL	9,332,979	9,332,979
11	<u>LONG TERM LOANS AND ADVANCES</u> (Unsecured and Considered Good)		
	Capital Advances	25,331,816	26,866,816
	TOTAL	25,331,816	26,866,816
12	<u>INVENTORIES</u>		
	Raw Materials and Parts	31,271,936	18,086,481
	Stock-in-Process	1,021,210	1,021,210
	Finished Goods	112,784	38,970,648
	Scrap	252,642	242,802
	Stores & Spares	626,271	626,271
	Stock in Trade	38,589,179	18,486,808
	TOTAL	71,874,022	77,434,220
13	<u>TRADE RECEIVABLES</u> (Unsecured and Considered Good)		
	Over Six months	246,815,859	74,513,969
	Others	91,815,789	278,983,949
	TOTAL	338,631,648	353,497,918



Notes on Financial Statements for the Year ended 31st March, 2014

		(Amount In Rs.)	
		As At 31.03.2014	As At 31.03.2013
14	<u>CASH AND BANK BALANCES</u>		
	Balance with Banks	10,911,735	93,311
	Cash on Hand	333,319	76,517
	Fixed deposits with banks	15,017,675	20,756,148
	TOTAL	26,262,729	20,925,976
15	<u>SHORT TERM LOANS AND ADVANCES</u> (Unsecured and Considered Good)		
	Balance with Income Tax Department	6,114,276	4,331,216
	Balance with Govt./Semi Govt.Dept	45,143	87,064
	Deposits	1,294,910	1,285,420
	Other Advances	16,536,351	16,412,530
	TOTAL	23,990,680	22,116,230
16	<u>REVENUE FROM OPERATIONS</u>		
	Sale of Products	685,686,450	767,726,370
	Income from Services	4,101,400	1,966,787
		<u>689,787,850</u>	<u>769,693,157</u>
	Less : Excise Duty	128,370	210,724
	TOTAL	689,659,480	769,482,433
17	<u>OTHER INCOME</u>		
	Interest From Current Investments	2,186,692	1,399,391
	Others	3,018,064	1,330,464
	TOTAL	5,204,756	2,729,855
18	<u>COST OF MATERIALS CONSUMED</u>		
	Opening Stock	56,944,345	43,581,541
	Add : Purchases	<u>288,600,866</u>	<u>455,740,848</u>
		345,545,211	499,322,389
	Less : Closing Stock	<u>31,271,936</u>	<u>56,944,345</u>
	Total Value	314,273,275	442,378,044
	Less : Transferred to Fixed Assets	527,629	-
	Less : Trade Discount	<u>15,886,074</u>	<u>9,807,861</u>
		297,859,572	432,570,183
	TOTAL	297,859,572	432,570,183
	Indigenous	297,859,572	432,570,183
	Imported	-	-
		297,859,572	432,570,183



Notes on Financial Statements for the Year ended 31st March, 2014

		(Amount In Rs.)	
		As At 31.03.2014	As At 31.03.2013
19	<u>CHANGES IN IVENTORIES OF FINISED GOODS, STOCK-IN-PROCESS AND STOCK-IN-TRADE</u>		
	Inventories (at close)		
	Finished Goods / Stock-in-Trade	355,586	355,586
	Stock-in-Process	1,021,210	1,021,210
	Inventories (at commencement)		
	Finished Goods / Stock-in-Trade	365,426	355,586
	Stock-in-Process	1,021,210	1,021,210
	TOTAL	9840	0
20	<u>EMPLOYEE BENEFIT EXPENSES</u>		
	Salaries and Wages	13,318,222	9,411,992
	Contribution to Provident and Other Funds	471,090	331,325
	Staff Welfare Expenses	1,024,567	517,541
	Security Charges	179,725	-
	Others	1,829,863	987,727
	TOTAL	16,823,467	11,248,585
21	<u>FINANCE COST</u>		
	Interest Expenses	10,228,272	9,066,248
	Others	3,676,666	3,285,352
	TOTAL	13,904,938	12,351,600
22	<u>DEPRECIATION AND AMORTISATION EXPENSES</u>		
	Depreciation and Amortisation	5,248,665	6,066,706
	TOTAL	5,248,665	6,066,706
23	<u>OTHER EXPENSES</u>		
	Manufacturing expenses		
	Electricity, Water & Gas Charges	1,604,619	1,924,295
	Labour Charges	828,970	484,255
	Packing Charges	7,800	-
	Repair & Maintainance	1,112,794	480,343
	Stores & Spares Consumed	205,354	102,528
	Transportation Charges	1,187,618	93,949
	Lease Rent	1	1
	TOTAL	4,947,156	3,085,371



Notes on Financial Statements for the Year ended 31st March, 2014

	(Amount In Rs.)	
	As At 31.03.2014	As At 31.03.2013
<u>Selling and Distribution Expenses</u>		
Selling and Distribution Expenses	2,482,887	2,648,084
	2,482,887	2,648,084
<u>Establishment Expenses</u>		
Professional fees	916,123	1,000,983
General Expenses	3,997,187	2,427,293
Rent	1,048,566	245,193
Insurance	238,241	208,533
Rates & Taxes	368,546	437,671
Travelling Expenses	881,042	673,050
Payment to Auditors	196,630	181,527
	7,646,335	5,174,250
TOTAL	15,076,378	10,907,705
23.1 <u>PAYMENTS TO AUDITORS AS :</u>		
a As Auditors	84,270	86,021
b Statutory Audit Fees	84,270	67,416
c Tax Audit Fees	28,090	28,090
	196,630	181,527
23.2 <u>EXPENDITURE IN FOREIGN CURRENCY</u>		
PURCHASES	6,086,664	5,046,938
TRAVELLING EXPENSES	-	-
TOTAL	6,086,664	5,046,938



Notes on Financial Statements for the Year ended 31st March, 2014

		(Amount In Rs.)	
		As At 31.03.2014	As At 31.03.2013
24	<u>EARNING PER SHARE (EPS)</u>		
i	Net Profit after Tax as per Statement of Profit and Loss attributable to Equity Shareholders	(10,844,301)	4,554,076
ii	Number of Equity Shares	7,078,500	7,078,500
iii	Basic and Diluted Earning per Share	(1.53)	0.64
iv	Face Value per Equity Share	10/-	10/-
25	<u>EARNINGS IN FOREIGN EXCHANGE</u>	-	-
	<u>Expenditure In Foreign Currency</u>		
	Import Purchase (On C.I.F Value)	6,086,664	5,046,938

26 RELATED PARTY DISCLOSURES :

As per Accounting Standard 18, the disclosures of transactions with the related parties are given below :

List of related parties where control exists and related parties with whom transactions have taken place and relationships :

i <u>Name of the Related Party</u>	<u>Relationship</u>
1 Nasik Super Tool Co Pvt Ltd	Control Exists
Roopshan Textiles Pvt Ltd	"
Sheela Vinod Gupta	"
Spectra Auto	"
Spectra Motors Ltd	"
Vasai Roller Flour Mills Pvt Ltd	"
Veebee Associates	"
J.D.International	"
2 Mr. Vinod Kumar Gupta	Key Managerial Person
3 Mr. Bharat Bhushan Gupta	Relative of Key Managerial personnel
4 Mr. Jaidev Gupta	"

ii Transactions during the year with related parties :

Control Exists

Advance Taken	116,598,426	57,600,000
Trade Advance	4,000,000	-
Purchase	24,580	3,629
Services	-	-

Managerial Person

Remuneration	1,228,580	1,228,578
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Relatives of Key Managerial personnel

Board Sitting Fees	15,000	25,295
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Notes on Financial Statements for the Year ended 31st March, 2014

		(Amount In Rs.)	
		As At 31.03.2014	As At 31.03.2013
27	CONTINENT LIABILITIES AND COMMITMENTS :		
	i Contingent Liabilities		
	Claims against the Company not acknowledged as debts hence not provided	930,500	930,500
	ii Commitments		
	The Company has filed suit for recovery against its debtor and the same is pending with the court	6,964,541	6,964,541

As per our Report of even date
For **D.K. ROONGTA & COMPANY**
Chartered Accountants

DINESH K. ROONGTA
(Membership No.100/17679) (Firm Reg No.108871W)
(Proprietor)
Place : Mumbai
Date : 30.05.2014

For and on behalf of the Board

Bharat Bhushan Gupta - Chairman
Vinod Kumar Gupta - Managing Director
Jaidev Gupta - Executive Director
A. M. Arondekar - Director
P. S. Chandok - Director
Sanjeev Chirania - Director
C. J. Kotcher - Director



SPECTRA INDUSTRIES LIMITED

Regd. Office : Plot No.9, Spectra Compound, Ramchandra Lane Extn., Kanchpada II, Malad (West), Mumbai – 400 064.
CIN : L74999MH1992PLC067849 ; **Website:** www.spectraindustries.in; **Tel No:** 022- 28893977 / 33
Email: info@spectraindustries.in, sepl12@rediffmail.com

ATTENDANCE SLIP FOR ANNUAL GENERAL MEETING

Members attending the Meeting in person or by Proxy are requested to complete the Attendance slip and hand it over at the entrance of the meeting room. I hereby record my presence at the 22nd Annual General Meeting of the Company at the Land Mark Building, Link Road, Mithchowki, Malad (West), Mumbai – 400064 on Saturday the 6th day of September, 2014 at 11.00 A.M.

.....
Full name of the Member (in block letters) Signature
Folio No: DP ID No: Client ID No:

.....
Full name of the Member (in block letters) Signature

**Form No. MGT-11
Proxy form**

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

SPECTRA INDUSTRIES LIMITED

Regd. Office: Plot No.9, Spectra Compound, Ramchandra Lane Extn., Kanchpada II, Malad (West), Mumbai – 400 064.
CIN: L74999MH1992PLC067849 : **Tel:** 022- 28893977 / 33
E-mail: info@spectraindustries.in, sepl12@rediffmail.com **Website:** www.spectraindustries.in

Name of the Member (s) : _____
Registered address: _____
E-mail Id: _____ Folio No./ Client ID: _____ DP ID No. _____

I / We, being the member(s) of equity shares of the above named company, hereby appoint

- Name : _____ Address : _____
E-mail Id : _____ Signature : _____, or failing him / her:
- Name : _____ Address : _____
E-mail Id : _____ Signature : _____, or failing him / her:
- Name : _____ Address : _____
E-mail Id : _____ Signature : _____

as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the 22nd Annual General Meeting of the Company, to be held on the 6th day of September, 2014 at 11.00 a.m. at Land Mark Building, Link Road, Mithchowki, Malad (West), Mumbai - 400064, and at any adjournment thereof, in respect of such resolutions set out in the Notice convening the meeting, as are indicated below:

Sr. No.	Resolutions
1.	Adoption of the Audited Balance Sheet as at March 31, 2014 and the Statement of Profit and Loss for the year ended on that date together with the Reports of the Directors and Auditors thereon
2.	Appointment of Director in place of Mr. Jaidev Gupta (holding DIN No. 00066999), who retires by rotation in and being eligible, offers himself for re-appointment
3.	Appointment of Auditors and to fix their remuneration
4.	Appointment of Mr. P S Chandak (DIN No. 00303212) as an Independent Director pursuant to the provisions of Sections 149, 152 of the Companies Act, 2013 ('Act') and the Rules framed thereunder.
5.	Appointment of Mr. A. M. Arondekar (holding DIN 00025527) as an Independent Director pursuant to the provisions of Sections 149, 152 of the Companies Act, 2013 ('Act') and the Rules framed thereunder
6.	Appointment of Mr. Sanjeev Chirania (holding DIN 01253698) as an Independent Director pursuant to the provisions of Sections 149, 152 of the Companies Act, 2013 ('Act') and the Rules framed thereunder
7.	Appointment of Mr. C. J. Kotcher (holding DIN 02927952) as an Independent Director pursuant to the provisions of Sections 149, 152 of the Companies Act, 2013 ('Act') and the Rules framed thereunder
8.	Consent of the Company under Section 180(1)(c) of the Act to the Board of Directors to borrow upto Rs.250 crore (Rupees Two Hundred Fifty crore).
9.	Consent of the Company under Section 180 (1) (a) of the Act to the Board of Directors to create charges on the movable and immovable properties of the Company, both present and future, in respect of borrowings upto Rs. 250 Crore (Rupees Two Hundred Fifty Crore).

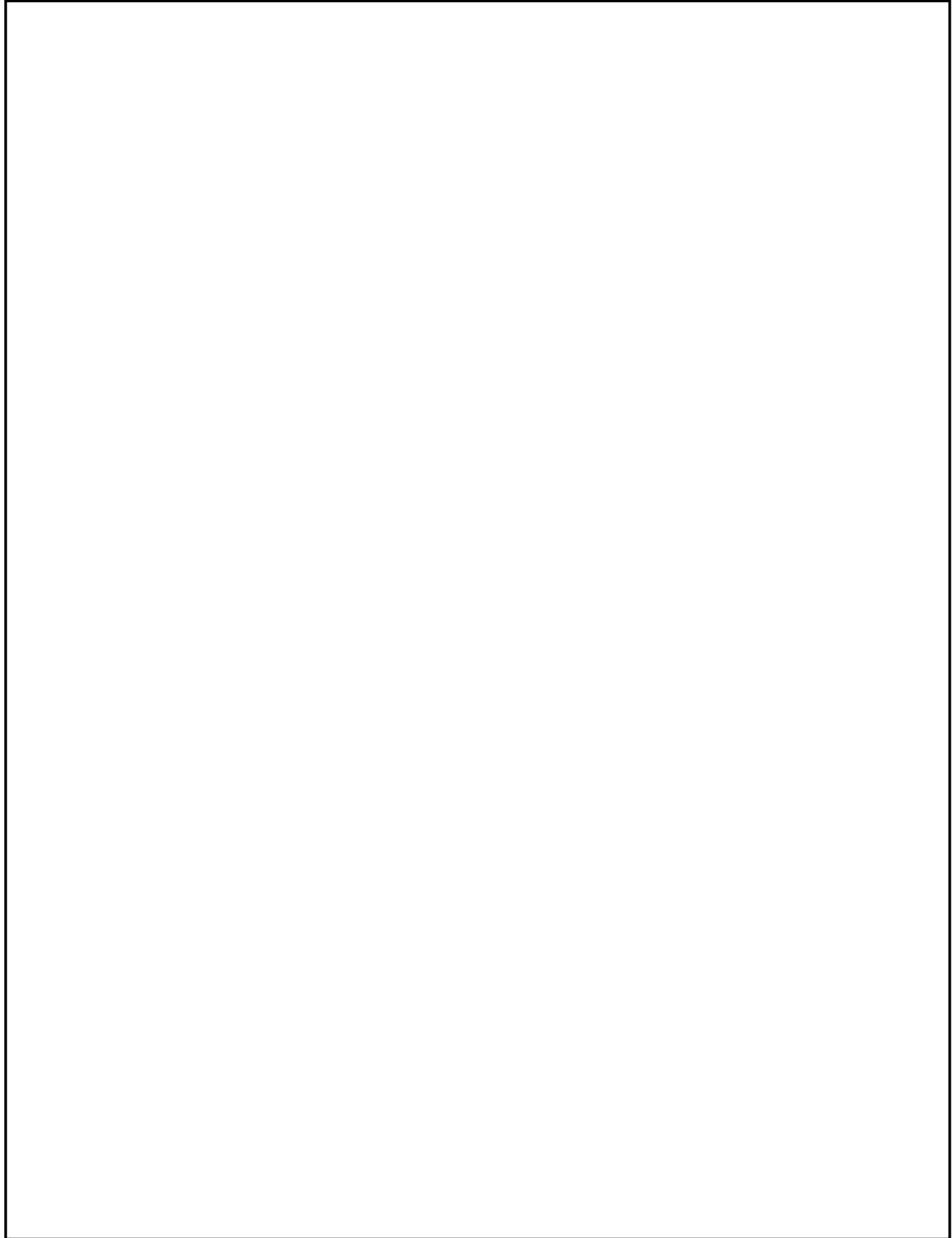
Signed this ____ day of _____, 2014

Signature of Shareholder

Signature of Proxy Holder (s)

Affix
Revenue
Stamp
of Re. 1/-

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered office of the Company, not less than 48 hours before the commencement of the Meeting.





If Undelivered, please return to :

SPECTRA
INDUSTRIES LIMITED

P.O.Box No. 7638
Malad (West),
Mumbai - 400 064.