

RAIDEEP INDUSTRIES LIMITED

CIN: L18101PB1995PLC017415, Website: www.raideepind.com
Regd. Off: 46, Industrial Area-A, Ludhiana-141003, Punjab
Ph no: +91-161-2302232, 9872972951, Email id: raitex3@gmail.com

Annual Report 2012-2013

CORPORATE INFORMATION

Directors

Ms. Paramjit Bhalla
Mr. Rai Sahib
Mr. Narinder Pal Singh
Mr. Davinder Singh
Mr. Gagandeep Singh

Chairman
Director
Director
Director
Director

Statutory Auditors

M/s Davinder Pal Singh & Co
Chartered Accountants
524-L, Model Town, Opp. Bawa Bakery, Ludhiana-141002

Registrar & Transfer Agent

Skyline Financial services Pvt Ltd.
D-153 A, First Floor, Okhla Industrial Area, Phase-1, New Delhi-110020
Ph : 91-11-26812682, 26812683, Email : admin@skylinerta.com

Annual General Meeting

Date : 30th September, 2013
Day : Monday
Venue : 46, Industrial Area-A,
Ludhiana, Punjab 141003

Name of the Stock Exchanges at which the Company's shares are listed

Ludhiana Stock Exchange
Delhi Stock Exchange

Registered Office

46, Industrial Area-A,
Ludhiana, Punjab 141003

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NOTICE

Notice is hereby given that the 18th Annual General Meeting of the members M/s Raideep Industries Limited, will be held at the registered office of the Company at: 46, Industrial Area-A, Ludhiana on 30th day of September, 2013, at 9:00 A.M. to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet of the company as on 31st March 2013, Profit & Loss Account of the period ended on that date along with Reports of the Directors' and Auditors' thereon.
2. To appoint a Director in place of Mr. Narinder Pal Singh, who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint a Director in place of Mr. Gagandeep Singh, who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint Auditors and fix their remuneration. M/s Davinder Pal Singh & Co., Chartered Accountants are retiring auditors and are eligible for reappointment.

Place: Ludhiana
Dated: 22.08.2013

By Order of the Board of Directors

Sd/-
(Director)

NOTES:

1. A member entitled to attend and vote at this annual general meeting is entitled to appoint a proxy to attend and vote instead of himself and a proxy need not be a member. Proxies, in order to be effective, must be received at the registered office not less than 48 hours before commencement of the meeting.
2. Members/Proxies should bring the attendance slip duly filled in for attending the meeting.
3. The Register of Members and Share Transfer Book of the Company will remain closed from 28th September 2013 to 30th September 2013 (both days inclusive).
4. All documents referred to in the accompanying notice are open for inspection at the Registered Office of the Company between 10.00 A.M. to 1.00 P.M. on all working days except Sundays and other holidays upto the date of the Annual General Meeting.
5. Re-appointment of Directors:
At the ensuing annual general meeting Mr. Gagandeep Singh and Mr. Narinder Pal Singh will retire and being eligible offer themselves for reappointment. Mr. Gagandeep Singh is about 37 years of age and is having a good business experience. Mr. Narinder pal Singh is also having a rich business experience. Their re-appointment as directors on the Board of company will be beneficial as a whole for all stakeholders as well as for company also.

DIRECTOR' REPORT

Your Directors take pleasure in presenting the **Annual Report** along with the Audited Statement of Accounts of the company for the Financial Year ended **31st March 2013**.

FINANCIAL PERFORMANCE

Figures in Rs. Lacs

PARTICULARS	2012-13	2011-12
Total Income	1664.24	263.59
Total Expenditure	1644.01	261.71
Profit/(Loss) before interest, Depreciation and Tax	20.23	1.88
Interest and Financial Charges	.0129	.004
Profit/(Loss) before Depreciation and Tax	20.21	1.88
Depreciation	-	-
Net Profits/(Loss) before Tax	20.21	1.88
Tax Provision	-	.57
Net Profits/(Loss)	20.21	1.30

DIVIDEND

To Conserve the financial resources, Board of Directors decided not to declare any dividend.

DIRECTORS

Sh. Narinder Pal Singh and Sh. Gagandeep Singh, Directors retire by rotation and being eligible offer themselves for reappointment.

AUDITORS

The Auditors M/s Davinder Pal Singh & Company Chartered Accountants will hold office until the conclusion of ensuing Annual General Meeting. Being eligible they offer themselves for appointment. So, they are recommended for re-appointment. The company has received a certificate from them to the effect that their re-appointment if made will be within the limits specified in Section 224 of the Companies Act, 1956.

COMMENTS ON AUDITORS' REPORT

The notes to the accounts referred to in the Auditor's Report are self-explanatory and therefore do not call for any further comments of the Board.

PUBLIC DEPOSITS

Your Company has not accepted any deposits within the meaning of Section 58A & 58AA of the Companies Act, 1956, and the rules made there under.

The Company has received a confirmation from the Auditors to the effect that their re-appointment if made would be in the limits prescribed under the Section 224(1B) of the Companies Act, 1956.

PARTICULARS OF EMPLOYEES

Particulars of employees required to be furnished under section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975, as amended in 2011 to this report are– NIL.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION

In view of the nature of activities which are being carried on by the Company, the particulars as prescribed under Section 217(1)(e) of the Companies Act, 1956 read with Companies' (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 regarding Conservation of Energy And Technology Absorption are not applicable to the Company.

FOREIGN EXCHANGE EARNINGS & OUTGO

The Company mainly deals in domestic market and has NIL sales on account of exports, thereby resulting NIL foreign exchange earnings and outgo during the accounting Year 2012-13.

DIRECTOR'S RESPONSIBILITY STATEMENT

Pursuance to section 217(2AA) we state –

- i) That in the preparation of the annual accounts the applicable accounting standards had been followed and there is no material departure;
- ii) that your directors had 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 accounting year and of the profit or loss of the company for that year;
- iii) that your directors had 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 and
- iv) that your directors had prepared the annual accounts on a going concern basis.

MATERIAL CHANGE

There was no material change affecting the financial position of the Company between the date of Balance Sheet and the date of this Report.

CORPORATE GOVERNANCE REPORT

Your Company always places major thrust on managing its affairs with diligence, transparency, responsibility and accountability thereby upholding the important dictum that an organization's corporate governance philosophy is directly linked to high performance.

The Company understands and respects its fiduciary role and responsibility towards its stakeholders and Society at large, and strives to serve their interests, resulting in creation of value and wealth for all stakeholders.

The Compliance report on corporate governance and a certificate from M/s. Davinder Pal Singh and Co., Chartered Accountants, Statutory Auditors of the Company, regarding compliance of the conditions of corporate governance, as stipulated under clause 49 of the listing agreement with the stock exchanges, is attached herewith to this report.

MANAGEMENT DISCUSSION & ANALYSIS REPORT

Management Discussion and Analysis Report for the year under review, as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges in India, is presented in a separate section forming part of the Annual Report.

ACKNOWLEDGEMENT

Your Board of Directors wish to place on record their sincere appreciation for the continued support and cooperation of the shareholders, bankers, various regulatory and government authorities and employees of the Company. Your support as shareholders and members of the company is greatly valued for us. Board acknowledges your continued association and support in the growth of the organization.

Place: Ludhiana
Date: 22.08.2013

By Order of the Board
For Raideep Industries Limited

Sd/-
(Paramjit Bhalla)
Chairman

REPORT ON CORPORATE GOVERNANCE

Corporate Governance Policies recognize the importance of the transparency to all its constituents including employees, customers, investors and the regulatory authorities and of demonstrating that the shareholders are the ultimate beneficiaries of the Company's economic activities.

Raideep Industries Limited's corporate governance philosophy encompasses not only regulatory and legal requirements, including the SEBI Regulations in respect of corporate governance, but also other practices aimed at a business ethics, effective supervision and enhancement of value for all shareholders. Raideep Industries's role, function, responsibility and accountability are clearly defined. In addition to its primary role of monitoring corporate performance, the function of the Board includes approving a business plan, reviewing and approving annual budgets and borrowing limits, fixing exposure limits and ensuring that our shareholders are kept informed about our plans, strategies and performance. To enable the Board of Directors to discharge these responsibilities effectively, the management provides detailed reports on performance to the board on a quarterly basis.

The Board of Directors also functions through various committees such as the Audit Committee, and the Shareholders'/Investors Grievance Committee. These committees meet on regular basis. Your Company understands that the customer is the purpose of our business and every customer is an important stakeholder of your Company, performing ethically and efficiently to generate long term value and wealth for all its stakeholders. The Report on Corporate Governance, as per the applicable provisions of Clause 49 of the Listing Agreement is as under:

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Corporate Governance refers to a set of policies, principles, laws, rules, regulations and procedures that enable the Company to attract best financial and human resources and to perform efficiently to create and maximize the wealth of the stakeholders. Your Company is committed to uphold these concepts and practices.

The Company further believes that the good and effective Corporate Governance lies in managing the business in a transparent manner, sharing the information with the shareholders and keeping overheads restricted.

The Company is fully compliant with all the requirements of the Listing Agreement.

BOARD OF DIRECTORS

(i) Composition of the Board

The Board of Directors comprises of one Promoter Director and Four Non-Executive/Independent Directors. None of the Directors on the board are member on more than 10 committees and chairman of more than 5 committees (as specified in clause 49 of the Listing agreement), across all the company in which they are Directors. The Directors have made the necessary disclosures regarding committee memberships. The

composition of the Board and other relevant details relating of Directors as on 31st March, 2013 are given below:

Name of the Director	Designation	Category	Directorship of other Companies	Membership/ Chairmanship in Board Committees
Mr. Rai Sahib	Chairman	Executive	3	Nil
Ms. ParamjitBhalla	Director	Non-Executive	3	
Mr. Davinder Singh	Director	Non Executive	Nil	Nil
Mr. Narinder Pal Singh	Director	Non Executive Independent	1	Nil
Mr. Gagandeep Singh	Director	Non Executive Independent	Nil	2

(ii) Number of Board Meetings held and attended by Directors

- During the year under review five meetings of the Board of Directors were held and gap between two meetings did not exceed four months.
- The attendance record of each of the Directors at the Board Meeting during the year ended on 31st March, 2013 and of the last Annual General Meeting are as under:

Name of the Director	No. of Board Meeting Attended	Attendance at the last AGM held on September 30, 2013
Mr. Rai Sahib	5	Yes
Ms. ParamjitBhalla	5	Yes
Mr. Davinder Singh	5	Yes
Mr. Narinder Pal Singh	5	Yes
Mr. Gagandeep Singh	5	Yes

(iii) Code of Conduct

The Board of Directors of the Company has approved and adopted a Code of Conduct for the members of the Board of the Company.

AUDIT COMMITTEE:

Constitution of Audit committee by listed public company pursuant to the listing agreement is mandatory.

The Composition of Audit Committee is as follows:

Name of the Director	Designation	Category
Mr. Gagandeep Singh	Chairman	Independent Director
Mr. Narinder Pal Singh	Member	Independent Director
Mr. Davinder Singh	Member	Non-Executive Director

During the year under review, four Audit Committee Meetings were held.

Details of attendance of each director and attended Meetings of the company are as follows:

Name of the Director	Designation	No. of Meeting held	No. of Meetings attended
Mr. Gagandeep Singh	Chairman	4	4
Mr. Narinder Pal Singh	Member	4	4
Mr. Davinder Singh	Member	4	4

Quarterly, Half yearly, Annual results of the company are reviewed & duly approved by the committee.

REMUNERATION COMMITTEE:

No remuneration has been paid to any director during the year ended on 31st March, 2013.

Name of the Director	Designation	No. of Meeting held	No. of Meetings attended
Mr. Gagandeep Singh	Chairman	NIL	NIL
Mr. Narinder Pal Singh	Member	NIL	NIL
Mr. Davinder Singh	Member	NIL	NIL

SHAREHOLDERS'/INVESTORS' GRIEVANCES COMMITTEE:

The Shareholders/Investors Grievances Committee is constituted for good corporate governance. The Composition of Shareholders/ Investors Grievances Committee is as follows:

Name of the Director	Designation	Category
Mr. Gagandeep Singh	Chairman	Independent Director
Mr. Narinder Pal Singh	Member	Independent Director
Mr. Davinder Singh	Member	Non-Executive Director

Details of attendance of each member of Shareholders/ Investors Grievances Committee Meetings of the company are as follows:

Name of the Director	Designation	No. of Meeting held	No. of Meetings attended
Mr. Gagandeep Singh	Chairman	4	4
Mr. Narinder Pal Singh	Member	4	4
Mr. Davinder Singh	Member	4	4

Share Transfers are processed and duly approved by the committee. The roles and responsibilities of Shareholders/ Investors Grievances Committee are as follows:

ROLE AND RESPONSIBILITIES:

The role of Shareholders/ Investors Grievances Committee includes the review of following:

To monitor the process of expeditious transfer of shares or debentures. To monitor and review the shareholders complaints related to transfer of shares, non-receipt of Balance Sheet, non-receipt of declared dividend etc.

To monitor and review from time to time the systems/ procedures relating to processing of transfer of shares, dematerialization/ re-materialization of share certificates, re-issued of share certificates against split, cancellation, consolidation and lost share certificates etc.

To investigate any activity and seek information from any employee of the company, in discharging its duties. To obtain outside legal or professional services, if consider necessary.

To fix the record date for the purposes as required under the Companies act and/or listing agreement. To consider and approve issue of duplicate share certificate in lieu of those reported lost, misplaced, torn, mutilated etc. Any other powers which are specifically delegated by the board from time to time.

GENERAL BODY MEETINGS

Details of last three Annual General Meetings are given below:

Financial Year	Date	Time	Address
2009-2010	30.09.2010	09:00 A.M	46, Industrial Area-A, Ludhiana.
2010-2011	30.09.2011	09:00 A.M	46, Industrial Area-A, Ludhiana.
2011-2012	29.09.2012	09:00 A.M	46, Industrial Area-A, Ludhiana.

All resolutions proposed for the above said meetings were duly passed by show of hands.

STATUTORY DISCLOSURES:

Transactions of material nature have been entered into by the company with the promoters, directors, their related companies, firms, subsidiaries or relatives etc. in relation to this the disclosure as per accounting standard 18 has been annexed with the balance sheet.

DISCLOSURES:

The Board of Directors receives from time to time disclosures relating to financial and commercial transactions from key managerial personnel of the company where they and /or their relatives have personal interest. There are no materially significant related party transactions, which have potential conflict with the interest of the Company at large.

The details of the Related Party Transactions are placed before and reviewed by the Company's Audit Committee.

The Company has complied with the requirements of the Stock Exchanges/ Securities and Exchange Board of India/ Statutory Authorities on all matters relating to capital markets, during the last three years.

RISK MANAGEMENT:

The Company has in place a Risk Management policy, which lays down a robust and dynamic process for identification and mitigation of risks. This policy has been adopted by the Audit Committee as well as the Board of Directors of the Company. The Audit Committee reviews the risk management and mitigation plan from time to time.

FINANCIAL CALENDER (tentative)

Accounting Year	-	April 1, 2012 to March 31, 2013 of the following year.
Financial Reporting for the First Quarter ending	-	on or before 15 th of August, 2013
Financial Reporting for the Second Quarter ending	-	on or before 15 th of October, 2013
Financial Reporting for the Third Quarter ending	-	on or before 15 th of Feb., 2013
Financial Reporting for the fourth Quarter ending	-	Mid/Last week of May, 2013

ANNUAL GENERAL MEETING

Date : 30th September, 2013
Time : 09:00 A.M.
Venue : 46, Industrial Area-A, Ludhiana.

DATE OF BOOK CLOSURE

The Register of Member and Share Transfer Books of the Company will remain closed from 28.09.2013 to 30.09.2013.

LISTING ON STOCK EXCHANGE:

1. Ludhiana Stock Exchange Limited.
2. Delhi Stock Exchange Limited.

REGISTRAR & TRANSFER AGENT

Skyline Financial Services Private Limited
D-153, 1st Floor,
Okhla Indl. Area, Phase-I,
New Delhi-110020

ADDRESS FOR CORRESPONDENCE

Raideep Industries Limited
Regd. Office: 46, Industrial Area-A, Ludhiana.

DECLARATION BY MANAGING DIRECTOR UNDER CLAUSE 49 (1D) OF THE LISTING AGREEMENT

I hereby confirm that all Board Members and senior Management Personnel have affirmed compliance with the Code of Conduct for the Directors and Senior Management, as approved by the Board for the financial Year ended 31st March, 2013.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

We submit herewith the Management discussion and analysis report on the business of the Company as applicable to the extent relevant.

INDUSTRY OUTLOOK

Indian textile industry is set for strong growth, buoyed by both strong domestic consumption as well as export demand. Abundant availability of raw materials such as cotton, wool, silk and jute and skilled workforce has made India a sourcing hub. The most significant change in the Indian textile industry has been the advent of man-made fibers (MMF). MMF account for 68% of all fibres produced worldwide, and for 82% in Europe. India has successfully placed its innovative range of MMF textiles in almost all the countries across the globe.

OPPORTUNITY

Textile manufacturing and trading is emerging as a efficiency ridden sector as the competition is very steep in this sector. The Company is now exploring other opportunities in export like other related consumer product and creating a world class supply chain with adequate expertise and efficiency. By creating such a highly efficient supply chain, the wants to create its own brand of product worldwide and it also wants to elevate the efficient and innovative manufacturers to global level.

RISK AND MANAGEMENT PERCEPTION

Your company carries out a detailed risk management exercise focused on identification and adequate mitigation of risks. The audit committee reviews the company's risk management framework and approves risk management action plans.

HUMAN RESOURCE DEVELOPMENT

The Company regards its human resources as amongst its most valuable assets and proactively reviews policies and processes by creating a work environment that encourages initiative, provides challenges and opportunities and recognizes the performance and potential of its employees attracting and retaining the best manpower available by providing high degree of motivation.

Your Company believes in trust, transparency & teamwork to improve employees productivity at all levels.

CAUTIONARY STATEMENT

Statement in the "Management Discussion & Analysis", Directors' Report describing the company's objectives, estimates, expectations or projections may be "forward looking statements" within the meaning of applicable laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the company's operations; includes Government regulations, patent laws, tax regimes, economic developments within India and the countries in which your company conducts business, litigation and other allied factors.

CERTIFICATION BY CHAIRMAN FOR FINANCIAL YEAR 2012-2013

I, Rai Sahib, Managing Director looking after the finance functions certify that:

- a) I) I have reviewed the financial statements and cash flow statement for the year ended 31st march 2013 and to the best of my knowledge and belief:
These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading ;
ii) These statements together present a true and fair view of the company affairs and are in compliance with existing Accounting standards, applicable laws and regulations.
- b) To the best of my knowledge and belief, no transactions entered into by the company during the year ended 31st March, 2013 are fraudulent, illegal, or violative of the company's code of conduct.
- c) I accept responsibility for establishing and maintaining internal controls for financial reporting and I have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting. Deficiencies in the design or operation of such internal controls, if , any, of which I am aware, have been disclosed to the auditors and the Audit Committee and steps have been taken to rectify these deficiencies.
- d) i. There has not been any significant change in internal control over financial reporting during the year under reference;
ii. Changes in accounting policies during the year have been disclosed in the notes to the financial statements; and
iii. I am not aware of any instance during the year of significant fraud with involvement therein of the management or any employee having a significant role in the company's internal control system over financial reporting.

**By order of the Board of Directors
For Raideep Industries Limited**

**Sd/-
Rai Sahib
Managing Director
DIN : 01582498**

**Date: 22.08.2013
Place: Ludhiana**

COMPLIANCE WITH CODE OF CONDUCT

I, Rai Sahib, Managing Director of the company hereby certify that all the directors and the senior management personnel have affirmed compliance of the code of conduct of the company for the financial year ended March 31, 2013

**By Order of the Board of Directors
For Raideep Industries Limited**

**Sd/-
Rai Sahib
Managing Director
DIN: 01582498**

**Date: 22.08.2013
Place: Ludhiana**

AUDITOR'S CERTIFICATE

The Members,
RAIDEEP INDUSTRIES LIMITED

We have examined the compliance of conditions of corporate governance by **RAIDEEP INDUSTRIES LIMITED** for the year ended on 31st March, 2013 as stipulated in clause 49 of the listing agreement of the said company with the stock exchanges.

The compliance of conditions of corporate governance is the responsibility of the management. Our Examination was limited to the procedure and implementation thereof, adopted by the company for ensuring the compliance of the conditions of corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the company.

In our 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 above-mentioned listing agreement as required by the guidance notes issued by the Institute of Chartered Accountants of India, we have to state that no investor grievance relating to the shares is pending for a period exceeding a one month against the company as per the records made available to us.

For M/s Davinder Pal Singh & Co
Chartered Accountants

Sd/-
(Davinder Pal Singh)
Partner
M.No: 086596

Date: 22-08-2013
Place : Ludhiana

M.No: 086596
FRN : 007601N

Independent Auditor's Report

To,
The Members of
Raideep Industries Limited
Ludhiana

We have audited the accompanying financial statements of M/S Raideep Industries Limited which comprise the Balance Sheet as on March 31, 2013, and the Statement of Profit and Loss for the year ended, and a summary of significant accounting policies and other explanatory information.

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 the Accounting Standards notified under the Companies Act, 1956 (the Act). 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.

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.

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 but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. 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. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

In our opinion and to the best of our information and according to the explanations given to us the 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 on March 31, 2013;
- (b) In the case of the statement of Profit and Loss Account, of the profit/ 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.

1. As required by the Companies (Audit or'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 purpose of our audit;
- (b) In our opinion proper books of account as required by law have been kept by the company so far as appears from our examination of those books;
- (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, statement of profit and loss, and cash flow statement comply with the accounting standards referred to in subsection (3c) of section 211 of the companies act, 1956, subject to Listing Fees will be provided for on actual payment basis;
- (e) On the basis of written representations received from the directors as on March 31, 2013, and taken on record by the board of directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of clause (g) of sub section (I) of section 274 of the Companies Act, 1956.
- (f) Since the central government has not issued any notification as to the rate at which the cess is to be paid under section 441a of the Companies Act, 1956 nor as it issued any rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the company.
- (g) The company has not provided for deferred tax liability on account of difference between w.d.v. as per income tax Act and companies Act.

For Davinder Pal Singh & Co.
Chartered Accountants

Sd/-
Davinder Pal Singh
Partner

M.No. 086596
FRN: 007601N

Date: 22.08.2013
Place: Ludhiana

The Annexure referred to in paragraph 1 of the Our Report of even date to the members of M/s Raideep Industries Limited, on the accounts of the company for the year ended 31st March, 2013.

On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we report that:

1.
 - (a) The company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.
 - (b) As explained to us, fixed assets have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification.
 - (c) In our opinion and according to the information and explanations given to us, no fixed asset has been disposed during the year and therefore does not affect the going concern assumption.

2.
 - (a) As explained to us, inventories have been physically verified during the year by the management at reasonable intervals.
 - (b) In our opinion and according to the information and explanations given to us, 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) In our opinion and on the basis of our examination of the records, the Company is generally maintaining proper records of its inventories. No material discrepancy was noticed on physical verification of stocks by the management as compared to book records.

3.
 - (a) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not granted any loans, secured or unsecured, to companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956. Consequently, the provisions of clauses iii (b), iii(c) and iii (d) of the order are not applicable to the Company.
 - (b) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has taken loans from companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956.
 - (c) N.A.
 - (d) N.A.
 - (e) There is no overdue amount.

4. In our opinion and according to the information and explanations given to us, there is generally an adequate internal control procedure commensurate with the size of the company and the nature of its business, for the purchase of inventories & fixed assets and payment for expenses & for sale of goods. During the course of our audit, no major instance of continuing failure to correct any weaknesses in the internal controls has been noticed.

5.
 - a) Based on the audit procedures applied by us and according to the information and explanations provided by the management, the particulars of contracts or arrangements referred to in section 301 of the Act have been entered in the register required to be maintained under that section.

 - b) As per information & explanations given to us and in our opinion, the transaction entered into by the company with parties covered u/s 301 of the Act exceeding Rs. five lacs rupees in a financial year has been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.

6. The Company has not accepted any deposits from the public covered under section 58A and 58AA of the Companies Act, 1956.

7. As per information & explanations given by the management, the Company has an internal audit system commensurate with its size and the nature of its business.
8. As per information & explanation given by the management, maintenance of cost records has been prescribed by the Central Government under clause (d) of sub-section (1) of section 209 of the Act and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained.
9. (a) According to the records of the company, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, cess to the extent applicable and any other statutory dues have generally been regularly deposited with the appropriate authorities. According to the information and explanations given to us there were no outstanding statutory dues as on 31st of March, 2013 for a period of more than six months from the date they became payable.
(b) According to the information and explanations given to us, there is no amounts payable in respect of income tax, wealth tax, service tax, sales tax, customs duty and excise duty which have not been deposited on account of any disputes .
10. The Company does not have any accumulated losses and has not incurred cash loss during the financial year covered by our audit and in the immediately preceding financial year.
11. Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that, the Company has not defaulted in repayment of dues to a financial institution, bank or debenture holders.
12. According to the information and explanations given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. The Company is not a chit fund or a nidhi /mutual benefit fund/society. Therefore, the provision of this clause of the Companies (Auditor's Report) Order, 2003 (as amended) is not applicable to the Company.
14. According to information and explanations given to us, the Company is not trading in Shares, Mutual funds & other Investments.
15. Company has not given any guarantees for loans taken by others from banks by or financial institutions as such information under this clause is not provided.
16. Based on our audit procedures and on the information given by the management, we report that the company has not raised any term loans during the year.
17. Based on the information and explanations given to us and on an overall examination of the Balance Sheet of the Company as at 31st March, 2013, we report that no funds raised on short-term basis have been used for long-term investment by the Company.
18. Based on the audit procedures performed and the information and explanations given to us by the management, we report that the Company has not made any preferential allotment of shares during the year.
19. The Company has no outstanding debentures during the period under audit.
20. The Company has not raised any money by public issue during the year.
21. Based on the audit procedures performed and the information and explanations given to us, we report that no fraud on or by the Company has been noticed or reported during the year, nor have we been informed of such case by the management.

For Davinder Pal Singh & Co.
Chartered Accountants

Sd/-
(Davinder Pal Singh)
Partner

M.No. 086596
FRN: 007601N

Date: 22.08.2013
Place: Ludhiana

BALANCE SHEET AS ON 31.03.2013

Particulars	Note No.	AS AT 31.03.2013	AS AT 31.03.2012
I. EQUITY AND LIABILITIES			
1 Shareholders' funds			
(a) Share Capital	1	55023000.00	55023000.00
(b) Reserves & Surplus	2	3709164.89	1687271.75
(c) Money received against share warrants		-	-
		<u>58732164.89</u>	<u>56710271.75</u>
2 Share application money pending allotment		-	-
3 Non-current liabilities			
(a) Long-term borrowings	3	75000.00	75000.00
(b) Deferred tax liabilities(Net)		-	-
(c) Other Long-term liabilities		-	-
(d) Long-term provisions	4	20400.00	18400.00
		<u>95400.00</u>	<u>93400.00</u>
4 Current liabilities			
(a) Short-term borrowings		-	-
(b) Trade Payables	5	41126173.66	629345.00
(c) Other current liabilities	6	574653.00	203004.00
(d) Short-term provisions		-	-
		<u>41700826.66</u>	<u>832349.00</u>
TOTAL		<u>100528391.55</u>	<u>57636020.75</u>
II. ASSETS			
1 Non-current assets			
(a) Fixed Assets			
(i) Tangible assets		-	-
(ii) Intangible assets		-	-
(iii) Capital work-in-progress		-	-
(iv) Intangible assets under development		-	-
(b) Non-current investments	7	46921150.00	25690000.00
(c) Deferred tax assets (Net)		-	-
(d) Long-term loans and advances	8	4000000.00	4000000.00
(e) Other non-current assets		-	-
		<u>50921150.00</u>	<u>29690000.00</u>
2 Current Assets			
(a) Current investments		-	-
(b) Inventories		-	-
(c) Trade receivables	9	10424815.00	-
(d) Cash and cash equivalents	10	1931121.55	20215.75
(e) Short-term loans and advances	11	37251305.00	27925805.00
(f) Others current assets		-	-
		<u>49607241.55</u>	<u>27946020.75</u>
TOTAL		<u>100528391.55</u>	<u>57636020.75</u>

**In terms of our report attached
Singh & Co
Chartered Accountants
Sd/-
Davinder Pal Singh
(Partner)**

For and on behalf of the Board of Directors For Davinder Pal

**Sd/-
Rai Sahib
(Director)**

**Sd/-
Paramjit Bhalla
(Director)**

**Place: Ludhiana
Date: 22.08.2013**

Statement of Profit and Loss for the year Ended 31st March, 2013

Particulars	Note No.	31.03.2013		31.03.2012	
		Rs.	P.	Rs.	P.
Revenue from operations(Gross)	12	164051366.15		25759375.35	
Other income	13	2372500.00		599440.00	
I Total Revenue		<u>166423866.15</u>		<u>26358815.35</u>	
EXPENSES :					
Cost of Materials consumed		-		-	
Purchases of stock-in-trade	14	163621498.01		25655696.00	
Changes in inventories of finished goods work-in-progress and stock-in-trade		-		-	
Employee Benefits Expenses	15	252200.00		227850.00	
Financial Cost	16	1290.00		443.30	
Depreciation and amortization		-		-	
Other expenses	17	526985.00		287988.10	
II Total Expenses	Total	<u>164401973.01</u>		<u>26171977.40</u>	
III Profit before exceptional and extraordinary items and tax		2021893.14		186837.95	
IV Exceptional items		-		-	
V Profit before extraordinary	(V-VI)	2021893.14		186837.95	
VI Extraordinary items		-		-	
VII Profit before Tax	(VII-VIII)	2021893.14		186837.95	
VIII Tax expense:					
(1) Current tax		-		56807.00	
(2) Deferred tax		-		-	
(3) Taxes relating to earlier years		-		-	
IX Profit(Loss)for the period from continuing operations	(IX-X-XIV)	2021893.14		130030.95	
X Profit(Loss) from discontinuing operations		-		-	
XI Tax expense of discontinuing operations		-		-	
XII Profit(Loss)from discontinuing operations	(XII-XIII)	-		-	
XIII Profit for the period	(XI-XIV)	2021893.14		130030.95	
XVI. Earning per equity share					
Basic (including extraordinary items)		0.37		0.02	
Diluted (including extraordinary items)					

**In terms of our report attached
For Davinder Pal Singh & Co
Chartered Accountants**

For and on behalf of the Board of Directors

**Sd/-
Davinder Pal Singh
(Partner)
Place: Ludhiana
Date: 22.08.2013**

**Sd/-
Rai Sahib
(Director)**

**Sd/-
Paramjit Bhalla
(Director)**

Cash Flow Statement for the year ended 31st March, 2013

Particulars	Figures as at end of the		Figures as at end of the	
A. Cash flow from operating activities				
Net Profit / (Loss) before extraordinary items and tax Adjustments for.		20,21,893		1,86,838
Depreciation and amortisation	-	-23,72,500	-	-5,99,440
Finance costs	-		-	
Interest income	-4,00,000		-5,99,440	
Dividend income	-		-	
Net (gain) / loss on sale of investments	-19,72,500		-	
Net unrealised exchange (gain) / loss				
Operating profit / (loss) before working capital changes		-3,50,607		-4,12,602
Changes in working capital:				
Adjustments for working capital:				
Increase/(Decrease) in Inventories	-	-2,11,18,163	-	1,65,274
Increase/(Decrease) in Trade Receivables	1,04,24,815		-	
Decrease/(increase) in Trade Payables	-4,08,68,478		-3,74,910	
Cash Flow from extra ordinary Items	93.25.500		4.58.137	
Provisions Tax (Taxes Paid)	-		82.047	
		2,07,67,556		-5,77,876
Cash flow from extraordinary items		-		-
Cash generated from operations		2,07,67,556		-5,77,876
Net income tax (paid) / refunds		-		-
Net cash flow from / (used in) operating activities (A)		2,07,67,556		-5,77,876
B. Cash flow from investing activities				
Interest paid	-			
Capital expenditure on fixed assets, including capital advances				
Proceeds from sale of fixed assets	19,72,500		-	
Sales (Purchase) of other investments	-2,12,31,150		-	
Long-term loans and advances	-		-	
Interest received	4,00,000		5,99,440	
Net cash flow from / (used in) investing activities (B)		-1,88,58,650		5,99,440
C. Cash flow from financing activities				
Net increase / (decrease) in working capital borrowings	-		-	
Proceeds from other short-term borrowings				
Increase/Decrease in Loan Term Advance	2,000		-46,295	
Finance cost	-	2,000	-	-46,295
Cash flow from extraordinary items				
Net cash flow from / (used in) financing activities (C)		2,000		-46,295
Net increase / (decrease) in Cash and cash equivalents (A+B+C)		19,10,906		-24,731
Cash and cash equivalents at the beginning of the year		20,216		44,947
Effect of exchange differences on restatement of foreign				
Cash and cash equivalents at the end of the year		19,31,122		20,216
Reconciliation of Cash and cash equivalents with the Balance				
Cash and cash equivalents as per Balance Sheet		19,31,122		20,216

(a) Cash on hand	15,55,282	13,442
(b) Balances with banks		
(i) In current accounts	3,75,840	6,774
(ii) In EEFC accounts	-	-
(iii) In Fixed deposit accounts	-	-
(c) Interest accrued on deposits	-	-
(d) Current investments considered as part of cash & cash	-	-
See accompanying notes forming part of the financial		

**In terms of our report attached
For Davinder Pal Singh & Co
Chartered Accountants**

For and on behalf of the Board of Directors

**Sd/-
Davinder Pal Singh
(Partner)**

**Sd/-
Rai Sahib
(Director)**

**Sd/-
Paramjit Bhalla
(Director)**

**Place: Ludhiana
Date: 22.08.2013**

Note No	Particulars	As at 31st March, 2013	As at 31st March, 2012
1	<u>SHARE CAPITAL</u>		
	<u>Authorised Share Capital</u> 6000000 Equity Shares of Rs. 10/- each	6,00,00,000	6,00,00,000
	<u>Issued, Subscribed and Paid up</u> 5508000 Equity Shares of Rs. 10/- each	5,50,80,000	5,50,80,000
	Less: Calls in Arrears	57000.00	57000.00
	Total	55023000.00	55023000.00
	(i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:		
	<u>Equity Shares</u> 5508000 Equity Shares at the beginning of the year	5,50,80,000	5,50,80,000
	Add: Fresh Issue of shares	-	-
	Add: ESOP	-	-
	Add: Bonus shares	-	-
	Less: Buy Back of shares	-	-
	5508000 Equity shares at the end of the year	5,50,80,000	5,50,80,000
2	<u>RESERVES AND SURPLUS</u>		
	(a) Surplus/(Deficit) in Statement of Profit & Loss		
	Opening Balance	1687271.75	1557240.80
	Add: Profit/Loss during the year	2021893.14	130030.95
	Less: Interim Dividend	-	-
	Less: Transfer to General Reserve	-	-
	Total	3709164.89	1687271.75
3	<u>LONG TERM BORROWINGS</u>		
	(i) Term Loans	-	-
	(ii) Loans & Advances from Related Parties	-	-

	S. Jagjit Singh	75000.00	75000.00
	(iii) Others (Other than above)	-	-
	Total	75000.00	75000.00
4	<u>LONG TERM PROVISIONS</u>		
	Provisions for Employees Benefits	-	-
	Salary	20400.00	18400.00
		20400.00	18400.00
5	<u>TRADE PAYABLES</u>		
	(i) Trade payables for goods & services (as per list attached)	41126173.66	629345.00
	(ii) Others	-	-
	Total	41126173.66	629345.00
6	<u>OTHER CURRENT LIABILITIES</u>		
	(i) Statutory		
	Income Tax & TDS	3500.00	3500.00
	(ii) Others		
	Cheques Issued but not Clear	-	504.00
	Rent Payable	567000.00	189000.00
	Audit fee Payable	4153.00	10000.00
	Total	574653.00	203004.00
7	<u>NON CURRENT INVESTMENTS</u>		
	(i) Trade Investments		
	Quated		
	Unquated		
	(a) Investments in Equity	23141500.00	25690000.00
	(b) Investment in Property	23779650.00	
	Total	46921150.00	25690000.00
8	<u>LONG TERM LOANS & ADVANCES</u>		

	(a) <u>Security deposits</u>		
	Secured, considered goods		
	Unsecured, considered goods	4000000.00	4000000.00
	Doubtful		
		4000000.00	4000000.00
	Less: Provision for doubtful deposits		
		4000000.00	4000000.00
		4000000.00	4000000.00
9	<u>TRADE RECEIVABLES</u>		
	(A) Outstanding for More Than Six Months		
	(B) Others		
	Unsecured	10424815.00	-
	Total	10424815.00	
10	<u>CASH AND CASH EQUIVALENTS</u>		
	Cash On hand	1555282.05	13442.25
	<u>Balance With Bank</u>		
	Punjab & Sind Bank	375839.50	6773.50
	Total	1931121.55	20215.75
11	<u>SHORT TERM LOANS & ADVANCES</u>		
	(a) <u>Loans and advances to related parties</u>		
	Unsecured, considered good		
	Dashmesh Weaving & Dyeing Mills Pvt. Ltd	16945457.00	9642457.00
	Rai Capital Services Pvt. Ltd.	13231000.00	13231000.00
	New Swan Enterprises	4000000.00	4360000.00
	Jai Maa Iron Foundry Pvt. Ltd.	-	182500.00
	Permeshwari Silk Mills Ltd	499410.00	499410.00
	Vipan Chopra	2500000.00	-
		37175867.00	27915367.00
	(b) <u>Balance with government authorities</u>		
	Unsecured, considered good		
	(i) Income Tax receivable	75438.00	10438.00

		75438.00	10438.00
	Total	37251305.00	27925805.00
12	<u>REVENUE FROM OPERATIONS</u>		
	Sale of Products	164051366.15	25759375.35
	Net Revenue From Operations	164051366.15	25759375.35
13	<u>OTHER INCOME</u>		
	Interest Income	400000.00	599440.00
	Net Gain/ Loss on Sale of Investment	1972500.00	-
		2372500.00	599440.00
14	<u>PURCHASE OF TRADED GOODS/STOCK IN TRADE</u>		
	Total Purchases	163621498.01	25655696.00
15	<u>EMPLOYEE BENEFITS EXPENSE</u>		
	Salary and Wages	235750.00	214320.00
	Salary and Wages	16450.00	13530.00
	Workers and Staff Welfare		
		252200.00	227850.00
16	<u>FINANCE COSTS</u>		
	Bank Charges	1290.00	443.30
		1290.00	443.30
17	<u>OTHER EXPENSES</u>		
	(A) <u>Administrative Expenses</u>		
	Payment To The Auditors	10000.00	10000.00
	Conveyance Exp	13460.00	

Fees & Taxes	8000.00	14030.00
Electric Expenses	17980.00	
General Expenses	12435.00	18325.10
Rent	420000.00	210000.00
Printing & Stationery	12650.00	11633.00
Professional Charges	24000.00	24000.00
Telephone Exp	8460.00	
	526985.00	287988.10
(B) <u>Selling & Distribution Expenses</u>		
Travelling Expenses	526985.00	287988.10

SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Preparation of Financial Statements

The accounts are prepared on accrual basis under the historical cost convention in accordance with the generally

B. Use of Estimates: The preparation of financial statements in conformity with generally accepted accounting

C. Sales: Sales comprise of sale of goods and job work, and is accounted for net of excise duty.

D. TAXATION:

Current Tax is determined as the amount of tax payable in respect of taxable income for the year. Deferred tax for

2. Amount due to Micro, Small and Medium Enterprises: The name of the Micro, Small and Medium Enterprises

3. Previous year figures have been recast/regrouped to make them comparable with the current year figures wherever

4. NOTES ON ACCOUNTS

4.1 ACCOUNT BALANCES

Balances of Sundry Creditors, Sundry Debtors, Loans & Advances and Unsecured Loans are subject to Confirmations.

4.2 AUDITORS REMUNERATION

Particulars	Current Year	Previous Year
Audit Fee	10000/-	10000/-
Other Services	Nil	Nil
Total	10000/-	10000/-

4.3 SEGMENT REPORTING

The Company is operating in a single line of product namely trading of cloths. Since there is no reporting segment, the requirements of Accounting Standard (AS-17 Segment Reporting) issued by the

ICAI are not applicable for the Company.

4.4 CONTINGENT LIABILITIES

Contingent liabilities not provided for in the financial statements for the Current Year are Nil (Previous Year NIL)

4.5 TAXES ON INCOME

The Company has earned profit of Rs. 2021893/- during the year as compared to Rs. 186838/- in previous year. The Company has not made provision for Taxes of Rs. 374859/- in Current Year.

4.6 EARNING PER SHARE

The Earning per Share have been calculated in accordance with AS-20 (Earning Per Share). The Details are given in table below:

Particulars	Current Year	Previous Year
Profits as per accounts (Rs.)	2021893.14	130030.95
Weighted Average Number of Equity Shares outstanding during the year (Nos.)	5508000	5508000
Diluted Weighted Average Number of Equity Shares outstanding during the year (Nos.)	5508000	5508000
Nominal Value of Equity Shares (Rs.)	10	10
Basics EPS (Rs.)	0.37	0.02

RAIDEEP INDUSTRIES LIMITED

Registered Office: 46, Industrial Area-A,
Ludhiana, Punjab 141003

PROXY FORM

I/We.....
... of being a member/members of the
above named company hereby appoint
..... of
..... as my/our proxy to vote for me/us
on my/our behalf at the Annual General Meeting of the company to be held on Monday, the 30th September, 2013 at
46, Industrial Area-A, Ludhiana, Punjab and at any adjournment thereof.

Affix
1 Re.

Signed this..... day of _____ 2013.

- NOTE: a)** A Member entitled to attend and vote at the meeting is entitled to appoint a proxy and vote instead of himself.
- b)** Proxy need not be a member.
- c)** The proxy form duly completed should be deposited at the registered office of the company not less than 48 hours before the time fixed for holding the meeting.

.....cut here.....cut here.....

RAIDEEP INDUSTRIES LIMITED

Registered Office: 46, Industrial Area-A,
Ludhiana, Punjab 141003

ATTENDANCE SLIP

(Please present this slip at the entrance of the meeting venue)

Regd. Folio.

Shares held

I hereby record my presence at the Annual General Meeting of the company to be held on Monday, the 30th September, 2013 at 46, Industrial Area-A, Ludhiana, Punjab 141003

Name of the Shareholder :

Name of the Proxy :

Signature of member/proxy :

- Note: 1) To be signed at the time of handing over this slip.
- 2) Members are requested to register their names at least 15 minutes prior to the commencement of the meeting.