
**Tirupati
Starch &
Chemicals Ltd.
I N D O R E**



**Twenty Third Annual
Report & Accounts 2008-2009**

TIRUPATI STARCH & CHEMICALS LIMITED

Regd. Office : 'Shreeram Chambers', First Floor
12, Agrawal Nagar, Main Road, INDORE - 452 001

BOARD OF DIRECTORS

Dr. Damodar Modi	Chairman & Managing Director
Shri Ramdas Goyal	Executive Director
Shri Yogesh Agrawal	Whole-time Director
Shri Prakash Bafna	Whole-time Director
Shri Ramesh Chandra Goyal	Whole-time Director
Shri Sanjeev Gupta	Whole-time Director
Smt. Pramila Jajodia	Independent Director
Smt. Shashikala Mangal	Independent Director
Shri Sulabh Goyal	Independent Director
Shri Ashish Agrawal	Independent Director
Shri Tejpal Lunawat	Independent Director
Shri Vinod Kumar Garg	Independent Director

COMPANY SECRETARY & FINANCE MANAGER

Shri Bal Krishna Jain,
M.Com., LL.B., F.C.S.

AUDITORS

M/s. Sunil Chandra Goyal & Company,
Chartered Accountants,
103, Kanchan Bagh,
Indore (M.P.)

BANKERS

State Bank of India,
Commercial Branch, Indore

REGISTERED OFFICE

Shreeram Chambers, First Floor, 12, Agrawal Nagar, Main Road Indore - 452 001

WORKS

Village Sejwaya, (Ghatabillod) Distt. Dhar (M.P.)

For Tirupati Starch & Chemicals Ltd.,

[Signature]
B. K. JAIN
Company Secretary



NOTICE

Notice is hereby given that the 23rd Annual General meeting of the Members of Tirupati Starch & Chemicals Ltd., will be held at the Registered Office of the Company, on Tuesday, the 29th September '2009 at 4.00 p.m. to transact the following business:

1. To consider and adopt the Directors and Auditors' Report, Audited profit and loss account for the year ended on 31st March'2009 and Balance Sheet as at that date along with Cash Flow statement of the year ended on 31st March' 2009.
2. To appoint a Director in place of Shri Vinod Kumar Garg, Director, who retires by rotation and being eligible offers himself for reappointment and that he shall continue to hold his office as Director and his reappointment as such shall not be deemed to constitute a break in his appointment as a Director.
3. To appoint a Director in place of Shri Tejpal Lunawat, Director, who retires by rotation and being eligible offers himself for reappointment and that he shall continue to hold his office of as Director and his reappointment as such shall not be deemed to constitute a break in his appointment as a Director.
4. To appoint a Director in place of Shri Yogesh Kumar Agrawal, Director, who retires by rotation and being eligible offers himself for reappointment and that he shall continue to hold his office of Director and his reappointment as such shall not be deemed to constitute a break in his appointment as Director.
5. To appoint auditors to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

By order of the Board,
For Tirupati Starch & Chemicals Ltd.,
B.K. Jain,
Company Secretary.

Place : Indore

Date : 5th September 2009

NOTES :

1. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and a proxy need not be a member.
2. The register of members of the company will remain closed from Tuesday the 22nd Sept. 2009 to Tuesday the 29th Sept. 2009, (Both days inclusive).
3. The members should intimate change in their registered address, if any.

**DIRECTOR'S REPORT TO THE MEMBERS**

Ladies & Gentlemen,

Your Directors have pleasure in presenting their 23rd Annual Report together with Audited Statement of Accounts for the year ended 31.3.2009.

	2008-2009 (Rs.)	2007-2008 (Rs.)
Profit/(loss) for the year	20200520	36563219
Less : Depreciation	<u>8054102</u>	<u>7855693</u>
Profit/loss after Depreciation (Before Tax)	12146418	28707526
Income Tax (Net of MAT Credit Rs. 1272055)	4539100	3458114
Less: Provision for Deferred Tax	- 241287	8569764
Fringe Benefit Tax	117376	141260
Less: Provision for Income Tax for Earlier year written back		<u>- 480877</u>
Profit/Loss after Tax	7731229	17019265
Add : Credit relating to previous years		—
Add/(Less): Debit relating to previous years	- 576981	- 4035
Sundry Balances written off	29673	-175944
Bonus written back	123626	<u>38815</u>
credit relating to previous year carried to Balance Sheet	7499969	<u>16878102</u>
	<u>192422</u>	

PERFORMANCE :

Both the plants (Starch & Dextrose) are running smoothly and satisfactorily at 100% capacity.

Efforts are being made to reduce power consumption by making necessary changes. The D.G. Set is used to produce electricity whenever there is power cut from MPEB.

FINANCE :

The Company is availing a C.C. loan (hypothecation) limit of Rs. 5.50 crore from State Bank of India, Commercial Branch, Indore.

ACCOUNTING STANDARD :

The Institute of Chartered Accountants of India has introduced various Accounting Standards in the year under review to make the financial statements and disclosure in line with the International accounting practices and disclosures. Most of

these Accounting standards are of mandatory in nature and the company has incorporated them in the accounts accordingly.

Of the various Accounting standards, the main Accounting standards implemented during the year by the company are : Accounting standards 17 - Segment Reporting, Accounting Standard 18, related party disclosure and Accounting standard 22- Accounting for Taxes on income. Accounting standard - 28, Impairment of assets. Accounting standard - 29, Provisions, Contingent liabilities & Contingent assets.

MANAGEMENT :

Three of your Directors' Shree Vinod Garg, Shri Tejpal Lunawat, & Shri Yogesh Kumar Agrawal retire by rotation. They are eligible and offer themselves for re-appointment and that their re-appointment as such shall not be deemed to constitute a break in their appointment as Director of the Company.



LISTING AGREEMENT WITH STOCK EXCHANGES :

Pursuant to requirements of the listing Agreement, the Company declares that its Equity Shares are listed on the Stock Exchanges Ltd., Mumbai. The Company confirms that it has paid listing fee due to the above Stock Exchange for the year 2009-2010.

DIRECTORS' RESPONSIBILITY STATEMENT :

The Directors confirm that :

- I. In preparation of the Annual Accounts, the applicable Accounting Standards have been followed along with proper explanation relating to material departures, if any.
- II. They have selected the 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 under review and for the Profit of the Company for the period;
- III. They have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- IV. They have prepared Annual Accounts on a going concern basis;

CORPORATE GOVERNANCE:

The Company has complied with all mandatory provisions of Corporate Governance as prescribed under the Listing Agreements of the Stock Exchange with which the Company is listed. Pursuant to Clause 49 of Listing Agreement with the Stock Exchange, a separate report on Corporate Governance is given as a part of the Annual Report along with the Auditors' statement on its compliance.

AUDIT COMMITTEE

The company has formed an Audit committee as required U/ S. 292A of the Co's Act 1956, as amended by Co's (amendment) Act-2000. The committee has been reconstituted on 29.04.2006 consisting of following Directors :

1. Shri Sulabh Goyal - Chairman,
Independent Director

2. Shri Vinod Kumar Garg - Member.
Independent Director
3. Shri Sanjeev Gupta - Member.
Wholetime Director

5 Meetings of the committee were held during the year.

AUDITORS :

You have to appoint Auditors for the current financial year and to fix their remuneration. M/s. Sunil Chandra Goyal & Co., Chartered Accountants, Indore the Retiring Auditors are eligible for re-appointment. Their appointment if made, will be within the prescribed limit specified u/s. 224 (1B) of the Companies Act-1956.

COMMENTS ON AUDITORS REPORT :

The remarks in Auditors' Report are self explanatory.

PARTICULARS OF EMPLOYEES:

There was no employee during the year drawing remuneration in excess of the ceilings prescribed u/s. 217 (2A) of the Companies Act-1956.

PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY, ABSORPTION AND FOREIGN EXCHANGE EARNINGS :

A statement giving information as required u/s. 217 (1E) of the Companies Act-1956 is annexed and form part of this report (Annexure "A").

ACKNOWLEDGEMENT :

Your Directors wish to express their sincere appreciation for the co-operation and support received from State Bank of India. Your Directors also record their appreciation for the services rendered by the employees at all levels and the Shareholders, Customers & Dealers for their continued co-operation throughout the year.

For and on Behalf of the Board
Dr. Damodar Modi
Chairman

Place : Indore
Date : 5th September 2009

ANNEXURE 'A' :

Information pursuant to sec. 217(1)(a) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the report of the Directors) Rule 1988 forming part of Directors Report:

A. CONSERVATION OF ENERGY.

- a) Energy Conservation measures taken :
- Correcting the alignment of Main drive.
 - Construction of Sundrying Plateform for predrying of Gluten and Grit. Thus saving in Furnace Oil consumption.
- b) Additional investment for reduction of Consumption of energy.
- Installation of Diesel Generator set for own generation of power.
 - Installation of best designed power capacitors for achieving and maintaining power factor.

FORM A:**A. POWER & FUEL CONSUMPTION :**

		Current year	Previous year
1.	Electricity		
a.	Purchased Units	5997076	6418137
	Total Amount (Rs.)	26653296	27665751
	Rate/Unit (Rs.)	4.44	4.31
b.	Own Generation		
i.	Through Diesel Generator	16644	11485
	Unit		
	Unit per liter of Diesel	3.17	3.55
	Oil		
2.	Coal (Specify quality and where used)		
	Quantity (Tones)	11121.930	10189.008
	Total Amount (Rs.)	41224688	32095212
	Average Rate (P MT)	3706.61	3150\
3.	Furnace Oil		
	Quantity (K.Lit) M.T.	2.5	166.635
	Total Amount	59987	3501642
	Average Rate	23.99	21.01

FORM B**B. CONSUMPTION PER UNIT OF PRODUCTION**

	Standard of any	Current Yr.	Previous Yr.
Electricity	Unit	262.23	274.06
G.C./ Furnace Oil	K. Lit.	6.99	7.12
Coal(Special Quality)	Kg.	422.01	435.08

For and on Behalf of the Board
For Tirupati Starch & Chemicals Ltd.,
Dr. Damodar Modi
 Chairman

Place : Indore
 Date : 5th September 2009

**CORPORATE GOVERNANCE****1. COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE**

Your Company's philosophy on Corporate Governance is to carry out its activities and operations in a true and fair manner to achieve transparency, accountability and business prosperity. The Board of Directors of the Company are committed towards discharging their fiduciary responsibility towards enhancing shareholders' value and interest of all other stock-holders.

2. BOARD OF DIRECTORS.**a. Composition of Board of Directors and category of Individual Director**

Name of the Director	Category
Dr. Damodar Modi	Chairman & Managing Director
Shri Ramdas Goyal	Executive Director
Shri Rameshchandra Goyal	Wholtime Director
Shri Yogesh Kumar Agrawal	Wholtime Director
Shri Sanjeev Gupta	Wholtime Director
Shri Prakash Bafna	Wholtime Director
Smt. Pramila Jajodia	Independent Director
Smt. Shashikala Mangal	Independent Director
Shri Sulabh Goyal	Independent Director
Shri Ashish Agrawal	Independent Director
Shri Tejpal Lunawat	Independent Director
Shri Vinod Kumar Garg	Independent Director

During the year under review, 5 Board Meetings were held on 30th April' 2008, 31th July' 2008, 4th Sept.'2008, 31st October'2008 & 31st January'2009. The last Annual General Meeting of the Company was held on 29th Sept.'2008.

b. Attendance of each Director at Board Meeting and last Annual General Meeting:

Name of the Director	No. of Board Meetings attended	Attendance at the last AGM
Dr. Damodar Modi	5	Present
Shri Ramdas Goyal	5	Present
Shri Yogesh Kumar Agrawal	5	Present
Shri Rameshchandra Goyal	5	Present
Shri Sanjeev Gupta	5	Present
Shri Prakash Bafna	5	Absent
Smt. Pramila Jajodia	5	Absent
Smt. Shashilala Mangal	5	Absent

Shri Sulabh Goyal	5	Present
Shri Ashish Agrawal	5	Absent
Shri Tejpal Lunawat	1	Absent
Shri Vinod Kumar Garg	5	Absent

c. REMUNERATION OF DIRECTORS : Details of remuneration paid to Directors for the year ended 31.03.2009.

Sr. No.	Name of Director	Salary Per Month
1.	Dr. Damodar Modi Managing Director	Rs. 55000 plus HRA. Rs. 4792/- as per agreement
2.	Shri Ramdas Goyal Executive Director	Rs. 46000
3.	Shri Rameshchandra Goyal Wholtime Director	Rs. 45000
4.	Shri Prakashchandra Bafna Wholtime Director	Rs. 45000
5.	Shri Sanjeev Gupta Wholtime Director	Rs. 45000
6.	Shri Yogesh Kumar Agrawal Wholtime Director	Rs. 45000

PERQUISITES :

In addition to the salary they will be entitled to perquisites like Provident Fund, Gratuity, Leave Encashment etc. which are exempted perquisites.

The above remuneration shall also be paid as minimum remuneration in case of no profits or inadequate profits.

d. Notes on Directors seeking appointment/re-appointment

1. Shri Vinod Kumar Garg is a Director, he is a DCE. He is from Business Community having vast experience, which will be of immense benefit to the company.
2. Shri Tejpal Lunawat is a Director of the company. He is bachelor of commerce. He is from Business Community. His experience will benefit to the company.
3. Shri Yogesh Kumar Agrawal is a Whole time Director of the company. He is a bachelor of commerce & Law. He is from Business Community and he is actively involved in the day to day operations in the company. His experience will benefit to the company.

**3. AUDIT COMMITTEE****a. Brief description of terms of reference :**

The terms of reference of this Committee covers the matters specified under Section 292A of the Companies Act, 1956 and also the matters listed under the Listing Agreement with the Stock Exchanges. The Committee is responsible for effective supervision of the financial operations and ensuring that financial, accounting activities and operating controls are exercised as per the laid down policies and procedures. The Financial Results of every quarter are reviewed by the Committee before being placed to the Board of Directors for its approval. The Company has set up its own in house Internal Audit Team consisting of :

Shri B.K. Jain, Chairman,
Shri Pundlik Darwade , Member
Shri S.P. Verma, Member.

which reviews the functions and operations of the Company and submits its report to the Board of Directors of the Company.

b. Constitution of the Committee :

The Audit Committee of the Company was constituted by the Board of Directors meeting held on 05.09.2001. After appointment of independent Directors, the Audit Committee was re-constituted vide Board Resolution dtd.29.04.2006 to comply with the amended clause-49 of the listing agreement as under :

- i. Shri Sulabh Goyal, B.Com. - Chairman
- ii. Shri Vinod Kumar Garg, D.C.E - Member
- iii. Shri Sanjeev Gupta, B.Com. - Member

During the year under review, five Audit Committee meetings were held on 29th April'2008, 30th July' 2008, 3rd September'2008, 30th Oct.'2008 & 30th January'2009. The attendance of members at the meetings was as follows :

Name of the Member	Status	No. of Meetings attended
Shri Sulabh Goyal	Chairman	5
Shri Vinod Kumar Garg	Member	5
Shri Sanjeev Gupta	Member	5
Secretary of the Committee : Shri B.K. Jain Company Secretary.		

4. REMUNERATION COMMITTEE**a) Composition :**

The Remuneration Committee of the company comprises of Dr. Damodar Modi, Chairman of the committee and Shri Ramdas Goyal & Shri Yogesh Agrawal are members of the said committee.

b) Meetings :

During the year the committee met one time on 31st March 2009. All the members of The committee attended the meeting.

c) Remuneration Policy :

The non-executive Directors are not paid any sitting fee for meeting of the Board or any Committee thereof attended by them.

d) Details of Remuneration paid to the Directors for the year ended 31st March'2009:

Sr. No.	Name of Director	Salary Per Month
1.	Dr. Damodar Modi Managing Director	Rs. 55000 plus HRA, Rs. 4792/- as per agreement
2.	Shri Ramdas Goyal Executive Director	Rs. 46000
3.	Shri Rameshchandra Goyal Wholetime Director	Rs. 45000
4.	Shri Prakashchandra Bafna Wholetime Director	Rs. 45000
5.	Shri Sanjeev Gupta Wholetime Director	Rs. 45000
6.	Shri Yogesh Kumar Agrawal Wholetime Director	Rs. 45000

5. SHAREHOLDERS'/INVESTORS' GRIEVANCE COMMITTEE**a. Composition of the Committee :**

The committee was constituted in order to comply with clause 49 of the listing agreement and following composition of the committee was approved by the Board of Directors on 29.07.2006 as under :

1.	Shri Vinod Garg, Independent Director	-	Chairman
2.	Shri Ashish Agrawal, Independent Director	-	Member
3.	Shri Yogesh Kumar Agrawal Wholetime Director	-	Member

b. Functions :

To review the status of shareholders/investors grievances, redress mechanism and recommend measures to improve the level of investor's services.

**c. Meetings and attendance:**

During the financial year ended on 31st March'2009, four (4) meetings were held on : 30th April'2008, 31st July'2008, 31st Oct'2008 & 31st Jan.'2009. All the members of the committee attended the above meetings.

d. Name and Designation of the Compliance Officer:

Shri B.K. Jain, Company Secretary of the company is Compliance Officer of the Company as required under Clause 47 of the Listing Agreement.

e. Number of complaints received and resolved :

During the year under review, the Company received 18 complaints from Shareholders / Investors'. All the complaints have been resolved to the satisfaction of the shareholders. No complaint was pending as on March 31, 2009. In order to expedite the process of transfers of shares the Board has delegated the powers to approve share transfers to the Share Transfer Committee set up by the Board of Directors.

7. GENERAL BODY MEETINGS

- a. Location and time of the last three Annual General Meetings

Financial Year	Location	Date	Time
2005-2006	Registered office of the Company	29.9.2006	4.00 p.m.
2006-2007	Registered office of the Company	29.9.2007	4.00 p.m.
2007-2008	Registered office of the Company	29.9.2008	4.00 p.m.

The Chairman of the Audit Committee Shri Sulabh Goyal was present at the Annual General Meeting to answer the queries of the share holders.

- b. There were no Special Resolutions required to be passed through Postal Ballot at any of the above Annual General Meetings. None of the Resolutions proposed for the ensuing Annual General Meeting need to be passed by Postal Ballot.

8. DISCLOSURES

- a. The Company has not entered into any transaction of material nature with any related party as described under the Listing Agreement entered into with the Stock Exchanges, that may have potential conflict with the interests of the Company at large.
- b. During the past four years there has been no instance of non compliance by the Company with the requirements of the Stock Exchanges, SEBI or any other statutory authority on any matter related to capital markets.
- c. The company has complied with the mandatory and non mandatory requirements of clause-49 of the listing agreement as far as possible.

9. MEANS OF COMMUNICATION

- a. The Company publishes its annual, half yearly and quarterly financial results in the following newspapers
- Free Press (English)
 - Chautha Sansar (Hindi)
- b. The information required under the Management Discussion and Analysis Report has been covered by the Directors' Report.

10. GENERAL SHAREHOLDER INFORMATION.

- a. Annual General Meeting
Date : 29.09.2009
Time : 4.00 P.M.
Venue : At Shreeram Chamber,
12, Agrawal Nagar Main Road, Indore.

- b. Financial Calendar (tentative)

Particulars	Date
Unaudited Results of the first quarter ending June 30,2009	Last week of July'2009
Unaudited Results of the second quarter & half year ending September 30, 2009	Last week of October'2009
Unaudited Results of the third quarter & nine months ending December 31, 2009	Last week of January'2010
Unaudited Results for the ending March 31, 2010	Last week of April'2010
c. Dates of book closure Tuesday, 22 nd September'2009 to Tuesday, 29th September'2009 (both days inclusive)	

d. Dividend payment date
Not declared

e. Stock Exchange where listed
Bombay Stock Exchange Ltd., Mumbai
The listing fee has been paid to Mumbai Stock Exchange for the year 2009-2010.

f. Stock Code : B.S.E. - 524582.

g. Share Transfer System :

The Company has set up a Committee of Board of Directors known as the Share Transfer Committee, which meets generally once in a month inter alia for approving the transfer of shares. The formalities for transfer of shares in the physical form are completed and the share certificates are despatched to the transferee within thirty days of receipt of transfer documents, provided the documents are complete and the shares under transfer are not under dispute. If however, the transfer documents are not in order, objections are communicated to the transferee within thirty days from the date of receipt of the transfer documents.

h. Dematerialisation of Shares

Now the equity Shares of the company can be traded in de-materialised form. The company has signed the agreement with both the depositories i.e. Central Depository Services (I) Ltd., & National Security Depository Ltd., Mumbai for providing demate facility to the share holders. The Company's ISIN No. is INE314D01011.

The Company has also appointed M/s. Ankit Consultancy Pvt. Ltd., Indore as Registrar and Transfer agent for the above purpose.

i. Share holding Pattern as on March 31, 2009.

Share holding Pattern as on March 31, 2009 (in accordance with Clause 35 of the Listing Agreement)

Category	No. of shares held	Percentage of shareholding
A. Promoter's holding		
1. Promoters *		
- Indian Promoters	3460676	56.80
- Foreign Promoters	Nil	Nil
2. Person acting in concert#		
Sub - Total	3460676	56.80
B Non - Promoters Holding		
3. Institutional Investors		
a. Mutual Funds and UTI	32100	0.52
b. Bank, Financial Institutions, Insurance Companies (Central/State Govt. Institution/ Non- Government institutions)	12500	0.21
c. Fils		
Sub Total	44600	0.73
4. Others		
a. Private Corporate Bodies	29600	0.49
b. Indian Public	2587900	42.47
c. NRIs/ OCBs		
d. Any others (please specify)		
Sub- total	2632500	43.20
GRAND TOTAL	6093176	100.00



- j. Outstanding GDRs/ADRs/Warrants or any convertible instruments, conversion date and likely impact on equity
The Company has not issued any GDRs/ADRs/Warrants or any convertible instruments.
- k. Plant locations
Vill. Sejwaya, Ghatabillod, Dist. Dhar.
- l. Address for correspondence
All Shareholders should address their correspondence to the Company at its Regd. Office at Shreeram Chamber, 1st Floor, 12, Agrawal Nagar, Main Road, Indore.

Details of the Directors seeking reappointment at the forthcoming Annual General Meeting

(In pursuance of Clause (49 VI (A) of the Listing Agreements)

Name Of Director	Shri Vinod Garg	Shree Tejpal Lunawat	Shri Yogesh Agrawal
Date of Birth	19.01.1964	08.08.1954	12.05.1963
Date of Appointment	30.12.2005	30.12.2005	30.09.1999
Expertise in specific Functional areas	hails from a business family	hails from a business family	hails from a business family
Qualifications	D.C.E.	B. Com.	B. Sc. & L.L.B.
List of other public limited Companies in which Directorship Held as on 31 st March 2009	Nil	Nil	Nil
Chairman/Members of the Committees of the Board across all public companies of which he is a Director	Nil	Nil	Nil

CODE OF CONDUCT

The Board of Directors has already adopted the Code of Ethics & Business conduct for the Directors and Senior Management Personnel. This Code is Comprehensive code applicable to all Directors, Executives as well as Non-executives and members of the Senior Management.

The Code has been circulated to all the members of the Board and Senior Management Personnel and compliance of the same has been affirmed by them. A declaration signed by the Managing Director & CEO in this regard is given below :

DECLARATION

"I hereby confirm that:

The Company has obtained from all the members of the Board and Senior Management personnel of the Company; affirmation that they have complied with the code of Ethics and Business Conduct framed for Directors and Senior Management Personnel in respect of the financial year 2008-09.

For Tirupati Starch & Chemicals Ltd.,
Dr. Damodar Modi
Chairman

Auditors' Report

To,
The Members of
M/s.Tirupati Starch & Chemicals Ltd., Indore

- 1 We have audited the attached Balance Sheet of M/s.Tirupati Starch & Chemicals Ltd., as at 31st March 2009 and also the Profit and Loss Account and the Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
- 2 We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material mis-statement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
- 3 As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, as amended by the Companies (Auditors Report) (Amendment) Order 2004 (together the order) and on the basis of such checks of the books and records of the company as we considered appropriate and according to the informations & explanations given to us, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said order to the extent applicable to the Company.
- 4 Further to our comments in the Annexure referred to above, 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 the Company so far as appears from our examination of these books;
 - (c) The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account.
 - (d) In our opinion, the Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report **subject to comments given below** comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;

- (e) On the basis of the written representations received from the directors, as on March 31, 2009, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on March 31, 2009 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;
- (f) We have relied upon the representations made to us by the management that.
- (i) **Being a complex technical matter, the Stock in Process of Raw Starch has been determined as described in Note-1(e)(iii)(a) in Schedule 20 forming part of accounts.**

Subject to the foregoing, in our opinion and to the best of our information and according to the explanations given to us, the said accounts, read together with the Company's Accounting Policies and the Notes thereto as per schedule 20 forming part of Accounts, more particularly. **Note No.1 (e)(vi) (vii) & (viii) regarding method of ascertainment & accounting of Inventory and sale of Finished Goods lying with consignee, Note No.1(e)(ix) regarding Inventory of Raw Material at warehouses, Note No.1(j) regarding Non-provision for leave encashment, In terms of Revised AS-15 issued by the Institute of Chartered Accountant of India, Note No.1(k) regarding premium paid under Group Gratuity Scheme of LIC charged to Profit & Loss A/c. Note No.1(l) regarding non-payment of contribution under Group Super Annuation Scheme of LIC of India to Directors, Note No.5 regarding inclusion & provision of Excise Duty on uncleared Stock of Finished Goods amounting to Rs 2,56,366.00 Note No.11 regarding Non-reconciliation of Excise records of schedule 20 forming part of accounts, give the information required by the Companies Act, 1956 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 31st March 2009;
- (b) In the case of the Profit and Loss Account, of the profit of the Company for the year ended on that date; and
- (c) In the case of Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

For SUNIL CHANDRA GOYAL & CO.,
Chartered Accountants
SUNIL GOYAL
Proprietor
Membership No. 71809

Place : Indore
Date : 5th September'2009



ANNEXURE TO THE AUDITORS' REPORT

Referred to in paragraph 3 of our report of even date

M/s.Tirupati Starch & Chemicals Ltd., Indore (2008-09)

- (i) (a) In respect of fixed assets, the work of compiling the Fixed Assets register showing other particulars such as location, depreciation, quantitative details etc. is maintained.
- (b) As explained to us, most of the fixed Assets were physically verified in a phased manner during the year by the management in accordance with a programme of verification, which in our opinion should be correlated with the Fixed Assets register. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (c) During the year, as explained to us, No substantial part of fixed assets has been disposed off by the Company.
- (ii) (a) As explained to us, the inventory has been physically verified during the year by the management In our Opinion, **the frequency of verification needs to be increase. In respect of Stocks sent on consignment basis and lying with third parties these have substantially been confirmed by them, and in absence of some confirmations the stock is based on the basis of records available with the Company & Confirmation by the management, more particularly described in Note 1(e) (vi) of schedule 20 forming part of accounts.**
- (b) According to the information and explanations given to us, in our opinion, the procedures for physical verification of inventories followed by the management were reasonable and adequate in relation to the size of the Company and the nature of its business and **in our opinion frequency of verification needs to be increased.**
- (c) According to the information and explanations given to us, in our opinion the Company has maintained proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material, having regard to the size & nature of the business of the Company and the same have been properly dealt with in the books of accounts time to time.
- (iii) (a) According to the information and explanations given to us as the Company has not given any loans to companies, firms or other parties covered in register maintained under section 301 of the Companies Act, 1956, *therefore paragraphs (iii), (b), (c), (d) are not applicable.*

- (b) The company has taken unsecured loan of Rs. 5,23,62,981/- from 53 parties who are relatives of key management personal. The rate of interest and other terms & conditions of loans taken by the company are not prima facie prejudicial to the interest of the company. No amount was overdue for repayment.
- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to purchases of inventory and fixed assets and with regard to the sale of goods and services. During the course of our audit, the management has assured to strengthen the aforeaid internal control procedures mainly regarding purchases of Fixed Assets. .
- (v) (a) To the best of our knowledge and belief and according to information and explanations given to us, we are of the opinion that there was No transaction that needed to be entered into 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, there was no transactions made in pursuance of contracts or arrangements entered in the register maintained under Section 301 of the Companies Act, 1956. and exceeding the value of rupees five lakhs in respect to any party during the year.
- (vi) In our opinion and According to the information and explanations given to us, **we are of the opinion the Company had not complied with the provisions of Sections 58A and 58AA of the Companies Act, 1956 and the Companies (Acceptance of Deposits), Rules, 1975 with regard to deposits accepted from public as it had accepted excess deposit of Rs.476.63 Lacs as on 31st March, 2005 and Rs. 352.61 lacs as on 30th November, 2007 from the limits specified. As per information and explanation given to us. The Central Government has granted exemption to the company from the compliance of provisions of section 58A of the Companies Act-1956 and Rules 3(2)(i) & 3(2)(ii) of the companies (Acceptance of Deposit) Rules 1975 framed thereunder upto 31st March'2008 subject to certain conditions and further the Central Government has extended the said exemption upto 31.03.2013 been passed by the Company Law Board or national Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal. Further there has delay in filing of annual return of Deposits for the financial year 2007-08, it has filed on 17.03.2009.**



(vii) The Company has an internal audit system which in our opinion needs to be strengthened to make it commensurate with the size of the company and nature of its business.

(viii) To the best of our knowledge and according to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records for any product of the Company under Section 209(1)(d) of the Companies Act, 1956.

(ix) According to the information and explanations given to us, in respect of statutory and other dues:

(a) According to the information and explanations given to us and according to the books and records as produced and examined by us, the Company is generally regular in depositing undisputed statutory dues, including Provident Fund, Income Tax, Excise Duty, Sales Tax, Service Tax, Cess and any other material statutory dues applicable to it. According to the information and explanations given to us, no undisputed amounts payable in respect of **Income Tax, Sales Tax, Excise Duty and Cess** were in arrears, as at 31st March, 2009, for a period of more than six months from the date they became payable subject to note No.2, 5, 11 of Notes on Accounts (Schedule 20) and the disputed amounts as detailed in (b) below.

(b) According to the information and explanations given to us, details of dues of income tax, excise duty and sales tax which have not been deposited as on 31st March, 2009 on account of any dispute are given below :

Particulars	Forum where matter is pending	Financial Year to which matter pertains	Amount involved
1 Income Tax	Income Tax Authority, Indore Income Tax Authority, Indore CIT (Appeals)-II, Indore CIT (Appeals)-II, Indore	1995-96 1998-99 2004-05 2005-06	Rs.153648/- Addition of cash credit etc. reducing unabsorbed depreciation & Interest. Pending for fresh order from AO. Rs. Nil Addition of cash credit etc. reducing unabsorbed depreciation Rs. Nil Addition of cash credit Disallowances certain expenses and addition under sec.145A Rs. Nil Addition of cash credit Disallowances certain expenses and addition under sec.145A
2 Excise Duty	Central Excise Department		SCN No. / Order No. V(35)15-02/07/Adj.I/23327 dated 09.08.2007 Rs. 20843640/- in the matter of demand of 10% due to availment of cenvat credit of input/input services used in exempted goods. V(17)15-01/2007/Adj.I/25123 dated 06.09.2007 Rs. 6399763/- in the matter of Demand of 10% due to availment to cenvat credit of input/input services used in exempted goods. V(35)15-04/2007/Adj.I/31986 dated 03.12.2007 Rs. 26663128/- in the matter of Classification dispute of Note no. 3/2006. V(35)15-01/2008/Adj.I/28532 dated 22.10.2008 Rs. 26458042/- in the matter of Classification dispute of Maize Starch. V(35)15-02/2008/Adj.I/15992 dated 25.06.2008 Rs. 3762261/- in the matter for Demand of 10% due to availment to cenvat credit of input / input services used in exempted goods. IV(16)30-318/OT/Pith/Adj/8795 dated 07.12.2007 Rs. 393622/- in the matter of Disallow of Cenvat Credit as common input used in Hydrol. IV(16)30-76/08/Pith/Adj/1966 dated 10.03.2008 Rs. 477802/- in the matter of Disallow of Cenvat Credit as common input used in Hydrol.

			<p>IV(16)30-336/08/Adj/8667 dated 05.12.2008 Rs. 495842/- in the matter of Disallow of Cenvat Credit as common input used in Hydrol.</p> <p>IV(16)30-95/08-09/Adj/11540 dated 06.03.2009 Rs. 484387/- in the matter of Disallow of Cenvat Credit as common input used in Hydrol.</p> <p>IV(16)30-136/06/Pith/5975 dated 11.09.2006 Rs. 470576/- in the matter of Disallow of Cenvat Credit as common input used in Hydrol.</p> <p>IV(16)30-65/07/Pith/1003 dated 28.02.2007 Rs. 466136/- in the matter of Disallow of Cenvat Credit as common input used in Hydrol.</p> <p>IV(16)30-66/07/Pith/Adj/1006 dated 28.02.2007 Rs. 484341/- in the matter of Disallow of Cenvat Credit as common input used in Hydrol.</p> <p>IV(16)30-43/08/Pith/Adj/3433 dated 12.05.2008 Rs. 406131/- in the matter of Disallow of Cenvat Credit as common input used in Hydrol.</p> <p>Appeal No. E/2990/06/C.EX dated 06.09.2006 Rs. 458096/- in the matter of Disallow of Cenvat Credit as common input used in Hydrol.</p> <p>Appeal No. E/1241/06 Rs. 733488/- in the matter of Disallow of Cenvat Credit as common input used in Hydrol.</p> <p>IV(16)30-12/09/Pith/Adj/10048 dated 19.01.2009 Rs. 42464/- in the matter of Credit availed on service tax paid on outward transportation.</p> <p>IV(16)30-219/08/Adj/5092 dated .07.2008 Rs. 302663/- in the matter of Credit availed on service tax paid on outward transportation.</p> <p>Appeal in Order in Original No. 26-27 dated 21.07.2006 Rs. 93436459/- in the matter of Classification of goods.</p> <p>Appeal No. E/3683/2003-NB(SM) Rs. 166334/- in the matter of Credit on Capital Goods.</p>
3. CST	Reference application pending before M.P. Commercial Tax Appellate Board	1995-1996	Assessment demand after first appeal effect. rs. 175731/-, Part payment made of Rs. 35,200/- on 06/02/2004.
MPCT	Reference application pending before M.P. Commercial Tax Appellate Board.	1997-1998	Assessment demand after second appeal effect. Rs. 27041/-, No part payment made.
CST	Appeal argued before M.P. Commercial Tax Appellate Board - Order awaited.	1997-1998	Assessment demand after first appeal effect. Rs. 232465/-, part payment made of Rs. 46,500/- on 06/02/2004.
CST	Reference application pending before M.P. Commercial Tax Appellate Board .	1998-1999	Assessment demand after first appeal effect. Rs. 318392/-, part payment made of Rs. 63,700/- on 06/02/2004.
MPCT	Orders served on 30/03/2009 hence not due for payment as on 31/03/2009. On revision the assessment for MPCT & CST for both the years are remanded to the file of Assessing Officer. The Entry Tax Assessments are Confirmed vide order of Upper Commissioner dated 19.08.2009	2002-2003	Reassessment u/s 28(1) Demand Rs. 166868/-, No part payment made
CST		2002-2003	Reassessment u/s 28(1) Demand Rs. 4025374/-, No part payment made
ET		2002-2003	Reassessment u/s 28(1) Demand Rs. 421514/- No Part payment made.
MPCT		2003-2004	Reassessment u/s 28(1) Demand Rs. 353496/-, No part payment made.
CST		2003-2004	Reassessment u/s 28(1) Demand Rs. 2711474/-, No part payment made.
ET		2003-2004	Reassessment u/s. 28(1) Demand Rs. 510434/-, No part payment made.

MPCT	Appeal filed before Hon'ble Deputy Commissioner of	2004-2005	Reassessment u/s 28(1) Demand Rs. 390584/-, Part payment made of Rs. 39060/- on 22/05/08.
CST	Commercial Tax. All decided in our favour. Net demand for these three cases after	2004-2005	Reassessment u/s 28(1) Demand Rs. 2595248/-, Part payment made of Rs. 259530/- paid on 22/05/08
ET	adjustment of relief & part payment remains Rs. 31776/-	2004-2005	Reassessment u/s 28(1) Demand Rs. 363157/-, Part payment made of Rs. 36320/- on 22/05/08.
Dextrose Divison			
MPCT	Appeal filed before Hon'ble Deputy Commissioner of	2004-2005	Reassessment u/s. 28(1) Demand Rs. 8485/-, Part payment made of Rs. 850/- on 22/05/08.
CST	Commercial Tax. All decided in our favour. Net refund receivable	2004-2005	Reassessment u/s. 28(1) Demand Rs. 138725/-, Part payment made of Rs. 13880/- on 22/05/08.
ET	Rs. 31715/- after adjustment of relief & Part payment.		Reassessment u/s. 28(1) Demand Rs. 8485/-, Part payment made of Rs. 9040/- on 22/05/08.

- (x) The Company have no accumulated losses as at 31st March, 2009, no cash loss was incurred during the financial year covered by our audit. There was no Cash Loss in the immediately preceeding financial year.
- (xi) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to financial institutions, banks and debenture holders during the year.
- (xii) In our opinion and 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.
- (xiii) The provisions of any special statutes as specified under clause (xiii) of the order are not applicable to the Company.
- (xiv) In our opinion and according to the information and explanations given to us, the Company is not a dealer or trader in securities & investments.
- (xv) In our opinion and according to the information and explanations given to us, Company has not given any guarantee for loans taken by others from banks and financial institutions.
- (xvi) According to the information and explanations given to us, no term loans were availed by the Company during the year.
- (xvii) According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, in our opinion, Short term funds have been used for short term purposes.
- (xviii) According to the information and explanations given to us, during the year the Company has not made preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Companies Act, 1956.
- (xix) According to the information and explanations given to us, the Company has not issued any debentures during the year.
- (xx) The Company has not raised any money through public issues during the year.
- (xxi) Based upon the audit procedures performed and information 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 SUNIL CHANDRA GOYAL & CO.
Chartered Accountants
SUNIL GOYAL
Proprietor
Membership No. 71809

Place : Indore
Date : 5th September'2009



**PRACTISING COMPANY SECRETARY CERTIFICATE ON CORPORATE GOVERNANCE
IN TERMS OF CLAUSE 49 OF THE LISTING AGREEMENT**

To,
The Board of Directors
Tirupati Starch & Chemicals Ltd.
12, Agrawal Nagar, Indore (M.P.)- 452 001

We have reviewed the records concerning the Company's compliance of conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement entered into, by the Company, with the Stock Exchange of India, for the fin. year ended on **31st March 2009**.

The Compliance 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 statement of the Company.

We have conducted our review on the basis of the relevant records and documents maintained by the Company and furnished to us for the review, and the information and explanations given to us by the Company.

Based on such a review to the best of our information and according to the explanations given to us, in our opinion, the company has complied with the conditions of Corporate Governance, as stipulated in Clause 49 of the said listing agreement.

On the basis of certificate issued by the Registrar and Share Transfer Agent of the Company and the Minutes of meetings of the Shareholders / Investors Grievance Committee of the Company, we state that, there were no investor grievances pending against the Company for a period exceeding one month.

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

Place : Indore
Date : 01 September ' 2009

For Ramesh Chandra Bagdi & Associates
Company Secretaries
(Ramesh Chandra Bagdi)
Proprietor
Membership No. 11800

**BALANCE SHEET AS AT 31st March'2009**

SCHEDULE		AMOUNT AS AT 31 March' 2009 (RUPEES)	AMOUNT AS AT 31 March' 2008 (RUPEES)
SOURCES OF FUNDS			
1. SHAREHOLDERS' FUNDS:			
a) Share Capital	1	60931760.00	60931760.00
b) Reserves & Surplus	2	25740478.63	18240509.06
		86672238.63	79172269.06
2. LOAN FUNDS:			
a) Secured Loans	3	39971449.90	34230921.93
b) Unsecured Loans	4	53292050.00	60204866.00
		93263499.90	94435787.93
3. DEFERRED TAX LIABILITY (NET OF ASSET)			
		13223415.00	13464702.00
		13223415.00	13464702.00
TOTAL		193159153.53	187072758.99
APPLICATION OF FUNDS			
1. FIXED ASSETS:			
a) Gross Block	5	196954382.47	188295400.67
b) Less : Depreciation		117646448.67	109592346.81
c) NET BLOCK		79307933.80	78703053.86
		79307933.80	78703053.86
2. INVESTMENTS:			
3. DEFERRED TAX ASSETS (NET OF LIABILITIES)	6	1550.00	1550.00
4. CURRENT ASSETS, LOANS & ADVANCES		0.00	0.00
a) Inventories	7	80758552.14	73391498.88
b) Sundry Debtors	8	49163709.35	52024029.72
c) Cash & Bank Balances	9	4060249.84	1643036.34
d) Loans & Advances	10	22088527.93	31183249.96
		156071039.26	158241814.90
Less : Current Liabilities & Provisions	11		
a) Liabilities		36592484.34	45235112.59
b) Provisions		5628885.18	4638547.18
		42221369.52	49873659.77
NET CURRENT ASSETS		113849669.74	108368155.13
5. PROFIT & LOSS A/C	12	0.00	0.00
TOTAL		193159153.53	187072759

Pending Taxation Provisions Due to Difference

BALANCE SHEET AS AT 31st March'2009

ACCOUNTING POLICIES AND NOTES ON ACCOUNTS

20

As per our report of even date

for TIRUPATI STARCH & CHEMICALS LTD.

For SUNIL CHANDRA GOYAL & CO.
Chartered AccountantsB.K.JAIN
Company Secretary
& Finance ManagerSUNIL GOYAL
PROPRIETOR
M.No.71809

PLACE : INDORE

DATED : 5 September 2009

DR. DAMODAR MODI
Chairman & Managing Director
RAMDAS GOYAL
Executive Director
RAMESH CHANDRA GOYAL
PRAKASH BAFNA
SANJEEV GUPTA
YOGESH AGRAWAL
Whole Time Directors
SMT.SHASHIKALA MANGAL
SMT.PRAMILA JAJODIA
SULABH GOYAL
ASHISH AGRAWAL
TEJPAL LUNAWAT
VINOD KUMAR GARG
Independent Directors

**PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED ON 31st March'2009**

	SCHEDULE	AMOUNT FOR THE YEAR ENDED ON 31.03.2009 (RUPEES)	AMOUNT FOR THE YEAR ENDED ON 31.03.2008 (RUPEES)
INCOME			
Sales of Maize Starch Powder, Gluten, Grit, Husk, Maize Oil, Oil Cake, Dextrine, Germs etc. (Note 1 (i) of Sch.20)		447876565.78	467416082.00
Less : Excise Duty		18596657.00	26346334.00
Less : VAT on Sales		1892590.00	3287567.00
		427387318.78	437782181.00
Less : Trade Discount, Commission, Consignment exp.etc.		11378736.00	14200742.00
		416008582.78	423581439.00
Add : Other Income		2322045.52	5260271.06
		418330628.30	428841710.06
EXPENDITURE AND CHARGES			
Raw Materials Consumed	13	254636648.68	250210951.92
Packing Materials Consumed		10590619.97	8976886.08
Manufacturing Expenses	14	88589127.79	80815363.54
Administrative & Other Expenses	15	4052718.23	6174115.94
Expenditure on Employees	16	22498860.15	20485676.00
Managerial Remuneration	17	4441608.00	3027984.00
Interest	18	11267950.49	13712690.00
Depreciation	5	8054102.62	7855693.25
		404131635.94	391259360.73
INCREASE/(DECREASE) IN STOCK	19	2052574.04	8874822.67
		406184209.98	400134183.40
Profit/(Loss) for the year before Tax		12146418.32	28707526.66
Less : Provision for Income Tax - MAT		5811155.00	3950605.00
Add: MAT CREDIT AVAILABLE		1272055.00	492491.00
Less : Provision for Income Tax for earlier year Written Back		0.00	-480877.00
Less : Fringe Benefit Tax		117376.00	141260.00
Less : Provision for Deferred Tax Assets		-241287.00	8569764.00
Profit/(Loss) after Tax		7731229.32	17019265.66
Less : Income Tax for Earlier year after demand			
Add : Excess Provision for Income Tax written back		7731229.32	17019265.66
Add : Credit relating to previous years		192422.00	0.00
Add : Sundry Balances written off (Cr.)		29673.25	-175943.60
Add : Debit relating to Previous Years		-576981.00	-4034.69
Add : Bonus written back		123626.00	38815.00
Balance of Profit/(Loss) available for appropriation		7499969.57	16878102.37
Balance of Profit/(Loss) carried to Balance Sheet		7499969.57	16878102.37

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED ON 31st March,2009**ACCOUNTING POLICIES AND NOTES ON ACCOUNTS**

20

As per our report of even date

for TIRUPATI STARCH & CHEMICALS LTD.

For SUNIL CHANDRA GOYAL & CO.
Chartered AccountantsB.K.JAIN
Company Secretary
& Finance Manager

DR. DAMODAR MODI
Chairman & Managing Director
RAMDAS GOYAL
Executive Director
RAMESH CHANDRA GOYAL
PRAKASH BAFNA
SANJEEV GUPTA
YOGESH AGRAWAL
Whole Time Directors
SMT. SHASHIKALA MANGAL
SMT. PRAMILA JAJODIA
SULABH GOYAL
TEJPAL LUNAWAT
VINOD KUMAR GARG
Independent Directors

SUNIL GOYAL
PROPRIETOR
M.No.71809

PLACE : INDORE

DATED : 5 September 2009



SCHEDULES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT 31st March, 2009

SCHEDULE -1	Amount	Amount
SHARE CAPITAL :	As on	As on
	31-Mar-09	31-Mar-08
Authorised		
65,00,000 Equity Shares of Rs.10/-each	65000000.00	65000000.00
Previous year 65,00,000 Equity Shares		
25,000 14% cummulative Redeemable Preference Shares of Rs.100/-each	2500000.00	2500000.00
(Previous Year 25000 Preference Shares)		
	67500000.00	67500000.00
Issued subscribed & paid up		
60,93,176 Equity Shares of Rs.10/-each fully paid-up		
(of the above shares 2,39,768 equity shares are allotted		
as fully paid up by way of bonus shares by capitalisation		
of Reserve in the year 1993-94	60931760.00	60931760.00
(Previous year 60,93,176 shares)		
	60931760.00	60931760.00
SCHEDULE -2		
RESERVE & SURPLUS :	31-Mar-09	31-Mar-08
Investment Allowance Utilization Reserve	3670350.00	3670350.00
(As per last Year)		
Preference Share Capital Redemption Reserve	1000000.00	1000000.00
(As per last Year)		
PROFIT & LOSS A/c		
Profit & Loss A/c As per Last Year	13570159.06	-3307943.32
Less : Net Profit/(Loss) During The Year	7499969.57	16878102.37
	21070128.63	13570159.06
Profit & Loss A/c	25740478.63	18240509.06
SCHEDULE -3		
SECURED LOANS :	31-Mar-09	31-Mar-08
(1) State Bank of India, Commercial Branch, Indore		
Working Capital Loan	39971449.90	34203154.93
(Secured by First Charge on entire fixed Assets of the		
Company and hypothecation of entire stock of raw		
materials, stock-in-process, finished goods, stores &		
spares & packing materials & personally guaranteed by		
Eight Directors of the Company)		
ICICI Bank Ltd. (Car)	0.00	27767.00
(Secured by Hypothecation of Indigo Car)		
	39971449.90	34230921.93
SCHEDULE -4		
UNSECURED LOANS :	31-Mar-09	31-Mar-08
Fixed Deposit		
(a) From Directors	17436289.00	20558832.00
(b) From Others	34926692.00	38561965.00
Security Deposit from Dealers/ Distributors	929069.00	1084069.00
Purchasing/Selling Agent		
	53292050.00	60204866.00

SCHEDULE - 5
FIXED ASSETS

M/S TIRUPATI STARCH AND CHEMICALS LTD., INDORE

DEPRECIATION CHART FOR THE YEAR 2008-2009

HEAD OF ACCOUNT	COST AS ON 01.04.2008	ADDITION DEDUCTION/ DURING SALE THE YEAR	COST AS ON 31.03.2009	DEPRECIATION UP TO 31.03.2008	DEPRECIATION DURING THE YEAR	DEPRECIATION TOTAL UPTO 31.3.2009	NET BLOCK AS ON 31.03.2009	AS ON 31.03.2008
Land	9184238.00	0.00	0.00	9184238.00	0.00	0.00	9184238.00	9184238.00
Buildings	28036435.25	580128.12	0.00	28616563.37	11125731.19	948526.86	12074258.05	16542305.32
Resendtia Building	780732.57	11125.00	0.00	791857.57	158757.50	12816.61	171574.11	620283.46
Site Development	2346071.57	0.00	0.00	2346071.57	347625.67	37887.26	385512.93	1960558.64
Plant & Machinery	142361183.78	5234653.68	0.00	147595837.46	94846336.53	6655706.86	101502043.68	46093794.85
Vehicles	2042688.00	278351.00	0.00	2321039.00	1464814.51	153837.96	1618652.47	702386.53
Cart	13550.00	0.00	0.00	13550.00	13550.00	0.00	13550.00	0.00
Dead Stock & Furniture	1783895.25	27703.00	0.00	1811598.25	1172420.77	114485.46	1286906.23	524692.02
Computer Hardware	645726.00	63400.00	0.00	709126.00	415271.22	110353.79	525625.01	183500.99
Office at Indore (Rented)	1100880.00	415122.00	0.00	1516002.00	47838.43	20487.87	68326.30	1447675.70
Work in Progress	0.00	2048499.00	0.00	2048499.00	0.00	0.00	2048499.00	0.00
Total :	188295400.42	8658981.80	0.00	196954382.22	109592345.82	8054102.66	117646448.76	79307934.53
							78703055.38	

**SCHEDULE - 6
INVESTMENT :**

INVESTMENTS (FULLY PAID UP - VALUED AT COST)

QUOTED:

100 Equity Shares of Rs. 10/- each of M/s. Indian Maize
& Chemicals Ltd., New Delhi

31-Mar-09

31-Mar-08

1550.00

1550.00

1550.00

1550.00

SCHEDULE - 7

CURRENT ASSETS, LOANS & ADVANCES :

31-Mar-09

31-Mar-08

A) CURRENT ASSETS :

(a) Inventories

(As per inventories valued & certified
by the management)

(i) Stores & Spares (at cost on FIFO basis)

14999099.60

12220154.62

Including Coal, Sulphur, Activated Carbon,
Enzymes, Lime, Alum, Salt, G.C. Oil,
& Packing Materials etc.)

(ii) Raw material Maize (At cost on FIFO Basis)

53733597.93

47092915.61

(iii) Stock in Process (at cost on FIFO basis)

7581403.83

7661320.50

(iv) Finished Goods (at cost

3317463.25

5304500.00

or market value whichever is lower)

(v) By-Products (at realisable value)

1126987.52

1112608.15

80758552.14

73391498.88

SCHEDULE - 8

SUNDRY DEBTORS :

31-Mar-09

31-Mar-08

(Unsecured, considered good)

(i) Debts outstanding for more than six months

1992555.00

1465192.75

(ii) Other Debts

47171154.35

50558836.97

49163709.35

52024029.72

SCHEDULE - 9

CASH AND BANK BALANCES :

31-Mar-09

31-Mar-08

(I) Cash in Hand

591848.00

487853.15

With Banks in Current Accounts :

State Bank of Indore, Agrawal Nagar, Indore (Current A/c)

14867.00

68792.00

Citi Bank, Indore (Current A/c)

2470789.37

1059749.72

State Bank of India, Ahmedabad Branch, Current A/c

12378.47

13478.47

State Bank of India, Pune Branch, Current A/c

9762.00

12942.00

State Bank of India, Thane Branch, Current A/c

121.00

121.00

Bank of India, Ghatabillod

1185.00

0.00

Postage & Telegram Saving A/c No.1865415

100.00

100.00

Fixed Deposit with State Bank of India, Commercial Branch, Indore

959199.00

0.00

(Margin Money for Bank Guarantee)

4060249.84

1643036.34

CASH IN HAND

Cash in Hand

228135.00

324449.15

Site Petty Cash

931.00

794.00

R.K. Tiwari Imprest A/c

342782.00

142610.00

Babulal Agrawal Imperest A/c

20000.00

20000.00

591848.00

487853.15

**SCHEDULE -10****B. LOANS & ADVANCES :****31-Mar-09****31-Mar-08**

(Unsecured, considered good)

i. Advance against Capital Expenditure

1657974.00

1630566.00

ii. Deposit with Govt. & Other Agencies

3811056.00

3811056.00

iii. Other advances recoverable in cash or in kind

or for value to be received (Due from the officers

of the Company Rs. 304123/- (Previous year Rs.2,03,423/-)

and Maximum debit balance at any time during

the year Rs. 306473/- (Previous Year Rs.2,03,423/-)

16619497.93

25741627.96

iv. T.S.C.L.Dextrose Division

0.00

0.00

IV. T.S.C.L.Dextrose Division

0.00

22088527.93

31183249.96

SCHEDULE -11**CURRENT LIABILITIES & PROVISIONS****31-Mar-09****31-Mar-08****A. CURRENT LIABILITIES**

a. Sundry Creditors

1. For Goods Supplied

11778313.09

18587887.32

2. For Capital Goods Supplied

628485.34

77840.00

3. For Expenses & Others

6861467.91

11154062.27

19268266.34

29819789.59

b. Other Liabilities

1. Due to Directors (In Current A/C)

180792.00

195367.00

2. The Bank of Rajasthan Ltd. (Overdraft)

17143426.00

15219956.00

17324218.00

15415323.00

36592484.34

45235112.59

B. PROVISIONS

ENTRY TAX PAYABLE

87632.00

0.00

VAT DEPOSITED/PAYABLE

0.00

135905.00

PROVISION FOR BONUS

959777.18

903268.18

FRINGE BENEFIT TAX PAYABLE

42376.00

141260.00

PROVISION FOR INCOME TAX

4539100.00

3458114.00

5628885.18

4638547.18

SCHEDULE -12**PROFIT & LOSS ACCOUNT**

Balance as per last year

13570159.06

- 3307943.32

Less : Net Profit/(Loss) During The Year

7499969.57

16878102.37

21070128.63

13570159.06



SCHEDULES ANNEXED TO AND FORMING PART OF THE PROFIT & LOSS FOR THE YEAR ENDED ON 31st March'2009

EXPENDITURE & CHARGES

SCHEDULE - 13

	Amount as on 31-Mar-09	Amount as on 31-Mar-08
RAW MATERIALS CONSUMED		
Opening Stock of Maize	47092915.61	43423496.18
Add : Maize Purchases	251103039.00	261501832.95
Add : Warehouse Rent (Maize)	909979.00	1632304.00
Add : Maize Hammali	491444.00	357486.00
Add : Maize Brokerage	305501.00	338730.00
Add : Maize Freight	4159283.00	7450850.00
Add : Maize Purchase Expenses	1344475.00	1850849.00
Add : Maize Sales Expenses	0.00	88625.00
Add : Tapioco Starch Consumed	187440.00	0.00
Add : Dextrose Monohydrate Purchased During the Year	6721929.00	7492092.00
	<hr/> 312316005.61	<hr/> 324136265.13
Less : Maize Sales	0.00	22611265.60
Less : Maize Channan Sales	315577.00	481770.00
Less : Old Bardana Sales	2920559.00	2775282.00
	<hr/> 3236136.00	<hr/> 25868317.60
	<hr/> 309079869.61	<hr/> 298267947.53
Less : Closing Stock	53733597.93	47092915.61
Less : Modvat Credit	709623.00	964080.00
	<hr/> 254636648.68	<hr/> 250210951.92

SCHEDULE - 14

MANUFACTURING EXPENSES

	31-Mar-09	31-Mar-08
Consumption of Stores & Spares (Net of VAT & Modvat)	6850121.53	4947160.42
Power, Coal & Fuel Consumption	68499874.15	60168333.90
Activated Carbon Consumed	1583760.67	1508784.09
Caustic Soda Consumed	1853344.79	1464076.40
Enzyme Consumed	1321509.65	1895022.15
Excise Duty on Finished goods Charge/(Credit)	-41196.00	-102231.00
E.T.P.Maintenance	0.00	5000.00
Entry Tax	1056112.00	465416.00
Filter Aid Consumed	556133.89	595506.16
G.C.Oil/Furnace Oil Consumed	59987.11	3501641.86
Hydrochloric Acid Consumed	316108.00	513500.04
Laboratory Charges including Apparatus & Chemicals	653901.99	765568.09
Oil & Lubricants Consumed	520038.21	384181.00
Repairs to Building	627944.95	486256.55
Repairs to Machinery	704469.29	1186346.04
D.G.Set Maintenance	29717.64	0.00
Repairs to others	56097.00	128964.00
Sulphur Consumed	2545840.92	1493390.84
Service Tax (GTA)	1027862.00	979156.00
Water Charges	367500.00	429291.00
	<hr/> 88589127.79	<hr/> 80815363.54

**SCHEDULE - 15****ADMINISTRATIVE & OTHER EXPENSES**

	31-Mar-09	31-Mar-08
Advertisement	127250.00	93605.00
Auditors Remuneration :		
Audit Fee & Tax Audit Fee	122500.00	63500.00
Other Services	77500.00	42500.00
Books & Periodicals	11393.00	10620.00
Conveyance Charges	23564.00	19183.00
Donations	99824.00	724972.00
Entertainment Exp	8405.00	0.00
Festival celebration Exp.	259770.00	284555.00
Insurance	161683.00	172942.00
Land Rent	71000.00	15000.00
Law & Professional Charges	217164.00	168841.00
Licence & Fees	212582.00	210206.00
M.P.C.T.Demand Ass Year 2004-2005	358680.00	0.00
Membership Fees	30000.00	30000.00
Miscellaneous Expenses	180029.00	117548.00
Postage & Telegrams (including Share Dept.expenses)	179336.00	152494.00
Professional Tax Exp	2500.00	2500.00
Rates & Taxes	26690.00	43002.00
Rent	132000.00	132000.00
Sales Promotion	34634.00	43424.00
Stationery & Printing	293414.54	341395.18
Telephone Expenses	415598.69	428105.76
Travelling Expenses :		
To Directors	333430.00	386170.00
To Others	155332.00	326714.00
Vehicle Maintenance Expenses	518439.00	434228.00
Others	0.00	1930611.00
	4052718.23	6174115.94

SCHEDULE - 16**EXPENDITURE ON EMPLOYEES**

	31-Mar-09	31-Mar-08
Salaries & Allowances	14533978.00	9793630.00
Wages to Workers	4578131.00	7460600.00
Tea & Snacks Expenses	311242.15	275513.00
Workers Medical Expenses	71162.00	87357.00
Co.contribution to Employees P.F. & F.P.F	1022946.00	866474.00
LTC Reimbursement	11220.00	44320.00
Leave Encashment	30472.00	50885.00
Bonus	820000.00	780000.00
Administrative Charges P.F. & F.P.F	96135.00	82560.00
Contribution to labour welfare fund A/c	9672.00	24896.00
LIC Employee Deposit Link Insurance A/c	26392.00	40000.00
LIC Group Gratuity Insurance Scheme	230000.00	301807.00
Workmen & Staff Welfare exp.	8234.00	0.00
Security Service Expenses	749276.00	677634.00
	22498860.15	20485676.00

**SCHEDULE - 17****MANAGERIAL REMUNERATION**

	31-Mar-09	31-Mar-08
Managerial Remuneration	3435168.00	1743504.00
Co.'s Cont. to Directors P.F. & F.P.F.	404640.00	176880.00
Insurance fund & Administrative charges on P.F. & F.P.F.	18000.00	18000.00
LIC Super Annuation Scheme	505800.00	1011600.00
LIC Deposit link Insurance scheme	8000.00	8000.00
LIC Group Gratuity Insurance Scheme	70000.00	70000.00
	<hr/>	<hr/>
	4441608.00	3027984.00
	<hr/>	<hr/>

SCHEDULE - 18**INTEREST**

	31-Mar-09	31-Mar-08
INTEREST & COMMITMENT CHARGES		
To State Bank of India, Indore	2692682.00	3483315.00
To Bank of Rajasthan, Indore	1923470.00	1431068.00
To Car Loan	193.00	6393.00
Bank Charges	643505.49	381535.00
Banking transaction tax	17850.00	16450.00
To Others	5990250.00	8393929.00
	<hr/>	<hr/>
	11267950.49	13712690.00
	<hr/>	<hr/>

SCHEDULE - 19**INCREASE/(DECREASE) IN STOCK :**

	31-Mar-09	31-Mar-08
1. OPENING STOCK		
Stock in Process	7661320.50	8910485.00
Finished Goods	5304500.00	13250413.84
By-Products	1112608.15	792352.48
	<hr/>	<hr/>
	14078428.65	22953251.32
	<hr/>	<hr/>
2. CLOSING STOCK		
Stock-in-Process	7581403.83	7661320.50
Finished Goods	3317463.25	5304500.00
By-Products	1126987.52	1112608.15
	<hr/>	<hr/>
	12025854.61	14078428.65
	<hr/>	<hr/>
	2052574.04	8874822.67



**SCHEDULES ANNEXED TO AND FORMING PART OF THE
BALANCE SHEET AS AT 31ST MARCH 2009**

SCHEDULE - 20

1. MAJOR ACCOUNTING POLICIES & NOTES ON ACCOUNTS

(a) **FIXED ASSETS :**

All Tangible Fixed Assets are stated at their original cost less depreciation (Net of Modvat and Service Tax). Preoperation expenses are capitalised. Company has identified that there is no material impairment of assets and as such no provision is made as per AS-28 issued by Institute of Chartered Accountants of India.

(b) **INVESTMENT :**

Investments are carried at cost.

(c) Foreign Currency Loans availed for acquiring fixed assets had been translated at the exchange rate prevailing at the end of the year. The exchange difference on conversion was adjusted to cost of fixed assets.

(d) **DEPRECIATION :**

Depreciation has been provided on straight line method at the rates specified in Schedule XIV of the Companies Act, 1956 as amended on prorata basis.

(e) **INVENTORIES :**

The Inventories are valued as under :

(i) **Stores & Spares (at cost on FIFO basis) :**

It includes Coal, Sulphur, Lime, Alum, Salt, Furnace Oil, Activated Carbon, Enzymes and Packing Materials and other stores items.

(ii) **Raw Material-Maize (At cost on FIFO Basis).**

(iii) **Stock in Process (At cost)**

(a) Quantity and value of Stock in Process of Raw Starch is not ascertainable on regular basis due to constant change in its contents, which is complex technical in nature, therefore, at the year end on actual & technical basis quantity and value was ascertained.

(b) Quantity of stock in process of Dextrose Plant are ascertained on the basis of daily records maintained by the company and value is ascertained on the basis of actual & technical valuation.

(iv) **Finished Goods (At cost or market value whichever is lower) excluding DAH & DMH.**

(v) **By-products and DAH & DMH (At realisable value).**

(vi) The Stock on Consignment lying with other parties duly acknowledged by the custodians are included in the inventories at Market value including Excise Duty paid thereon. The Closing Stock is ascertained on the basis of records available with the Company and the sale will be recognized only after receipt of Statement of Sales if any.

(vii) The sale on Consignment basis are treated as Sales on receipt of Sales Advice from the consignee.

(viii) The Consignment sale is accounted for on net of expenses basis but excise, insurance and commission, freight & other expenses related to consignment which are accounted for separately amounting to Rs. 36,55,018/- (91,26,639/-).

(ix) The expenses incurred for storage etc. upto 31st March 2008 were not accounted for in absence of further information from suppliers. Further the warehouse receipts are in the name of suppliers. The expenses have been accounted for during the year.

(f) 20% of the preoperative expenses incurred till the commencement of production had been treated as Deferred Revenue Expenditure and the same are written off equally over a period of 5 years from the year of commencement of production at Dextrose plant.

- (g) The Preliminary and Public Issue Expenses are written off equally over a period of 10 years from the year of commencement of production at Dextrose Plant. The expenses not related to public issue had been transferred to Deferred Revenue Expenditure and had been written off equally over a period of 5 years from the year of commencement of production at Dextrose Plant.
- (h) Cenvat Credit :
- (i) Modvat Credit on Capital Goods has been treated as Cenvat Credit Receivable by reducing the cost of fixed assets and balance if any is included in other advances recoverable in cash or in kind or for value to be received.
 - (ii) For claim of CENVAT Credit on Capital Goods and inputs the classification between Capital Goods and inputs are made on the basis of Excise records.
 - (iii) Modvat Credit on Purchase of raw & other material is reduced from the cost of such materials purchased at the time of purchase itself.
 - (iv) Credit for Service Tax on Services are availed by reducing the Cost of respective services.
- (i) Interdivisional transfer is not treated as Sales and Raw Material Consumption in view of announcement made by the Institute of Chartered Accountants of India on Accounting Standard (AS)9. It is not affecting the Profit/loss of the company. From the current year the accounting of Dextrose Division has been merged with Starch Division except for sales transactions.
- (j) No provision has been made towards liability for leave encashment benefits. The company is in process to implement it in terms of Revised AS-15 issued by the Institute of Chartered Accountants of India. The amount is not ascertainable as on Balance Sheet date and further the company is in process of implementation.
- (k) The Company has taken a Group Gratuity Policy for providing gratuity benefits under Group Gratuity Scheme from Life Insurance Corporation of India (LIC) and the premium paid to the LIC is charged to Profit & Loss A/c. The payment is made as per computation made by LIC therefore no note is taken of the difference in the amount of actuarial liability and the balance in the fund with LIC. The same is also subject to approval of Scheme by Commissioner of Income Tax.

The Company had opted for Group Supereannuation Scheme of LIC of India for its Directors and the contribution paid to LIC of India was charged to Profit & Loss Account. The same was also subject to approval of Scheme by Commissioner of Income Tax. During the last year the company has made a payment of Rs. 5,05,800/- to regularize it.

2. CONTINGENT LIABILITY NOT PROVIDED FOR :

- (i) The following cases were pending against the company as confirmed by company's excise consultants:
- a) SCN No. V(35) 15-02/07/Adj.I/23327 Dt. 09.08.2007 Amount Rs. 20843640/- In the matter of demand of 10% due to availment of cenvat credit of input/input services used in exempted goods.
 - b) SCN NO.V(17)15-01/2007/Adj-I/25123 Dt.06.09.2007 Amount Rs. 6399763/- In the matter of demand of 10% due to availment of cenvat credit of input/input services used in exempted goods.
 - c) SCN No. V(35)15-04/2007/Adj.I/31986 Dt. 03.12.2007 Amount Rs. 26663128/- In the matter of Classification dispute of Note No. 3/2006.
 - d) SCN NO. V(35)-01/2008/Adj.I/28532 dated 22.10.2008 Rs. 26458042/- in the matter of Classification dispute of Maize Starch.
 - e) SCN No. V(35)15-02/2008/Adj.I/15992 dated 25.06.2008 Rs. 3762261/- in the matter of Demand of 10% due to availment to cenvat credit of input/input services used in exempted goods.
 - f) SCN No. IV(16)30-318/OT/Pith/Adj/8795 dated 07.12.2007 Rs. 393622/- in the matter of Disallow of Cenvat Credit as common input used in Hydrol.
 - g) SCN No. IV(16)30-76/08/Pith/Adj/1966 dated 10.03.2008 Rs. 477802/- in the matter of Disallow of Cenvat Credit as common input used in Hydrol.
 - h) SCN No. IV(16)30-336/08/Adj/8667 dated 05.12.2008 Rs. 495842/- in the matter of Disallow of Cenvat Credit as common input used in Hydrol.



- i) SCN No. IV(16)30-95/08-09/Adj/11540 dated 06.03.2009 Rs. 484387/- in the matter of Disallow of Cenvat Credit as common input used in Hydrol.
- j) SCN No. IV(16)30-136/06/Pith/5975 dated 11.09.2006 Rs. 470576/- in the matter of Disallow of Cenvat Credit as common input used in Hydrol.
- k) SCN No. IV(16)30-65/07/Pith/1003 dated 28.02.2007 Rs. 466136/- in the matter of Disallow of Cenvat Credit as common input used in Hydrol.
- l) SCN No. IV(16)30-66/07/Pith/Adj/1006 dated 28.02.2007 Rs. 484341/- in the matter of Disallow of Cenvat Credit as common input used in Hydrol.
- m) SCN No. IV(16)30-43/08/Pith/Adj/3433 dated 12.05.2008 Rs. 406131/- in the matter of Disallow of Cenvat Credit as common input used in Hydrol.
- n) Appeal No. E/2990/06/C.EX dated 06.09.2006 Rs. 458096/- in the matter of Disallow of Cenvat Credit as common input used in Hydrol.
- o) Appeal No. E/1241/06 Rs. 733488/- in the matter of Disallow of Cenvat Credit as common input used in Hydrol.
- p) SCN No. IV(16)30-12/09/Pith/Adj/10048 dated 19.01.2009 Rs 42464/- in the matter of Credit availed on service tax paid on outward transportation.
- q) SCN No. IV(16)30-219/08/Adj/5092 dated .07.2008 Rs 302663/- in the matter of Credit availed on service tax paid on outward transportation.
- r) Appeal in Order in Original No. 26-27 dated 31.07.2006 Rs. 93436459/- in the matter of Classification of goods.
- s) Appeal No. E/3683/2003-NB(SM) Rs. 166334/- in the matter of Credit on Capital Goods. Clause Notice No. IV(16) 30177/04/C-111/10363 dated 14.12.2004 for demand of Rs. 4,90,918/-

(ii)

- a) The Income Tax assessments for the assessment year 1988-89 to 1994-95 had already been completed and the authorities have made certain additions due to unsecured loans/share capital etc. and reducing the amount of unabsorbed depreciation & investment allowance. The total demand disputed by the company is Rs 1,12,564/- (Rs 1,12,564/-) and against this an amount equivalent to demand of earlier year (alongwith upto date interest) amounting to Rs 99,114/- (Rs 99,114) has been deposited and is kept in other advances. The Tribunal authorities have given some relief and have also confirmed some disallowances some points were remanded back to assessing officer. All these assessment has been made during the year accordingly.
- b) The Income Tax Assessment for the assessment year 1995-96 was pending with Hon'ble Tribunal and case was remanded back to AO with certain direction. Assessing Officer and CIT (A) had conformed the addition and raised a demand of Rs. 1,92,586/-. The company had preferred an appeal with Hon'ble ITAT and the same has been settled during the year. No provision for taxation has been made for the said demand on basis of contention of the board of directors of the company that appeal will be accepted. Although company has made payment of Rs.1,92,586/-. The interest demand of Rs.1,53,648/- is pending.
- c) The Income Tax Assessment for the assessment year 1998-99 has also been completed and the authorities have made additions of Rs.5,58,640/- reducing the amount of unabsorbed depreciation. The provisions if any will be made on receipts of amendment of earlier orders after giving effect of the appeal as no demand has been raised so far.
- d) The Income Tax Assessment for the assessment year 2000-2001 has also been completed and the authorities have made an addition of Rs.95,009/- reducing the amount of unabsorbed depreciation. The provision if any will be made on receipts of amendment of earlier orders after giving affect of the appeal as no demand has been raised so far.
- e) The Income tax Assessment for the assessment year 2004-2005 has also been completed and the authorities have made an addition of Rs.2,87,094/- with Nil demand reducing the amount of unabsorbed depreciation. The company had made an appeal with commissioner of Income Tax (Appeal), Indore against the addition and disallowance. The assessment has been completed and the provisions if any will be made on receipts of amendment of earlier orders after giving effect of the appeal as no demand has been raised so far.
- f) The Income Tax Assessment for the assessment year 2005-2006 has also been completed and the authorities have made an addition of Rs.6,00,834/- With NIL demand reducing the amount of unabsorbed depreciation. The matter is pending with heard CIT (Appeals) II, Indore.

- (iii) The assessment of Entry Tax, Madhya Pradesh Commercial Tax & Central Sales Tax for the different years are completed and the following demands were raised and are disputed :

In Rs.

	1995-96	1997-98	1998-99	2002-03	2003-04	2004-05
Entry Tax / Nikaykar	-	-	-	4,21,514/-	5,10,434/-	31,776/- (Combined)
M.P.S.T.	-	27,041/-	-	1,66,868/-	3,53,496/-	-
Central Sales Tax	1,75,731/-	2,32,465/-	3,18,392/-	40,25,374/-	27,11,474/-	31,715/- (Combined)

The Company has disputed the demand and preferred appeal before appealing authorities. No provision has been made for taxation related to the said demands on the basis of contention of the Board of Directors of the Company that the appeals will be accepted.

- (iv) Bank Guarantee from Western Coalfield Ltd., Nagpur Rs. 9,00,000/- Nil
- Margin Money against above in form of fixed deposit Rs. 9,00,000/- Nil
- (v) Court Decree in the case of Smt. Sharda Bai for Rs. 2,53,852/- before Hon'ble M.P. High Court, Indore out of which Rs. 1,28,000/- has been deposited & kept in advance as appeal is pending against the court Decree & the appeal is likely to be decided in Company's favour.

3. Provision of Income Tax has been made during the year as per applicable Taxation Laws.
4. Estimated amount of contracts remaining to be executed on Capital account are not provided is Rs.30,00,000/- (Rs.20,00,000/-) against which a sum of Rs.24,51,229/- (Rs.16,30,566/-) has been paid as advance.
5. During the year provision has been made in the accounts in respect of Excise duty (Including Cess) of (Rs.1,12,938/-) (Rs.1,54,135/-) payable on uncleared stock of finished goods lying in the factory premises as on 31/03/2009 and the same has been considered as an element of cost for the purpose of valuation of inventory as on 31/03/2009.
6. The Auditors' Remuneration during the year is as under :

	2008-09	2007-08
Audit Fees, Tax Audit & Certification	1,22,500.00	63,500.00
Other Services	77,500.00	42,500.00
Total	2,00,000.00	1,06,000.00

7. Figures for the previous year have been regrouped and recasted wherever necessary.
8. Figures in brackets pertain to the previous year.
9. Debit, Credit balances and Balances with Banks, are subject to confirmation and reconciliation.



10. Managerial Remuneration includes :

	2008-09	2007-08
Remuneration	33,72,000.00	16,86,000.00
Perquisites (Other than Gratuity)	63,168.00	64,198.00
Gratuity (Ref.Note 1(k) above)	70,000.00	70,000.00
Contribution to PF & other funds	4,22,640.00	1,92,960.00
LIC Super annuation Scheme	5,05,800.00	10,11,600.00
LIC Deposit Link Insurance	8,000.00	8,000.00
Total	44,41,608.00	30,32,758.00

11. There is a difference of Rs 5,12,849/- (Rs 5,12,849/-) in books records and Excise records pertaining to earlier years and to that extent Excise Duty accounts are subject to reconciliations and confirmation.

12. In earlier years, the company has acquired the coal from Western Coal Field Ltd. (WCL) through the intermediaries at e-auction price instead of Notified price and the difference was kept as Fixed Deposit which was to be refunded or adjusted as the case may be as per judgments of Hon'ble Court against petition. No adjustments in accounts was made due to uncertainty. During the year 2007-08 on judgment in favour of coal users, the company received a refund of Rs. 27,45,910/- alongwith interest of Rs. 4,05,900/- from WCL and the same was treated as miscellaneous income. The balance amount refundable if any is not ascertainable and therefore the same will be accounted for as miscellaneous income if any in the year of receipt.

13. Exports Benefits :

Export Benefits under duty exemption advance licence scheme. Duty exemption pass book scheme duty drawback scheme or other schemes will be accounted for on ascertainment of amount involved.

14. (a) In view of insufficient information from suppliers regarding their status as SSI units amount overdue to such undertaking could not be ascertained.
- (b) The company is in the process of compiling the additional information required to be disclosed under the Micro Small Enterprises Development Act 2006. The management does not envisage any material impact on the financial statement in this regard which has been relied upon by the auditors.

15. The Company has only a single reportable Segment in terms of the requirements of Accounting Standard-17 of the Institute of Chartered Accountants of India.

14. Related party disclosure (AS-18)

Disclosure of related party transactions as per Accounting Standard 18 of the Institute of Chartered Accountants of India.

(a) Key Management personnel :

Dr. Damodar Modi	Chairman & M.D.
Shri Ramdas Goyal	Executive Director
Shri Prakash Bafna	Whole Time Director
Shri Ramesh Chandra Goyal	Whole Time Director
Shri Yogesh Agrawal	Whole Time Director
Shri Sanjeev Gupta	Whole Time Director
Smt. Pramila Jajodia	Director
Smt. Shashikala Mangal	Director
Shri Vinod Goyal	Director
Shri Ashish Agrawal	Director
Shri Tejpal Lunawat	Director
Shri Sulabh Goyal	Director



Nature and amount of Transactions :

- (i) Managerial Remuneration (As detailed in 10 above) Rs. 44,41,608.00 (Rs 30,32,758.00) (subject to approval in Annual General Meeting).
- (ii) Amount received as Unsecured Loan Rs.5,23,62,981/- (Rs.5,89,95,707/-) from key Management Personnel & relatives.
- (iii) Interest on the above Rs.58,93,374/- (Rs.62,86,840/-).

15. Earning per share (EPS) for the Computation as per (AS 20)

- a. Earning per share (EPS) for the year has been computed in accordance with the Accounting Standard-20 issued by the Institute of Chartered Accountants of India after considering provision for net deferred tax liability for the year as stated in note No.18.
- b. Earning per share (EPS) for the computation as per AS-20.

	For the year ended 31/03/09	For the year ended 31/3/08
Profit/(loss) available for appropriation as per Profit & Loss A/c (RS)	78,82,569.57	1,68,78,102.38
Weighted average number of equity shares as on 01/04/2008	6093176.00	6093176.00
Weighted average number of equity shares as on 31/03/2009	6093176.00	6093176.00
Nominal value per equity shares (RS)	10.00	10.00
Basic and Diluted EPS (Rs)	1.29	2.77

16. Deferred Tax Liabilities (Net)

	Deferred Tax Assets/Liabilities upto 01/04/2008	Current year (charge) credit	Deferred Tax Assets/Liabilities as at 31/03/09
1. Difference between Book & Tax	(1,37,71,723.00)	2,22,080.00	(1,35,49,643.00)
2. Brought forward/Credit forward Unabsorbed Depreciation	Nil	Nil	Nil
3. Bonus provisions	3,07,021.00	19,207.00	3,26,228.00
Total	(1,34,64,702.00)	2,41,287.00	(1,32,23,415.00)

- (a) In accordance with Accounting Standard 22, 'Accounting for Taxes on Income' (AS 22), issued by the Institute of Chartered Accountants of India, the company has adjusted the difference for deferred tax during the year.
- (b) The Company expects to generate taxable income in the coming years which will enable it to utilize the carried forward unabsorbed depreciation and MAT credit.

17. Information pursuant to the provision of Part IV of Schedule VI of the Companies Act, 1956 are enclosed.

For TIRUPATI STARCH & CHEMICALS LTD.

B.K.JAIN
COMPANY SECRETARY &
FINANCE MANAGER

DR.DAMODAR MODI
CHAIRMAN & MANAGING
DIRECTOR

**BALANCE SHEET ABSTRACT AND Company'S GENERAL BUISNESS PROFILE****i. Registration Details**

Registration No.	:	3181
State Code	:	10
Balance Sheet Date	:	31.03.09

ii. Capital Raised during the year

(Amount Rs. In Thousands)	:	Nil	Right issue	:	Nil
Public issue	:	Nil	Private Placemen	:	Nil
Bonus issue	:				

iii. Position of Mobilisation and Deployment of funds.

(Amount Rs. In Thousands)

Total Liabilities	:	193159	Total Assets	:	193159
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Source of Funds

Paid-up Capital	:	60932	Reserve & surplus	:	25740
Secured Loans	:	39971	Unsecured Loans	:	52292
Deferred Tax liability	:	13223			

Application of Funds

Net Fixed Assets	:	79308	Investments	:	2
Net Current Assets	:	113850	Deferred Tax Assets	:	

iv. Performance of the Company

(Amount Rs. In Thousands)

Turnover	:	416009	Other Income	:	2322
Total Expenditure	:	406184	Profit (Loss) Before Tax	:	12146
Profit After Tax	:	7500	Earning Per Share	:	1.23
Dividend Rate (%)	:	Nil			

v. Generic names of Three principal products / Services of Company

(as per monetary terms)

Item Code No.	
Item Code No.	
(ITC Code)	Production Description
2180	MAIZE STARCH
2190	DEXTROSE ANHYDROUS
2190	DEXTROSE SYRUP
2190	DEXTROSE MONOHYDRATE

For Tirupati Starch & Chemicals Ltd.
(Dr. Damodar Modi)
Chairman & Managing Director

B.K.Jain
Company Secretary & Finance Manager

**SCHEDULE ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH 2009**

Additional information pursuant to the provision of para -3,4C of part II of Schedule VI of the Company Act, 1956.

		2008 - 09	2007 - 08
(a)	Licensed Capacity		
	(As Certified by the Management)		
	Maize Starch Powder	M.Ton per annum	17000.000
	Dextrose Monohydrate	M.Ton per annum	1600.000
	dextrose Anhydrous	M.Ton per annum	4400.000
(b)	Dextrose Syrup (Liquid Dextrose)	M.Ton per annum	6700.000
	Installed Capacity		
	Maize Starch powder	M.Ton per annum	17000.000
	Dextrose Monohydrate	M.Ton per annum	1600.000
	dextrose Anhydrous	M.Ton per annum	4400.000
(c)	dextrose Syrup (Liquid Dextrose)	M.Ton per annum	6500.000
	Raw-Material Consumed		
	Maize	M.Ton.	31039.336
		Rs.	247727279.68
	Tapico Starch Consumed	Rs.	187440.00
(d)	Dextrose Monohydrate Consumed	Rs.	6721929.00
	Raw Starch (For Captive sonumption)	M.Ton.	4754.828
	inervisional transfer	Rs.	5411.810
	Sales		
	(Exclusive of excise duty if any)		
	(including re-jprocess sales) samples		
	and other adjustments before sales		
	commission)		
(e)	Maize Starch Powder	M.Ton.	11683.025
		Rs.	180612927.00
	Gluten & Bran - I	M.Ton.	1377.685
		Rs.	32573540.00
	Grit & Bran- II	M.Ton.	1681.785
(f)	Husk (wet)	Rs.	10639340.00
		M.Ton.	7338.735
		Rs.	8954042.00
	Dextrine (including Consignment)	M.Ton.	844.500
		Rs.	13916810.00
(g)	Dextrose Monhydrate	M.Ton.	0.00
		Rs.	0.00
	Dextrose Anhydrous	M.Ton.	3744.000
		Rs.	119262500.00
	Lizuid Dextrose	M.Ton.	0.00
(h)		Rs.	0.00
	Germes	M.Ton.	1607.180
		Rs.	39998486.00
	Tirulose Starch	M.Ton.	733.450
		Rs.	5684975.00
(i)	Husk (Dry) & Germ Husk	M.Ton.	404.210
		Rs.	4356035.00
	Maize Sales	M.Ton.	0.00
		Rs.	0.00
	Hydrol	M.Ton.	1249.04
(j)		Rs.	10924614.00
	Glucose-D Powder	M.Ton.	0.00
		Rs.	0.00
	Gum Starch	M.Ton.	26.550
		Rs.	464050.00
(k)	Transfer of starch for captive sonsumption		
	To Dextrose	M.Ton.	4754.828
		Rs.	5411.81
	Other Transfer:		
	Starch Powder to Dextrine	M.Ton.	1119.700
(l)	DMH to DAH	M.Ton.	120.000
	DAH Captive consumed	M.Ton.	0.000
	Husk to Grit	M.Ton.	0.000
		M.Ton.	0.000



(f)	Actual production :		
	(Net of normal wastage & Including re-process)(The production includes the quantity which are transffered for captive consumption & re-process)		
	Maize starch Powder	M.Ton. 17414.078	17864.4600
	Gluten & Bran - I	M.Ton. 1396.700	1390.755
	Grit & Bran-II	M.Ton. 1655.840	1429.980
	Husk (west)	M.Ton. 7333.435	9194.080
	Dextrine (white)	M.Ton. 441.650	290.850
	Dextrose Monohydrate	M.Ton. 106.000	102.000
	dextrose Anhydrous	M.Ton. 3763.500	4151.500
	Liquid Dextrose	M.Ton. 0.000	0.000
	Germs	M.Ton. 1608.230	1603.565
	Tirulose Starch	M.Ton. 729.600	762.150
	Husk (Dry) & Germ Husk	M.Ton. 401.675	175.800
	Hydrol	M.Ton. 1249.040	1336.235
	Dextrine (Yellow)	M.Ton. 402.900	253.1
	Gum Starch	M.Ton. 26.550	52.35
	(g) Sores & Spaares consumed :		
	indigenous	Rs. 6850121.53	4947160.42
	imported	Rs. 0.000	0.000
	(h) Opening stock of goods produced		
	Maize Starch Powder	M.Ton. 188.000	634.500
	Maize Starch Powder copnsignment	M.Ton. 97.000	0.000
	Dextrine consignment	M.Ton. 9.500	0.000
	Gluten & Btan-I	M.Ton. 23.115	30.055
	Grit & Bran-II	M.Ton. 36.690	18.690
	Husk (wet)	M.Ton. 17.650	7.075
	dextrine (white)	M.Ton. 19.400	10.550
	Dextrose Monhydrate	M.Ton. 14.000	0.000
	Dextrose Anhydrous	M.Ton. 5.500	35.000
	Germs	M.Ton. 10.660	6.500
	Tirulose Starch	M.Ton. 5.300	3.850
	Husk (Dry) & Germ Husk	M.Ton. 9.045	3.455
	Dextrine (Yellow)	M.Ton. 1.750	6.900
	Work in Process		
	Maize	M.Ton. 317.970	296.670
	Raw Starch	M.Ton. 12.000	12.000
	Dextrose Monohydrate	M.Ton. 178.266	192.190
	Dextrose Anhydrous	M.Ton. 49.758	54.828
	(I) Closing stock of finished goods :	2008-09	2007-08
	Maize Starch Powder	M.Ton. 120.150	188.000
	Maze Starch Powder Consignemt	M.Ton. 21.375	97.000
	Dextrine Consignment	M.Ton. 0.000	9.500
	Gluten & Bran - I	M.Ton. 42.130	23.115
	Grit & Bran-II	M.Ton. 10.745	36.690
	Husk (wet)	M.Ton. 12.350	17.650
	Dextrine (White)	M.Ton. 18.050	19.400
	Dextrose Monohydrate	M.Ton. 0.000	14.000
	Dextrose Anhydrous	M.Ton. 25.000	5.500
	Germs	M.Ton. 11.710	10.660
	Tirulose Starch	M.Ton. 1.450	5.300
	Husk (Dry) & Germ Husk	M.Ton. 6.510	9.045
	Dextrine (Yellow)	M.Ton. 12.650	1.750
	Work in Process		
	Maize	M.Ton. 346.995	317.970
	Raw Starch	M.Ton. 12.000	12
	Dextrose Monohydrate	M.Ton. 160.020	178.266
	Dextrose Anhydrous	M.Ton. 55.783	49.758
		2008-09	2007-08
	(j) Expenditure in Foreign Currency	Rs. 56.550	-
	(k) Remittance in foreign currency on account of dividends	Rs. -	-
	(l) Earning in foreign exchange	Rs. 19685777.51	-
	(k) C.I.F. Value of Import	Rs. -	-

**CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31.03.2009**

(Pursuant to the Listing Agreement with Stock Exchange)

A. CASH FLOW FROM OPERATING ACTIVITIES**Current Year****2008-2009****(Rs.)****Previous Year****2007-2008****(Rs.)**

A. Net Profit/(Loss) before Tax				12146418				28707527
Preliminary Expenses			0				0	
Depreciation			8054103				7855693	
Interest/Dividend			11267950				13712690	
Profit on Sale of Fixed Assets			0	19322053			0	21568383
Operating Profit before Working Capital changes				31468471				50275910
Adjustments for :								
Sundry Debtors	52024030	49163709	2860320		29817065	52024030	-22206965	
Trade Advances	29552684	20430554	9122130		15649026	29552684	-13903658	
Inventories	73391499	80758553	-7367054		76519082	73391499	3127583	
Trade Payable & Provisions	49795820	41592884	-8202936		52179832	49795820	-2384012	
Interest paid			-11267950				-13712690	
Deferred Taxes Assets (Provisions)			241287	-14614203			-8569764	-57649506
				16854269				-7373596
Fringe Benefit Tax (Provision)			-117376				-141260	
Income Tax - MAT (Provision)			-5811155				-3950605	
Net Prior year expenses			-231260				-141163	
Provisions written back			0				480877.00	
Income tax for earlier year			1272055				492491.00	
excess interest written back								
Gratuity written back				-4887736				-3259660
				11966533				-10633256

B. Cash flow from Investing Activities

Purchase of Fixed Assets	188295401	196954383	-8658982		184541532	188295401	-3753869	
Advance against Capital Expenses	1630566	1657974	-27408		1277194	1630566	-353372	
Sundry Creditors for Capital Goods	77840	628485	550645		206908	77840	-129068	
Sale of Investment	1550	1550	0		1550	1550	0	
Sale of Fixed Assets		0	0	-8135745				-4236309.42
				3830788				-14869566

C. Cash Flow from Financing Activities

Proceeds from Long term borrowings	60204866	53292050	-6912816		58410616	60204866	1794250	
Repayment of finance liabilities	0	0	0		0	0	0	
Decrease in Deferred Tax Liabilities	13464702	13223415	-241287		4894938	13464702	8569764	
Increase in short term bank borrowings	34230921.9	39971450	5740528	-1413575	31760380	34230922	2470542	12834556
				2417213				-2035010
Opening Cash and Bank Balance				1643036				3678046
Closing Cash and Bank Balance				4060249				1643036
Actual Cash and Bank Balance				4060250				1643036
Difference				0				0



Note :

1. Figures in brackets represents cash outflow.
2. Figures for previous year have been rearranged and re-grouped wherever necessary.
3. For purpose of Trade Advances and Trade Payables current liabilities directly related to other activities have been excluded.

Place : Indore

Date : 5 September 2009

For Tirupati Starch & Chemicals Ltd.

Dr. Damodar Modi

Chairman & Managing Director

AUDITORS CERTIFICATE

We have examined the attached Cash Flow Statement of M/s. Tirupati Starch & Chemicals Ltd. for the year ended on 31st March, 2009. The Statement has been prepared by the company in accordance with the requirements of the listing agreements of the Bombay Stock Exchange and its based on and is in agreement with the corresponding profit and loss Account and the Balance Sheet of the company covered by our report of even date to the members of the company.

Place : Indore

Date : 5 September 2009

For Sunil Chandra Goyal & Co.

Chartered Accountants

SUNIL GOYAL

(PROPRIETOR)

Membership No. 71809

~~Patel~~ Shreepati Starth & Chemicals Ltd.,
B. K. JAIN,
Company Secretary

BOOK-POST

if undelivered, please return to :

Tirupati Starch & Chemicals Ltd.

Regd. Office :

Shree Ram Chambers,
First Floor, 12, Agrawal Nagar,
Main Road, Indore - 452001