

**NOTICE OF ANNUAL GENERAL MEETING** Date: .....

Ref. No.:

NOTICE is hereby given that the 28<sup>th</sup> Annual General Meeting of the Members of M/s AAYUSH FOOD AND HERBS LIMITED will be held on Saturday, 29<sup>th</sup> September, 2012 at 10:00 A.M. at 301, Aakash Tower, 2, LSC, Savita Vihar, Delhi - 110092 to transact the following business:

**ORDINARY BUSINESS:**

1. To consider and adopt the Audited Balance Sheet as at March 31, 2012 and the Profit and Loss Account for the year ended March 31, 2012 and the report of the Board of Directors and Auditors' thereon.
2. To appoint M/s Rajesh Laxmi & Associates, Chartered Accountants, Delhi, as statutory Auditors of the Company from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company and to fix their remuneration.

**COMPLIANCE CERTIFICATE**

"RESOLVED THAT, the compliance certificate under section 383A, as issued by Mr. R.S. Bhatia, a practicing Company Secretary, be and is hereby received, considered and adopted."

By order of the Board  
For Aayush Food and Herbs Limited  
**Aayush Food And Herbs Limited**

*(Signature)*  
**Auth. Sing./Director**  
(Sunil Kumar Chaturvedi)  
(Director)

Place: Delhi  
Date: 01.09.2012

**NOTES:**

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. THE PROXIES, IN ORDER TO BE VALID AND EFFECTIVE, MUST BE DELIVERED TO THE REGISTERED OFFICE OF THE COMPANY AT LEAST FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING. A BLANK PROXY FORM IS ENCLOSED.
3. ANY MEMBER REQUIRING INFORMATION ABOUT THE ACCOUNTS ETC. SHOULD INFORM THE REGISTERED OFFICE OF THE COMPANY AT LEAST 7 DAYS BEFORE THE DATE OF MEETING SO AS TO ENABLE THE MANAGEMENT TO KEEP THE INFORMATION.





**AAYUSH**  
**FOOD AND HERBS LIMITED**

Regd. Off. : 301, Aakash Tower, 2, LSC,  
Savita Vihar, Delhi-110092  
Works : Village Jamalpur, Jwalapur,  
Distt. Haridwar (U.K.)

Ref. No. :

DIRECTORS' REPORT TO THE SHAREHOLDERS

To the Members,  
Aayush Food and Herbs Limited,  
Delhi

Your Directors present the 28<sup>th</sup> Annual Report of the Company together with the Audited Statements of Accounts for the year ended the March 31, 2012.

FINANCIAL RESULTS

	For the year ended 31 <sup>st</sup> March (in Rs.)	
	2012	2011
Profit before Interest & Depreciation	1,85,894.00	6,29,090.30
Less: Interest & Other Charges	6,400.00	4673.00
Less: Depreciation	78,215.00	1,07,575.00
Less: Extraordinary item	NIL	NIL
Profit before Tax	1,01,279.00	5,16,842.30
Fringe Benefit Tax	NIL	NIL
Deferred Tax	(589.00)	(3,979.00)
Provision for Taxation (net)	19,299.00	1,34,597.00
Tax adjusted for earlier years	NIL	NIL
Profit after Tax	82,569.00	3,86,224.30
Add/ (Less): Balance brought forward from previous year	6,09,074.00	2,22,849.57
Balance carried to Balance Sheet	6,91,643.00	6,09,073.87

DIVIDEND

In the absence of adequate profit, Directors are unable to recommend dividend on equity shares.

MATERIAL CHANGES

There is no material changes, affecting the financial position of the company which have occurred between the end of the financial year of the company to which the balance sheet relates and the date of report.

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

As the Company's operations do not involve any manufacturing or processing activities, the particulars as per the Companies (Disclosures of Particulars in the Report of the Board of Directors) Rules, 1988, regarding conservation of energy, technology absorption, foreign exchange earnings and outgo are not applicable.

COMPLIANCE CERTIFICATE

Compliance Certificate pursuant to the provision of the Section 383A of Companies Act, 1956 a Certificate from practicing Company secretary has been obtained and annexed hereto and the same forms an integral part of the report.



### AUDITORS

The Board recommends the appointment of M/s Rajesh Laxmi & Associates, Chartered Accountants, Delhi who is to hold office until the conclusion of ensuing Annual General Meeting and being eligible, offer themselves for re-appointment as the Auditors of the company for the financial year 2011-2012. They have confirmed that their appointment, if approved, shall be within the limits laid down under section 224 (1B) of the Companies Act, 1956.

### FIXED DEPOSITS

The Company has not invited or availed Fixed Deposits from the Public during the year under review.

### DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 217(2AA) of the Companies Act 1956, with respect to Directors' Responsibility Statement, it is hereby confirmed:

- i) That in the preparation of annual accounts, the applicable accounting standards have been followed along with proper explanation relating to any departures;
- ii) That the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for the year under review;
- iii) That the Directors 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) That the Directors have prepared the annual accounts for the year ended on March 31, 2012 on a 'going concern basis'.

### PARTICULARS OF EMPLOYEES

No employee of the Company was in receipt of remuneration above the limit specified under Section 217(2A) of the Companies Act, 1956.

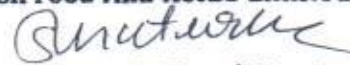
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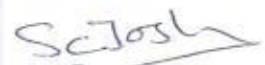
The Directors of your Company place on record their appreciation for the dedicated and sincere services rendered by the officers and staff at all levels.

For and on behalf of the Board  
For Aayush Food and Herbs Limited

Aayush Food And Herbs Limited

For AAYUSH FOOD AND HERBS LTD.





Auth. Sing./Director  
(Sunil Kr Chaturvedi)  
(Director)

Auth. Sing./Director  
(Suresh Chandra Joshi)  
(Director)

Place: Delhi  
Date: 01.09.2012

Rajesh Laxmi & Associates  
Chartered Accountants

205, Basant Complex, 38,  
Veer Savarkar Block,  
Shakarpur, Delhi- 110092  
Ph- 011-22051299

AUDITORS' REPORT

To,  
The Shareholders,  
Aayush Food and Herbs Limited

We have audited the Balance Sheet of M/S AAYUSH FOOD AND HERBS LIMITED as at 31<sup>st</sup> March, 2012 and also the Profit & Loss Account 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.

We have conducted our audit in accordance with 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 test basis evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimate made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As required by the Companies (Auditors Report) Order, 2003 issued by the Company law Board in term of Section 227 (4A) of the Companies Act, 1956 we enclose in the annexure a statement of the matters specified in particulars in paragraph 4 & 5 of the said order to the extent applicable to this company.

Further to our comment in the annexure referred to in para above, we report that:

- i) We have obtained all the information and explanation, which to the best of our knowledge and belief were necessary for the purpose of the audit.
- ii) In our opinion, proper books of accounts as required by the law have so far as appears from our examination of the books are maintained.





- iii) The Balance Sheet and the Profit & Loss Account dealt with by the report are in agreement with the books of accounts.
- iv) In our opinion, Balance Sheet and Profit & Loss Account, referred to in this Report, comply with the applicable Accounting Standards referred to in Section 211(3C) of the Companies Act, 1956 (as amended).
- v) In our opinion, and based on information and explanations given to us, we report that none of the directors are disqualified as on 31<sup>st</sup> March 2011 from being appointed as Directors in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
- vi) In our opinion and to the best of our information and according to the explanations given to us, the said statements of accounts, read together with the notes thereon, gives 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:
  - (i) In the case of Balance Sheet of the state of affairs of the Company as at 31<sup>st</sup> March 2012.
  - (ii) In the case of Profit & Loss account of the Profit of the Company for the year ended on that date.

Place: Delhi  
Date: 01.09.2012

For Rajesh Laxmi & Associates  
Chartered Accountants



(Rajesh Gupta)  
Partner  
-M.No 090427-  
FRN- 012203N

#### ANNEXURE TO THE AUDITORS REPORT

- 1 (a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- 1 (b) All the assets have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such verification.
- 1 (c) According to the Information and Explanation and on examination of Books of Accounts, company has not disposed off any/ substantial part of Fixed Assets during the Year.
- 2 (a) The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
- 2 (b) The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
- 2 (c) The company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material.
- 3 (a) The Company has not granted any Loans Secured or Unsecured to the other companies listed in the register maintained under section 301 of the Companies Act, 1956.
- 3 (b) As company has not granted any loan, hence it is not applicable
- 3 (c) As company has not granted any loan, hence it is not applicable
- 3 (d) As company has not granted any loan, hence it is not applicable
- 3 (e) The Company has not taken any Loans Secured or Unsecured from the other companies listed in the register-maintained under section 301 of the Companies Act, 1956.
- 3 (f) As company has not taken any loan, hence it is not applicable.
- 3 (g) As company has not taken any loan, hence it is not applicable.
- 4 In our opinion an 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, fixed assets and with regard to the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal controls.
- 5 (a) According to the information and explanations given to us, we are of the opinion that the transactions that need to be entered into the register maintained under section 301 of the Companies Act, 1956 have been so entered.
- 5 (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts of arrangements entered in the register maintained under section 301 of the Companies Act, 1956 in respect of any party during the year have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.
- 6 As per the information and explanation given to us and as per our examination of books of accounts, the company has not taken any deposit, hence there is no contravention of the provisions of Section 58A, 58AA or any other relevant provisions of the Companies Act, 1956.
- 7 In our opinion, the company has an internal audit system commensurate with the size and nature of its business.
- 8 The Central Government has not prescribed the maintenance of cost records in respect of the Company under section 209 (1) (d) of the Companies Act, 1956.



- 9 (a) The company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education protection fund, employees state insurance, income tax, sales tax, wealth tax, service tax, custom duty, excise duty, Cess and other material statutory dues applicable to it.
- 9 (b) According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, wealth tax, sales tax, service tax, custom duty, excise duty and Cess were in arrears, as at 31.03.2012 For a period of more than six months from the date they became payable.
- 10 The Company do not have any accumulated losses at the end of financial year and has not incurred any cash losses in the financial year covered by our audit and in the immediately preceding financial year.
- 11 In our opinion and according to the information and explanations given to us, the company has not taken any loans or advances from a financial institution, bank or debenture holders, hence this point is not applicable.
- 12 The company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities. Hence maintenance of documents and records relating to such items are not applicable.
- 13 In our opinion, the company is not a chit fund or a nidhi/ mutual benefit fund/society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- 13 (a) N.A.
- 13 (b) N.A.
- 13 (c) N.A.
- 13 (d) N.A.
- 14 In our opinion, the company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- 15 As per the Explanation and as per the records of the company, no guarantee has been given by the company for loans taken by others.
- 16 As per the Explanation and as per the records of the company, the The Company has not taken any term loans during the Financial Year.
- 17 According to the information and explanations given to us, and on an overall examination of the balance sheet of the company, we report that the no funds raised on short-term basis have been used for long-term investment. No long-term funds have been used to finance short-term assets except permanent working capital.
- 18 Based on the audit procedures performed and information and explanations given to us by the management, we report that the Company has not made any preferential allotment of shares during the year.
- 19 According to the information and explanations given to us, the company has not issued any debentures during the year.



20 . Company has not raised any money from public issues.

21 . According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the course of our audit.

Place : Delhi  
Date : 01-09-2012



For Rajesh Laxmi & Associates  
Chartered Accountants

CA. Rajesh Gupta  
Partner  
M.No - 090427  
205, Basant Complex, Veer Savarkar Block, Laxmi Nagar, New Delhi -  
110092  
Firm Reg.No -012203N



**AAYUSH FOOD AND HERBS LIMITED**  
Balance Sheet as on: 31st March, 2012

(in Rs.)

Particulars	Note No.	31st March, 2012	31st March, 2011
1	2	3	4
<b>A. EQUITY AND LIABILITIES</b>			
<b>1 Shareholders' funds</b>			
(a) Share capital	1	2,450,000.00	2,450,000.00
(b) Reserves and surplus	2	691,641.70	609,073.87
(c) Money received against share warrants			
<b>2 Share application money pending allotment</b>		NIL	NIL
<b>3 Non-current liabilities</b>			
(a) Long-term borrowings		NIL	NIL
(b) Deferred tax liabilities (Net)			NIL
(c) Other Long term liabilities		NIL	NIL
(d) Long-term provisions		NIL	NIL
<b>4 Current liabilities</b>			
(a) Short-term borrowings		NIL	NIL
(b) Trade payables			12,473,364.38
(c) Other current liabilities	3	NIL	50,000.00
(d) Short-term provisions	4	1,533,756.57	770,078.57
<b>TOTAL</b>		<b>4,675,398.27</b>	<b>16,352,516.82</b>
<b>B. ASSETS</b>			
<b>1 Non-current assets</b>			
(a) Fixed assets			
(i) Tangible assets		233,563.20	311,778.00
(ii) Intangible assets			
(iii) Capital work-in-progress			
(iv) Intangible assets under development			
(v) Fixed assets held for sale			
(b) Non-current investments		713,610.00	713,610.00
(c) Deferred tax assets (net)		54,206.00	53,617.00
(d) Long-term loans and advances	5	283,003.00	333,000.00
(e) Other non-current assets	6	61,870.00	150,457.00
<b>2 Current assets</b>			
(a) Current investments			
(b) Inventories	7	NIL	6,234,236.00
(c) Trade receivables	8	875,266.82	814,822.80
(d) Cash and cash equivalents	9	382,296.65	1,876,169.45
(e) Short-term loans and advances	10	1,985,582.57	5,735,826.57
(f) Other current assets	11	86,000.00	129,000.00
<b>TOTAL</b>		<b>4,675,398.27</b>	<b>16,352,516.82</b>

**AUDITORS' REPORTS**

As per Our Separate Report of even date Attached  
For Rakesh Laxmi & Associates  
Chartered Accountants

*[Signature]*  
Rakesh Gupta  
Partner

Date: 01.09.2012  
Place: Delhi



**Aayush Food And Herbs Limited**

*[Signature]*  
Aashu Singh, Director

For AAYUSH FOOD AND HERBS LTD.

*[Signature]*  
Auth. Sign./Director

**AAYUSH FOOD AND HERBS LIMITED**  
Statement of Profit and Loss for the year ended on 31st March, 2012

(in Rs.)

Particulars	Note No.	31st March 2012	31st March 2011
<b>A CONTINUING OPERATIONS</b>			
1 Revenue from operations	12	35,280,104.00	49,804,786.72
2 Other income	13	355,060.52	316,913.00
3 Total Revenue (1+2)		35,635,164.52	50,121,699.72
4 Expenses:			
(a) Cost of materials consumed		25,778,163.00	39,958,226.40
(b) Purchases of Stock-in-Trade			
(c) Changes in inventories of finished goods work-in-progress and Stock-in-Trade		6,234,236.00	8,031,064.00
(d) Employee benefits expense	14	1,232,387.37	645,000.00
(e) Finance costs	15	6,400.00	4,673.00
(f) Depreciation and amortization expense		78,214.80	107,575.00
(g) Other expenses	16	2,204,485.52	858,319.02
Total expenses		35,533,886.69	49,604,857.42
5 Profit before exceptional and extraordinary items and tax (3-4)		101,277.83	516,842.30
6 Exceptional items			
7 Profit before extraordinary items and tax (V - VI)		101,277.83	516,842.30
8 Extraordinary Items			
9 Profit before tax (7-8)		101,277.83	516,842.30
10 Tax expense:			
(1) Current tax		19,299.00	134,597.00
Less: MAT credit (If any)			
(2) Deferred tax		19,299.00	134,597.00
		589.00	3,979.00
11 Profit (Loss) for the period from continuing operations (IX-X)		82,567.83	386,224.30
<b>B DISCONTINUING OPERATIONS</b>			
12i Profit/(loss) from discontinuing operations (before tax)			
12ii Gain/(loss) on disposal of assets/settlement of liabilities attributable to the discontinuing operations			
12iii Tax expense of discontinuing operations			
(a) on ordinary activities of discontinuing operations			
(b) on gain/(loss) on disposal of assets/settlement of liab.			
13 Profit/(loss) from Discontinuing operations (after tax) (12i+12ii-12iii)			
<b>C TOTAL OPERATIONS</b>			
14 Profit (Loss) for the year(11+13)		82,567.83	386,224.30
15 Earnings per-equity share:			
(1) Basic		0.34	1.58
(2) Diluted			

**AUDITORS' REPORTS**

As per Our Separate Report of even date Attached  
For Rajesh Laxmi & Associates  
Chartered Accountants

*Rajesh Gupta*  
Partner

Date: 01.04.2012  
Place: Delhi



For Aayush Food and Herbs Ltd  
**Aayush Food And Herbs Limited**

*Anand Kumar*  
Auth. Sign./Director

For AAYUSH FOOD AND HERBS LTD

Auth. Sign./Director



**AAYUSH FOOD AND HERBS LIMITED**  
As on 31st March, 2012

**NOTE 15**

Disclosure pursuant to Note no. 3 of Part II of Schedule VI to the Companies Act, 1956

Finance costs	As at 31 March 2012	As at 31 March 2011
Interest expense	6,400.00	4,673.00
Other borrowing costs		
Applicable net gain/loss on foreign currency transactions and translation		
<b>Total</b>	<b>6,400.00</b>	<b>4,673.00</b>

**NOTE 16**

Other expenses	As at 31 March 2012	As at 31 March 2011
Advertisement Exp.	62,170.00	47,217.00
Bank Charges	3,276.45	6,356.00
Computer Repair Expenses	21,625.00	14,000.00
Conveyance Expenses	223,623.21	80,273.02
Car Maintenance	249,758.86	109,890.00
Electricity Expenses	11,428.00	16,750.00
Fees & Subscription	46,255.00	NIL
Insurance Exp.	10,117.00	11,443.00
Legal & Professional Fees	721,143.00	271,071.00
Listing Charges	5,515.00	5,515.00
Office Maintenance	273,947.00	59,830.00
Printing & Stationary	77,319.00	12,230.00
Preliminary exp. W/rtf	43,000.00	43,000.00
Postage & Courier	77,110.00	14,790.00
Telephone & Internet Charges	144,558.00	43,710.00
Travelling Expense	213,640.00	102,390.00
	<b>2,184,485.52</b>	<b>838,465.02</b>

Audit fees	As at 31 March 2012	As at 31 March 2011
Payments to the auditor as	20,000.00	19,854.00
a. auditor,		
b. for taxation matters,		
c. for company law matters,		
d. for management services,		
e. for other services,		
f. for reimbursement of expenses;		
	<b>20,000.00</b>	<b>19,854.00</b>

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AAAYUSH FOOD AND HERBS LIMITED

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Note 2: Disclosure pursuant to Note no.1 (v) and J (iii) of Part I of Schedule VI to the Companies Act, 1956  
The following disclosure should be made for each class of asset as required

Particulars	Year 2011-12	Year 2010-11	Year 2009-10	Year 2008-09	Year 2007-08
Asset details:					
Balance as at 1 April	NA	NA	NA	1%	NA
Impairment/ Revaluation	-	-	-	-	-
Balance as at 31 March	-	-	-	-	-



AAYUSH FOOD AND HERBS LIMITED

Details Of Fixed Assets & Depreciation thereon as Per The Income Tax Act 1961 As On 31-03-2012

Particulars	Rate Of Dep.	W.D.V. As On 01.04.2011	ADDITION		TOTAL	DEP.	W.D.V. As on 31.03.2012
			180 days or more	Less Than 180 Days			
Air Conditioner	15%	14,202.00	NIL	NIL	14,202.00	2,130.00	12,072.00
Computer	60%	6,736.00	NIL	NIL	6,736.00	4,042.00	2,694.00
Furniture	10%	64,771.00	NIL	NIL	64,771.00	6,477.00	58,294.00
Office Equipment	15%	7,874.00	NIL	NIL	7,874.00	1,181.00	6,693.00
Car	15%	416,518.00	NIL	NIL	416,518.00	62,478.00	354,040.00
<b>TOTAL</b>		<b>510,101.00</b>	<b>NIL</b>	<b>NIL</b>	<b>510,101.00</b>	<b>76,308.00</b>	<b>433,793.00</b>

Calculation of DTA/DTL:

Dep as per Companies Act	78,214.80
Dep as per Income Tax Act	76,308.00
Diff in Dep	1,906.80 (Timing Diff)
DTA	589

AAYUSH FOOD AND HERBS LIMITED  
Annexure Of Balance Sheet As On 31st March, 2012

Illustrative disclosure of the above requirements in the Notes to Accounts

Note 1 Disclosure pursuant to Note no. K (i) of Part I of Schedule VI to the Companies Act, 1956

Particulars		As at 31st March 2012	As at 31st March 2011
A	Trade Investments (Refer A below)		
	(a) Investment Properties		
	(b) Investment in Equity instruments		
	(c) Investments in preference shares		
	(d) Investments in Government or Trust securities		
	(e) Investments in debentures or bonds		
	(f) Investments in Mutual Funds		
	(g) Investments in partnership firms*		
	(h) Other non-current investments (specify nature)		
	Total (A)	-	-
B	Other Investments (Refer B below)		
	(a) Investment Properties (Building)	713,610.00	713,610.00
	(b) Investment in Equity instruments		
	(c) Investments in preference shares		
	(d) Investments in Government or Trust securities		
	(e) Investments in debentures or bonds		
	(f) Investments in Mutual Funds		
	(g) Investments in partnership firms*		
	(h) Other non-current investments (specify nature)		
	Total (B)	713,610.00	713,610.00
	Grand Total (A + B)	713,610.00	713,610.00
	Less : Provision for diminution in the value of Investments	-	-
	Total	713,610.00	713,610.00



## SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS

### (A) SIGNIFICANT ACCOUNTING POLICIES

1. The financial accounts, unless otherwise stated, are prepared at historical cost under the accrual method of accounting.
2. **REVENUE RECOGNITION**  
The Company follows the mercantile system of accounting for Income & Expenditure and unless otherwise stated, is being recognized on accrual basis.
3. **STOCK-IN-TRADE**  
Stock-in-trade is valued at lower cost and quoted value.
4. **FIXED ASSETS AND DEPRECIATION**  
Fixed Assets are carried at cost (including capitalized interest) less accumulated depreciation.
5. **TAXATION**  
Tax Expenses comprises of current & deferred income tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act. Deferred Tax is recognized, subject to consideration of prudence, on timing differences, being difference between taxable incomes and accounting income/expenditure that originate in one period and are capable of reversal in one or more subsequent year(s). Deferred taxes are reviewed for their carrying values at each balance sheet date.

For Rajesh Laxmi & Associates  
Chartered Accountants

CA Rajesh Gupta  
Partner



For Aayush Food and Herbs Limited

Aayush Food And Herbs Limited

*[Signature]*  
Auth. Sing./Director

(Director)

(Director) Auth. Sign./D

Place: Delhi

Date: 01.09.2012

## B) NOTES ON THE ACCOUNTS

1. The Financial Statements of the Company have been prepared on a going concern basis as the Management is confident about the continuity of the business operations.
2. Balances appearing under loans and sundry creditors are subject to confirmation.
3. Balances of sundry debtors, advances recoverable are subject to confirmation from the respective parties. In the opinion of the management the same are good and recoverable.
4. There is no material prior period items included in Profit & Loss Account required to be disclosed as per Accounting Standard-5 issued by the Institute of Chartered Accountants of India (ICAI).
5. As more than 90% of revenue for the company comes from a single segment, segment reporting as required under Accounting Standard-17, issued by the Institute of Chartered Accountants of India (ICAI) is not applicable.
6. As per AS-22 "Accounting for Taxes on Income", the Company has determined Deferred Tax Assets of Rs. 589/- (Previous Year – Rs.3,979/-) as on March 31, 2012, on account of difference in depreciation.
7. Fixed Assets possessed by the company are treated as 'Corporate Assets' and not 'Cash Generating Unit' as defined by Accounting Standard-28 issued by the Institute of Chartered Accountants of India (ICAI) – "Impairment of Assets". As on March 31, 2012, there were no events or changes in circumstances which indicate any impairment in the assets.
8. As per Accounting Standard-18: Related Party Disclosures, issued by the Institute of Chartered Accountants of India, the related parties of the Company as on 31.03.2012 are as follows:
  - a) Holding/ Subsidiary Company-  
NIL
  - b) Associates/ Joint Ventures-  
NIL
  - c) Key Management Personnel-
    - Shri Sunil Kumar Chaturvedi
    - Shri Suresh Chand Joshi
  - d) Companies Controlled by key management personnel with whom transactions have taken place during the year
    - M/s Maa Kamakhya Herbals Limited

Description	Companies Controlled by Key Management Personnel	
	This Year	Previous Year
Sales during the year	2,19,15,825/-	2,95,43,774/-
Closing Balance – (Dr.)	NIL	NIL
Closing Balance – (Cr.)	NIL	73,84,975/-



**AAYUSH FOOD AND HERBS LIMITED**  
As on 31st March, 2012

**NOTE 1**

Disclosure pursuant to Note no. 6(A)(a,b & c) of Part I of Schedule VI to the Companies Act, 1956

Share Capital	31st March 2012	31st March 2011
Authorised Share Capital 20,00,000 Equity Shares of Rs. 10/- each	20,00,000.00	20,00,000.00
Issued Share Capital 2,45,000 Equity Shares of Rs. 10/- each	2,450,000.00	2,450,000.00
Subscribed & Paid up Share Capital 2,45,000 Equity Shares of Rs. 10/- each	2,450,000.00	2,450,000.00
Subscribed but not fully Paid up	NIL	NIL
<b>Total</b>	<b>2,450,000.00</b>	<b>2,450,000.00</b>

**NOTE 1A**

Disclosure pursuant to Note no. 6(A)(d) of Part I of Schedule VI to the Companies Act, 1956

Particulars	Equity Shares Number	Amount
Share Capital at the beginning of the year	245,000	2,450,000.00
Add: Shares Issued during the year	NIL	NIL
Less: Shares bought back during the year	NIL	NIL
Share Capital at the end of the year	245,000	2,450,000.00

**NOTE 1B**

Disclosure pursuant to Note no. 6(A)(f) of Part I of Schedule VI to the Companies Act, 1956

..... Equity Shares..... are held by....., the holding company.

NIL

**NOTE 1C**

Disclosure pursuant to Note no. 6(A)(g) of Part I of Schedule VI to the Companies Act, 1956 (if more than 5%)

Name of Shareholder	No. of Shares held	% of Holding
Raj Kumar Chawla	18800	7.67%
Rajni Chawla	23600	9.63%
Poonam Kapoor	20250	8.27%
Surender Chawla	20000	8.16%
Rakesh Chawla	20000	8.16%
Narender Chawla	20000	8.16%
Krishna Kapoor	20000	8.16%
Hansraj Rajpal	20000	8.16%
Manoj Kumar	13800	5.63%
<b>Total</b>	<b>176450</b>	<b>72.00%</b>

**NOTE 1 D**

Disclosure pursuant to Note no. 6(A)(k) of Part I of Schedule VI to the Companies Act, 1956

Unpaid Calls	
By Directors	
By Officers	

**NOTE 1 E**

NIL

**AAYUSH FOOD AND HERBS LIMITED**

As on 31st March, 2012

**NOTE 2**

Disclosure pursuant to Note no. 6(B) of Part I of Schedule VI to the Companies Act, 1956

Reserves & Surplus	31st March 2012	31st March 2011
a. Capital Reserves	NIL	NIL
b. Capital Redemption Reserve	NIL	NIL
c. Securities Premium Account	NIL	NIL
d. Debenture Redemption Reserve	NIL	NIL
e. Revaluation Reserve	NIL	NIL
f. Share Options Outstanding Account	NIL	NIL
g. Other Reserves	NIL	NIL
h. Surplus		
Opening balance	609,073.87	222,849.57
(+) Net Profit/(Net Loss) For the current year	82,567.83	386,224.30
(+) Transfer from Reserves	-	-
(-) Proposed Dividends	-	-
(-) Interim Dividends	-	-
(-) Transfer to Reserves	-	-
Closing Balance	691,641.70	609,073.87
Total	691,641.70	609,073.87

Note:

1. Reserve specifically represented by earmarked investments shall be termed as a 'fund'
2. Debit balance of P & L shall be shown as negative figure under surplus instead of presenting on the asset side

**NOTE 3**

Disclosure pursuant to Note no. 6(G) of Part I of Schedule VI to the Companies Act, 1956

Other Current Liabilities *	31st March 2012	31st March 2011
(a) Current maturities of long-term debt		
(b) Current maturities of finance lease obligations		
(c) Interest accrued but not due on borrowings		
(d) Interest accrued and due on borrowings		
(e) Income received in advance		
(f) Unpaid dividends		
(g) Application money received for allotment of securities and due for refund		
Interest accrued on (g) above		
Number of shares proposed to be issued: _____		
Amount of premium (if any): _____		
Terms and conditions of shares proposed to be issued: _____		
Date by which shares shall be allotted: _____		
Whether the company has sufficient authorized capital to cover the share capital amount resulting from allotment of shares out of such share application money		
The period overdue from the last date of allotment is _____; reason being _____		



**AAYUSH FOOD AND HERBS LIMITED**

As on 31st March, 2012

# All amounts out of Share Application money which are refundable to be shown under this head (non-refundable portion of share application money will form part of 'Share Application Money Pending Allotment' (Balance Sheet))		
(h) Unpaid matured deposits and interest accrued thereon		
(i) Unpaid matured debentures and interest accrued thereon		
(j) Other payables		
Security Rent Received	NIL	50,000.00
<b>Total</b>	<b>NIL</b>	<b>50,000.00</b>

**NOTE 4**

Disclosure pursuant to Note no. 6(H) of Part I of Schedule VI to the Companies Act, 1956

Short Term Provisions	31st March 2012	31st March 2011
(a) Provision for employee benefits		
Salary & Reimbursements	NIL	NIL
Contribution to PF	NIL	NIL
Gratuity (Funded)	NIL	NIL
Leave Encashment (funded)	NIL	NIL
Superannuation (funded)	NIL	NIL
ESOP / ESOS	NIL	NIL
(b) Others (Specify nature)		
Provision for Tax	19,299.00	134,597.00
Audit fee Payable	20,000.00	19,854.00
Salary Payable	NIL	30,000.00
Vat Payable	NIL	199,176.00
Delihi Branch	1,494,457.57	386,451.57
<b>Total</b>	<b>1,533,756.57</b>	<b>770,078.57</b>

**NOTE 5**

Disclosure pursuant to Note no. L (i), (ii) and (iii) of Part I of Schedule VI to the Companies Act, 1956

Long Term Loans and Advances	31st March 2012	31st March 2011
a. Capital Advances	NIL	NIL
b. Security Deposits		
Secured, considered good		
(i) Deposits with BSES	17,000.00	17,000.00
Unsecured, considered good		
Doubtful		
Less: Provision for doubtful deposits		
c. Loans and advances to related parties (refer Note 2)	NIL	NIL
d. Other loans and advances (specify nature)		
Secured, considered good		
(i) Advance Tax	NIL	50,000.00
(ii) Sales Tax Department	266,003.00	266,000.00
Unsecured, considered good		
Doubtful		
Less: Provision for _____		
<b>Total</b>	<b>283,003.00</b>	<b>333,000.00</b>

**AAYUSH FOOD AND HERBS LIMITED**  
As on 31st March, 2012

**NOTE 6**

Disclosure pursuant to Note no.M (i),(ii) and (iii) of Part I of Schedule VI to the Companies Act, 1956

	31st March, 2012	31st March, 2011
Other Non Current Asset		
credit terms)		
Secured, considered good		
Unsecured, considered good		
Doubtful		
Less: Provision for doubtful debts		
b. Others (specify nature)		
Income Tax Refund		
(i) I.T.Refund (2010-11)	61,870.00	94,125.00
(ii) I.T.Refund (2008)	NIL	26,315.00
(iii) I.T.Refund (2007)	NIL	30,017.00
Secured, considered good		
Unsecured, considered good		
Doubtful		
Less: Provision for _____		
c. Debts due by related parties (refer note 2)		
Secured, considered good		
Unsecured, considered good		
Doubtful		
Less: Provision for doubtful debts		
Total	61,870.00	150,457.00

**NOTE 7**

Disclosure pursuant to Note no.O (i), (ii) and (iii) of Part I of Schedule VI to the Companies Act, 1956

Inventories	31st March, 2012	31st March, 2011
a. Raw Materials and components (Valued at _____)		
Goods-in transit		
Sub total		
b. Work-in-progress (Valued at _____)		
Goods-in transit		
Sub total		
c. Finished goods (Valued at _____)		
Goods-in transit	NIL	6,234,236.00
Sub total	NIL	6,234,236.00
d. Stock-in-trade (Valued at _____)		
Goods-in transit		
Sub total		
e. Stores and spares (Valued at _____)		
Goods-in transit		
Sub total		
f. Loose Tools (Valued at _____)		
Goods-in transit		
Sub total		
g. Others (Specify nature)		
Sub total		
Grand Total	NIL	6,234,236.00



**AAYUSH FOOD AND HERBS LIMITED**  
As on 31st March, 2012

**NOTE 8**

Disclosure pursuant to Note no.P (i), (ii), (iii) and (iv) of Part I of Schedule VI to the Companies Act, 1956

	31st March 2012	31st March 2011
<b>Trade Receivables</b>		
Trade receivables outstanding for a period less than six months from the date they are due for payment		
Secured, considered good	NIL	NIL
Unsecured, considered good	875,266.82	814,822.80
Unsecured, considered doubtful	-	-
Less: Provision for doubtful debts	-	-
Trade receivables outstanding for a period exceeding six months from the date they are due for payment		
Secured, considered good	-	-
Unsecured, considered good	-	-
Unsecured, considered doubtful	-	-
Less: Provision for doubtful debts	-	-
<b>Total</b>	<b>875,266.82</b>	<b>814,822.80</b>

**NOTE 9**

Disclosure pursuant to Note no.Q (i), (ii), (iii), (iv) and (v) of Part I of Schedule VI to the Companies Act, 1956

	31st March, 2012	31st March, 2011
<b>Cash and cash equivalents</b>		
a. Balances with banks*		
(i) Vijaya Bank	42,872.00	8,072.00
(ii) Bank Of Baroda	NIL	2,713.45
(iii) Indian bank	5,856.00	40,856.00
(iv) PNB	197,543.00	250,420.00
(v) HDFC Bank	NIL	1,148,723.00
This includes:		
Earmarked Balances (eg/- unpaid dividend accounts)		
Margin money		
Security against borrowings		
Guarantees		
Other Commitments		
Bank deposits with more than 12 months maturity		
b. Cheques, drafts on hand		
c. Cash on hand*	136,025.68	425,385.00
d. Others (specify nature)		
<b>Total</b>	<b>382,296.68</b>	<b>1,876,169.45</b>

\*Repatriation-restrictions, if any, in respect of cash and bank balances shall be separately stated.

AAYUSH FOOD AND HERBS LIMITED

As on 31st March, 2012

NOTE 10

Disclosure pursuant to Note no.R (i), (ii) and (iii) of Part I of Schedule VI to the Companies Act, 1956

Short-term loans and advances	31st March, 2012	31st March, 2011
a. Loans and advances to related parties (refer note 2)		
Secured, considered good		
Unsecured, considered good		
Doubtful		
Less: Provision for doubtful loans and advances		
b. Others (specify nature)		
TDS	26,125.00	31,375.00
(i) Romy motors	465,000.00	718,000.00
(ii) Anil Gulati	NIL	400,000.00
(iii) Almondz Global Securities Ltd.	NIL	500,000.00
(iv) Geeta Woolen Mill	NIL	400,000.00
(v) Kaushik Gulati	NIL	300,000.00
(vi) Rarn Bharat	NIL	3,000,000.00
(vii) Haridwar Branch	1,494,457.57	386,451.57
Secured, considered good	-	-
Unsecured, considered good	-	-
Doubtful	-	-
Less: Provision for _____	-	-
Total	1,985,582.57	5,735,826.57

NOTE 11

As per Point No. 65 of General Instructions for Preparation of Balance Sheet

Other current assets (specify nature)	31st March, 2012	31st March, 2011
1 Preliminary Expenditure	86,000.00	129,000.00
	86,000.00	129,000.00

This is an all-inclusive heading, which incorporates current assets that do not fit into any other asset categories.



**AAYUSH FOOD AND HERBS LIMITED**  
As on 31st March, 2012

**NOTE 12**

In respect of a company other than a finance company revenue from operations shall disclose separately in the notes revenue from:

Particulars	As at 31 March 2012	As at 31 March 2011
Sale of products	35,280,104.00	49,804,786.72
Sale of services		
Other operating revenues		
Less: Excise duty		
<b>Total</b>	<b>35,280,104.00</b>	<b>49,804,786.72</b>

In respect of a finance company, revenue from operations shall include revenue from:

Particulars	As at 31 March 2012	As at 31 March 2011
Interest; and	NIL	NIL
Other financial services	NIL	NIL
<b>Total</b>	<b>NIL</b>	<b>NIL</b>

Revenue under each of the above heads shall be disclosed separately by way of notes to accounts to the extent applicable.

**NOTE 13**

Disclosure pursuant to Note no. 4 of Part II of Schedule VI to the Companies Act, 1956

Other Income	As at 31 March 2012	As at 31 March 2011
Interest Income (in case of a company other than a finance company)	19,618.00	3,163.00
Dividend Income	NIL	
Net gain/loss on sale of investments	NIL	
Other non-operating income (net of expenses directly attributable to such income)	335,442.52	313,750.00
<b>Total</b>	<b>355,060.52</b>	<b>316,913.00</b>

**NOTE 14**

Disclosure pursuant to Note no. 5(i)(a) of Part II of Schedule VI to the Companies Act, 1956

Employee Benefits Expense	As at 31 March 2012	As at 31 March 2011
(a) Salaries and incentives	986,000.00	645,000.00
(b) Contributions to -		
(ii) Superannuation scheme		
(c) Gratuity fund contributions		
(d) Social security and other benefit plans for overseas employees		
Purchase Plan (ESPP),		
(f) Staff welfare expenses	246,387.37	NIL
<b>Total</b>	<b>1,232,387.37</b>	<b>645,000.00</b>

9. Amount paid/ payable to Auditors.

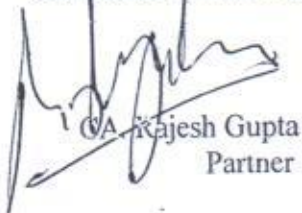
Audit Fees

Current Year (Rs.)  
20,000/-

Previous Year (Rs.)  
19,854/-

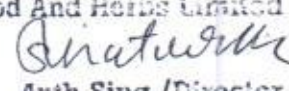
10. Previous year figures have been re-grouped/ re-arranged wherever necessary to conform to the current year's presentation.

For Rajesh Laxmi & Associates  
Chartered Accountants

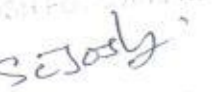
  
CA Rajesh Gupta  
Partner



For Aayush Food and Herbs Limited  
Aayush Food And Herbs Limited

  
Auth. Sing./Director

(Director)

  
(Director)

Place: Delhi  
Date: 01.09.2012



# Aayush Food and Herbs Limited

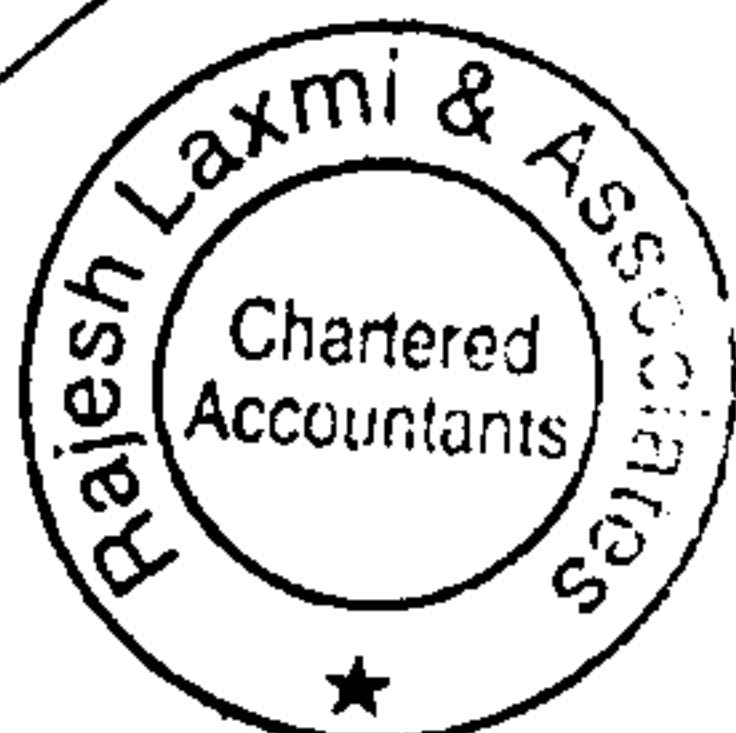
Cash Flow Statement for the year ended as on 31 March, 2012

Particulars	Year ended as on 31 <sup>st</sup> March 2012		Year ended as on 31 <sup>st</sup> March 2011	
	Details	Amount	Details	Amount
<b>A. Cash flow from operating activities:</b>				
Net Profit / (Loss) before extraordinary items and tax		101,277.83		516,842.30
Adjustments for:				
Depreciation and amortisation	78,214.80		107,575.00	
Profit on sale of assets	-		-	
Interest and other charges	6,400.00		4,673.00	
Deferred Revenue Expenditure written off	43,000.00		43,000.00	
Interest Income	(19,618.00)		(3,163.00)	
Dividend Income	-	107,996.80	-	152,085.00
Operating profit / (loss) before working capital changes		209,274.63		668,927.30
Changes in working capital:				
Adjustments for (increase) / decrease in operating assets:				
Short term loans and advances	49,997.00		-	
Trade receivables	(60,444.02)		6,202,466.24	
Repayment of Security for Rent	(50,000.00)		-	
Inventories	6,234,236.00		8,031,064.00	
Other Current Assets	88,587.00		(349,800.00)	
Provisions	763,678.00		166,201.00	
Adjustments for increase / (decrease) in operating liabilities:				
Trade payables	(12,473,364.38)		12,473,364.38	
Cash generated from operations		(5,447,310.40)		26,523,295.62
Less: Net income tax Paid		(5,257,334.77)		27,192,222.92
Net cash used in operating activities (A)		19,299.00		134,597.00
		(5,257,334.77)		27,057,625.92
<b>B. Cash flow from investing activities:</b>				
Proceeds from sale of fixed assets				
Purchase of fixed assets				
Loan and Advances received	3,750,244.00			
Proceeds from Other Non Current Assets				
Dividend Income				
Interest Received	19,618.00		3,163.00	
Proceeds from sale of Investment				
Purchase of Investment				
Net cash flow from investing activities (B)		3,769,862.00		3,163.00
<b>C. Cash flow from financing activities:</b>				
Proceeds from long-term borrowings				
Interest and Other Charges	(6,400.00)		(4,673.00)	
Repayment of Loan (Chiragu Herbocare Pvt. Ltd.)			(3,500,000.00)	
Repayment of Loan and Advances			3,226,000.00	
Cash flow from extraordinary items				
Net cash used in financing activities (C)		(6,400.00)		(278,673.00)
Net Increase / (decrease) in Cash and cash equivalents (A+B+C)		(1,493,872.77)		36,782,115.92
Cash and cash equivalents at the beginning of the year		1,876,169.45		(24,905,946.47)
Cash and cash equivalents at the end of the year		382,296.68		1,876,169.45

As per our Attached Report of Even Date

For Rajesh Laxmi & Associates  
Chartered Accountants  
Firm Regn.No. 012203

Rajesh Gupta  
Partner  
M.No. 090427  
Place: Delhi  
Date: 01/09/2012



On behalf of the board of Directors  
For Aayush Food and Herbs Limited

S. C. Joshi  
Suresh Chandra Joshi  
Director

Sunil Kumar Chaturvedi  
Director