

NATIONAL GENERAL INDUSTRIES LIMITED

REGD. OFF: 3RD FLOOR, SURYA PLAZA, K-185/1, SARAI JULENA,
NEW FRIENDS COLONY, NEW DELHI - 110 025

AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31ST MARCH, 2014

Sl. No.	Particulars	(Rs. in Lacs)				
		Quarter Ended			Year Ended	
		31.03.2014	31.12.2013	31.03.2013	31.03.2014	31.03.2013
		Audited	Unaudited	Audited	Audited	Audited
1	Income from Operations					
	Net Sales/Income from Operations (Net of Excise Duty)					
	Total Income from operations (net)	428.02	443.32	442.10	1,632.73	2,217.69
2	Expenses	428.02	443.32	442.10	1,632.73	2,217.69
	a. Cost of materials consumed					
	b. Purchase of stock - in - trade	386.26	350.65	421.28	1,425.93	1,941.72
	c. Change in inventories of finished goods, work-in-progress and stock-in-trade					
	d. Employees benefit expenses	9.56	47.50	(5.70)	46.56	54.36
	e. Depreciation and amortisation expenses	15.99	14.34	18.76	59.25	65.03
	f. Other expenses	7.95	5.17	4.88	24.69	35.44
	Total Expenses	27.55	17.74	17.97	78.98	84.73
3	Profit / (Loss) from Operations before Other Income, Finance Costs and exceptional items	447.32	435.40	457.21	1,635.41	2,181.28
4	Other Income	(19.30)	7.92	(15.11)	(2.67)	36.41
5	Profit / (Loss) from ordinary activities before finance costs and exceptional items	20.13	1.04	4.71	68.42	9.32
		0.83	8.96	(10.40)	65.75	45.73
6	Finance Costs	13.01	19.61	13.73	55.72	63.04
7	Profit / (Loss) from ordinary activities after finance costs but before exceptional items	(12.18)	(10.65)	(24.13)	10.03	(17.30)
8	Exceptional Items					
9	Profit / (Loss) from ordinary activities before tax	(2.04)	-	1.45	(2.04)	1.45
10	Tax expense	(14.22)	(10.65)	(22.68)	7.99	(15.85)
11	Net Profit / (Loss) from ordinary activities after tax	(0.97)	-	(10.80)	5.29	(9.51)
12	Extraordinary items (net of tax expenses)	(13.25)	(10.65)	(11.89)	2.70	(6.34)
13	Net Profit / (Loss) for the period	(13.25)	-	22.80	-	45.59
14	Paid-up equity share capital, Equity Shares of Rs. 10/- each	466.21	466.21	466.21	466.21	466.21
15	Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year					
16(i)	Earnings Per Share (EPS) (Before Extraordinary items)				1,335.46	1,333.67
	(a) Basic				0.03	0.71
	(b) Diluted				0.03	0.71
16(ii)	Earnings Per Share (EPS) (After Extraordinary items)					
	(a) Basic			0.20	0.03	0.71
	(b) Diluted			0.20	0.03	0.71
A	PARTICULARS OF SHAREHOLDING					
1	Public Shareholding					
	- No. of shares	19,11,257	19,11,257	19,14,257	19,11,257	19,14,257
	- Percentage of shareholding	34.56	34.56	34.61	34.56	34.61
2	Promoters and promoter group Shareholding					
	a) Pledged/Encumbered					
	- Number of shares					
	- Percentage of total Promoter and Promoter Group Shareholding					
	- Percentage of Total Share Capital of the Company					
	b) Non-encumbered					
	- Number of Shares	36,19,002	36,19,002	36,16,002	36,19,002	36,16,002
	- Percentage of total Promoter and Promoter Group Shareholding	100	100	100	100	100
	- Percentage of Total Share Capital of the Company	65.44	65.44	65.39	65.44	65.39
SEGMENT REPORTING						
	Particulars	Quarter Ended			Year Ended	
		31.03.2014	31.12.2013	31.03.2013	31.03.2014	31.03.2013
		Audited	Unaudited	Audited	Audited	Audited
1	Segment Revenue					
	a) Steel	508.27	483.96	482.24	1,775.75	2,423.63
	b) Others	20.13	1.04	4.71	68.42	9.32
	Gross Turnover	528.39	485.00	486.95	1,844.18	2,432.96
	Less: Inter Segment revenue					
	Net Sales/Income from Operations	528.39	485.00	486.95	1,844.18	2,432.96
	Less: Excise Duty	60.25	40.64	40.14	143.02	205.94
	Net Turnover	448.15	444.36	446.81	1,701.16	2,227.02
2	Segment Results					
	Profit/(Loss) before Interest and tax					
	a) Steel	3.32	15.77	(3.37)	43.18	79.38
	b) Others	(2.49)	(6.81)	(7.03)	22.57	(33.64)
	Total	0.83	8.96	(10.40)	65.75	45.74
	Less: Interest	13.01	19.61	13.73	55.72	63.04
	Other unallocable expenditure					
	Total Profit before tax	(12.18)	(10.65)	(24.13)	10.03	(17.30)
3	Capital Employed (Segment Assets - Segment Liabilities)					
	a) Steel	1,815.86	1,736.53	1,769.12	1,815.86	1,759.12
	b) Others	552.74	540.10	468.03	552.74	468.03
	Total	2,368.60	2,276.63	2,227.15	2,368.60	2,227.15

NOTES:-

- The above audited results have been reviewed by the Audit Committee. The Board of Directors at its meeting held on 30th May, 2014 approved the above results and its release.
- There is no observation / qualification of the Statutory Auditors' on the Audited Financial Results for the financial year 2013-14.
- The Statement of Assets and Liabilities are as under:

Particulars	(Rs. in Lacs)	
	Year ended 31.03.2014	Year ended 31.03.2013
A. EQUITY AND LIABILITIES		
1. Shareholders' Fund		
(a) Share Capital	466.21	466.21
(b) Reserve and Surplus	1,358.80	1,361.61
Sub-total- Shareholders' funds	1,825.01	1,827.82
2. Share application money pending allotment	-	-
3. Non-current liabilities		
(a) Long Term borrowings	130.74	109.84
(b) Defferend tax liabilities (net)	47.96	45.92
(c) Other long-term liabilities	-	-
(d) Long-term provisions	6.93	8.23
Sub-total- Non-current Liabilities	185.64	163.99
4. Current Liabilities		
(a) Short-term borrowings	413.09	289.49
(b) Trade Payables	92.40	51.70
(c) Other current liabilities	58.22	134.22
(d) Short-term provisions	5.26	2.56
Sub-total- Current Liabilities	568.97	477.97
TOTAL - EQUITY AND LIABILITIES	2,579.62	2,469.78
A. ASSETS		
1. Non-current assets		
(a) Fixed Assets	1,326.88	1,338.33
(b) Non-current investments	355.38	405.88
(c) Long-term loans and advances	83.33	87.21
(d) Other non-current assets	-	-
Sub-total - Non-current assets	1,765.60	1,830.92
2. Current assets		
(a) Current Investments	93.26	14.76
(b) Inventories	245.07	259.21
(c) Trade receivable	173.55	151.02
(d) Cash and Cash Equivalent	1.69	1.27
(e) Short-term loans and advances	282.96	201.62
(f) Other current assets	17.48	10.98
Sub-total - Current assets	814.01	638.86
TOTAL - ASSETS	2,579.62	2,469.78

- Other Segment consists of income from investments activities.
- Exceptional items pertains to the provisions of Deferred Tax of Rs. 2.04 lacs for the financial year 2013-14.
- The figures of last quarter are balancing figures between audited figures in respect of the full financial year and the published year to date figures up to the third quarter of the current financial years.
- There was no investor complaint pending at the beginning of the quarter and no investor complaint was received during the quarter, hence there is no investor complaint pending at the end of the quarter.
- The previous year figures have been re-grouped and rearranged, wherever required necessary.

For NATIONAL GENERAL INDUSTRIES LTD.


 Pawan Kumar Modi
 Jt. Managing Director

Date : 30.05.2014
Place : New Delhi

Independent Auditors' Report

To,
The Members of
M/s NATIONAL GENERAL INDUSTRIES LTD.
New Delhi.

Report on the Financial Statements

We have audited the accompanying financial statements of M/s NATIONAL GENERAL INDUSTRIES LTD. ("the Company") which comprise the Balance Sheet as at March 31, 2014, the Statement of Profit and Loss and the 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

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 referred to in sub-section (3C) of section 211 of 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.

Auditor's Responsibility

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.

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.

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

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 at March 31, 2014;
- b) in the case of the Statement of Profit and Loss, of the profit 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.

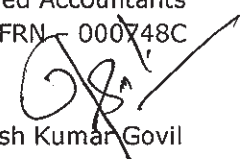


Report on Other Legal and Regulatory Requirements

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 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; and
 - 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 directors is disqualified as on March 31, 2014, from being appointed as a Director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.



Place: New Delhi
Dated: 30.05.2014

For R.K GOVIL & Co.
Chartered Accountants
FRN - 000748C

Rajesh Kumar Govil
Partner
Membership No.013632

ANNEXURE TO THE AUDITORS' REPORT
(Referred to in our Report of even date)

In terms of the information and explanations given to us and the books and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state as under:

- I. The Company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets on the basis of available information. As explained to us all the fixed assets were physically verified by the management during the year. We have been informed that no material discrepancies were noticed on such physical verification. Substantial part of fixed assets has not been disposed off during the year, which will affect its status as going concern.
- II. The Inventory has been physically verified during the year by the management at reasonable intervals except stock lying with third parties. The Company in most of the cases has obtained confirmation of such stocks with third parties. In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company & nature of its business. The Company is maintaining proper records of inventory. As explain to us the discrepancies noticed on physical verification of stocks as compared to book records were not material, however, the same have been properly dealt with the books of account.
- III. (a) The Company has taken unsecured loans of Rs. 40 lacs during the year from an entity listed in the register maintained u/s 301 of the Companies Act. The said loan was non-interest bearing which is not prima-facie prejudicial to the interest of the Company. In respect of the said loan, the maximum amount outstanding at any time during the year was Rs. 90 Lacs and the year-end balance is Rs. 90 Lacs.
(b)The Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956.
- IV. In our opinion and according to the information and explanations given to us, there is adequate internal control system commensurate with the size of the Company and the nature of its business, for the purchase of inventory and fixed assets and also for the sale of goods and services. In our opinion, there is no continuing failure to correct major weaknesses in internal control.
- V. (a) According to the information and explanations given to us, we are of the opinion that 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, wherever applicable.
(b)In Our opinion and according to the information and explanations given to us, the transactions made in pursuance of Contracts or arrangements entered in the register maintained under Section 301 of the Companies Act,1956 have been made at the prices, which are reasonable having regard to prevailing market prices at relevant time.
- VI. The Company has not accepted deposits from the public. In our opinion, the directives issued by the Reserve Bank of India and the provisions of section 58A, 58AA of the Act and the rules framed there under, where applicable, have been complied with. National Company Law Tribunal has not passed any order in respect of public deposits accepted by the Company.
- VII. In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- VIII. According to the information and explanations given to us, the Central Government has prescribed maintenance of cost records U/S 209(1)(d) of the Companies Act 1956 for products manufactured by the company. We are of the opinion that prima facie the prescribed accounts and records have been made and maintained. We have not how ever made detailed examination of the records with a view to determine whether they are accurate and complete.



- IX. (a) The Company is regular in depositing 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 and any other statutory dues applicable to it with the appropriate authorities.
(b) According to the information and explanations given to us, no undisputed amounts payable in respect of Income-Tax, Wealth-Tax, Service Tax, Sales Tax, Custom Duty and Excise Duty and Cess and other aforesaid statutory dues were outstanding as at 31st March, 2014 for a period of more than six months from the date they became payable.
(c) According to the record of Company there are no dues sales tax, income tax, custom duty, wealth tax, excise duty and Cess which have not been deposited on account of any dispute.
(d) An appeal filed by the Company against sales tax authority is pending before Hon'ble High Court of Allahabad in the matter of imposition of Entry Tax on Job Work. However, Company has submitted a Bank Guarantee of Rs. 5,28,000/- with the said department as per direction of Hon'ble High Court of Allahabad while passing the stay order on such imposition. As confirmed by the management, during financial year 2012-13, the Hon'ble High Court has allowed the said appeal but due to clerical mistake in the order, application for rectification has been filed and hence pending final order no effect has been given in the Books of Accounts.
- X. The Company does not have accumulated losses at the end of financial year. The Company has not incurred cash loss during the financial year covered by the audit and in the preceding financial year.
- XI. According to the information and explanations given to us, we are of the opinion that Company has not defaulted in repayment of dues to financial institutions or banks and debenture holders.
- XII. In our opinion, and according to the explanations given to us, and based on the information, available the Company has not granted any loans and advances 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 or Nidhi/ Mutual Benefit Fund/ Society. Therefore, the provisions of clause (xiii) of paragraph 4 of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- XIV. In our opinion, and according to the information and explanation given to us the Company is dealing in/ or trading in Shares, Securities, Debentures and other investments. However the Company is maintaining the proper records of the transactions & contracts and timely entries are being made there in, all the investments are held in the name of the Company except to the extent of the exemption, if any, granted under section 49 of the Companies Act, 1956.
- XV. The Company has not given any guarantee for loans taken by others from bank, financial institutions, which is prejudicial to the interest of the Company.
- XVI. The term loans were applied for the purpose for which the loans were obtained.
- XVII. According to the information and explanation 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 terms basis that have been used for long term investment and vice versa.
- 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 any debentures.
- XX. During the period covered by our Audit Report, the Co. has not raised any money by public issue.
- XXI. Based upon the audit procedures performed and information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit for the period under report.



Place: New Delhi
Dated: 30.05.2014

For R.K GOVIL & Co.
Chartered Accountants
FRN - 000748C


Rajesh Kumar Govil
Partner

Membership No.013632